

**PRIME MINISTER**

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**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence- Freedom- Happiness**

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No: 1515/QĐ-TTg

*Hanoi, September 3<sup>rd</sup>, 2015*

**DECISION**

***On approval of the Charter on Organization and Operation  
of the Vietnam Development Bank***

**PRIME MINISTER**

*Pursuant to Law on Government organization dated December 25th, 2001 ;*

*Pursuant to Law on State Budget dated December 16th, 2002 ;*

*Pursuant to Law on Enterprises dated November 26th, 2014;*

*Pursuant to Law on Credit Institutions dated June 16th, 2010;*

*Considering the proposal of Minister of Finance on Document No. [6425/BTC-TCNH](#)  
dated May 19<sup>th</sup>, 2015,*

**DECIDES:**

**Article 1.** To approve the Charter on Organization and Operation of the Vietnam Development Bank as attached to this Decision.

**Article 2.** This Decision comes into effect as from the signing date.

**Article 3.** Ministers, Heads of ministerial-level agencies, Heads of Government's agencies, Chairman of People's Committees of provinces and centrally-governed cities, Board of Directors and General Director of Vietnam Development Bank are responsible to implement this Decision./.

**Recipients:**

- As Article 3;
- Secretary Committee of Central Communist Party;
- Prime Minister, Deputy Prime Ministers;
- People's Supreme Court;
- People's Supreme Procuracy;
- State Audit;
- National Financial Supervisory Commission
- Government Office: in charged Minister, Deputy Ministers, Prime Minister assistant, Departments: General Office, TKBT, PL;
- Storage: Archives, General Economics Dept. (03 copies).

**PRIME MINISTER**

**Nguyen Tan Dung**

## CHARTER

### ORGANIZATION AND OPERATION OF VIETNAM DEVELOPMENT BANK

*(Promulgated in conjunction with Decision No.1515/QD-TTg dated September 03, 2015 of Prime Minister)*

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#### Chapter I

#### GENERAL PROVISION

##### **Article 1. Interpretation of terms**

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

1. The managements of Vietnam Development Bank include Chairman, Vice Chairman, members of Board of Directors, General Director, Head of Supervisory Board.
2. Board of Management includes General Director, Deputy General Director and Chief Accountant of Vietnam Development Bank.
3. The executive of Vietnam Development Bank include General Director, Deputy General Director, Chief Accountant, Heads of the units of and directly under Vietnam Development Bank.
4. Units of Vietnam Development Bank include Departments, Centers, Administrative Office and Divisions in headquarters of Vietnam Development Bank.
5. Units directly under Vietnam Development Bank include transaction centers, branches in provinces and cities under the central and regional government, business units.
6. The relevant parties are organizations and individuals that have directly or indirectly relations with other organizations and individuals in any of the following cases:
  - a) Vietnam Development Bank with subsidiaries and reverse; Vietnam Development Bank's managers, executives, individuals or organizations have authority to appoint Vietnam Development Bank's managers and executives with subsidiaries and reverse;
  - b) Vietnam Development Bank with the managers, executives who run Vietnam Development Bank or the competent authorities to appoint that person and reverse;
  - c) Vietnam Development Bank with organization in which Vietnam Development Bank owns 5% of charter capital or equity capital with voting rights or more, and reverse;
  - d) The managers, executives who run Vietnam Development Bank with spouses, parents, children, brothers and sisters of such person;
  - e) Vietnam Development Bank with spouses, parents, children, brothers and sisters of the managers, executives who run Vietnam Development Bank, and reverse;

e) A person who is authorized by organization, individual defined in the above points a, b, c, d and e of this Clause to represent with such organization, individual; individuals authorized to represent the equity of Vietnam Development Bank in an organization.

## **Article 2. The name, headquarters of Vietnam Development Bank**

1. Name:

Vietnamese name: Ngân hàng Phát triển Việt Nam

International business name: The Vietnam Development Bank

Abbreviated name is VDB.

2. VDB has its head office in Hanoi Capital city, Transaction Centers, branches in provinces and cities under the central and regional government, dependent record non-business units.

Head office: 25A Cat Linh. Dong Da, Hanoi

Website: [www.vdb.gov.vn](http://www.vdb.gov.vn)

Tel: +84.4.37 365 659. Fax: +84.4.3736567

## **Article 3. Legal position, legal person status of Vietnam Development Bank**

1. VDB is a policy-based bank, operating under the model of a limited company in which state holds 100% charter capital.

2. VDB has legal person status under the law of Vietnam; has chartered capital, seal, opens accounts at the State Bank of Vietnam, the State Treasury, domestic and foreign commercial banks, participates banking settlement system and supply settlement services in accordance with the law.

## **Article 4. Owner and representative of state owner of Vietnam Development Bank**

1. The State is the owner of VDB. Government implements unified management of rights and duties of the owner for VDB.

2. The Prime Minister directly performs the rights and obligations of the owner assigned by the Government or authorize the Ministry of Finance to do.

3. The Ministry of Finance implements some rights and duties of the owner as assigned by the Government or authorized by the Prime Minister and the provisions of this Charter.

4. The Board of Directors is direct representative of the state owner at VDB, decides issues relating to operation of VDB in accordance with decentralization provisions in hereof.

## **Article 5. Legal Representative of Vietnam Development Bank**

The legal representative of VDB is General Director.

### **Article 6. Objective and operation principle**

1. VDB operates based on non- profit principle to carry out policy credit of the State and other duties as prescribed by the Government, the Prime Minister; is subsidized interest spread and management fees by the State budget, is guaranteed its solvency by the government, is exempted from tax and other payments to the state budget.
2. Operation of VDB shall be compliance with the Law on State Budget, the Law on Enterprises, the Law on Credit Institutions, the legal documents concerned and the provisions of this Charter.
3. VDB shall be applied compulsory reserve ratio of 0% (zero percent) and is not required for deposit insurance.

### **Article 7. Chartered capital of Vietnam Development Bank**

1. Chartered capital of VDB is 30.000 billion VND (thirty trillion Vietnam dong).
2. Adjustment for its chartered capital shall be decided by the Prime Minister based on the proposal of the Ministry of Finance, to ensure matching with requirements, duties as well as required ratio of equity in each period.

### **Article 8. Operation term**

Operation term of VDB is 99 years since the effective date of Decision No. 108/2006/QD-TTg of Prime Minister on establishment of VDB.

### **Article 9. Activities of Party organizations and political - social organizations in Vietnam Development Bank**

1. Communist Party's organizations inside VDB work in line with the Constitution and Law of the Socialist Republic of Vietnam and the regulations of Vietnam Communist Party.
2. Trade unions and political - social organizations inside VDB work under the Constitution and laws of the Socialist Republic of Vietnam and the charter of such organizations, in accordance with the provisions of the law.
3. VDB creates favorable conditions for operating inside VDB of Communist Party's organizations and political - social organizations; respects and facilitate the workers' participating in these organizations.

## **Chapter II**

### **FUNCTIONS AND DUTIES, RESPONSIBILITIES AND POWERS OF VIETNAM DEVELOPMENT BANK**

#### **Article 10: Functions and duties of Vietnam Development Bank**

1. Mobilization activities:

- a) Issuing bonds guaranteed by the Government.
- b) Issuing VND-denominated valuable papers, certificates of deposits, promissory notes, bonds of VDB in accordance with the law.
- c) Borrowing Vietnam Social Insurance, domestic and overseas financial institutions in accordance with the law.
- d) Borrowing refinancing loan at the State Bank of Vietnam in accordance with the law and the guidance of the State Bank of Vietnam;
- đ) Receiving entrusted deposits of domestic and oversea institutions;
- e) Mobilizing other capital sources in compliance with the law.

#### 2. Credit activities:

- a) Loans in accordance with credit policy of the State; loan programs and projects assigned by the Government, the Prime Minister;
- b) Credit guarantee for small and medium-sized enterprises to borrow capital at commercial banks prescribed by the Prime Minister;
- c) On-lending foreign capital of the Government;
- d) Short-term loans under the Decision of the Prime Minister with the principle of the state budget is not subsidized interest rate spread.

#### 3. Trust and trustee activities:

- a) Getting fund raising entrustment, lending entrustment in accordance with the law;
- b) Getting entrustment of operating credit guarantee fund for small and medium-sized enterprises and local financial funds targeted local development;
- c) Trusting credit institutions with performing some activities of VDB in accordance with the law;
- d) Trusting, getting entrustment of financial and banking services supply to clients in accordance with the law.

4. Participates in interbank market; operates internal settlement; provides settlement services, foreign exchange services and other banking services to clients; performs foreign exchange activities; joins domestic and international settlement system in accordance with the law and the guidance of the State Bank of Vietnam.

5. Performs other tasks assigned by the Government, the Prime Minister.

### **Article 11. Responsibilities and powers of Vietnam Development Bank**

#### 1. VDB shall:

- a) Implement activities specified in Article 10 of this Charter;

- b) Manage and use of funds and assets given by the Government under the regulations of the law and this Charter;
- c) Refund fully, timely principal and interest on all funds that VDB mobilized from domestic and foreign institutions according to its commitment;
- d) Transparency and public report of operation and finance; observe statistical reporting to the competent authorities according to regulations;
- e) Assure its capital and take measures to assure capital; be responsible for the loss of VDB's capital as regulated by the Law.

2. VDB is empowered to:

- a) Open deposit accounts at the State Bank of Vietnam, the State Treasury, domestic and foreign commercial banks in accordance with the law; open accounts for domestic and foreign customers in accordance with the law; borrow refinancing loans at the State Bank of Vietnam under the guidance of the State Bank of Vietnam;
- b) Establish subsidiaries or participate in establishment of associated companies at home and abroad to manage, exploit and sell property to recover debt after the consent of the Prime Minister;
- c) Request customer to submit document for proving investment project, feasible business plan, financial capacity and ability
- d) Appraise project, financial plan, business plan and repayment plan, capacity of customer prior to making its loan approval
- đ) Reject lending, guarantee for small and medium-sized enterprises to borrow capital at commercial banks of unqualified customer, project, loan and guarantee application as regulated.
- e) Supervise and monitor the loan using and repayment of clients
- g) Terminate the loan, retrieve the debt before maturity date upon discovery of its client submitting untrue information, violating credit agreement and the law; deny implementing credit guarantee responsibility in accordance with the law on credit guarantee for small and medium-sized enterprises to borrow capital at commercial banks
- h) Sue its client or guarantor for violating agreement as regulated by the Law.
- i) Settle the risk in line with regulations of this Charter and related laws
- k) On the due date, unless other negotiation is made, if the client fails to repay the loan, VDB has the right to sell out loan-secured assets to cover the loan as regulated by the Law.
- j) Request the tax authorities, customs authorities, credit institutions and agencies having function of management, information gathering to provide information in accordance with relevant law to borrowers or applicants of VDB, or customers that are small and medium-

sized enterprises guaranteed by VDB or offered to be guaranteed for borrowing from other commercial banks, in order to serve both lending and credit guarantee for small and medium-sized enterprises of VDB.

### **Chapter III**

#### **MANAGEMENT STRUCTURE OF VIETNAM DEVELOPMENT BANK**

##### **Section 1. MANAGEMENT STRUCTURE OF VIETNAM DEVELOPMENT BANK**

###### **Article 12. Management Structure of Vietnam Development Bank**

1. Board of Directors.
2. Supervisory Board.
3. General Director and the Assisting apparatus.

##### **Section 2. BOARD OF DIRECTORS**

###### **Article 13. Board of Directors and members of Board of Directors**

1. The Board of Directors is the governing body of VDB, performing some of the duties and powers of the owner of state capital in VDB, on behalf of VDB to decide, perform the duties and powers of VDB, except for matters within the jurisdiction of the owner, the Ministry of Finance; responsible to the owner, the Ministry of Finance for its implementation of duties and powers as prescribed by law and this Charter.

2. Structure of the BOD includes Chairman, Vice Chairman and members of the Board of Directors, number of the Board is a maximum of 5 (five) people, working on a full charge. General Director of VDB is a member of the BOD.

Chairman of the Board, General Director of VDB are appointed, dismissed by the Prime Minister; other members of the BOD are for the Minister of Finance to appoint and dismiss.

3. The term of the Board of Directors is 05 (five) years; the term of the Board members shall not exceed 05 (five) years and may be reappointed for an unlimited number of term. Members of the Board may be dismissed or appointed or replaced, while new member's term is as the remaining duration of the term of the Board.

Criteria and conditions for members of the BOD shall comply with the provisions of this Charter.

4. The Board of Directors uses the stamp of VDB to carry out its duties.

5. The Board of Directors establishes the Secretariat of the Board and a number of specialized sections to assist the Board of Directors after obtaining the approval of the Ministry of Finance.

Specific functions and duties of the Secretariat and the specialized sections are decided by the BOD.

Operating expenses, salaries and bonuses of the Secretariat, of the specialized sections are decided by the BOD to follow regulations and are recorded in operating expenses of VDB.

6. Remuneration and other reasonable expenses of the BOD and members of the Board to perform the assigned tasks are charged to operating expenses of VDB; Salaries and bonuses of the Chairman, Vice Chairman and members of the Board shall comply with the provisions of law and regulation on financial management of VDB.

#### **Article 14. Duties and powers of the Board of Directors**

1. Submit to the competent State management agencies to decide or submit to the competent authority to decide, as follows:

a) Submit to the Ministry of Finance the contents specified in Clauses 2, 3 and 4 of Article 39 of this Charter;

b) Submit to the Ministry of Planning and Investment the contents specified in Clauses 1 and 2 of Article 41 of this Charter.

2. Issue internal regulations relating to the organization, administration and operation of VDB in conformity with the law include:

a) Regulations on organization and operation of the Board, the units at headquarter; Supervisory Board, internal audit, transaction centers, branches, transaction offices and approval of charter of subsidiaries, domestic and abroad associated companies;

b) Regulation on assignment and authorization within the Board of Directors, General Director and the Assisting apparatus of VDB, in which, clearly define responsibilities of each level in order to ensure that governance and administration is safe, efficient and smooth;

c) Professional regulations, statutes, other regulations under the jurisdiction of the Board.

3. Specify the development strategy; decide the annual and 5-year work plans after the approval of Prime Minister; decide plan for basic construction investment, capital mobilization and annual use of VDB.

4. Decide or decentralize and authorize under the provisions of law and regulation on assignment and authorization of VDB in:

a) Loans, credit guarantee for each project/ borrowing; plans for raising capital and other activities as prescribed by law;



- b) Management of risk and loss in lending State policy capital, other loans and credit guarantees under the authority of the Board in accordance with law and risk management regulation of VDB;
  - c) Investment in basic construction, purchase and sale of assets of VDB under the provisions of law for which the State holds 100% of chartered capital;
  - d) Transfer of investment capital for basic construction and purchase of fixed assets; transfer of assets between units in the system of VDB.
5. Approve: the statement of operations, statement of final accounts, financial result distribution, appropriation and use of funds and publishing annual report of VDB under the provisions of law and regulation on financial management for VDB.
  6. Decide on the establishment, reorganization, dissolution, bankruptcy or change of ownership of the transaction centers, branches and dependent accounting units.
  7. Decide on the structure, number of department or division at the head office, transaction centers and branches of VDB in the country and abroad in accordance with law and the provisions of this charter.
  8. Decide personnel of the units of and directly under within the total assigned personnel. Decide pay ranges, pay roll, salary regime of workers and the titles except for those under the jurisdiction of the Prime Minister and the Ministry of Finance as stipulated by law. Decide or decentralize and authorize to decide on salary and bonus regime for the titles appointed by the Board under the provisions of law.
  9. Decide on the appointment, reappointment, dismissal, resignation acceptance, reward and discipline for: Deputy General Director, Chief accountant; Head, Deputy and other titles of departments, professional divisions assisting the Board; Head of the units of and directly under as the provisions of Clauses 4 and 5 of Article 1 of this Charter; representatives of contributed capital of VDB upon the request of the General Director.
  10. Decide to change the name, location, reorganization, dissolution, ownership transfer, bankruptcy and termination of subsidiaries, associated companies of VDB after approval of the Prime Government.
  11. Decide on matters within the jurisdiction of the owners to the capital contributed by VDB in subsidiaries, associated companies in accordance with the law and internal regulations of VDB. Decide plan and adjust annual plans of transaction centers, branches and subsidiaries. Decide to contribute capital, hold, increase or reduce capital of VDB in subsidiaries, associated companies after the Prime Minister approves the policy.
  12. Supervise and evaluate the operation of VDB. Suspend, cancel and annul the documents, regulations stipulated by VDB (except for the documents issued by the

Supervisory Board), which contrary to the resolutions, decisions and other current text of the Board of Directors.

13. Check, supervise and direct the General Director in the implementation of the assigned tasks; review, evaluate annually the effectiveness of work of the General Director and report to the Ministry of Finance.

14. Comment, annually evaluate, supervise or decentralize supervision of position of Deputy General Director, Chief accountant and the titles under the jurisdiction of the Board.

15. Decide to delegate members of the Board, Deputy General Director, Chief Accountant to work or study in the country and abroad.

16. Approve of the independent audit organization to audit the activities of VDB at the request of the General Director.

17. Other duties and powers as stipulated by law.

#### **Article 15. Duties and powers of the Chairman of the Board**

1. Issue programs, operation plans of the Board. Assign tasks to members of the Board. Direct and supervise the Board members in performing the tasks, the duties and power assigned.

2. Convene and preside over the meetings of the Board of Directors under the provisions of this Charter.

3. On behalf of the Board to sign the resolutions and decisions of the Board; sign the documents submitted to the competent authorities and settle matters under duties and powers of the Board.

4. Monitor or organize monitoring the implementation of the resolutions, decisions and other documents of the Board;

5. At least once a year, evaluate the effectiveness of work of each member of the Board and report the results for owner assessments.

6. On behalf of the Board to receive capital allocated by the Government to VDB.

7. Sign decision to delegate members of the Board (excluding the General Director), Deputy General Directors, Chief accountant to go for business, study and visit abroad.

8. In case of absence, issue a written authorization for a member of the Board to exercise the rights and duties of the Chairman of the Board under the assignment, authorization regime regulated by the Board; inform the remaining members of the Board and the General Director about this authorization.

The authorized person must be responsible to the Chairman of the Board of Directors for authorized works.

9. Be responsible to the law and to the Board for his decisions.

10. Other duties and powers as stipulated by law.

#### **Article 16. Duties and powers of members of the Board**

1. Perform the duties and powers of the Board members in accordance with the operation statute of the Board and the assignment of the Chairman of the Board.

2. Study and assess the situation, results of operation and contribute to the development orientation, plan, action plan of VDB in each period.

3. Attend all meetings of the Board, discuss and vote on all matters within the content of the meeting, except for not voting because of the issue of interest conflict to that member. Be responsible to the law and to the Board for his decision.

4. Request the Board Chairman to convene the Extraordinary meeting of the Board of Directors in accordance with Clause 2 of Article 17 hereof.

5. Implement the decisions and resolutions of the Board of Directors in line with the law and this Charter.

6. Report to the Board for the implementation of the assigned tasks as required.

7. Other duties and powers as stipulated by law.

#### **Article 17. Meeting of the Board of Directors and the minute of the Board meeting**

1. The Board of Directors works on a collective bargaining, decided by majority vote; having meeting at least once a month chaired by the Chairman of the Board (or an authorized person) convene and chair to consider and decide the issues within its jurisdiction and responsibilities.

2. The Board of Directors extraordinary meeting at the request of one of the following cases:

a) The Chairman of the Board;

b) The General Director or Head of the Supervisory Board;

c) At least two members of the Board.

Request of BOD's extraordinary meeting must be made in writing in which clearly states the purpose of the meeting, issues discussed and to be decided within the jurisdiction of the Board. The person authorized to convene the Board of Directors may refuse that request if the issue should be discussed and decided not under the jurisdiction of the Board, but shall notify the proponent and members of the Board.

3. The Chairman of the Board or the member of the Board authorized by the Chairman of The Board to convene a meeting within 5 (five) working days from the date of receipt of the request to convene referred to in point b and c, Clause 2 of this article. If the Chairman of the Board or the authorized person refuses to convene meeting, the

Chairman of the Board or the authorized person shall be liable for the damages caused to VDB, except in case where they are unable to convene due to force majeure. In this case, the proposer referred to in point b and c, Clause 2 of this Article may replace the Chairman of the Board to convene the meeting of the Board of Directors.

4. The Chairman of the Board or the person convene meeting of the Board sends invitation at least 2 (two) working days before the meeting date. The meeting invitation is made in writing, in which clearly states the program, time and venue of the meeting, the issues discussed and decided.

5. A meeting of the Board shall be conducted when there is presentation of at least 2/3 (two thirds) of the total members of the Board.

6. Resolutions and decisions of the Board shall be effective only when more than 50% of the Board members attending the meeting vote for the approval or give written approval, in case the vote results is equal, the final decision shall be on the Chairperson of the meeting. The Supervisory board member is entitled to attend the meetings of the Board of Directors, to state opinion but not entitled to vote.

7. For works related to functions of state management of ministries, sections, local governments, economic organizations, social and political organizations, societies, associations, NGOs, the representatives of such competent organizations, agencies may be invited to attend the meeting. The meeting sessions with content directly related to the rights and obligations of labor in the VDB shall have to invite representatives of the Trade Union of VDB to attend.

8. Competence and opinion poll of the Board members in writing:

- a) The Chairman of the Board decides to consult the Board members in writing;
- b) The order and procedure for consulting the Board members are regulated by the Board on the basis of compliance with the law.

9. The minute of the Board meeting:

- a) The meeting of the Board shall be written in the minute book, in case of necessity it can be audio recorded. The minute is made in Vietnamese by the manner and contents prescribed by law;
- b) The minute of the Board meeting and the documents used in the meeting must be kept at the Headquarter of VDB.

### **Section 3. SUPERVISORY BOARD AND STRUCTURE OF SUPERVISORY BOARD**

#### **Article 18. Supervisory Board and structure of Supervisory Board**

1. The Supervisory Board shall control and evaluate the observance of the provisions of law and internal regulations, the Charter and the resolutions, decisions and other instruction documents of the owner and the Ministry of Finance, the Board of Directors.

2. The Supervisory Board has three (03) members; including 01 member is the Head of the Supervisory Board. The members of the Supervisory Board are appointed and dismissed by Ministry of Finance, working on a full charge.
3. The term of the Supervisory Board is 05 (five) years. The terms of the Supervisory Board members follow the term of the Supervisory Board. The Supervisory Board members may be elected or re-appointed for unlimited number of terms. The term of the members added or replaced is the remaining time of the term.
4. If the number of members of the Supervisory Board does not meet the two-thirds of the total members of term or does not meet the minimum number of members under the provisions of this Charter, within 60 days from the day that are not enough number of members, the Board has to propose Ministry of Finance to add enough number of members to the Supervisory Board.
5. The Supervisory Board has assistant unit, internal audit unit, is allowed to use the resources of VDB, to hire experts and other outside organizations to perform their duties.
6. The Supervisory Board operates under regulations issued by the Ministry of Finance; be responsible to the law and the Ministry of Finance for implementation of its rights and duties.
7. Criteria and conditions for members of the Supervisory Board shall comply with the provisions of this Charter.

#### **Article 19. Duties and powers of the Supervisory Board**

1. Check and supervise the observance of the guidelines and policies prescribed by law and this Charter in the management and administration of the Board of Directors, the Chairman of the Board, the General Director of VDB; be responsible to the law, the Ministry of Finance in the implementation of the assigned duties and powers.
2. Issue internal regulations of the Supervisory Board. Annually, review internal regulations of the Supervisory Board, the important policies on accounting and reporting, amend or propose amendment if considered necessary.
3. Check the financial operations, monitor the observance of the accounting record standards, the operation of inspection and internal audit system of VDB; be entitled to access, provide full, accurate and timely information and documents related to the management and administration of VDB to carry out the duties and powers assigned to it.
4. Appraise reports on the implementation of tasks, annual financial statements and examine each particular issue relating to the operation of VDB when deemed necessary before reporting to the Ministry of Finance and the relevant authorities.

5. Promptly notify the Board and the Ministry of Finance when discover law and statute violations of the managers of VDB; require the offender immediately stopping violations and implementing remedial measures (if any).
6. Suggest the Board of Directors to organize extraordinary meeting under the provisions of this Charter and the provisions of the relevant law. Be entitled to take part in briefings, meetings of the Board of Directors, meetings of the Board of Management, thematic meetings related to the implementation of the tasks of the Supervisory Board. Supervisory Board attending the meeting has the right to give opinions and make recommendations but does not have right to vote.
7. Be entitled to use the internal inspection and internal control units of VDB and requisition staff from functional departments of VDB for implementing its missions.
8. Be entitled to use the seal of VDB to carry out its functions and duties.
9. The Supervisory Board members are trained to control operations. If deemed necessary, may request the assistance of experts and specialized institutions to serve after the consent in writing of the Ministry of Finance.

The cost to hire experts, specialized institutions and funding activities of the Supervisory Board, including salaries and allowances of members of the Supervisory Board are decided by the Ministry of Finance and charged to the management cost of VDB.

10. Other duties and powers assigned by the Ministry of Finance.

#### **Article 20. Duties and powers of the Head of the Supervisory Board**

1. Organize carrying out the duties and powers of the Supervisory Board under the provisions of this Charter.
2. On behalf of the Supervisory Board to sign documents under the control of the Supervisory Board.
3. Prepare work plan and assign tasks to the Supervisory Board members under the work regulations of the Supervisory Board.
4. Ensure that the Supervisory Board members receive adequate, objective, accurate information as well as are given enough time to discuss the issues that the Supervisory Board should consider.
5. Supervise and direct the Supervisory Board members to carry out their assigned tasks, duties and powers of the Supervisory Board.
6. Authorize another member of the Supervisory Board to perform his duties during his absence.
7. On behalf of the Supervisory Board to propose that the Board of Directors organize extraordinary meeting and participate in the Board meetings as regulations. To require

recording his comments in the minutes of the Board meetings if his opinion differs from the decision of the Board and report to the Ministry of Finance.

8. Perform other duties as prescribed by law.

### **Article 21. Duties and powers of the Supervisory Board members**

1. Honestly and carefully perform the duties and powers of the Supervisory Board members in accordance with the law, this Charter and internal regulations of the Supervisory Board for the benefit of VDB and the benefit of the State.

2. Require the Head of the Supervisory Board to convene extraordinary Supervisory Board's meeting.

3. Control the operation, check accounting books, assets, financial reports and recommend remedial measures (if any).

4. Be entitled to request officials and employees of VDB to provide data and explanations of operations to perform their assigned tasks.

5. Report to the Head of the Supervisory Board about extraordinary financial operations, take personal responsibility for its own assessments and conclusions.

6. Attend the meetings of the Supervisory Board, give their opinion and vote on matters within the duties and powers of the Supervisory Board, except for the issues of a conflict of interest.

7. Attend all meetings of the Board of Directors, of the Board of Management, thematic meetings related to the implementation of the duties of the Supervisory Board, give their opinion and make recommendations, but not entitled to vote .

8. Require to record their comments in the minutes of the Board of Directors meetings if their opinion differs from the decision of the Board of Directors and report to the Ministry of Finance.

9. Perform other duties as prescribed by law.

## **Section 4. GENERAL DIRECTOR AND ASSISTANT APPARATUS**

### **Article 22. General Director**

1. General Director is the legal representative of VDB, managing the daily operations of VDB, responsible to the Board of Directors and to the law for the implementation of his duties and powers.

2. The term of the Director General is of 05 (five) years and may be reappointed for a non-limited terms.

3. The criteria and conditions for appointment of General Director shall comply with the provisions of this Charter.

### **Article 23. Duties and powers of the General Director**

1. Comply with the law, this Charter and the resolutions and decisions of the Board of Directors.
2. Organize the work plan of VDB, the resolutions and decisions of the Board of Directors.
3. Develop and submit to the Board of Directors:
  - a) Annual and five-year work plans and investment plans;
  - b) Annual plan of funds and use of capital funds; financial plan; recruitment and labor plan;
  - c) Regulations on welfare, reward and discipline for employees and other issues under the jurisdiction of the Board of Directors which the General Director has to submit to the Board of Directors in accordance with regulations.
4. Establish and maintain inspection and internal control system in a reasonable and effective operation.
5. Promulgate, give implementation guidelines under the authority of the statutes and internal regulations, procedures and operational procedures to effectively run the daily operation of VDB.
6. Decide on matters within the competence related to daily tasks management of VDB.
7. Decide on measures exceeding his authority in emergencies (including natural disasters, enemy sabotage, fires and other unforeseen events can cause damage to VDB if there is no quick and timely remedies) for the benefit of VDV and be responsible for these decisions, must report to the Board of Directors immediately right after that.
8. Release decision on the appointment, reappointment, dismissal, acceptance on resignation, reward and discipline to the remaining management positions in VDB under internal regulations issued by the Board of Directors, except for those under the jurisdiction of the Prime Minister, the Ministry of Finance and the Board of Directors. Determine the salaries, bonuses and allowances (if any) for those in authority to appoint, recruit.
9. Request to convene the Board of Directors extraordinary meeting under regulations prescribed by law and this Charter.
10. Report the results of operations of VDB to the Board of Directors, the Supervisory Board and the competent authorities under the provisions of law and this Charter.
11. Decide or decentralize, authorize the unit of or directly under VDB to grant credits, sign contracts, raise capital, invest, liquidate and sell assets of VDB; transfer capital and assets between the units of or directly under VDB in accordance with law and the authority decentralized or authorized by the Board of Directors.



12. Together with the Chairman of the Board of Directors sign on the receiving capital allocated to VDB by the Government.

13. Implement his management duties under the inspection and supervision of the Board of Directors, the Supervisory Board.

14. Be legal representative of VDB to the law in litigations, disputes, liquidation, dissolution and in international relations related to the operation of VDB under regulation on assignment and authorization by the Board.

15. To sign documents, agreements, contracts, deeds of VDB in internal affairs, foreign affairs prescribed by law and in accordance with the authority assigned by the Board.

16. Under the inspection and supervision of the Board of Directors, the Supervisory Board and other competent authorities have jurisdiction over the implementation of his management duties.

17. Other duties and powers as stipulated by law and the provisions of this Charter.

#### **Article 24. Assistant Apparatus of the General Director**

1. Assistants to the General Director are Deputy General Directors, Chief Accountant, the units of and directly under VDB.

2. The Deputy General Directors are in charge of one or several areas of activities of VDB as assigned by the General Director and responsible to the General Director, the Board of Directors and the law for the implementation of the tasks assigned; the number of the Deputy General Directors is decided by the Board of Directors and a maximum of 05 people. The term of office of the Deputy General Director is 05 (five) years; the Deputy General Director may be re-appointed for an unlimited number of terms. Criteria and conditions of appointment of Deputy General Director are conducted under the provisions of this Charter.

3. The Chief Accountant assists the General Director in directing the implementation of accounting and financial works of VDB.

4. The units of and directly under VDB have the function of advising and assisting the General Director in executing tasks stipulated by VDB.

#### **Section 5. APPOINTMENT, DISMISSAL OF MEMBERS OF THE BOARD OF DIRECTORS, OF THE SUPERVISORY BOARD, THE GENERAL DIRECTOR, DIRECTORS OF DEPARTMENTS OF VIETNAM DEVELOPMENT BANK**

##### **Article 25. The cases shall not be appointed for the positions.**

1. The following persons shall not be members of the Board of Directors, members of the Supervisory Board, General Director, Deputy General Director of VDB:

a) Of the subjects specified at Points a, b, c, d, e, Clause 2 of this Article;

b) The persons are not allowed to participate in managing, operating under the provisions of the law on public officials and civil servants and the law on anti-corruption;

c) The person who has been a private business owner, general partner of the partnership, the general director (director), member of the Board of Directors, the Supervisory Board of the enterprise, the manager and members of the management board of the co-operative, which are declared bankrupt, unless the enterprises or cooperatives are declared bankrupt due to force majeure;

đ) The person has been suspended the Chairmanship of the Board of Directors and members of the Board, the Head of Supervisory Board, the Supervisory Board members, the General Director of VDB under the provisions of Article 30 of this Charter;

e) Related persons to members of the Board of Directors, General Director of VDB shall not be members of the Supervisory Board of VDB;

g) Related persons of the Chairman of the Board of Directors shall not be the General Director of VDB.

2. The following persons shall not be the Chief Accountant, Director of Transaction Center, Director of the branch in the provinces and cities directly under the central government and the region, the General Directors (Director) of subsidiaries of VDB:

a) Minors, people with restricted civil act capacity or without civil act capacity;

b) Persons who are prosecuted for criminal liability, who are serving the sentence, the decision of the Court of Criminal;

c) Persons who have been convicted of offenses against national security, the crimes of possession; who have been convicted of serious criminal offenses and above;

d) Officials and employees in accordance with the law on public officials and civil servants; leaders, professional management in the enterprises in which the State holds 50% and over of the charter capital, except those who are appointed as authorized representative for managing state capital share in VDB;

đ) Commissioned officers, non-commissioned officers, professional soldiers, defense workers in agencies and units of the Vietnam People's Army; officers, non-commissioned professional officers in agencies or units of the Vietnam People's Police.

3. Parents, spouses, children, brothers, sisters of the Board members, the General Director and spouses of those people shall not be the Chief accountant or the person in charge of finance of VDB.

**Article 26. The case of not holding two or more positions concurrently:**

1. The members of the Board of Directors of VDB shall not concurrently be the manager of another credit institution, except for subsidiary of VDB.

2. The members of the Supervisory Board concurrently:

a) shall not concurrently be operators, employees of a subsidiary of VDB;

b) shall not concurrently be member of the Board of Directors, member of the Board of Directors or executives of the enterprise of which members of the Supervisory Board simultaneously are members of the Board of Directors or executives at VDB;

c) The Head of the Supervisory Board shall not concurrently be a member of Supervisory Board or executive of other credit institutions.

3. The General Director, Deputy General Director shall not simultaneously be a executive or Chairman of the Board of Directors, Chairman of the Board of Directors of other credit institutions; not concurrently engaged in management of other enterprise unless such enterprise is a subsidiary of VDB.

### **Article 27. Standards and conditions to be appointed**

1. Standards and conditions for members of the Board of Directors include:

a) Meet the provisions of Clause 1 of Article 26 of this Charter;

b) Be healthy enough to undertake the task;

c) Have knowledge of banking operations:

- Have a university or postgraduate degree in economics or law and have at least 03 years experience of being a manager of business in the insurance, securities, accounting and audit, banking and financial sectors;

d) Be a citizen of Vietnam, reside in Vietnam during the incumbency.

2. Standards and conditions for members of the Supervisory Board include:

a) Meet the provisions of Clause 2 of Article 26 of this Charter;

b) Be healthy enough to undertake the task;

c) Have a university or postgraduate degree in faculties of economics, law or professional fields that they will assume and have at least 03 years experience of working directly in the field of finance and banking, accounting and audit;

d) Not being a person related to managers of VDB;

đ) Be a citizen of Vietnam, reside in Vietnam during the incumbency.

3. The standards and conditions for the General Director include:

a) Meet the provisions of Clause 3 of Article 26 of this Charter;

b) Be healthy enough to undertake the task;

c) Have a university degree or higher in one of the sectors of economics, business administration, law;

d) Have at least 05 years of being an executive officer of VDB or other credit institution or have at least 05 years of being General Director (Director), Deputy General Director (Deputy Director) of the enterprise having an equity minimum equal to the legal capital

for each type of credit institution in accordance with the law or have at least 10 years experience of working directly in the field of finance, banking, accounting or audit;

đ) Be a citizen of Vietnam, reside in Vietnam during the incumbency.

4. Standards and conditions for the Deputy General Directors, Chief Accountant, Heads of the units of or directly under VDB include:

a) Meet the provisions of Clause 2, Article 26 of this Charter; the Deputy General Directors meet the provisions of Clause 3 of Article 26 of this Charter;

b) Be healthy enough to undertake the task;

c) Have a university degree or higher in economics, law or professional fields that they will undertake; or have a university degree or higher beyond the above mentioned fields and have at least 03 years experience of working directly in finance and banking or professional fields which they will undertake;

d) Be a citizen of Vietnam, reside in Vietnam during the incumbency.

5. In addition to the conditions and standards prescribed in this Article, members of the Board of Directors, member of the Supervisory Board, the General Director, Deputy General Director, Chief Accountant of VDB have to comply with current provisions of the relevant law applied to state enterprises.

#### **Article 28. Automatic loss of status**

1. Automatic loss of status of members of the Board of Directors, the Supervisory Board and the General Director shall be in the following cases:

a) loss of civil act capacity or dies;

b) violation of the provisions of Article 26 of this Charter;

c) Termination of status of authorized representative.

2. Within 05 working days from the date of identifying the person who automatically loses status specified in Clause 1 of this Article, the Board of Directors of VDB shall provide written report with attached proving documents to authorities and take responsibility for the accuracy and truthfulness of this report to the law, simultaneously implement procedures to appoint the vacant positions under the provisions of law.

3. After being identified automatic loss of status, the Chairman, Deputy Chairman and members of the Board of Directors, the Head and members of the Supervisory Board, the General Director of VDB are still individually responsible for their decisions during their incumbents.

4. Previously appointed title of the one who automatically loses status specified in Clause 1 of this Article is automatically expired.

#### **Article 29. Removal, dismissal**

1. The Chairman, Deputy Chairman and members of the Board of Directors, the Head and members of the Supervisory Board, the General Director of VDB will be considered of being removed or dismissed in the following cases:

- a) Have restricted civil act capacity;
- b) Have resignation letter ( in which clearly states the reason for resignation);
- c) Fail to participate in the activities of the Board of Directors (for members of the Board), the Supervisory Board for 06 consecutive months, except for force majeure;
- d) Be identified by the competent authorities that he/she seriously violates the provisions of Article 32 of this Charter;
- đ) Fail to ensure one of the standards and conditions specified in Article 27 of this Charter.

2. After being removed, dismissed, the Chairman and members of the Board of Directors, the Head and members of the Supervisory Board, the General Director of VDB still take individual responsibility for their decisions during their incumbents.

**Article 30. Suspension, temporary suspension:**

1. If the Chairman and members of the Board of Directors, the Head and members of the Supervisory Board, the General Director of VDB violate the provisions of law and this Charter in the process of performing their assigned duties and powers, the competent authorities may suspend or temporarily suspend the implementation of the duties and powers of such people if deemed necessary.

2. The Chairman and members of the Board of Directors, the Head and members of the Supervisory Board, the General Director of VDB may be suspended or temporarily suspended the implementation of their duties and powers as decided by the competent authorities.

3. The person suspended or temporarily suspended the implementation of duties and powers under the provisions of this Article shall be responsible for participating in treating problems and violations related to individual responsibility when the Board of Directors of VDB or the special Supervisory Board or state competent authorities require.

**Section 6. PUBLICIZE BENEFITS**

**Article 31. Publicize relevant benefits**

1. The managers, executives running VDB shall publicize their relevant benefits to VDB, including:

- a) Name and address of headquarters, line of business, number and date of certificate of business registration, place of business registration of enterprises that they and the relevant people subscribe the capital or shares or authorize, entrust to other organizations or individuals subscription of from 50% and over of the charter capital;

b) Name and address of headquarters, line of business, number and date of certificate of business registration, place of business registration of enterprises that they and the involved people are members of the Board of Directors, Board of Directors, Supervisory Board, General Director (Director).

2. The declaration provided in Clause 1 of this Article shall be made within 07 (seven) working days from the date of arising relevant benefits or change of information.

3. The declaration provided in Clause 1 and Clause 2 of this Article shall be notified to the Board of Directors, the Supervisory Board of VDB and listed and kept in the headquarters of VDB.

4. Members of the Board of Directors, the General Director on behalf of individual or another person to perform work in any form under the scope of the activities of VDB must explain the essence and content of such work to the Board of Directors and shall be made only when there are approvals of over 50% of membership of the Board of Directors.

### **Article 32 Obligations of members of the Board of Directors, the Supervisory Board and the executive of VDB**

1. Implement the rights and duties assigned in accordance with the law and this Charter.

2. Implement the rights and duties assigned honestly, diligently and best for the benefits of VDB; be loyal to the benefits of VDB; not use information, secrets, abuse position and assets of VDB for individual gain or to serve the benefits of other organizations and individuals or harm the benefits of VDB.

3. Promptly, fully and accurately inform to the Board of Directors, the Supervisory Board of VDB of the benefits can make a conflict that they gain from other economic organizations, transactions or individuals and only use those opportunities when the Board of Directors has reviewed and approved.

4. Do not facilitate themselves or related people to get loans of VDB with more preferential, favorable conditions than those under the general provisions of law and VDB.

5. Other obligations prescribed by law.

## **Chapter IV**

### **CAPITAL AND USING CAPITAL OF VDB**

#### **Article 33. Capital in use**

1. Equity:

a) The charter capital of VDB;

b) Differences from revaluation of assets, exchange rate;

- c) The additional charter capital reserve fund, the investment and development fund;
- d) Undistributed operating results;
- e) The construction investment capital from the State budget;
- e) Other capital owned by VDB.

## 2. Raised funds:

- a) Issuance of bonds guaranteed by the Government under the provisions of law;
- b) Issuance of bonds, promissory notes, certificates of deposit, valuable papers in the local currency of VDB under the provisions of law;
- c) Loans from Vietnam Social Insurance; domestic and foreign financial, credit institutions in accordance with law;
- d) Loans from the refinancing at State Bank of Vietnam in accordance with law and the guidance of the State Bank of Vietnam;
- đ) Receiving entrusted deposits of domestic and foreign organizations.

## 3. Other capital sources include:

- a) State budget support after investment;
- b) Granted capital from the State budget to implement policy credit task of the State and other duties assigned by the Government, the Prime Minister; capital for guarantee risk reserve fund;
- c) Foreign loans of the Government authorized by the Ministry of Finance to lending;
- d) Capital entrusted by local authorities, domestic and foreign organizations (hereinafter referred to as the entrustee) to provide loans for investment and development projects through entrustment contract between VDB and the entrustee;
- đ) Non refundable capital voluntarily contributed by individuals and economic organizations, financial credit institutions and political - social organizations, associations, societies, domestic and foreign organizations;
- e) Other sources as provided by law.

### **Article 34. Using capital**

VDB is allowed to use capital to carry out the duties prescribed by this Charter.

## **Chapter V**

### **FINANCE, RECORD, REPORTING AND AUDIT**

#### **Section 1. FINANCE**

#### **Article 35. Financial regime**

1. VDB is a centralized accounting system; financial autonomy, self-responsibility for their activities under the law; implement capital conservation and development; strive to cover costs and risks in operation.
2. VDB is subsidized interest rate spread and management fees by the State for the policy credit activities and other tasks assigned by the Government, the Prime Minister under the provisions of laws and regulations in this Charter.
3. The financial management rule of VDB is regulated by the Prime Minister as proposed by the Ministry of Finance.
4. The risk treatment rule for credit operation of VDB is regulated by the Prime Minister as proposed by the Ministry of Finance.
5. Regime of salary, wage and salary nature amount of VDB shall comply with the provisions of the law on one member limited liability company owned by the State and the guidance of the Ministry of Labor, Invalids & Social Affairs matching with the operation characteristics of VDB.
6. The Board of Directors, Supervisory Board, General Director of VDB is responsible to the law, the State management agencies for the observance of financial, accounting and auditing regime of VDB.

## **Section 2. RECORD, REPORTING AND AUDIT**

### **Article 36. Accounting and statistic regime**

1. VDB implements the accounting and statistic regime in accordance with the law and the guidance of the Ministry of Finance.
2. The fiscal year of VDB begins on January 01 and ends on December 31 of calendar year.

### **Article 37. Financial statement, financial statement audit**

1. VDB makes financial report, operational report as stipulated by the Ministry of Finance and the State Bank of Vietnam.
2. Annual financial report of VDB is audited by the State Audit.
3. In case foreign sponsors require audited statements in loan applications, VDB is allowed to hire independent auditors to audit the financial statements.
4. VDB publicizes financial reports in accordance with the law.
5. The Board of Directors, Supervisory Board, General Director of VDB are responsible for the accuracy and truthfulness of the reports.



## Chapter VI

### RIGHTS AND RESPONSIBILITIES OF THE PRIME MINISTER AND MANAGEMENT AUTHORITIES OF VIETNAM DEVELOPMENT BANK

#### **Article 38. Rights and responsibilities of the Prime Minister**

1. On the proposal of the Ministry of Finance as below:

- a) Decision on the establishment, objectives, tasks and reorganization, ownership transformation, dissolution, bankruptcy of VDB;
  - b) Decision promulgating charters, amendment and supplements to the Charter of VDB;
  - c) Decision promulgating financial management rule; amending and supplementing the financial management rule; decision promulgating the regulation on risk treatment; amending and supplementing regulation on risk treatment for credit operations of VDB;
  - d) Decision promulgating regulation on short-term loans as principle the interest rate differences are not subsidized by the State budget;
  - đ) Decision on short-term loans for specific cases if required;
  - e) Decision promulgating regulation on State export credits of VDB;
  - g) Decision promulgating regulation of credit guarantee for small and medium-sized enterprises to borrow capital at commercial banks.
  - h) Decision on solution increasing chartered capital of VDB;
  - i) Decision on bond issuance quota of VDB guaranteed by the Government annually;
  - k) Decision on appointment, reappointment, dismissal, resignation approval, reward and discipline for the Board Chairman and General Director of VDB;
  - l) Approving operational strategies; restructuring schemes; operational plans, 5-year development and investment plans of VDB;
  - m) Approving the scheme on setting up, dissolution or bankruptcy of subsidiaries, associated companies;
  - n) Approving guidelines for contributing capital, holding capital increase or reduction of VDB in subsidiaries, associated companies.
2. Decision on annual credit growth plans of VDB on the basis of the proposal of Ministry of Planning and Investment.
3. Approving the Chairman of the Board of Directors, General Director of VDB of going for business or studying abroad.
4. Other responsibilities and rights as stipulated by laws.

#### **Article 39. Rights and responsibilities of the Ministry of Finance**

1. Submit to the Government, the Prime Minister to amend, supplement the State investment, export credit policies.

2. Submit to the Prime Minister to make decision on the content specified in Clause 1 of Article 38 of this Decision and other issues of VDB under the jurisdiction of the Prime Minister.
3. Appoint, re-appoint, dismiss, accept the resignation, reward and discipline for members of the Board of Directors (excluding the Chairman and General Director), the Head of Supervisory Board, members of the Supervisory Board of VDB.
4. On the basis of the proposal of VDB:
  - a) Make decision on the total personnel of VDB; the realized salary fund, bonus fund of members of the Board of Directors, members of the Supervisory Board, the General Director, Deputy General Director and Chief accountant of VDB under the regulations;
  - b) Appraise and approve of foreign loans of VDB under the authority of the Ministry of Finance.
5. Perform state financial management to VDB. Monitor the observance of financial legislation, the implementation of strategies and plans through the reporting regime. Evaluate the implementation of the objectives, tasks and results. Evaluate members of the Board of Directors, the Head of the Supervisory Board on management.
6. Inspect the observance of financial legislation in accordance with the law on inspection.
7. Direct the Supervisory Board to inspect and supervise the implementation of the resolution of the Board.
8. Decide to delegate the Head of the Supervisory Board and members of the Supervisory Board to go for business, study, visit abroad.
9. Allocate sufficient capital for VDB on track to increase charter capital approved by the Prime Minister.
10. Be as contact agency to deal with common issues and interdisciplinary issues of VDB before submitting to the Prime Minister.
11. Guide VDB to implement:
  - a) Financial rule, accounting system, reporting system;
  - b) Regulation on risk treatment of the State policy credit.
12. Other responsibilities and rights as stipulated by laws.

#### **Article 40. Rights and responsibilities of the State Bank of Vietnam**

Perform state management functions on monetary and banking activities to VDB:

1. Instruct debt classification and provisions to ensure safety in operations in accordance with the nature and activities of VDB.
2. Instruct participation in resettlement activities, engagement in the open market, the interbank market, refinancing loans from the State Bank of Vietnam.

3. Decide on permit for foreign exchange management activities consistent with the mission of VDB.
4. Inspect and supervise VDB observing the provisions of the law on currency and banking under state management scope of the State Bank of Vietnam.
5. Coordinate with the Ministry of Finance to set up and submit the Government, the Prime Minister issuance of mechanisms and policies related to the operations of VDB.

#### **Article 41. Rights and responsibilities of the Ministry of Planning and Investment**

Perform state management functions on planning, development investment for VDB under the provisions of laws:

1. Preside over and coordinate with the Ministry of Finance to submit the Prime Minister the State credit growth plan for VDB to implement.
2. Preside over and coordinate with the Ministry of Finance to submit the Prime Minister allocation for interest rate spread subsidies and management fee for VDB in the annual state budget estimate.
3. Coordinate with the Ministry of Finance to set up and submit the Government, the Prime Minister issuance of mechanisms and policies related to the operations of VDB.

#### **Article 42. Rights and responsibilities of the Ministry of Interior**

1. Perform state management functions for the Vietnam Development Bank under provisions of the law on assignment, decentralization of implementing the rights, responsibilities and obligations of the state owners to state enterprises and state capital invested in enterprises.
2. Coordinate with the Ministry of Finance to evaluate the titles which under the jurisdiction of the Prime Minister to appoint and dismiss before submitting the Prime Minister for consideration and decision.

#### **Article 43. Rights and responsibilities of the Ministry of Labor, Invalids and Social Affairs**

Perform state management functions on labor, wages, social insurance for the operations of VDB:

1. Instruct VDB to implement the policies and regimes of recruitment, remuneration, salaries and bonuses.
2. Inspect and supervise VDB implementing the regimes of recruitment, remuneration, salaries and bonuses for staff and officials under the provisions of law.
3. Coordinate with the Ministry of Finance to decide the realized salary fund of the Chairman, members of the Board of Directors, General Director, Deputy General Director, the Head of the Supervisory Board, members of the Supervisory Board, Chief Accountant according to regulations.

#### **Article 44. Other ministries and functional agencies**

Other ministries and functional agencies implement state administration to VDB in accordance with its jurisdiction and functions as prescribed by law.

## **Chapter VII**

### **INFORMATION AND INFORMATION SECURITY OF VDB**

#### **Article 45. Information exchange**

VDB is entitled to exchange information about the bank's activities and customers with domestic and foreign financial and credit institutions.

#### **Article 46. Information security**

1. The employees of VDB and relevant people must not disclose confidential information related to the activities of VDB as prescribed by law.
2. VDB is entitled to reject any request on providing information related to deposit, assets of its customers and its activities made by any organization, individual, except for the case that the request made by state competent agencies in compliance with the law or with prior consent of its customers.

## **Chapter VIII**

### **ENFORCEMENT PROVISION**

#### **Article 47. Transitional provisions**

The Board of Management of VDB implements the duties and powers of the Board of Directors of VDB as stipulated by this Decision until the new Board of Directors is appointed.

#### **Article 48. Supplement, amendment**

The Prime Minister approves the amendment, supplement of this Charter upon the proposal submitted by Ministry of Finance based on report from the Board of Directors. /.

**PRIME MINISTER**

**(Signed and sealed)**

**Nguyen Tan Dung**