

FOR REFERENCE ONLY

DATED THIS ...DAY OF ... 2008

JOINT VENTURE CONTRACT

between

ABC

and

XYZ

TABLE OF CONTENTS

<u>Article</u>	<u>Page</u>
ARTICLE 1: DEFINITIONS	3
ARTICLE 2: AGREEMENT TO ESTABLISH THE COMPANY	5
ARTICLE 3: NAME AND ADDRESS OF THE COMPANY	5
ARTICLE 4: LIMITED LIABILITY AND JURIDICAL STATUS OF THE COMPANY	5
ARTICLE 5: CHARTER	6
ARTICLE 6: EFFECTIVE DATE	6
ARTICLE 7: OBJECTIVES AND SCOPE OF BUSINESS OF THE COMPANY	6
ARTICLE 8: PROJECT IMPLEMENTATION SCHEDULE	7
ARTICLE 9: CAPITAL OF THE COMPANY	7
ARTICLE 10: SCHEDULE OF CHARTER CAPITAL CONTRIBUTION	7
ARTICLE 11: CERTIFICATE OF PAID-IN CAPITAL	7
ARTICLE 12: DELAY IN MAKING CAPITAL CONTRIBUTION	7
ARTICLE 13: INCREASE OR REDUCTION OF THE CHARTER CAPITAL	8
ARTICLE 14: CAPITAL TRANSFER	8
ARTICLE 15: RIGHTS AND OBLIGATIONS OF THE COMPANY	9
ARTICLE 16: RESPONSIBILITIES OF THE PARTIES	9
ARTICLE 17: WARRANTS AND REPRESENTATIONS OF THE PARTIES	11
ARTICLE 18: FINANCIAL OBLIGATIONS	11
ARTICLE 19: DIVISION OF PROFITS	11
ARTICLE 20: TAX OBLIGATIONS	11
ARTICLE 21: FOREIGN EXCHANGE	11
ARTICLE 22: BANK ACCOUNT	12
ARTICLE 23: INSURANCE	12
ARTICLE 24: ACCOUNTING AND STATISTICS	12
ARTICLE 25: AUDIT	13
ARTICLE 26: FISCAL YEAR	13
ARTICLE 27: MEMBER'S COUNCIL	13
ARTICLE 28: GENERAL DIRECTOR	14
ARTICLE 29: DEPUTY GENERAL DIRECTOR AND CHIEF ACCOUNTANT	15
ARTICLE 30: RECRUITMENT OF PERSONNEL	15
ARTICLE 31: DISSOLUTION OF THE COMPANY	15
ARTICLE 32: LIQUIDATION OF THE COMPANY	16
ARTICLE 33: TERMINATION OF THE JV CONTRACT	16

ARTICLE 34: CLAIMS FOR DAMAGES17
ARTICLE 35: SETTLEMENT OF DISPUTES17
ARTICLE 36: FORCE MAJEURE17
ARTICLE 37: CONFIDENTIALITY.....18
ARTICLE 38: CIRCUMSTANCES NOT STIPULATED IN THE JV CONTRACT AND IN THE CHARTER18
ARTICLE 39: LANGUAGE18
ARTICLE 40: AMENDMENTS AND MODIFICATIONS OF THE JV CONTRACT19
ARTICLE 41: GOVERNING LAWS19
ARTICLE 42: SEVERABILITY19
ARTICLE 43: NOTICES.....19
ARTICLE 44: HEADINGS19
ARTICLE 45: SIGNING20

**JOINT VENTURE CONTRACT
FOR ESTABLISHMENT OF
A COMPANY
in
the Socialist Republic of Vietnam**

THIS JOINT VENTURE CONTRACT is made and executed on this ___ day of _____2006, in accordance with the Law on Investment dated 29 November 2005 and the Law on Enterprises dated 29 November 2005, in Hanoi, by and between the following Parties:

A. THE ABC PARTY

Company Name:
Address:

Business Registration No.:
Telephone:
Fax:
Legal Representative:
Title:
Nationality:

(Hereinafter referred to as the “**ABC Party**”)

B. THE XYZ PARTIES

Company Name:
Address:
Cert of Incorporation No.:
Telephone:
Fax:
Legal Representative:
Position:
Nationality:
Passport No.:

(Hereinafter referred to as the “**XYZ Party**”).

The Parties hereto have mutually agreed to sign this Joint Venture Contract (the “**JV Contract**”) with the terms and conditions hereunder set forth:

ARTICLE 1: DEFINITIONS

In this JV Contract, the following words and terms shall have the meanings as ascribed to them hereinafter:

- 1.1 **“Application”** shall mean the application/request for the Investment Certificate to the Licensing Authority for obtaining the Investment Certificate of the Company in accordance with the terms and conditions of this JV Contract, to which this JV Contract and the Charter and other relevant documents as required by laws.
- 1.2 **“XYZ Party”** shall mean _____.
- 1.3 **“ABC Party”** shall mean _____.
- 1.4 **“Party”** shall mean either of the ABC Party, XYZ Party, as the context requires, and **“Parties”** shall mean the ABC Party and the XYZ Party collectively.
- 1.5 **“JV Contract”** shall mean this Joint Venture Contract the Parties conclude for the purpose of establishing the Company and all annexes, agreements, schedules and documents attached hereto.
- 1.6 **“Charter”** shall mean the charter of the Company to be executed by the ABC Party and the XYZ Party in accordance with this JV Contract, on the same date with this JV Contract.
- 1.7 **“Company”** shall mean the limited liability joint venture company namely _____ and established by the Parties pursuant to this JV Contract and the Charter.
- 1.8 **“Business field”** shall mean the business field of the Company as defined in Article 7.1.
- 1.9 **“Member”** shall mean the party (ies) making capital contributions to the Charter Capital of the Company, including the Parties to this JV Contract.
- 1.10 **“Members’ Council”** or **“Council”** shall mean the members’ council of the Company as defined in Article 27 below.
- 1.11 **“Member Representative”** shall mean as defined in Article 27.2.
- 1.12 **“Member Register”** shall mean as defined in Article 4.4.
- 1.13 **“General Director”** shall mean as defined in Article 28 below.
- 1.14 **“Effective Date”** shall mean the date on which the Investment Certificate is issued.
- 1.15 **“Laws of Vietnam”** shall mean relevant laws, regulations and any other legal writings of the Socialist Republic of Vietnam as amended or re-enacted from time to time.
- 1.16 **“Investment Capital”** shall mean the capital to be employed by the Company for implementation of the Project, comprising of its Charter and Loan Capital, as stated in the Investment Certificate.
- 1.17 **“Charter Capital”** shall mean the total amount of capital contributed by the Parties and recorded in the Charter of the Company in accordance with Article 9 hereof.

- 1.18 “**Loan Capital**” shall mean the loan capital of the Company as specified in Article 9 hereof.
- 1.19 “**Investment Certificate**” shall mean the Investment Certificate issued by the Licensing Authority or a competent authority in Vietnam for the establishment and the operation of the Company.
- 1.20 “**Licensing Authority**” shall mean the Hanoi People’s Committee, which is responsible for the issuance of the Investment Certificate within its authority under the Laws of Vietnam.
- 1.21 “**Project**” shall mean the the project of Reconstruction of old apartments Kim lien B4 and B14.
- 1.22 “**US\$**” or “**US Dollars**” shall mean the lawful currency of the United States of America.
- 1.23 “**VND**” or “**Vietnamese Dong**” shall mean the lawful currency of Vietnam.
- 1.24 “**Vietnam**” shall mean the Socialist Republic of Vietnam.

ARTICLE 2: AGREEMENT TO ESTABLISH THE COMPANY

- 2.1 The Parties, in accordance with the laws of Vietnam, hereby agree to establish a limited liability company which has two members or more in Vietnam for the business fields as mentioned in the Article 7 hereof.

ARTICLE 3: NAME AND ADDRESS OF THE COMPANY

- 3.1 The name of the Company to be established shall be “_____” in Vietnamese. The transaction name in English of the Company shall be “_____” and the abbreviated name of the Company shall be “_____”.
- 3.2 The legal address of the Company’s office will be at _____ Vietnam.
- 3.3 The Company shall be entitled to open branch(s) and/ or representative office(s) in the provinces and cities in Vietnam, subject to the considerations of the Members’ Council.
- 3.4 The Company may, upon the decision of the Members’ Council, change its head office or any branch office and establish branch offices or other places of business in Vietnam or elsewhere outside Vietnam and implement registration procedures in accordance with the prevailing laws.

ARTICLE 4: LIMITED LIABILITY AND JURIDICAL STATUS OF THE COMPANY

- 4.1 The Company is a limited liability company, having the juridical person status, under the Laws of Vietnam with the effect from the Effective Date. During the course of its operation, the Company shall observe with the Laws of Vietnam, the provisions of the JV Contract, the Charter and the Investment Certificate. All activities of the Company and the respective interests of the Parties shall be protected by the Laws of Vietnam.

- 4.2 The Parties shall not be liable for any debts or obligations of the Company except:
- a) Only up to the amount of its respective subscribed contributions in the Charter Capital of the Company as required from time to time in accordance with this JV Contract and shall have no liability to the Company or to any third party; or
 - b) For any other debts or obligations as are expressly assumed by the Parties under this JV Contract.
- 4.3 Subject to the foregoing limitation of liabilities, the Parties shall share the profits, losses and risks in proportion to their respective subscribed capital contributions in the Charter Capital of the Company at that time.
- 4.4 The capital contributions by the Parties to the Charter Capital shall be specified in Article 9 hereof and the Member Registration book established by the Company and kept at its head office.

ARTICLE 5: CHARTER

- 5.1 The Company has its own Charter in order to enable its legal conduct of operation. If any discrepancy is found between this JV Contract and the Charter, then the provisions in this JV Contract shall prevail, and the Parties shall have the Charter amended so that it is consistent with this JV Contract.

ARTICLE 6: EFFECTIVE DATE

- 6.1 This JV Contract shall become effective upon issuance of the Investment Certificate by the Licensing Authority.
- 6.2 This JV Contract shall remain in force and effect until the Company ended its operations.

ARTICLE 7: OBJECTIVES AND SCOPE OF BUSINESS OF THE COMPANY

- 7.1 The Parties agree to establish the Company for a profitable business, strengthening of market position and improvement of competitiveness. The objectives and scope of business of the Company shall be:

No.	Industry code	Industry name
1		
2		
3		
4		
5		

- 7.2 The objectives and scope as set out in Article 7.1 are subject to the terms and conditions of this JV Contract and the Charter.

ARTICLE 8: PROJECT IMPLEMENTATION SCHEDULE

- 8.1 The Project implementation schedule shall be prepared and agreed upon by the Parties, and implemented in a prompt and appropriate manner to serve the Company's benefits and purposes in accordance with this JV Contract and the Charter.

ARTICLE 9: CAPITAL OF THE COMPANY

9.1 Charter Capital of the Company

The Charter Capital of the Company shall be VND _____ equivalent to US\$ _____.

9.2 Charter Capital Contributions of the Parties

The ABC Party shall contribute VND _____ equivalent to US\$ _____ in cash which is equal to _____ (____%) of the Charter Capital.

The XYZ Party shall contribute VND _____ equivalent to US\$ _____ in cash which is equal to _____ (____%) of the Charter Capital.

9.3 Loan Capital

The Company may arrange for the loan at a bank or other credit or financial institutions in Vietnam or abroad, in compliance with the procedures as required by the Laws of Vietnam, as contribution to the Investment Capital to meet operational demands of the Company.

ARTICLE 10: SCHEDULE OF CHARTER CAPITAL CONTRIBUTION

- 10.1 The Parties agree to make their respective Charter Capital contributions, in cash and/or equipment in full and within four (04) months from the date of issuance of the Investment Certificate.

ARTICLE 11: CERTIFICATE OF PAID-IN CAPITAL

- 11.1 When each Party has made its full contribution of the Charter Capital, the Company will issue a Certificate of Paid-in Capital to such Party. Each Certificate of Paid-in Capital shall state, inter alia, the name of the owner of the Charter Capital, the amount of the Charter Capital issued, the percentage of ownership of the Charter Capital thereby represented and the amount of contribution to the Charter Capital paid up thereon. The Certificate of Paid-in Capital shall be signed by the Chairman of the Members' Council and sealed with the seal of the Company.

ARTICLE 12: DELAY IN MAKING CAPITAL CONTRIBUTION

- 12.1 If either of the Parties hereto is unable to make its contribution in accordance with the agreed schedule under Article 10, that Party shall inform the other Party of the reasons for such delay and take remedial measures not later than fifteen (15) days after the due

date for making the contribution and shall be held liable to the other Party for any loss incurred thereby. If such remedial measures are not performed or are not satisfactory to the other Party, the other Party may terminate this JV Contract in accordance with Article 33, and the Party in breach shall be liable for all damages incurred by the other Party due to such breach. Nevertheless, the contribution must not exceed 60 days since the date of contribution specified in Article 10.

ARTICLE 13: INCREASE OR REDUCTION OF THE CHARTER CAPITAL

13.1 During the period of its operation, the Company shall not be entitled to reduce the amount of its Charter Capital, except for the following cases:

- a) as provided for in Article 13.3 hereof;
- b) redeeming shares of capital contribution as stipulated in Article 7 of the Charter;
- c) reducing the Charter Capital corresponding to the reduced value of assets of the Company.

13.2 In case where it is necessary to increase the Charter Capital of the Company, the Members' Council shall consider increasing the Charter Capital by reinvestment of the earned profits of the Company or by calling for new capital contribution from the Parties or taking in capital contributions from the new member(s). Any increase in the Charter Capital must be subject to the approval of the Members' Council, and shall be registered with the Licensing Authority.

13.3 The Company may return part of the contributed capital to the Parties in proportion to their respective shares of contributed capital in the Charter Capital of the Company if the business operation of the Company has been carried out continuously for more than two (02) years from the date of the Investment Certificate, and at the same time ensuring that debts and other property obligations may be paid in full after returning contributed capital to the Parties.

13.4 Subject to the Laws of Vietnam, the Company may raise funds locally by issuance of bonds and/or conversion of the Company into a joint stock company and having its shares publicly listed in the stock exchange of Vietnam, and in such case, the status of the Company shall be accordingly adjusted in accordance with the requirements of the Members' Council and the Laws of Vietnam.

ARTICLE 14: CAPITAL TRANSFER

14.1 If any Party desires to transfer all or part of its capital contributed in the Company, such Party ("**Transferring Party**") shall first offer such amount of its capital contributed in the Company by a written notice to the other Party ("**Offeree Party**"), specifying the price and other terms and condition of transfer. The Offeree Party shall have a right of first refusal to such offer, and shall have sixty (60) days upon the receipt of such notice ("**Acceptance Period**") to respond in writing. If the Offeree Party accepts the offer, the Transferring Party and the Offeree Party shall apply for the registration of such transfer with the Licensing Authority.

- 14.2 If the Offeree Party refuses the offer or fails to respond within the Acceptance Period, the Transferring Party may transfer its capital contributed to the Company to any third party, provided that:
- a) The sales and purchase must not be made at a price less than, or on terms and conditions more favorable than, those specified in the original offer to the Offeree Party, and the sales and purchase must not be offered to any company that competes with the Company; and
 - b) The Transferring Party shall cause the transferee to execute and deliver to the other Party a written undertaking, in the form and substance acceptable to the other Party, to effect that the transferee shall observe and be bound by all provisions of this JV Contract and any agreement related hereto, and of the Charter and the Investment Certificate, as if such transferee were a party hereto and thereto.
- 14.3 Any such transfer mentioned above shall not be valid unless approved in writing by the Members' Council of the Company and registered with the Licensing Authority, if so required by the Laws of Vietnam.
- 14.4 If any capital gains should be realized in connection with such transfer, the Transferring Party shall pay the applicable tax in accordance with the Laws of Vietnam.
- 14.5 No Party shall pledge or hypothecate any of its capital contributed in the Company, nor otherwise use such capital as collateral or for any other purpose unless otherwise approved in writing by the Members' Council.

ARTICLE 15: RIGHTS AND OBLIGATIONS OF THE COMPANY

- 15.1 The Company shall have the rights, obligations set out in the Investment Certificate and any amendment thereof, or in any other license granted or to be granted to the Company by the Licensing Authority or any other competent authority in Vietnam, and in accordance with the Laws of Vietnam.

ARTICLE 16: RESPONSIBILITIES OF THE PARTIES

Each Party shall fulfill its obligations and abide by the terms of this JV Contract and the Charter of the Company, and shall carry out its respective responsibilities as below:

- 16.1 Responsibilities of the ABC Party
- a) To negotiate with authorities regarding essential juridical procedures and of official approvals of the Company from any competent authorities in Vietnam;
 - b) To provide fully and in a timely manner its contribution to the Charter Capital of the Company as set forth in this JV Contract;
 - c) Support the Company in dealing with the relevant Government agencies on issues and formalities relating to the operation of the Company;

- d) To appoint the authorized representatives to the Members' Council and the Executive Officers, and assist the Members' Council and the General Director in management and operation of the Company;
- e) To provide necessary information on the demand for and availability of products in the local market and recommend measures for achieving effectiveness of the business operation of the Company;
- f) To observe strictly the confidentiality provisions as stated in Article 37 of this JV Contract;
- g) To take whatever steps and measures as may be necessary to assist the Foreign Parties to repatriate its shared profits from the Company in accordance with the terms and conditions of this JV Contract;
- h) To assist solving other problems when reasonably requested by the Company.

16.2 Responsibilities of the XYZ Party

- a) To provide the ABC Party with all necessary documents as required by the Laws of Vietnam in order to complete the application for the Investment Certificate;
- b) To provide fully and in a timely manner its contribution to the Charter Capital of the Company as set forth in this JV Contract;
- c) To assist the Company in setting up and implementing a quality assurance system at the expenses of the Company;
- d) To organize the training and skill transfer program for the selected Vietnamese staff at the expenses of the Company and under the terms and conditions to be agreed with the Company;
- e) To assist Company in marketing the Company's business activities;
- f) To find the foreign financial sources, advanced technologies for the projects of company in order to maximize the efficiency of implementation of such projects;
- g) To be responsible for sourcing, selecting all equipment, raw materials that cannot be sourced locally to serve the best for the Company operation;
- h) To provide all the adequate and necessary assistance, advice expertise and information related to the development and management of the Company;
- i) To appoint the authorized representatives to the Members' Council and the Executive Officers, and assist the Members' Council and the General Director in management and operation of the Company; and
- j) To assist solving other problems when reasonably requested by the Company.

ARTICLE 17: WARRANTS AND REPRESENTATIONS OF THE PARTIES

- 17.1 As of the date of the execution of this JV Contract, and as of the Effective Date, each of the Parties represents and warrants to the other that:
- a) it is a juridical person duly organized or established, validly existing and in good standing under the law of the jurisdiction of its organization (applicable to the ABC Party and XYZ Party);
 - b) it has the authority to enter into this JV Contract and to carry out the business as contemplated herein; and
 - c) this JV Contract, when executed by such Party and following the issuance of the Investment Certificate, is binding and enforceable against it.
- 17.2 Without prejudice to Article 33 of this JV Contract, either Party shall indemnify the other Party against any and all losses, including but not limited to interest, penalties and reasonable legal counsel fees that may arise in the event that any of the foregoing representations and warranties is incorrect or inaccurate.

ARTICLE 18: FINANCIAL OBLIGATIONS

- 18.1 The Company and the Parties shall fulfill all financial obligations to the Government of Vietnam in accordance with the Laws of Vietnam.

ARTICLE 19: DIVISION OF PROFITS

- 19.1 The Company shall, after payment of its corporate income tax, annually certain proportion of at least 10% of the remaining profits will be used for establishing a reserve fund. This will be subject to the decision of the Members' Council from time to time.
- 19.2 In accordance with the ratio of the Charter Capital contribution of the Parties as stated in Article 9 above, the remaining profits of the Company shall be allocated to the Parties based on the ratio of the Charter Capital contribution according to the decisions of the Members' Council.

ARTICLE 20: TAX OBLIGATIONS

- 20.1 The Company shall apply for all tax exemptions and reductions to which it is entitled according to the Laws of Vietnam.
- 20.2 The Company and the Parties shall be liable to pay the value added tax, corporate income tax, personal income tax and perform other financial obligations (if any) in accordance with the Laws of Vietnam, and in particular in accordance with the Investment Certificate granted by the Licensing Authority.
- 20.3 In case there are some changes in the taxation regarding the enterprises with foreign invested capital, then such taxation rules shall be applied to the Company.

ARTICLE 21: FOREIGN EXCHANGE

- 21.1 Vietnamese currency shall be used for payment of all raw materials, equipment, machinery purchased in Vietnamese market, pay for electricity, water as well as wages to the Company Vietnamese staff and workers.
- 21.2 Foreign currency, e.g. US Dollars, shall be used to make all purchases outside of Vietnam.
- 21.3 Depending on the prevailing law, foreign exchange available to the Company shall be used in the following order of priority:
- a) Payment for the procurement overseas and import of all raw materials, equipment, spare parts and other materials for the Company's operation;
 - b) Payment of expatriate personnel's salary and the expenses of the Executive Officers;
 - c) Payment of the net shared profits of the Foreign Parties in accordance with Article 19 above; and
 - d) Other payments, which the Members' Council decides to be made in foreign currency.
- 21.4 The Foreign Parties shall be permitted to transfer abroad, in foreign currency, all its shared profits and other legal incomes, after having completed payment of applicable taxes, in accordance with the Laws of Vietnam.

ARTICLE 22: BANK ACCOUNT

- 22.1 The Company shall open its interest-bearing accounts in both Vietnamese and foreign currency at a Vietnamese bank or a joint venture bank or a branch of foreign bank established in Vietnam as agreed upon by the Members' Council in accordance with the Laws of Vietnam. Upon approval and subject to conditions imposed by the State Bank of Vietnam, the Company may also open foreign exchange accounts with foreign bank abroad.

ARTICLE 23: INSURANCE

- 23.1 The assets of the Company shall be insured at any insurance company, which is licensed to operate in Vietnam. The Members' Council shall decide on the coverage to be purchased and the insurance premium to be paid in accordance with the Laws of Vietnam and international practice.

ARTICLE 24: ACCOUNTING AND STATISTICS

- 24.1 The accounting system, books and records of the Company shall be prepared and maintained in accordance with the prevailing Laws of Vietnam.
- 24.2 Financial statements including the balance sheet, profit and loss statement, cash flow statement and reports on the operations of the Company shall be prepared monthly, quarterly and annually subject to the decision of the Members' Council.

- 24.3 The monetary unit used in bookkeeping shall be in Vietnamese Dong and US Dollars. Conversion of one currency into another currency used for purchases as well as accounting purposes shall be executed in accordance with the official exchange rate published by the State Bank of Vietnam at the time of actual payment.
- 24.4 All accounting records, invoices, books, and statements of the Company shall be made, prepared and maintained in both the English and Vietnamese languages.
- 24.5 The depreciation rate of the Company's fixed assets shall be determined by the Members' Council in compliance with the Ministry of Finance's current regulations with respect to depreciation rates.

ARTICLE 25: AUDIT

- 25.1 A registered auditing company of international repute licensed or authorized to carry out audits in Vietnam shall be engaged by the Company as its auditor, to examine and verify the financial receipts, expenditures and accounts, including the annual accounts, and shall submit its report to the General Director and the Members' Council. Such auditing firm shall be selected and decided by the Members' Council.

ARTICLE 26: FISCAL YEAR

- 26.1 The fiscal year of the Company shall begin on 1 January and end on 31 December of the same year. The first fiscal year shall commence on the Effective Date and end on 31 December.
- 26.2 At the end of each fiscal year, the Company shall prepare financial statements in both Vietnamese and English consisting of financial balance sheet, a profit and loss statement and other financial statements. The financial statements shall be examined and verified by a registered auditing company as stated in Article 25 above and shall be submitted to the Licensing Authority and other relevant Vietnamese authorities as required by the Laws of Vietnam, within three (3) months from the ending date of the fiscal year, and at the same time shall be sent to the Parties.

ARTICLE 27: MEMBER'S COUNCIL

- 27.1 The Members' Council shall comprise all Members/Parties and shall be the highest authority of the Company. The Members' Council shall establish the long-term business plan, organization structure, appoint or remove the Executive Officers and control overall management of the business of the Company with the object of taking all reasonable and proper steps to make as large profits as possible while at the same time maintaining the value of the invested capital and sustaining the growth of the Company.
- 27.2 The Parties shall appoint their own authorized representatives ("Member Representative") to the Members' Council according to their respective Charter Capital contributions to the Company. Each Member Representative shall have the number of votes in proportion to the authorized share of capital contribution of the Party that appoints him/her.

- 27.3 Each Member shall have the right to replace its Member Representative to the Members' Council, including the Chairman, at any time, provided that written notice thereof is given to the Company and the other Member(s) at least seven (07) days in advance. The Company shall notify the Licensing Authority of such appointment or replacement of the Member Representative, within seven (07) days from the date of appointment or replacement.
- 27.4 Each Member Representative shall be appointed for the term so authorized, and shall be entitled to serve for the next terms if re-appointed by the Party that appoints him/her. If the Members' Council has any vacancy because a Member Representative retires, resigns, is incapacitated or dies, or is removed from office earlier under Article 28.3 above, the Party that has appointed such Member Representative shall appoint another representative for replacement, who will serve for the balance of the term of the Member Representative so replaced.
- 27.5 The Members' Council elects a Member Representative appointed by a Party representing at least 50% of the Charter Capital to the position of Chairman. The term of office of the Chairman shall be one (01) year. The Chairman may be re-elected for next terms.
- 27.6 The appointment of the Chairman of the Members' Council shall be completed not later than sixty (60) days from the Effective Date.
- 27.7 The Members' Council shall make decisions at its meetings. The Members' Council's meetings shall be held and convened by the decision of the Chairman of the Members' Council according to the need or upon the request of any Member or Group Member owned more than 25% of the Charter Capital. Meetings of the Members' Council shall presided over by the Chairman (or his nominated proxy).
- 27.8 The Chairman shall convene and chair meetings of the Members' Council and shall supervise and monitor the execution of decisions of the Members' Council. The Chairman may appoint a person(s) to assist him/her in discharging his/her responsibilities under the Charter.
- 27.9 The Chairman, Member Representatives may be paid the remuneration or salary by the Company subject to the decision of the Members' Council.
- 27.10 The Members' Council shall carry out its functions in accordance with the Charter and the Laws of Vietnam. The rights and obligations of the Members' Council shall be specified in the Charter.

ARTICLE 28: GENERAL DIRECTOR

- 28.1 The General Director shall be responsible for the management and of the day-to-day operation of the Company. The General Director is the legal representative of the Company and must permanently reside in Vietnam; where he or she is away from Vietnam for over thirty (30) days, he or she must authorize another person in writing in accordance with the charter of the company to perform the rights and obligations of the legal representative of the Company.
- 28.2 The General Director shall be approved and appointed by the Members' Council based on the nominations of the Members and shall serve under general oversight (and

subject to the directives) of the Members' Council in accordance with the Laws of Vietnam, the and Charter this JV Contract. The General Director may also serve as a Member Representative.

- 28.3 The term of office of the General Director shall be one (01) year. Successive terms are permissible. Notwithstanding the provisions of Article 28.2, in the first term, the Parties agree that the General Director shall be nominated by the ABC Party and be approved and appointed by the Members' Council.
- 28.4 The rights and responsibilities of the General Director are stipulated in the Charter of the Company and the Company's regulations promulgated by the Members' Council
- 28.5 Salary and other allowances of the General Director shall be solely decided by the Members' Council.

ARTICLE 29: DEPUTY GENERAL DIRECTOR AND CHIEF ACCOUNTANT

- 29.1 The Deputy General Director and the Chief Accountant shall be appointed by the Members' Council in accordance with the Charter, and shall be responsible to assist the General Director in the management of the Company and report to the General Director.
- 29.2 The rights and responsibilities of the Deputy General Director and the Chief Accountant are stipulated in the Charter of the Company and the Company's regulations promulgated by the Members' Council.
- 29.3 Salary and other allowances of the Deputy General Director and the Chief Accountant shall be solely decided by the Members' Council.

ARTICLE 30: RECRUITMENT OF PERSONNEL

- 30.1 All employees of the Company shall be recruited and employed on the basis of labor contracts and the collective labor agreement, in accordance with the Laws of Vietnam and the Company's personnel regulations promulgated by the Members' Council.
- 30.2 Vietnamese citizens are given priority in recruitment by the Company. Where high levels of management and technical skills are required and which are not available in Vietnam, the Company may recruit foreign experts provided a training program shall be formulated for local replacement in the future.
- 30.3 The Company shall apply social security, health insurance and safe working environment for the sake of its employees in compliance with the Laws of Vietnam.

ARTICLE 31: DISSOLUTION OF THE COMPANY

In the following cases, the JV Contract shall be terminated and the Company shall be dissolved in the accordance with the regulations and procedures set forth in the Laws of Vietnam when:

- 31.1 The Parties agree to discharge themselves of the performance of their contractual obligations under this JV Contract through negotiations duly approved by the

Licensing Authority or any other competent Vietnamese authority and in accordance with the Laws of Vietnam;

- 31.2 Upon occurrence of any of the circumstances as provided in Article 33 hereof, which may lead to the termination of this JV Contract;
- 31.3 The court as referred to in Article 35 hereof declares the termination of this JV Contract; or
- 31.4 The Investment Certificate of the Company is withdrawn by the Licensing Authority or any other competent Vietnamese authority, in accordance with the Laws of Vietnam.

ARTICLE 32: LIQUIDATION OF THE COMPANY

- 32.1 The liquidation of the Company shall be effected in accordance with the Charter.
- 32.2 After termination of all activities, the remaining assets of the Company, having paid all debts and liabilities as stipulated by the Laws of Vietnam, shall be distributed to the Parties in accordance with the ratio of their contribution to the Charter Capital at the time of dissolution.

ARTICLE 33: TERMINATION OF THE JV CONTRACT

- 33.1 This JV Contract shall be terminated upon written notice of any Party to the other Party, under the following circumstances:
 - a) Any change in the Laws of Vietnam which may affect adversely the existence or operation of the Company, the interests of all or any Party, which is impossible for the Company or the Parties to resolve;
 - b) By any Party, if the other Party materially breaches any of its obligations under this JV Contract and does not take adequate measures to remedy such breach within sixty (60) days from the date of receipt of written notice for remedy from the non-breaching Party;
 - c) By any Party, if the other Party shall be or becomes incapable for a period of six (6) consecutive months of performing any of its obligations under this JV Contract because of any event of Force Majeure;
 - d) In case of the Company or any Party's bankruptcy, liquidation or dissolution, or suspension of operations or inability of paying any debts as they become due; or
 - e) The Company is unable to continue operating because of heavy losses, or any other reasons, as determined by the Members' Council;
- 33.2 If this JV Contract is terminated pursuant to Articles 33.1.a), 33.1.b), 33.1.c), 33.1.d), and 33.1.e) hereinabove, the Parties shall proceed to the dissolution of the Company in accordance with the regulations and procedures set forth in the Laws of Vietnam, unless they agree to the terms and conditions upon which a transfer of the capital

contributed in the Company to any Party or to a third party may take place, provided that, such transfer is comply with prevailing regulations of Vietnam.

33.3 If the JV Contract is terminated pursuant to Articles 33.1.b) and 33.1.d) above, the terminating Party shall have the option (which option should be exercised only by written notice to the other Party within thirty (30) days after the effective date of such termination) either:

- a) To have the other Party transfer its capital contributed in the Company to the terminating Party at the fair market value;
- b) To transfer its capital contributed in the Company to a third party nominated by the terminating Party at the market value; or
- c) To proceed to a dissolution of the Company.

The fair market value shall be determined by an independent accounting firm of international repute selected upon the agreement of the Parties.

33.4 The termination of this JV Contract for any reason shall not release or exempt any Party from its responsibilities, commitments or any obligations already incurred under this JV Contract, except otherwise, there are other agreements between parties.

ARTICLE 34: CLAIMS FOR DAMAGES

If the Company suffers any cost, liability or loss, including but not limited to lost profits of the Company, as a result of a breach of this JV Contract by a Party, the Party in breach shall indemnify and hold the Company harmless in respect of any such cost liability or loss, including but not limited to interest paid or lost as a result thereof. If the non-breaching Party suffers any cost, liability or loss directly as a result of a breach of this contract, the Party in breach shall indemnify and hold such non-breaching Party harmless in respect of any such cost, liability or loss incurred by non-breaching Party.

ARTICLE 35: SETTLEMENT OF DISPUTES

35.1 All disputes, controversies or differences (collectively referred to as “**disputes**”) arising from this JV Contract, shall be first amicably settled by negotiations between the Parties. Failure to such amicable settlement, the dispute shall be settled by a court of jurisdiction of Vietnam.

35.2 During the period in which a conflict or dispute is being resolved, the Parties shall, in all other respects except for the matter being in dispute, continue performing their respective obligations under this JV Contract.

ARTICLE 36: FORCE MAJEURE

36.1 “**Force Majeure**” shall mean any of the following events, which causes any Party or both Parties to be unable to perform its or their obligations under this JV Contract, such as prohibition or acts by government or public agency, riot, war, hostility, public disturbance, strikes, other labor disputes and work stoppages, failure or difficulty of

public utilities, epidemic, fire, flood, earthquake, storm, tidal wave or other acts of nature, and the other events beyond the reasonable control of the Parties.

- 36.2 No Party shall be liable to the other Party for any loss injury, delay, damages, or other casually suffered or incurred by the later due to the Force Majeure, and any failure or delay by any Party in performance of any of its obligations hereunder due to Force Majeure shall not be considered a breach of this JV Contract.
- 36.3 Notwithstanding the foregoing, in the event of Force Majeure, the Party which is prevented from performing its obligations hereunder due to such Force Majeure shall promptly notify, but in no event later than fourteen (14) days after the occurrence of such Force Majeure, the other Party in writing and shall exert its best efforts to mitigate the losses to the other Party or to remove the effects of such Force Majeure, to the full extent possible. Further, the Party affected by the Force Majeure, as soon as possible after the end of such Force Majeure, shall resume performance of its obligations and cure the effects of such Force Majeure.
- 36.4 If a Force Majeure does not end shortly, the Parties shall negotiate to prevent an excessively unfair result to any Party. In the event that a Force Majeure continues for longer than six (6) months, both parties shall discuss to find the solutions for such Force Majeure, if fails to reach the solutions, then any Party may unilaterally terminate this JV Contract and demand dissolution, liquidation and termination of the JV Contract of the Company as provided in Articles 31, 32 and 33 above, by a notice in writing to the other Party.

ARTICLE 37: CONFIDENTIALITY

- 37.1 Each Party agrees to keep secret and confidential all information obtained pursuant to this JV Contract from the other Party or the Company, which is designated or is reasonably considered as confidential by the other Party or the Company, as the case may be. The Parties shall take all necessary precautions in a manner acceptable to the other Party furnishing the confidential information in order to keep secret and confidential such information and to restrict its use outside and beyond the scope of this JV Contract.
- 37.2 The Parties shall take all necessary steps to ensure that their officers and employees will comply in all respects with this Article 37.

ARTICLE 38: CIRCUMSTANCES NOT STIPULATED IN THE JV CONTRACT AND IN THE CHARTER

- 38.1 All other terms and conditions relating to the activities of the Company but not stipulated in the JV Contract and the Charter of the Company, shall be implemented by the Parties in accordance with the current provisions of the Laws of Vietnam and other provisions (if any) in the Investment Certificate granted by the Licensing Authority.

ARTICLE 39: LANGUAGE

- 39.1 The Company shall use English and Vietnamese in all its activities. Further, the Parties shall use both English and Vietnamese in all notices between themselves or with the Company.

39.2 The interpretation of the JV Contract shall be based on stipulations or the spirit of the JV Contract and the Charter. In case there is a different meaning of a same article of the English version and the Vietnamese version, and/or the interpretation of the JV Contract can not be based accurately on the stipulations of this JV Contract, interpretation shall be based on the will of the Parties and the stipulations of the Laws of Vietnam or the generally accepted international business practices.

ARTICLE 40: AMENDMENTS AND MODIFICATIONS OF THE JV CONTRACT

40.1 Any amendment to, or modification of or rectification of this JV Contract shall be made by written agreement signed by duly representatives of Parties in both Vietnamese and English versions, each of which shall be equally authentic.

ARTICLE 41: GOVERNING LAWS

41.1 The validity and performance of this JV Contract shall be constructed in accordance with, and governed by, the laws of Vietnam.

41.2 If there is any change in the applicable law, which may create any additional interest or privileges for the Company or the Parties, the Parties shall take every appropriate measure necessary to procure the Company to take advantage of such interest or privileges, or to enable the Company to assist the Parties benefiting from and enjoying such interest or privileges.

ARTICLE 42: SEVERABILITY

42.1 The invalidity of any provision of this JV Contract shall not affect the validity of any other provision of this JV Contract. The right hereunder to claim indemnification for losses under this JV Contract shall not be impaired because of the legal invalidity of this JV Contract.

ARTICLE 43: NOTICES

43.1 All notices given from one Party to the other Party under or in connection with this JV Contract shall be in writing and shall be valid and sufficient if dispatched by registered airmail (postage prepaid), delivered personally, or sent by fax (Confirmed by hard copy to the address and recipients as mentioned above in the first part of this JV Contract.

43.2 Each Party may change its address for notice by notice given to the other Party in the manner set forth above.

43.3 Notices given as herein provided shall take effect upon the actual receipt by the other Party.

ARTICLE 44: HEADINGS

44.1 The headings of the articles of this JV Contract are inserted for convenience of reference only, and do not form a part of this JV Contract, and shall not in any way affect or be considered in the interpretation hereof.

ARTICLE 45: SIGNING

45.1 This JV Contract is signed in Hanoi, Vietnam.

45.2 The JV Contract is written in Vietnamese and English in four originals in each language and having equal validity. One original of each language text shall be retained by each Member and two originals of each language text shall be retained by the Company, one of which shall be submitted to the Relevant Authority if required by the Laws of Vietnam.

IN WITNESS WHEREOF, the Parties hereto have caused this JV Contract to be signed in their respective names by their duly authorized representatives as of the date above written.

SIGNED AND SEALED)
for and on behalf of **the ABC Party**)

Full Name:
Position:

SIGNED AND SEALED)
for and on behalf of **the XYZ Party**)

Full Name:
Position: