

**THE STATE BANK OF  
VIETNAM**

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No. 12/2022/TT-NHNN

**SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom – Happiness**

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*Hanoi, September 30, 2022*

## **CIRCULAR**

### **ON GUIDELINES FOR FOREIGN EXCHANGE ADMINISTRATION IN RESPECT OF ENTERPRISE'S FOREIGN BORROWING AND FOREIGN DEBT REPAYMENT OF ENTERPRISES**

*Pursuant to the Law on the State Bank of Vietnam dated June 16, 2010;*

*Pursuant to the Law on Credit Institutions No. 47/2010/QH12 dated June 16, 2010; Law on amendments to the Law on Credit Institutions dated November 20, 2017;*

*Pursuant to the Law dated November 26, 2014 on management and utilization of state capital invested in the enterprises' manufacturing and business activities;*

*Pursuant to the Ordinance on Foreign Exchange dated December 13, 2005 and the Ordinance on amendments to the Ordinance on Foreign Exchange dated March 18, 2013;*

*Pursuant to the Government's Decree No.219/2013/ND-CP dated December 26, 2013 on management of enterprise's foreign borrowing and repayment of foreign debts which are not guaranteed by the Government;*

*Pursuant to the Government's Decree No. 16/2017/ND-CP dated November 17, 2017 on defining the functions, tasks, powers and organizational structure of the State Bank of Vietnam;*

*At the request of the Director of the Foreign Exchange Administration;*

*The Governor of the State Bank of Vietnam hereby issues the Circular on guidelines for foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises.*

## **Chapter I**

### **GENERAL PROVISIONS**

#### **Article 1. Scope of application**

1. This Circular provides for the followings:

a) Procedures for registration and registration for changes of enterprises' foreign loans which are not guaranteed by the Government;

b) Opening and use of accounts for foreign loan and debt repayment (hereinafter referred to as foreign loan accounts) by borrowers; opening and use of checking accounts by creditors at authorized credit institutions located within the territory of Vietnam to arrange foreign loans;

c) Fund withdrawal, debt repayment and other fund transfer transactions in relation to arrangement of foreign loans;

d) Foreign exchange administration in respect of transactions relating to collateral realization within the territory of Vietnam, guarantee transfer for foreign loans, reimbursement of indebtedness amounts between the borrower and the grantor of security interest (hereinafter referred to as the grantor) in relation to the foreign loan not guaranteed by the Government;

dd) Provision, use and administration of information posted on the website for administration of foreign borrowing and repayment of foreign loans which are not guaranteed by the Government (hereinafter referred to as website);

e) Mechanism for making statistical reports on enterprises' foreign borrowing and repayment of foreign loans which are not guaranteed by the Government.

2. Registration, registration for changes in respect of foreign loans provided in the form of international bond issuance of enterprises which are not guaranteed by the Government under the particular provisions set forth by the State Bank of Vietnam (hereinafter referred to as State Bank) on guidelines for foreign exchange administration as for bond issuance to international market of enterprises which are not guaranteed by the Government.

3. Registration, registration for changes in respect of foreign loans which are guaranteed by the Government under the particular provisions set forth by the State Bank on guidelines for procedures for registration, registration for changes in foreign loans and bond issuance to international market of enterprises which are not guaranteed by the Government

4. Opening and use of foreign currency accounts for arranging foreign loans under the particular provisions set forth by the State Bank in the matter of opening and use of foreign currency accounts overseas by residents being organizations.

## **Article 2. Applicable entities**

1. Resident enterprises, cooperatives, cooperative federations, credit institutions and foreign bank branches established and licensed within the territory of Vietnam who are known as the party applying for foreign loans (hereinafter referred to as borrower).

2. Credit institutions, foreign bank branches in Vietnam providing account services relating to foreign borrowing for the borrower; providing bank transfer relating to foreign borrowing and repayment of foreign debts that are not guaranteed by the Government.

3. Organizations, individuals who are known as the party offering guarantee and security for foreign loans of the borrower.
4. Credit institutions, foreign bank branches who are entrusted with lending tasks by the non-resident trusting party.
5. Organizations, individuals concerning the borrower's foreign borrowing operations.
6. Individuals or affiliations of the State Bank assuming responsibilities for use and management of information posted on the website.

### **Article 3. Definition**

For the purposes of this Circular, terms used herein shall be construed as follows:

1. Foreign loan is a generic term which means foreign loans that are not guaranteed by the Government (hereinafter referred to as conventional loan) and those that are guaranteed by the Government by means of foreign borrowing through borrowing contracts, deferred payment contracts for import of goods, lending entrustment contracts, contracts for finance leasing or debt instrument issuance on the international market of the borrower.
2. Bank providing account services (hereinafter referred to as account service provider) refer to credit institutions, foreign bank branches operating within the territory of Vietnam where the borrower and guarantor of foreign loans open checking accounts to withdraw funds, repay foreign debts and make other bank transfer transactions relating to the foreign borrowing and repayment.
3. Bank providing secured transactions refer to credit institutions, foreign bank branches operating within the territory of Vietnam which provide money transfer for performing guarantee obligations or for realizing collateral relating to foreign loans.
4. Finance leasing means that the lessee being a resident obtains a medium-term or long-term credit loan under a finance lease contract with the lessor being a non-resident; the finance lease contract shall be determined in accordance with the accounting standards set forth by the Ministry of Finance.
5. Debt instruments refer to treasury bills, bills of exchange, bonds issued by the borrower outside the territory of Vietnam to non-resident entities.
6. Foreign loans denominated in Vietnam dong refer to foreign loans disbursed to the foreign loan account in Vietnam dong of the borrower or debt obligations arising out of these loans denominated in Vietnam dong.
7. Investment projects refer to projects issued with investment certificates, certificates of investment registration or decisions on approval for investment policy as per the investment law and applicable regulations of relevant laws.

8. Foreign loan use plan means a plan for production and business to be financed by the foreign loan which the borrower justifies their legal and reasonable purposes and the need of foreign loan.

**Article 4. Rules for administration of foreign loans arranged by means of deferred payment for import of goods**

1. Foreign loan granted by deferral of payment for imported goods shall include imports on which the first date of withdrawal precedes the last date of payment; in which:

a) The date of withdrawal of foreign loan granted by deferral of payment for imported goods shall be:

The ninetieth day from the date that transport documents are issued if the bank providing account services requires transport documents included in the payment documents;

The forty-fifth day from the date that the examination of information in the cleared customs declaration if the bank providing account services does not require transport documents included in the payment documents;

b) The last date of payment shall be:

The final date of the payment time limit as shown in the contract;

The last date of payment in reality if the contract is not followed or does not specify any payment time limit;

c) The time limit of a foreign loan granted by deferral of payment for imported goods shall commence on the first date of withdrawal and ends on the last date of payment.

2. Conventional loans made in the form of deferred payment for import of goods shall not be covered by the provisions on registration or registration for changes of foreign loans set forth in Chapter III hereof.

3. The bank transfer of repayment of the debt (principal and interest) and charges relating to the foreign loan granted by deferral of payment for imported goods is not necessarily made via the foreign loan account.

**Article 5. Using the website for declaration of information for registration or registration for changes of loans, and preparing review reports on arrangement of conventional loans**

1. Where the borrower chooses the website to carry out declaration of information for registration or registration for changes of loans in order to reduce administrative processing time, the borrower shall declare information on the registered loan, the request for certification of registration for changes before submitting an application for registration or registration for changes of the foreign loan.

2. As for the report on arrangement of foreign loan, the borrower shall use the website to make an online report as per this Circular.

#### **Article 6. Arrangement of foreign loans after the borrower is fully divided, partly divided, consolidated or acquired**

1. When the borrower is fully divided, partly divided, consolidated or acquired, the successor shall take on the rights and obligations in relation to the foreign loan and continue to discharge the responsibilities of the borrower as prescribed in this Circular.

2. In case only 01 entity inherits the rights and obligations related to the foreign loan of the borrower that is fully or partly divided: the creditor and the transferee shall reach an agreement in writing to determine which organization will inherit the rights and obligations of the borrower that is fully or partly divided relating to the foreign loan, ensuring that it does not go against the relevant laws.

3. After the full or partial division, if multiple entities are held jointly liable for the obligation to repay the foreign loan:

a) The mentioned jointly-liable entities shall reach an agreement in writing to authorize an entity to carry out administrative procedures and send reports related to foreign loans as prescribed in this Circular;

b) The mentioned jointly-liable entities shall open a joint checking account as an account for foreign borrowing and repayment. In case they do not jointly open a joint checking account to act as a foreign loan account, these entities must ensure the opening of such foreign loan accounts at the same account service provider to continue to repay the foreign loan;

c) Where one of the mentioned jointly-liable entities is a foreign-invested enterprise, the use of the account to repay this loan shall be carried out in accordance with this Article. The bank where the mentioned jointly-liable entities open the foreign loan account is not required to be the bank where the foreign-invested capital account is opened.

4. The account service provider of the borrower that is fully or partly divided, consolidated or acquired shall provide information on the withdrawal of loan proceeds and repayment of foreign loan at the request of the successor of the borrower to repay the foreign loan and/or the account service provider of such successor so that the parties have a basis to continue to arrange the loan in compliance with the law on foreign borrowing and debt repayment.

#### **Article 7. Principles for making and sending applications**

1. The borrower sends 01 set of application to carry out administrative procedures as prescribed in this Circular in either of the following methods:

a) Submit it to the Single-window department of the State Bank in person;

b) Submit it by post.

2. Documents in the application are originals or certified copies with the borrower's certification of copying from the originals.

3. Vietnamese translations of foreign-language documents are translations made by the borrower itself or through a translation service provider. The borrower shall confirm the accuracy of the Vietnamese translation with the foreign language content.

4. In case the borrower simultaneously carries out the procedures for registration, registration for change of multiple foreign loans at the same time, or during the time when the State Bank (Department of Foreign Exchange Management) or the State Bank State branches of provinces and centrally affiliated cities (hereinafter referred to as the State Bank branches) are processing the borrower's applications for registration and registration for changes of other foreign loans, the borrower is not required to resubmit the documents with the same content to the processing authorities.

## **Chapter II**

### **MANAGEMENT AND USE OF WEBSITE**

#### **Article 8. Website**

1. The State Bank shall manage data and information about enterprises' foreign borrowing and repayment of foreign debts which are not guaranteed by the Government via its website address [www.sbv.gov.vn](http://www.sbv.gov.vn) or [www.qlnh-sbv.cic.org.vn](http://www.qlnh-sbv.cic.org.vn).

2. Use of websites for declaring information for registration and registration for changes of loans and preparing review reports on arrangement of conventional loans shall be consistent with the provisions laid down in this Circular and user instruction manuals available on these websites.

3. Borrowers shall sign up for their accounts to access these websites under the provisions of Article 10 hereof.

#### **Article 9. Actions to be taken against technical failures arising from use of websites**

1. Where any technical failure in websites arises through no fault of the borrower, the borrower shall temporarily report on arrangement of the foreign loans in writing. After successfully dealing with such failure, the State Bank branch shall update the report of the borrower into the website based on the written report.

2. Where any technical failure results from fault on the part of the borrower, he shall assume the following responsibilities:

- a) Urgently and proactively find solutions to successfully dealing with such failure, or act on his own initiative in cooperating with the technical department in charge of the websites to find solutions to correcting errors;
- b) Temporarily make reports on arrangement of conventional foreign loans using the written form No. 05 issued herewith, and concurrently notify the State Bank (Department of Foreign Exchange Management) of this technical failure;
- c) Post updated reports on arrangement of conventional foreign loans on websites promptly after such failure is successfully corrected.

#### **Article 10. Log-in account**

1. Log-in account refers to name and password entered to access websites which are given to users, including the following information:

- a) The borrower;
- b) Officers of Foreign Exchange Administration and the State Bank branches of cities or provinces engaged in administration of foreign borrowing and repayment of foreign loans which are not guaranteed by the Government;
- c) Affiliates of the State Bank assigned authority to have access to facts and figures pertaining to foreign borrowing and repayment of foreign loans which are not guaranteed by the Government.

2. After being granted log-in accounts, users shall log in their accounts to declare information, prepare reports, manage and use information on websites.

3. Procedures for registration and issuance of log-in accounts for the borrowers:

- a) Users fill their information in online declaration forms to apply for log-in accounts according to instructions available on websites, and then print out these forms and append their signatures and stamps;
- b) Users send the declaration forms referred to in subparagraph a of this clause by post or directly submit these forms to the State Bank branches as provided for in subparagraph a clause 5 of this Article;
- c) Within a maximum duration of 03 (three) working days of receipt of the request for issuance of user's log-in accounts along with valid and adequate information, competent authorities defined in subparagraph a clause 5 of this Article shall consider approving and granting log-in accounts sent to the registered email address of users. If such request for issuance of log-in accounts is rejected, an online response including clear explanation for this rejection must be sent to applicants.

4. Procedures for registration of changes of information about log-in accounts shall be stipulated as follows:

a) Borrowers must register changes to information about log-in accounts if there is any change made to name of the borrower, type of the borrower's enterprise, address, tax codes, contact phone number and email address;

b) Processes for such registration include the following steps:

Borrowers fill their information in online declaration forms to apply for changes made to log-in accounts according to instructions available on websites;

Within a maximum duration of 03 (three) working days of receipt of the request for registration for changes of log-in accounts, competent authorities provided for in point a clause 5 of this Article shall approve change contents and notify users of this to their registered email address. If such request is rejected, an online response including clear explanation for this rejection must be sent to applicants.

5. Authority to issue and manage log-in accounts:

a) The State Bank branches of provinces where borrowers' head offices are located shall issue and manage log-in accounts to the borrowers in the provinces.

b) Foreign Exchange Administration affiliated to the State Bank shall issue and manage log-in accounts of individuals and organizations prescribed in points b and c clause 1 hereof.

### **Chapter III**

## **PROCEDURES FOR REGISTRATION AND REGISTRATION FOR CHANGES TO CONVENTIONAL FOREIGN LOANS**

### **Section 1. LOAN REGISTRATION**

#### **Article 11. Loans subject to registration**

Loans subject to registration with the State Bank include:

1. Medium-term and long-term foreign loans.

2. Short-term loans whose principal repayment period is renewed which have more than 01 (one) year of maturity term.

3. Short-term loans which are not covered by any loan renewal contract but remain the outstanding principal owed (including outstanding interest included in principal) on the anniversary of the date of first withdrawal of loan proceeds in a full 01 (one) calendar year, except to the extent that borrowers have already paid their principal debt within a permitted



duration of 30 (ten) days after the anniversary of the date of first withdrawal of loan proceeds in a full 01 (one) year.

#### **Article 12. Loan term as the basis for determination of registration obligations**

1. In respect of loans referred to in clause 1 Article 11 hereof, loan term shall be determined from the scheduled date of first withdrawal of loan proceeds to the scheduled date of final principal repayment under terms and conditions of foreign loan agreements.
2. In respect of loans referred to in clause 2 Article 11 hereof, loan term shall be determined from the date of first withdrawal of loan proceeds to the scheduled date of final principal repayment under terms and conditions of foreign loan and foreign loan renewal agreements.
3. In respect of loans referred to in clause 3 Article 11 hereof, loan term shall be determined from the date of first withdrawal of loan proceeds to the scheduled date of final principal repayment.
4. The date of withdrawal of loan proceeds defined in this Article is
  - a) The date on which the loan proceed is credited to the borrower's account for loans disbursed in cash;
  - b) The date on which the creditor makes payment to the non-resident for provision of goods or services under goods or services sale contracts with the resident being the borrower;
  - c) The date on which the borrower is recorded as fulfilling the payment obligation to the creditor in case the parties choose to withdraw proceeds from the medium and long-term foreign loan in the form of clearing as prescribed in point d, Clause 1, Article 34 of this Circular.
  - d) The date on which the borrower receives the leased asset for loans in the form of foreign financial lease in accordance with relevant laws;
  - dd) The date on which the borrower is granted the Certificate of Business Registration, the License for establishment and operation under special laws, the date of signing the public-private partnership (PPP) investment contract, the date on which the parties sign the foreign loan agreement to convert the investment preparation amount into loans (whichever is later), applicable to foreign loans arising from the transfer of the investment preparation amount of the projects that have been granted an investment registration certificate into foreign loans in accordance with the law on foreign exchange management for foreign direct investment activities in Vietnam.

#### **Article 13. Foreign loan agreement as the basis for loan registration**

1. Foreign loan agreement as the basis for loan registration (hereinafter referred to as foreign loan agreement) refers to agreements effecting withdrawal of loan proceeds which are entered into between borrowers and non-resident creditors; debt instruments issued by residents to non-residents outside the Vietnamese territory; loan entrustment agreement or loan entrustment

agreement together with the on-lending agreement in case the trustee is the party responsible for direct debt repayment to the trustor who is a non-resident.

2. Borrowers shall not be subject to procedures for loan registration when signing agreements which effect no withdrawal of loan proceeds with non-residents such as framework credit pacts, memoranda and other similar arrangements. Contents of agreements must ensure consistency with Vietnam laws and regulations.

3. Where conventional medium-term or long-term loans of borrowers arise due to the presence of written documents that effect the validity for withdrawal of loan proceeds of the agreements prescribed in clause 2 of this Article, borrowers shall apply for registration of their loans in accordance with this Circular. In such circumstance, the foreign loan agreement shall include the original agreement and the document which effects the validity for withdrawal of loan proceeds of such agreement.

#### **Article 14. Entities subject to application for registration or registration for changes of loans**

Borrowers subject to application for registration or registration for changes of loans include:

1. Borrowers who are parties to foreign borrowing agreements with non-resident creditors.
2. Entities liable for making repayment to the trustor in case the credit institutions, foreign bank branches sign an agreement for on-lending with non-resident trustors.
3. Parties who are obliged to repay debts according to debt instruments issued outside the Vietnamese territory to non-residents.
4. Lessees who are parties to finance lease contracts with non-resident lessors.
5. The successor of foreign loan repayment obligation shall make registration or registration for change in accordance with this Circular in case the borrower is fully or partly divided, consolidated or acquired while arranging the foreign loan.

#### **Article 15. Processes for loan registration**

1. Preparing the registration form for foreign loans which are not guaranteed by the Government:
  - a) If a borrower fills in the loan declaration form on the website before submitting the application for registration of the foreign loan: the borrower shall print out that form from the website, and give their signature and stamp;
  - b) If a borrower fails to fill in the loan declaration form on the website before submitting the application for registration of the foreign loan: the borrower shall complete the application form for registration of foreign loan given in Appendix 01 hereto.

## 2. Time limit for submission of application:

Borrowers are required to send 01 application for registration of foreign loan to the competent authority accorded authority over loan registration confirmation as prescribed in Article 20 of this Circular within the given time limit:

- a) 30 working days from the date of signing the medium or long-term foreign loan agreement;
- b) 30 working days from the date of signing the agreement to renew the foreign loan agreement from short-term to medium- or long-term for the loans specified in clause 2 Article 11 of this Circular in which the signing date of extension is within 01 year from the date of first withdrawal of loan proceeds.
- c) 30 working days from the date on which the borrower is granted the Certificate of Business Registration, the License for establishment and operation under special laws, the date of signing the public-private partnership (PPP) investment contract, the date on which the parties sign the foreign loan agreement to convert the investment preparation amount into loans (whichever is later), applicable to foreign loans arising from the transfer of the investment preparation amount of the projects that have been granted an investment registration certificate into foreign loans.
- d) 60 working days after the anniversary of the date of first withdrawal of loan proceeds in a full 01 (one) year:

The loans specified in clause 2 Article 11 of this Circular in which the signing date of renewal is after 01 years before the date of first withdrawal of loan proceeds; and the loans stipulated in clause 3 Article 11 hereof.

## 3. The State Bank shall send approval or rejection of confirmation of loan registration (with clear explanation) within the following permitted periods:

- a) 12 (twelve) working days of receipt of valid and sufficient dossiers from borrowers in the event that borrowers filled in the loan declaration form on the website;
- b) 15 (twelve) working days of receipt of valid and sufficient dossiers from borrowers in the event that borrowers failed to fill in the loan declaration form on the website;
- c) 45 working days of receipt of valid and sufficient dossiers from borrowers in the event that loans denominated in Vietnam dong are subject to consideration and consent of the Governor of the State Bank in accordance with clause 3 Article 20 hereof.

## 4. Competent authorities accorded authority over confirmation of registration, registration for change of foreign loans referred to in Article 20 hereof shall assume the following responsibilities:

- a) Check consistency and accuracy of dossiers submitted to apply for loans and information declared on websites; keep borrowers updated on the processing status of registration application

on websites if they filled in loan declaration form on the website before submission of application for registration of the foreign loan;

b) Input information regarding loans on websites to create loan codes and store information in the database of enterprises' foreign loans or repayment of foreign loans which are not guaranteed by the Government in the event that borrowers failed to fill in loan declaration form on the website before submission of application for registration of the foreign loan; update the dossier processing on the website in order for the borrowers to check up.

5. In respect of loans denominated in Vietnam dong, they shall be subject to consent from the Governor of the State Bank in accordance with prevailing laws and regulations on conditions for foreign borrowing, and procedures for loan registration cum procedures for requesting the Governor of the State Bank to consider approving loans; written confirmation of registration of loans cum written approval of loans issued by the Governor of the State Bank.

#### **Article 16. Loan registration dossier**

1. Loan registration form stipulated in paragraph 1 Article 15 hereof.

2. Copy of legitimate dossiers of the borrower: establishment permit, business registration certificate, cooperative or cooperative federation registration certificate and amending documents (if any) and other equivalent documents.

3. Copy or original of written proof of borrowing purposes, including:

a) As for loans for executing investment projects: Investment certificates, certificates of investment registration or decisions on approval for investment policy as per the investment law and applicable regulations of relevant laws;

b) As for loans for implementing plans for production and business other than investment projects: Plan for use of foreign loans approved by the competent authority as per the Investment Law, Enterprise Law and charter of enterprises, Cooperative Law and charter of cooperatives as well as other relevant legislative documents;

c) As for loans for restructuring foreign loans of the borrower: Foreign debt restructuring plans of the borrower approved by competent authorities in accordance with the Enterprise Law and charter of enterprises, Cooperative Law and charter of cooperatives as well as other relevant legislative documents;

d) As for loans stipulated in clauses 2 and 3 Article 11 hereof: Report stating that use of short-term loans conforms to regulations on eligibility conditions for short-term foreign borrowing (enclosed with supporting documentation such as plan for use of foreign loan of the borrower, plan for restructuring of foreign loan);

dd) Types of documents prescribed in Points a, b and c of this Clause shall not apply to the loans of state-funded commercial banks in which the State Bank is a controlling owner representative

and have been approved by the State Bank in accordance with regulations on management and use of state funds in enterprises.

4. Copy of foreign document and Vietnamese translation of foreign loan agreements and agreements on renewal of short-term loans into medium-term or long-term loans (if any).

5. Copy of foreign document and Vietnamese translation of written guarantee commitment (letter of guarantee, contract of guarantee or other commitments) in terms of secured loans.

6. The copy of the competent authority's written approval for foreign loans in accordance with laws on task and authority assignment in relation to implementation of authority, responsibilities and obligations of the state or state representatives in state-funded enterprises in accordance with management and use of state funds in enterprises for borrowers being state-owned enterprises (not applicable to loans of commercial banks in which the State Bank is a controlling owner representative and have been approved by the State Bank in accordance with regulations on management and use of state funds in enterprises).

7. Report on compliance with regulations of the State Bank on credit limits and safety ratios of credit institutions, foreign bank branches in accordance with regulations on requirements for conventional foreign loans on the latest 3-month-end date prior to the signing date of loan agreement until the latest month-end date prior to the date of submission of full application for registration of foreign loan using the form No. 02 issued herewith and written proof of incompliance with laws on credit limits and safety ratios approved by the Prime Minister or the Governor of the State Bank in accordance with laws (if applicable) in the event that borrowers are credit institutions or foreign bank branches.

8. An account service provider's confirmation required as to the withdrawal of loan proceeds, repayment of principal and interest until the date of loan registration (if the borrower opens a foreign loan account at the account service provider) in the following cases:

a) If foreign borrowing is to serve the purpose of restructuring foreign debts: a statement given by the borrower's account service provider on withdrawal of loan proceeds and repayment of debts incurred from foreign loans to be restructured by other foreign loans is required;

b) If foreign investors' disbursed fund transmitted to Vietnam which have already been used for meeting pre-investment expenses are converted into medium-term or long-term foreign loans of directly foreign-invested enterprises in accordance with prevailing relevant laws on foreign direct investment in Vietnam: Copy of foreign document and Vietnamese translation of a confirmation of collection and spending transactions relating to loan origination given by the creditor's account service provider is required;

c) As for loans stipulated in clauses 2 and 3 Article 11 hereof: a statement given by the borrower's account service provider on withdrawal of loan proceeds and repayment of an initial short-term foreign loan is required;

d) Where the borrower fails to provide such a confirmation made by the account service provider as specified in points a, b, c hereof since:

The account service provider shuttered business or suspended operations before the borrower alters another account service provider, or;

The withdrawal of loan proceeds and repayment of the foreign loan are not required to be done via a foreign loan account as per Article 34 hereof;

The borrower chooses one of the other documents proving the withdrawal of loan proceeds and loan repayment as follows: a copy of the audited or reviewed financial statement with information proving that the borrower has received the loan amount, outstanding debt up to the time of requesting the State Bank to confirm registration of foreign loan; copy of foreign document and Vietnamese translation of the written certification of the overseas commercial bank where the borrower opens and uses a foreign currency account abroad to withdraw loan proceeds and repay the loan; copy of foreign document and Vietnamese translation of the letter of confirmation from an overseas bank about the amount of money the creditor has directly paid to the beneficiary being a non-resident for the provision of goods and services under the goods and services sale contract with the resident being the borrower.

9. Documents or invoices indicating legally distributed Vietnam-dong profits gained from direct investments of the creditor who is the foreign investor making the capital contribution to the borrower, and a statement of account service providers on distribution and transmission of profits to the home country of the creditor are required to serve as evidence of disbursement of foreign loans in respect of foreign borrowing in Vietnam dong in accordance with prevailing regulations on conditions for foreign borrowing in Vietnam dong.

10. Explanatory statement on demands for foreign borrowing in Vietnam dong in respect of foreign borrowing in Vietnam dong under the Governor's approval in accordance with the State Bank's prevailing regulations on conditions for foreign borrowing in Vietnam dong.

## **Section 2. REGISTRATION FOR CHANGES OF FOREIGN LOANS**

### **Article 17. Application for registration for changes of foreign loan**

1. Unless otherwise provided for by clause 2 of this Article, if there is any change to contents relating to loans referred to in the confirmation of foreign loan registration or confirmation of registration for changes of foreign loan given by the State Bank, the borrower shall be responsible for making registration for changes of his foreign loan with the State Bank under the provisions of this Circular.

2. The borrower shall notify the change on the website and shall not apply for registration of changes of loans in respect of the following contents:

a) Change of time for withdrawal of loan proceeds, repayment of principal within 10 working days as against the once previously approved by the State Bank;

b) Change of the borrower's address without change of the city or province where the borrower's head office is located; the borrower shall send a notice of address change to the competent authority accorded authority over registration, registration for change of foreign loan;

c) Change of the creditor, related information about creditors in respect of a syndicated loan that designate the representative for creditors, except when a creditor is also the representative for creditors in respect of a syndicated loan, and any change of creditors that may entail changes to the roles of the representative for creditors;

d) Change of the commercial transaction name of the account service provider, the bank providing secured transactions;

dd) Change the plan for payment of interests and fees on the foreign loan as against the one previously confirmed by the State Bank in the written confirmation of registration or registration for change of foreign loan, but do not change the method to calculate the interests and fees specified in the foreign loan agreement. The borrower is responsible for making a schedule to calculate the interests and fees to be paid so that the account service provider has a valid ground for checking and monitoring when making the money transfer;

e) Change (increase or decrease) the amount of loan proceeds to be withdrawn, repayment of principal, interests and fees within 100 currency units of the foreign loan currency as against the amount stated in the written confirmation of registration, written confirmation of registration for change of foreign loan;

g) Change of the actual amount of loan proceeds to be withdrawn or principal repayment of a specific period less than the amount stated in the loan proceed withdrawal or debt repayment plan in the written confirmation of registration or written confirmation of registration for change of the foreign loan.

3. As for the change specified in point g clause 2 of this Article, before withdrawing the loan proceeds or repaying the outstanding debt of a period, the borrower shall register the change of the loan proceed withdrawal and debt repayment as to the outstanding amount as prescribed in this Circular.

## **Article 18. Processes for registration for changes of loans**

1. Preparing the application for registration for changes of foreign loans:

a) If a borrower filled in the loan change declaration form on the website before submitting the application: then the borrower prints out that form from the website, and give their signature and stamp;

b) If a borrower failed to fill in the loan change declaration form on the website before submitting the application: the borrower shall complete the application form for registration for change of foreign loan given in Appendix 04 hereto.

2. Time limit for sending an application for registration for change of foreign loan:

Within 30 working days from the date on which:

- a) The parties sign an agreement to change or before the time the change is made (for the case where the change does not require such an agreement provided that the change is still consistent with the foreign loan agreement);
- b) The successor of obligation to repay the foreign loan is issued with a business registration certificate or the date on which the parties to sign an agreement on change of the borrower in a case where the former borrower is fully or partly divided, consolidated or acquired (whichever comes later) and before the withdrawal of loan proceeds and loan repayment continues;
- c) The borrower completes the update of information on name change and/or address change, moving the head office to another province or city on the National Business Registration Database;
- d) The creditor (or the organization representing the creditors in the syndicated loan - if any), the grantor (of security interest), the guarantor or other related parties mentioned in the written confirmation of registration, the written confirmation of the loan change registration sends a written notice to the borrower of the name change and before making related money transfers to these parties.

3. The State Bank shall send approval or rejection of confirmation of registration for changes of loan (with clear explanation) within the following permitted periods:

- a) 12 (twelve) working days of receipt of valid and sufficient application from the borrower in the event that borrower filled in the loan change declaration form on the website before submitting the application, or;
- b) 15 (twelve) working days of receipt of valid and sufficient application from the borrower in the event that borrower failed to fill in the loan change declaration form on the website before submitting the application.

4. Competent authorities referred to in Article 20 hereof shall assume the following responsibilities:

- a) Check consistency and accuracy of application for registration for change of the loan and information declared on websites; keep borrowers updated on the processing status of registration application on websites if they filled in loan declaration form on the website before submission of application for registration for change of the foreign loan;
- b) Input information regarding loans on websites to create loan codes and store information in the database of enterprise's foreign loan or repayment of foreign loan which is not guaranteed by the Government in the event that the borrower failed to fill in loan change declaration form on



the website before submission of application for registration for change of the foreign loan; update the application processing on the website in order for the borrower to check up.

### **Article 19. Application for registration for changes of foreign loans**

1. The registration form for changes to loans stipulated in clause 1 Article 18 hereof.
2. Copies and Vietnamese translations of agreements on changes to loans which have been registered.
3. Copies of documents of competent authorities in accordance with laws on task and authority assignment in relation to implementation of authority, responsibilities and obligations of the state in state-owned enterprises and state-owned capital invested in enterprises on approval of changes of the foreign loan plan of the borrower who is a state-owned enterprise in case of increasing the loan proceeds or extending the loan term (not applicable to loans of commercial banks in which the State Bank is a controlling owner representative and have been approved by the State Bank in accordance with regulations on management and use of state funds in enterprises).
4. Required documents in the application as specified in clause 3 Article 16 of this Circular in case of increasing the loan proceeds, changing the loan use purpose as to the unrealized loan amount.
5. Required documents in the application stipulated by clause 7 Article 16 hereof in the event that the borrower that is a credit institution, foreign bank branch increases foreign loan proceeds.
6. Document issued by the account service provider regarding confirmation of withdrawal of loan proceeds and debt (principal and interest) repayment till the date of registration for changes of loans in the event of registration for changes of the loan proceeds, or the plan for withdrawal of loan proceeds or debt repayment, or the date on which the commercial bank provides account services.

In case the borrower cannot provide the confirmation of the account service provider according to the provisions of this clause because the account service provider has shuttered business or has suspended operations before the borrower changes another account service provider and/or the withdrawal of loan proceeds and repayment of foreign loans in the cases of withdrawal of loan proceeds and debt repayment which are not made through a foreign loan account as prescribed in Article 2 of this this Circular, the borrower may choose to provide other documents as specified at Point d, Clause 8, Article 16 of this Circular.

### **Section 3. CONFIRMATION OF REGISTRATION OR REGISTRATION FOR CHANGES OF LOANS**

#### **Article 20. Authority over confirmation of registration or registration for changes of loans**

1. Competent authorities accorded authority over confirmation of registration or registration for changes of loans (hereinafter referred to as competent authorities) are:

a) The State Bank (Department of Foreign Exchange Management): in respect of loan proceeds of more than USD (or other equivalents) 10 (ten) million;

b) State Bank branches of provinces where borrowers' head offices are located: in respect of loan proceeds of up to USD (or other equivalents) 10 (ten) million other foreign loans denominated in Vietnam dong subject to approval by the Governor of the State Bank.

2. Where there is any increase or reduction in loan proceeds, or any change to currency unit of a loan or the borrower's head office, or the borrower is requested to contact an enterprise whose head office is located within another province or city, which entails changes to the authority in charge of confirmation of registration for changes of loans:

a) The borrower shall submit the application for registration for change of the foreign loan to the authority in charge of confirmation of registration or registration for changes of the latest time.

b) The authority in charge of confirmation of registration or registration for changes of the latest time shall act as the contact point to receive the application for registration for changes of the loan from the borrower. Within 07 (seven) working days of receipt of the application for registration for changes, the authority in charge of confirmation of registration or registration for changes of the latest time shall deliver all of the original application submitted to request registration of changes of loans and copy of application for registration or registration for changes that have already been made to loans (if any) to competent authorities referred to in clause 1 of this Article for further processing activities.

3. Where foreign loans denominated in Vietnam dong are subject to the Governor's consideration or approval, the Department of Foreign Exchange Management shall act as the contact point or cooperate with relevant affiliates of the State Bank in reporting to the Governor for his consideration or decision according to the delegated authority.

4. The exchange rate used to determine the competent authority in charge of confirmation of the registration and registration for changes in foreign loans is the accounting rate quoted by the Ministry of Finance and applied at the time of signing foreign loan agreements or agreements on changes of the foreign loans in relation to the loan proceeds.

#### **Article 21. Bases for confirmation of registration or registration for changes of loans**

1. The foreign loan proceeds are within the total limit on conventional foreign commercial loans approved by the Prime Minister.

2. The borrower shall comply with and fulfill regulations on conditions for foreign borrowing, administration of foreign exchange in respect of foreign borrowing and repayment of foreign debts in accordance with prevailing regulations of the State Bank and other relevant laws at the time of application submission.

#### **Article 22. Cancellation of the written confirmation of registration or registration for changes of loans**

The competent authority in charge of registration, registration for change of foreign loans shall issue a written cancellation of the confirmation of registration, registration for change of foreign loan in case the application for registration, registration for change of foreign loan contains fraudulent information, forged documents supporting the eligible for registration, registration for change of foreign loan.

**Article 23. Cases in which the written confirmation of registration or registration for changes of loans will become automatically void and null**

1. The written confirmation of registration or registration for changes of foreign loan issued by the State Bank shall become automatically void and null in the event that, in excess of the period of 06 (six) months after the last date of the withdrawal term, and though the State Bank has given its confirmation, the borrower fails to withdraw the loan proceeds and register changes to the plan for loan proceed withdrawal in accordance with relevant regulations set forth in this Circular.
2. After the written confirmation of registration or registration for changes of foreign loans becomes void and null under the provisions laid down in paragraph 1 of this Article, if the borrower wishes to proceed with such loans, he must repeat procedures for registration for foreign loans as stipulated by Chapter III hereof within a maximum period of 30 (thirty) days from the date on which parties reach arrangements in writing to proceed to effect such loans.

**Article 24. Actions to be taken against foreign loans in case of cancellation of the confirmation of registration, registration for changes of foreign loans due to fraudulent information, forged documents in applications**

1. Where an application for registration or registration for changes of foreign loan contains fraudulent information, forged documents supporting the eligible for registration, registration for change of foreign loan, the competent authority shall issue a written cancellation of the confirmation of registration, registration for change of foreign loan to the borrower (and to the account service provider, bank providing secured transactions - if any).
2. After receiving the written cancellation of the written confirmation of registration, confirmation of registration for change of foreign loan mentioned in Clause 1 of this Article, the account service provider, the bank providing secured transactions shall not continue to conduct money transfers related to the foreign loan according to the contents stated in the written confirmation of registration, confirmation of registration for change of foreign loan. The account service provider, the bank providing secured transactions shall notify the competent authority in writing of the money transfer transactions related to the foreign loan made through these banks until the date of the written notice of cancellation of the written confirmation of registration or registration changes at the request of the competent authority.
3. From the time when the written confirmation of registration or registration of changes is cancelled, the borrower uses a checking account denominated in Vietnam dong opened at an account service provider to refund outstanding foreign loan proceeds and indebtedness amount (if any).

4. The parties shall decide on using the accounting exchange rate announced by the Ministry of Finance, or the foreign currency buying and selling rate set by the account service provider or other credit institution or foreign bank branch listed in Vietnam at the time the written confirmation of registration or change registration is cancelled or the time of transferred debt repayment to determine the amount in Vietnam dong to be paid to the creditor.

**Article 25. Duplication and sending of the written confirmation of registration or registration for changes of loans, and the statement on cancellation of the written confirmation thereof**

1. The State Bank (Department of Foreign Exchange Management and State Bank branches) shall duplicate and send the following documents to account service providers, banks providing secured transactions to request their cooperation in monitoring and implementing:

- a) The written confirmation of registration or registration for changes of loans;
- b) The statement on cancellation of the written confirmation of registration or registration for changes of loans.

2. The State Bank (Department of Foreign Exchange Management) shall duplicate and send the documents referred to clause 1 of this Article to the State Bank branches of provinces where the borrower's head offices are located in order to cooperate in management, monitoring and expedition of preparation of reports.

3. The State Bank branches of provinces shall duplicate and send the statement on cancellation of the written confirmation of registration or registration for changes of loans to the State Bank (Department of Foreign Exchange Management) for the purpose of cooperation in administrative activities.

**Chapter IV**

**OPENING AND USE OF FOREIGN LOAN ACCOUNTS**

**Section 1. FOREIGN LOAN ACCOUNTS**

**Article 26. Foreign loan account of borrower**

1. Foreign loan account refers to the payment account that the borrower opens at an account service provider to withdraw loan proceeds and repay debts incurred from the foreign loan and other money transfer activities relating to foreign borrowing and debt repayment and foreign loan guarantee.

2. Regarding borrowers that are foreign-invested enterprises:

- a) As for medium-term and long-term foreign loans (excluding the loans specified in point c of this clause):

The borrowers shall utilize the account for direct investment for other receipts and spending related to foreign direct investments as stated in Article 28 and Article 29 of this Circular. If the loan currency is not the currency of the account for direct investment, the borrower may open another foreign loan account to take out a foreign loan at the bank where it opened the account for direct investment.

Borrowers can utilize 01 (one) account for 01 (one) or various foreign loans. Permissible receipts and expenditures of these accounts shall be stipulated by Article 28 and 29 hereof;

b) Short-term foreign loans: Borrowers can utilize the account for direct investment as stated in Point a of this Section or another foreign loan account (as distinct from the account for direct investment) to process receipts and expenditures related to the foreign loan. Each short-term foreign loan shall only be processed through 01 (one) account service provider. Borrowers can utilize 01 (one) account for 01 (one) or various short-term foreign loans. Permissible receipts and expenditures of these accounts shall be stipulated by Article 28 and 29 hereof;

c) For short-term loans with outstanding principal at the anniversary date of full 1 year from the date of withdrawal of loan proceeds and the borrower will make repayment within 30 working days from the anniversary date of full 1 year from the date of withdrawal of loan proceeds, the borrower shall repay the loan via the foreign loan account, which is being used for this loan;

d) In case a foreign-invested enterprise is an organization jointly liable for the debt repayment obligation of the original borrower after the full division, partial division, consolidation or acquisition, such foreign-invested enterprise is not required to use the account for direct investment to repay the debt for which this enterprise is jointly liable.

3. The borrower that is not a directly foreign-invested enterprise must open a foreign loan account at an account service provider in order to perform money transfer transactions relating to foreign loans (including fund withdrawal, principal and interest payment). Each foreign loan shall only be processed through 01 (one) account service provider. Borrowers can utilize 01 (one) account for 01 (one) or various foreign loans. Permissible receipts and expenditures of these accounts shall be stipulated by Article 28 and 29 hereof.

#### **Article 27. Monitoring of foreign borrowing and foreign debt repayment carried out by the borrower that is a commercial bank or foreign bank branch**

1. Commercial bank or foreign bank branch that is the borrower is not required to open a foreign loan account at a credit institution or foreign bank branch to arrange a foreign loan.

2. Commercial bank or foreign bank branch that is the borrower shall be responsible for monitoring transactions relating to its foreign borrowing in accordance with prevailing laws and regulations on account-recording and accounting in terms of commercial banks and foreign bank branches; take responsibility and ensure performance of transactions relating to foreign loans in compliance with contents of the State Bank's written confirmation of registration or registration for changes of foreign loans of that commercial bank or foreign bank branch.

## **Article 28. Permissible receipts and expenditures of foreign loan accounts denominated in foreign currencies**

Foreign loan accounts denominated in foreign currencies shall only be used for performing transactions relating to foreign borrowing and foreign debt repayment activities as follows:

### **1. Receipts from:**

- a) Withdrawing foreign loan proceeds;
- b) Purchasing foreign currency from account service providers for the purpose of repaying debts (principal and interest) incurred from foreign loans or indebtedness amounts between the creditor and the grantor (of security interest) being a non-resident, or payment of fees in accordance with loan agreements;
- c) Converting foreign currency from foreign loan proceed withdrawals in the event that the creditor's disbursements are not denominated in the currency unit used in the foreign loan account;
- d) Foreign-currency payment account that the borrower opens at a credit institution licensed within the territory of Vietnam, and foreign currency account that the borrower opens abroad;
- dd) Permissible amounts receivable from derivative transactions in conjunction with foreign loans;
- e) Interests earned on account balances as per applicable laws.

### **2. Expenditures on:**

- a) transferring money to repay debts (principal and interest) incurred from foreign loans;
- b) transferring money abroad to pay fees under loan agreements, pay compulsory debt owed to the non-resident grantor under the provisions of Chapter V hereof;
- c) transferring money to the borrower's foreign-currency payment accounts;
- d) selling foreign currency to authorized credit institutions;
- dd) transferring money to the foreign currency account that the borrower opens abroad to secure commitments stated in foreign loan agreements;
- g) Buying foreign currency to pay debts (principal, interest) incurred from foreign loans in the event that currency used for debt repayment is not the one used in the foreign loan account;
- g) Service charges for account management and money transfer through accounts as stipulated by the account service provider;

h) Permissible amounts payable to derivative transactions for preventing risks of exchange rates and interests relating to foreign loans.

**Article 29. Permissible receipts and expenditures of foreign loan accounts denominated in Vietnam dong**

Foreign loan accounts denominated in Vietnam dong shall only be used for performing transactions relating to foreign loans denominated in Vietnam dong as follows:

1. Receipts from:

- a) transferring foreign loan proceed withdrawals in the event that the creditor uses Vietnam-dong payment accounts opened at credit institutions, foreign bank branches located within the territory of Vietnam;
- b) withdrawing loan proceeds from sale of foreign currency to authorized credit institutions located within the territory of Vietnam in case the creditor does not use Vietnam-dong payment accounts opened within the territory of Vietnam for loan disbursement purposes;
- c) transferring money from Vietnam-dong payment accounts of the borrower;
- d) Interests earned on account balances as per applicable laws.

2. Expenditures on:

- a) transferring money to Vietnam-dong payment accounts of the borrower to pay debts (principal, interest) in the event that the borrower uses Vietnam-dong payment accounts for the purpose of recovering debts agreed upon in loan agreements;
- b) buying foreign currency to pay debts (principal, interest) incurred from foreign loans in case the borrower does not use Vietnam-dong payment accounts for the purpose of recovering debts agreed upon in loan agreements;
- c) paying indebtedness amount between the borrower and the grantor under the provisions of Chapter V hereof;
- d) paying fees denominated in Vietnam dong, and buying foreign currency to pay fees denominated in foreign currency in relation to foreign loans;
- dd) transferring money to Vietnam-dong payment accounts of the borrower;
- e) Service charges for account management and money transfer through accounts as stipulated by the account service provider.

**Article 30. The creditor's foreign loan account opened at a credit institution or foreign bank branch in Vietnam.**

1. The creditor opens and uses a Vietnamese dong payment account of a non-resident at a credit institution or foreign bank branch in Vietnam for the following purposes:

- a) Disbursement and debt recovery of foreign loans in Vietnam dong in case the borrower that is a foreign-invested enterprise takes a loan from profits from direct investment activities in the Vietnamese territory of the creditor being a foreign investor that contributes capital to the borrower;
- b) Recovering debts of loans subject to registration as prescribed in Clauses 2 and 3, Article 11 of this Circular but ineligible for registration confirmation;
- c) Recovering outstanding debts of foreign loans but the confirmation of registration, registration for changes of foreign loans is cancelled due to fraudulent information, forged documents in the application in accordance with this Circular.

2. The creditor may not use the checking account in Vietnam dong specified in Clause 1 of this Article for other purposes except for the following transactions:

- a) Receipt from the creditor's profits distributed from direct investment activities in the territory of Vietnam
- b) Expenditure on buying foreign currency to transfer to overseas creditor's account;
- c) Expenditure on transfer to another checking account in Vietnam dong opened by the creditor at a credit institution or foreign bank branch in Vietnam;
- d) Expenditure on service charges for account management and money transfer through accounts as stipulated by the account service provider.

3. The creditor's use of foreign currency accounts of non-residents at commercial banks for disbursement and debt recovery for foreign loans must comply with the provisions of law on restrictions on the use of foreign exchange on the territory of Vietnam.

4. In case of opening and using an account in the Vietnamese territory, the creditor is responsible for complying with the provisions of law on the opening and use of accounts of non-residents at commercial banks in Vietnam to conduct receipt and expenditure transactions related to foreign loans.

## **Section 2. WITHDRAWAL OF LOAN PROCEEDS, MONEY TRANSFER FOR FOREIGN LOAN ARRANGEMENT**

### **Article 31. Principle of cash flow transparency**

1. If the borrower is not a commercial bank or foreign bank branch, every money transfer (loan proceed withdrawal or debt repayment) relating to foreign loans must be performed through foreign loan accounts of the borrower, unless otherwise stipulated in Article 34 hereof.



2. Money transfer orders between residents and non-residents in relation to implementation of loan proceed withdrawal and repayment of debt (principal and interest), payment of fees for foreign loans must be clarified in terms of money transfer purpose in order for account service providers to have the basis for checking, examining and preserving records and perform transactions.

3. The borrower shall be responsible for clarifying and requesting the creditor to clarify the purpose of money transfer transactions relating to foreign loans as the basis for determining foreign debt obligations and transferring money to pay debts incurred from loans (principal, interest) on the payment due date.

### **Article 32. Money transfer for arrangement of foreign loans**

1. Borrowers shall transfer loan proceeds, repay debts (principal, interests) via 01 account service provider.

a) Where the account service provider is altered, the borrower shall request the current account service provider to give confirmation of loan proceed withdrawal and debt repayment relating to the foreign loan in order for the new account service provider to continue to monitor arrangement of the foreign loan in accordance with prevailing laws on administration of foreign borrowing and foreign debt repayment;

b) Where currency used is altered but the account service providers is not altered, such provider shall be responsible for overseeing loan proceed withdrawal and debt repayment in accordance with prevailing laws on administration of foreign borrowing and foreign debt repayment.

2. With respect to foreign loans subject to registration with the State Bank, the borrower shall be allowed to withdraw loan proceeds and repay debts (principal, interest) of the foreign loan only after registration or registration for change of such loan is confirmed by the State Bank, except for:

a) Withdrawal of loan proceeds and partial repayment of principal and interest in the first year of the loan subject to registration specified in Clauses 2 and 3, Article 11 of this Circular. For short-term loans that are signed with an agreement to extend into medium and long-term within 12 months from the date of first loan proceed withdrawal, from the date of signing the extension agreement, the withdrawal of loan proceeds and repayment (principal, interest) can only be continued after the loan registration if confirmed by the State Bank. The borrower is responsible for notifying the account service provider that the short-term loan has been extended into a medium- and long-term loan under an agreement;

b) Withdrawal of loan proceeds arising from a foreign loan agreement to convert the amount of money made for investment preparation into foreign loan.

3. The borrower shall only be allowed to receive disbursement amount and transfer money to pay debts (principal, interest) through the account of the creditor, representative for the creditor or

payment bank agent of the creditor in the event of a syndicated loan or loan which a bank acts as a payment agent under the loan agreement.

4. Where receipt of disbursement amount and transfer of money for payment of debts (principal, interest) of foreign loans denominated in foreign currency are carried out through the account of the non-resident third party not covered by clause 3 of this Article, this content must be clearly defined in loan agreements (or change agreements). If foreign loans are subject to registration with the State Bank, this content must be confirmed in the statement on confirmation of registration or registration for changes of foreign loans.

5. The borrower pays the debt to the creditor's checking account in Vietnam dong opened at a credit institution or foreign bank branch in Vietnam in the following cases:

a) Loans subject to registration as prescribed in Clauses 2 and 3, Article 11 of this Circular but ineligible for registration confirmation. The exchange rate applied to determine the amount denominated in Vietnam dong payable to the creditor as specified in this point is the accounting rate announced by the Ministry of Finance, or the foreign currency buying and selling rate set by the account service provider or other credit institution or foreign bank branch listed in Vietnam at the time the competent authority issues a written refusal to confirm the registration of the foreign loan or the time of transferring money for debt repayment;

b) The foreign loan has outstanding balance but the written confirmation of registration, the written confirmation of registration of changes is cancelled due to fraudulent information or forged documents in the application. The exchange rate applied to determine the amount in Vietnam dong to be paid to the creditor according to the provisions of Clause 4, Article 24 of this Circular.

c) Foreign loans in Vietnam dong from profits from direct investment activities in the Vietnamese territory of the creditor being a foreign investor that contributes capital to the borrower.

### **Article 33. Purchase of foreign currency and transfer of money for foreign debt repayment**

1. The borrower shall purchase foreign currency from authorized credit institutions to pay discharge obligations relevant to repayment of principal and interest and fee relating to foreign loans on the basis of presenting documents or records indicating demands of legitimate foreign currency payment in accordance with laws and upon the request of authorized credit institution.

2. Authorized credit institutions shall set out regulations on records and documents indicating the demands for legal payment of foreign currency on the principle of verification of legal debt obligations of the borrower under foreign loan agreements, proof of loan proceed withdrawal and statement on confirmation of registration for foreign loans issued by the State Bank (applicable to the case in which foreign loans must be registered with the State Bank) and other documentation (if any) upon the request of authorized credit institution.

**Article 34. Cases in which withdrawal of loan proceeds or debt repayment is not carried out through foreign loan accounts**

1. Cases in which withdrawal of loan proceeds is not carried out through foreign loan accounts include:

- a) Withdrawing loan proceeds in the form that the borrower directly pays the non-resident beneficiary providing goods or services under goods or services sale and purchase contracts with residents being the creditor;
- b) Withdrawing foreign loan proceeds in the form of finance lease;
- c) Withdrawing loan proceeds through the account that the borrower opens abroad in case the borrower is allowed to open accounts abroad for arrangement of foreign loans;
- d) Withdrawing loan proceeds from medium-term, long-term foreign loans through settling or clearing against direct payment obligations to the creditor, including: payment obligation under the goods import contract, obligation to repay foreign loan debt, the obligation to repay the indebtedness amount under the provisions of this Circular directly to the creditor;
- dd) Withdrawing loan proceeds in case the amount of money for investment preparation is converted into a foreign loan as agreed between the parties in accordance with the law on foreign exchange management for foreign direct investment activities into Vietnam.

2. Cases in which debt repayment is not carried out through foreign borrowing and foreign debt repayment accounts include:

- a) Paying debts by means of providing goods or services for the borrower;
- b) Paying debts in the form that the creditor and the borrower agree to convert the outstanding debt into shares or contributed capital of the borrower;
- c) Paying debts in the form that the creditor and the borrower agree to swap the outstanding debt into shares or contributed capital owned by the borrower;
- d) Paying debts incurred from medium-term or long-term loans through settling or clearing against direct receivables with the borrower;
- dd) Paying debts through the account that the borrower opens abroad (in case the borrower is allowed to open accounts abroad for arrangement of foreign loans).

3. Within 05 working days from the date of withdrawal of loan proceeds or debt repayment in the cases specified in Clauses 1 and 2 of this Article, the borrower is responsible for notifying and sending documents proving the withdrawal of loan proceeds, debt repayment in the form of not using the foreign loan account so that the account service provider knows and continues to monitor the borrower's foreign loan.

## **Chapter V**

### **REGULATIONS ON FOREIGN EXCHANGE ADMINISTRATION REGARDING SECURITY OF CONVENTIONAL LOANS**

#### **Article 35. Performance of guarantee obligations**

1. As for guaranteed foreign loans, the guarantor shall perform guarantee obligations to the foreign creditor (the obligee) as requested under commitments of the loan agreement, written guarantee commitments (letter of guarantee, guarantee contract or other guarantee commitments) which have been reached between parties involved, not contrary to applicable laws.
2. The guarantor is a resident who transfers money to fulfill the guarantee obligations through a bank providing secured transactions (except for the case specified in Clause 3 of this Article).
3. In case the guarantor is a credit institution or foreign bank branch in Vietnam, the guarantee money transfer is not required to do through the bank providing secured transactions. Credit institutions, foreign bank branches in Vietnam that provide guarantees for foreign loans are responsible for complying with the provisions of law on bank guarantees and notifying the account service provider about the guarantee amount provided.

#### **Article 36. Performance of security obligations in the form of collateralized security**

1. When a collateralized security obligation arises for a foreign loan, the grantor shall perform the security obligation in accordance with the commitments in the loan agreement and the guarantee agreements which are not contrary to Vietnamese law on secured transactions and other relevant laws.
2. The transfer of the proceeds after realizing the collateral in the Vietnamese territory to the creditor or the creditor's representative to perform the obligation to secure the property (hereinafter referred to as the "money transfer to perform collateralized security obligation") must be done through 01 bank providing secured transactions as prescribed in this Circular.
3. In case of realization of collateral in the form that the secured party receives the collateral itself to replace the performance of the obligation, the borrower is responsible for notifying the account service provider of information about the debt obligation that has been paid in the form that the secured party receives the collateral itself to replace the performance of the obligation.

#### **Article 37. Bank providing secured transactions**

1. Money transfer for performance of security obligations (including money transfer for performance of guarantee obligations and money transfer for performance of collateralized security obligations) must be done through 01 bank providing secured transactions, except for the cases specified in Clause 3, Article 36 of this Circular.

2. In case the bank providing secured transactions is also the bank providing account services of foreign loans, this bank is responsible for checking and keeping relevant documents in accordance with the provisions of this Circular when transferring money to perform security obligations as prescribed in this Circular.

3. In case the bank providing secured transactions is not a bank providing account services of foreign loans, when transferring money to perform security obligations, the bank shall have the following responsibilities:

a) Examine and keep documents and transfer money on the basis of documents mentioned in Clause 4 of this Article;

b) Within 07 working days from the date of money transfer to perform the security obligation, notify and send to the account service provider the documents proving the debt amount (principal, interest, fee) paid to the creditor through the performance of security obligations for the account service provider to monitor, determine the outstanding balance of principal, interest, and fees of the loan and serve as a basis for the transfer of funds to repay the indebtedness amount between the borrower and the grantor as prescribed in this Circular.

4. Documents for the authorized bank providing secured transactions to transfer money to perform the security obligation for the foreign loan, including:

a) Foreign loan agreement;

b) Agreements on guarantee, collateralized security related to foreign loans;

c) A written request for performance of security obligations from the creditor (or the creditor's representative or the creditor's representative to realize the collateral) according to the agreement of the parties to the guarantee; realization of collateral, specifying the payment obligations that the borrower is unable to perform the obligations under the loan agreement;

d) A written certification of the borrower's account service provider on the withdrawal of loan proceeds and loan repayment up to the time of request for money transfer to perform security obligations;

dd) Written confirmation of registration or registration for changes of foreign loans issued by the State Bank, identifying the security interests for foreign loans (applicable to the case in which foreign loans are subject to registration with the State Bank);

e) Other documents (if any) as prescribed by the bank providing secured transactions.

5. The borrower is responsible for notifying the grantor of the bank providing account services, the bank providing secured transactions and fully declaring information about these banks when registering and registering the change of foreign loan (in case the loan is subject to foreign loan registration as prescribed in this Circular).

### **Article 38. Indebtedness amount between the borrower and the grantor**

1. Indebtedness amount (if any) between the borrower and the grantor is a debt that the borrower is obliged to repay to the grantor after the grantor has performed the security obligation under agreements between the borrower, the grantor, the creditor in relation to the foreign loan (hereinafter referred to as the “indebtedness amount”).
2. The maximum indebtedness amount does not exceed an amount equivalent to the debt obligation under the foreign loan agreement that has been done through the performance of security interests.
3. In case the borrower and the grantor being resident have an agreement on interest and fees for the indebtedness amount, the agreement details on the interest and fees for the indebtedness amount must be consistent with current regulations of the Civil Code.
4. In case the borrower and the grantor being non-resident have an agreement on interest and fees on the indebtedness amount, the total amount of interest and fees paid by the borrower to the grantor, converted into an annual percentage on the total indebtedness amount that does not exceed the interest rate applicable to the late payment loan amount specified in the foreign loan agreement with security interests.
5. Agreement on currency used for indebtedness amount and currency used for payment for indebtedness amounts within a territory must be consistent with regulations on restrictions on use of foreign exchange in the territory of Vietnam.

### **Article 39. Reimbursement of indebtedness amounts**

1. The borrower shall carry out reimbursement of indebtedness amounts to the grantor on the basis of presenting the followings to the service account provider:
  - a) Foreign loan agreement and other documents on security relating to foreign loans;
  - b) Agreement of parties on reimbursement of indebtedness amount from the borrower to the grantor;
  - c) Documentation supporting that the grantor has performed security obligations related to the foreign loan (copies of money transfer document proving that the guarantor has acted on behalf of the borrower to repay debts, document proving that the amount for performance of security obligations has been transferred to the bank providing security transactions, document proving that the collateral has been handed over to perform the obligations);
  - d) Other document or records (if any) according to regulations of the account service provider.
2. Reimbursement of the indebtedness amount to the grantor must be carried out through foreign loan accounts. In the event that the currency for payment of the indebtedness amount is different

with the currency of the foreign loan account, the borrower may do the reimbursement via another account opened at the borrower's account service provider.

## **Chapter VI**

### **STATISTICAL REPORTING REGULATIONS ASSOCIATED WITH CONVENTIONAL LOANS**

#### **Article 40. Statistical reporting regulations in respect of the account service provider**

The account service provider shall implement reporting regulations in accordance with provisions set forth by the State Bank on statistical reporting regulations that apply to authorized credit institutions or foreign bank branches.

#### **Article 41. Reporting regulations applied to the borrower**

1. On the monthly basis, no later than the 5th day of the month immediately after the reporting period, the borrower must prepare an online review report on short-term, medium-term and long-term loans on websites. Where any technical failure in websites arises that makes the reporting unfeasible, the borrower shall send a written report using the form in Appendix 05 hereto.
2. Within a maximum period of 10 (ten) working days of receipt of online report from the borrower on websites (or inputting information from the written report as the websites have technical failure) for the purpose of storing information in the database. Where reporting information is accurate, the borrower shall be notified of completion of reporting by emails in accordance with regulations. Where there is inaccurate information or any information that need to be clarified, the State Bank branch shall send the notification email to the borrower to make data adjustments.
3. Within 03 working days after identifying errors in a foreign loan and repayment report, the borrower is responsible for reporting online at the websites (or in writing in case the websites encounter technical failure) the performance of short, medium and long-term loans with corrected data; and also notify the State Bank's branch by email so that the State bank's branch can conduct scrutiny according to the provisions of this Circular.

#### **Article 42. Ad-hoc reporting**

In some unexpected events or whenever necessary, the borrower or the account service provider shall send reports upon the request of the State Bank.

## **Chapter VII**

### **RESPONSIBILITIES OF INVOLVED PARTIES**

#### **Article 43. Responsibilities of borrowers**

1. Comply with regulations on administration of foreign borrowing or foreign debt repayment in this Circular and other relevant regulations when signing and performing foreign loan agreements and agreements on security of foreign loans.
2. Present documents or records in accordance with laws and upon the request of the account service provider when determining that the form of the loan is either a monetary loan or a financial lease and/or another form and when performing money transfers related to foreign loans.
3. Implement regulations on declaring information, making reports and maintaining information security in accordance with provisions set forth in this Circular.
4. Take legal responsibility for:
  - a) determining that the form of the loan is either a monetary loan or a financial lease and/or another form. In case a foreign loan is a loan in the form of a financial lease, the borrower is responsible for determining the date of receipt of the leased asset and providing information to the competent authority or the account service provider upon request;
  - b) the accuracy and authenticity of: the information provided and declared on the Website through their log-in account; information or documents attached to applications for registration or registration for changes of loans, reports sent to competent authorities; information provided, documents presented to commercial banks when performing money transfer transactions related to foreign loans.

#### **Article 44. Responsibilities of bank providing secured transactions**

1. Provide money transfer services to fulfill security obligations as prescribed in this Circular.
2. Check and keep documents when providing money transfer services to fulfill security obligations as prescribed in this Circular.
3. Provide accurate information on the money transfer for performance of security obligations at the request of the competent authority, the borrower, the borrower's account service provider.

#### **Article 45. Responsibilities of account service provider**

1. Provide account services for foreign loan transactions (withdrawal of loan proceeds, debt repayment, fee payment, money transfer relating to security of foreign loans as prescribed in this Circular) on the basis of:
  - a) Statement on confirmation of registration or registration for changes of foreign loans (applicable to the case in which foreign loans are subject to registration or registration for changes), documents relating to cancellation of statement on confirmation of registration or registration for changes of foreign loans;



b) Loan agreements, agreements on changes of loan agreements and other arrangements relevant to foreign loans;

c) Plan on using loans, investment project using short-term foreign loan of short-term foreign loan (with the borrower's commitment that this Plan has been approved by a competent authority in accordance with the regulations on foreign borrowing and debt repayment conditions), applicable to short-term foreign loans;

d) Documents proving that the grantor has performed the security obligations related to the conventional loan (money transfer document proving that the guarantor has acted on behalf of the borrower to repay debts, document proving that the grantor or grantor's representative has transferred the amount of realization of collateral to the borrower or the borrower's representative or any other equivalent documents);

dd) Documents proving the borrower's compliance with the online reporting regime on short-term foreign loan and repayment as prescribed in this Circular (screenshot of the report on the website, certified by the borrower);

e) Documents proving that the borrower performs foreign currency risk prevention operations for the payment period of foreign loan in accordance with current regulations on management of foreign loan and repayment (if any);

g) Other documents according to internal regulations of the account service provider.

2. Inspect and check the matching up between the money transfer requests (loan proceed withdrawal, debt repayment) and documents presented by the borrower and involved parties to ensure that money transfer transactions relating to foreign loans must be consistent with the written confirmation of registration or registration for changes (in the event of loans subject to registration), loan agreement and other relevant arrangement; in accordance with regulations on foreign exchange management.

3. Provide the borrower's accurate information about foreign loans (including amount and time of loan proceed withdrawn or debt repaid; reference information about loan agreements or borrower) in the written confirmation of how foreign loans are effected which is issued by the borrower upon request of the borrower or the competent authority.

#### **Article 46. Responsibilities of the Department of Foreign Exchange Management**

1. Take charge of establishing the model of administration of information about foreign borrowing and foreign debt repayment through websites.

2. Implement functions or duties in accordance with this Circular.

3. Make best use of the database of foreign borrowing and foreign debt repayment which assists the work of establishing and operating policies in consistency with its functions and duties.

4. Take charge of and cooperate with the National Credit Information Center of Vietnam in:

- a) Creating user's manuals, and posting and updating information on websites in a regular manner;
- b) Revising and improving contents of websites in order to offer users advantages, and undertaking that the database must assist administration of foreign borrowing and repayment of foreign debts which are not guaranteed by the Government;
- c) Answering any question about websites; receiving and providing timely guidance, and dealing with any difficulty or requests of users during the process of using and operating such websites;
- d) Providing instructions on registration and issuance of log-in accounts or any change to information about these log-in accounts for entities referred to in subparagraph b and c paragraph 1 Article 10 hereof.

#### **Article 47. Responsibilities of the National Credit Information Center of Vietnam**

- 1. Maintain safety and stability during operation of websites, and prevent unauthorized access to websites and databases for administration of foreign borrowing and foreign debt repayment.
- 2. Use information on foreign loan and repayment of enterprises to build a national credit information database, serving management requirements of the State Bank and business and risk management activities of credit institutions, foreign bank branches.
- 3. Cooperate with the Department of Foreign Exchange Management in implementation of provisions laid down in clause 4 Article 46 hereof.

#### **Article 48. Responsibilities of the State Bank branches**

- 1. Implement functions or duties under authority stipulated by this Circular.
- 2. Take responsibility to guide, oversee, remind and encourage borrowers to declare information declaration, and make reports in accordance with provisions laid down in this Circular.
- 3. Make best use of the database of foreign borrowing and foreign debt repayment within its delegated authority which assists administration of foreign borrowing or foreign debt repayment on its territory of operation in consistency with its functions and duties.
- 4. Provide opinions from supervision of the compliance with the law on prudential ratios in banking operations by the borrower being a credit institution or foreign bank branch (under the State Bank branch's authority to inspect and supervise micro-safety when receiving an advisory opinion request from the competent authority). The scope of supervision opinions includes opinions on individual indicators and consolidated indicators of ratios and limits reported by credit institutions and foreign bank branches in Appendix 02 appended to this Circular;

5. Inspect, examine and impose penalties for administrative violations within its jurisdiction in respect of cases of administrative violations in the course of implementing provisions laid down in this Circular.

#### **Article 49. Responsibilities of Banking Inspection and Supervision Authority**

1. Provide opinions from supervision of the compliance with the law on prudential ratios in banking operations by the borrower being a credit institution or foreign bank branch (under the authority of Banking Inspection and Supervision Authority to inspect and supervise micro-safety when receiving an advisory opinion request from the competent authority). The scope of supervision opinions includes opinions on individual indicators and consolidated indicators of ratios and limits reported by credit institutions and foreign bank branches in Appendix 02 appended to this Circular.

2. Inspect, examine and impose penalties for administrative violations within its jurisdiction in respect of cases of administrative violations in the course of implementing provisions laid down in this Circular.

### **Chapter VIII**

#### **IMPLEMENTARY PROVISIONS**

#### **Article 50. Entry into force**

1. This Circular shall enter into force from November 15, 2022, exclusive of provisions set forth in clause 2 of this Article.

2. Regulations on hedging against foreign currency risks for payment periods of foreign loans and regulations on the responsibility of checking documents of account service providers for the borrower's implementing foreign currency hedging operations applied from the time the regulations on conditions for foreign loans that are not guaranteed by the Government (including regulations on hedging against foreign currency risks for foreign loans) come into force.

3. From the date of entry into force of this Circular, the following instruments shall cease to be effective:

a) Circular No. 03/2016/TT-NHNN dated February 26, 2016 of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises;

b) Circular No. 05/2016/TT-NHNN dated April 15, 2016 of the Governor of the State Bank on amendments to Circular No. 03/2016/TT-NHNN dated February 26, 2016 of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises;

c) Circular No. 05/2017/TT-NHNN dated June 30, 2017 of the Governor of the State Bank on amendments to Circular No. 03/2016/TT-NHNN dated February 26, 2016 of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises.

## **Article 51. Transitional provision**

1. As for arrangement of foreign loans in the form of deferred payment for import of goods: Medium-term or long-term foreign loans arranged in the form of deferred payment for import of goods of which registration or registration for changes has been confirmed by the State Bank before the date of entry into force of this Circular shall be continuously effected (including withdrawal of loan proceeds or debt repayment) according to statements on confirmation of registration or registration for changes of foreign loans. As for any change that may arise as stated in the statement of confirmation of registration, registration for changes of foreign loan, the borrower shall register the change based on the agreement with the creditor, and shall not be required to apply for registration for changes with the State Bank.

2. As for foreign loans denominated in Vietnam dong:

a) Foreign loans denominated in Vietnam dong of which registration or registration for changes is confirmed before April 15, 2016 shall be continuously effected according to the statement on confirmation of registration or registration for changes of such foreign loans issued by a State Bank branch.

b) Where there is any additional change to foreign loans denominated in Vietnam dong which has been certified by the State Bank (Department of Foreign Exchange Management) in terms of registration or registration for changes, the identification of the competent authority to process applications for registration of changes shall comply with Article 20 of this Circular.

3. As for arrangement of short-term foreign loans: a) Short-term foreign loans which have been arranged (loan proceed withdrawal or debt repayment) prior to the date of entry into force of this Circular shall be continued through current accounts.

4. As for a foreign loan with the creditor's address that has been confirmed in the written confirmation of registration, confirmation of registration of changes, in case there is a change of the creditor's address but the creditor's country is not changed, the borrower is not required to register the change of foreign loans as prescribed in this Circular.

5. Applications for registration and registration for changes of foreign loans already submitted to the State Bank before the effective date of this Circular shall continue to be processed in accordance with Circular No. 03/2016/TT-NHNN dated February 26, 2016 of the Governor of the State Bank on guidelines for foreign exchange management for foreign borrowing and repayment of enterprises (and amending documents), except for the case that foreign loans, the registration for changes of foreign loans are no longer subject to registration or registration for changes in accordance with this Circular.

## Article 52. Implementation

Head of Office, Director of Department of Foreign Exchange Management, Head of affiliates of the State Bank, credit institutions, foreign bank branches, enterprises, cooperatives, unions of cooperatives shall implement this Circular.

**PP. THE GOVERNOR  
THE DEPUTY GOVERNOR**

**Pham Thanh Ha**

### APPENDIX 01

*(Issued together with Circular No..../TT-NHNN dated.....of the Governor of the State Bank of Vietnam)*

**BORROWER'S NAME**

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**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom – Happiness**

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No. ....

*Re: registration of foreign loan which is not  
guaranteed by the Government*

*[Location] ....., [date] .....*

### **APPLICATION FOR REGISTRATION OF FOREIGN LOAN WHICH IS NOT GUARANTEED BY THE GOVERNMENT**

**To: The State Bank of Vietnam<sup>1</sup>**

(.....)

- Pursuant to the Government's Decree No. 219/2013/NĐ-CP dated December 26, 2013 on management of enterprise's foreign borrowing and repayment of foreign debts which are not guaranteed by the Government;

- Pursuant to Circular No. .../20.../TT-NHNN dated ..... of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises;

- Pursuant to the foreign loan agreement signed between the parties dated.....;

The borrower, the undernamed, hereby register medium- or long-term foreign loan with the State Bank of Vietnam as follows:

## **PART ONE: DETAILS ABOUT THE PARTIES**

### **I. Details about the borrower:**

1. The borrower's name: .....
2. Type of business entity of the borrower<sup>2</sup>: .....
3. Address: .....
4. Phone number: ..... Email: ..... TIN (Taxpayer Identification Number): .....
5. Full name of the legal representative: .....
- Position: .....
- Full name of person authorized by legal representative (if any): .....
- Letter of authorization: .....
6. Legal documents<sup>3</sup>:
7. Borrower's legal scope of operation<sup>4</sup>: (specify reference source)
8. Total investment capital of the project using loan capital (applicable to foreign loans for the purpose of executing investment projects) is ..... in which the total contributed capital is ....., total loan amount is ..... (in USD)
9. Credit balance for the project at the time of application submission (in USD)<sup>5</sup>:
  - Outstanding balance of short-term foreign loans: ..... (of which overdue: .....)
  - Outstanding balance of short-term domestic loans: ..... (of which overdue: .....)
  - Outstanding balance of medium- and long-term foreign loans: ..... (of which overdue: .....)
  - Outstanding balance of medium- and long-term domestic loans: ..... (of which overdue: .....)

Number of medium- and long-term foreign loans of the enterprise (ongoing or outstanding as of the reporting date): ..... loans

10. Owner's equity (according to the latest audited and reviewed financial statement before the date of submission of the application for registration of foreign loan) (in USD):

### **11. Details about the creditor:**

1. Name of the creditor (or the creditor's representative)<sup>6</sup>: .....

2. Country of the creditor (or the creditor's representative):

3. Type of business entity of the creditor (or the creditor's representative)<sup>7</sup>:

### **III. Details about other related parties:**

1. Account service provider:

1.1. Name of account service provider: .....

1.2. Address of account service provider: .....

1.3. Details about the account for foreign loan and debt repayment (hereinafter referred to as foreign loan account) opened at the account service provider:

.....  
...

2. Other related parties in case of cash flow generation (specify name and address of related parties to the loan - if any)<sup>8</sup>: .....

### **PART TWO: DETAILS ABOUT THE LOAN PURPOSE**

1. Loan purpose<sup>9</sup>:

.....

2. Documentation supporting the legality of the loan purpose

2.1. Documentation description<sup>10</sup>:

.....

2.2. Approved by competent authorities<sup>11</sup> (not applicable in case the loan for execution of an investment project has been granted an investment certificate by a competent authority or has the investment policy approved)

.....

### **PART THREE: Details about the loan:**

1. Date of signing of foreign loan agreement: .....

2. Loan value: ..... Terms:

- Value in number: .....

- Value in words: .....

3. Currency of the loan: ..... Terms:

3.1. Currency of indebtedness amount: .....

3.2. Currency of loan proceeds: .....

3.3. Currency of repayment amount: .....

4. Type of loan<sup>12</sup>: .....

5. Loan term: ..... Terms:

6. Loan interest rate: ..... Terms:

7. Kinds of fees<sup>13</sup>: ..... Terms:

8. Penalty interest: ..... Terms:

9. Borrowing cost<sup>14</sup>: .....%/year Terms:

10. Plan for withdrawal of loan proceeds<sup>15</sup>: ..... Terms:

11. Plan for repayment:

11.1. Plan for repayment of principal<sup>16</sup>: ..... Terms:

11.2. Plan for repayment of interest<sup>17</sup>: ..... Terms:

12. Security interests<sup>18</sup>: ..... Terms:

12.1. Guarantee: ..... Terms:

- Name of the guarantor: .....

- Country of the guarantor: .....



- Date of signing guarantee agreement: .....

12.2. Other security interests: briefly list security interests (type of security, type of collateral, grantor) and **specify terms of reference in the foreign loan agreement.**

12.3. Bank providing secured transactions<sup>19</sup>: .....

13. Other conditions (if any): .....

**\* Notes: specify the terms of reference in the foreign loan agreement for each content in this section.**

14. Expected use of foreign currency from loan capital (not applicable to loans disbursed to foreign loan accounts in VND):

(i) Percentage of disbursement value expected to be sold in foreign currency to authorized credit institutions: .....%

(ii) Purpose of using the remaining foreign currency amount (in case the rate at Point 14(i) above is less than 100%)

15. Expected purchase of foreign currency for debt repayment from authorized credit institutions: .....% of loan value

16. Additional explanations (if any):

#### **PART FOUR: COMMITMENT**

The undersigned (legal representative of the borrower) undertakes to:

- Have read and studied all regulations on foreign loan conditions, regulations on foreign exchange management when signing and implementing foreign loan agreements; the regulations of law related to activities using foreign loans; regulations on implementation of foreign currency derivatives to hedge exchange rate risks before debt repayment (including but not limited to Decree No. 219/2013/ND-CP dated December 26, 2013 of the Government on management of enterprise's foreign borrowing and repayment of foreign debts which are not guaranteed by the Government; Circular of the Governor of the State Bank of Vietnam stipulating conditions for foreign loans of enterprises not guaranteed by the Government; Circular of the Governor of the Bank The State Bank of Vietnam on guidelines for foreign exchange management for foreign borrowing activities of enterprises and other relevant legal documents);

- Comply with regulations on administration of foreign loan and repayment; and other relevant regulations when signing foreign loan agreements and arranging foreign loans;

- Take full responsibility for the signing and performance of secured transactions related to foreign loans, ensuring that it is not contrary to the current provisions of the law on secured transactions and other regulations of relevant legislation.
- All information stated in this application and attached documents in the application for foreign loan registration of the borrower is true and correct.

## **LEGAL REPRESENTATIVE OF THE BORROWER**

### **Contact:**

Officer in charge: .....

Phone number: ..... Email:  
.....

Transaction address or mailing address:  
.....

### **Guidelines for certain contents in the Application for registration of a foreign loan which is not guaranteed by the Government**

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<sup>1</sup> Specify that the document is to be sent to the Department of Foreign Exchange Management or a State Bank branch of province or centrally-affiliated city (according to the competence specified in Article 20 of this Circular).

<sup>2</sup> State the type of business entity of the borrower according to the following categories:

- For the corporate sector (excluding credit institutions, foreign bank branches):

+ State-owned enterprises: Enterprises whose 100% charter capital is held by the State (SOE); enterprises whose 50% to less than 100% charter capital is held by the State (S50).

+ Foreign-invested enterprises: Enterprises whose 51% to 100% of charter capital is owned by foreign investors (F51); Enterprises whose 10% to less than 51% of charter capital is owned by foreign investors (F10).

+ Other businesses: Cooperatives, Unions of cooperatives, Other enterprises (KHA)

- For credit institutions, foreign bank branches:

+ Foreign-invested commercial banks: Joint venture banks, commercial banks with 100% foreign capital; non-bank credit institutions with more than 50% foreign capital, foreign bank branches (FFI).

+ State-owned credit institutions: Credit institutions with more than 50% of charter capital owned by the State (SFI)

+ Other credit institutions: OFI

<sup>3</sup> Specify the contents of the type of legal documents: number, date of issue, issuing authority, and amendments and supplemental documents (if any). Depending on each borrower, these types of legal documents include: establishment decision, establishment license, business registration certificate, business registration certificate, investment certificate, certificate of investment registration, cooperative and union of cooperatives registration papers of the borrower in accordance with the law.

<sup>4</sup> Only list the main business activities and business lines recorded in the business registration certificate, establishment license, company's charter, etc. related to the project, plan for production and business using capital from the foreign loan.

<sup>5</sup> The exchange rate as specified in Clause 3, Article 20 of this Circular (the accounting exchange rate quoted by the Ministry of Finance and applied at the time of signing foreign loan agreements or foreign loan change agreements).

<sup>6</sup> Specify the exact name of the creditor. With respect to a syndicated loan, if there is none of representatives of the creditors (or the representatives of the creditors are not responsible for receiving/transferring money to the borrower), specify the information in this section for each creditor, and specify the majority creditor. With respect to a syndicated loan, if there are representatives of the creditors and the representatives of the creditors will be responsible for receiving/transferring money related to the loan (specify creditors who do not directly transfer/receive money) to the borrower): specify the information of the representatives of the creditors. In the case of a loan in the form of an unregistered debt instrument issue, information about the creditor is replaced by information about the party acting as an issuing agent, trust agent, etc., depending on the structure of the issue.

<sup>7</sup> State the type of business entity of the borrower according to the following categories: (i) Parent company, associate companies under the parent company; (ii) credit institution; (iii) financial fund; (iv) other international financial institutions; (v) other entities.

<sup>8</sup> Only list the related parties to whom the money flows between the borrower and these related parties. In case there are agents but there is no direct cash flow to those agents, it is not mentioned in this section. Note that related parties may be enterprises being fully or partially divided from the original borrower but are still jointly and severally liable for the loan according

to the agreement on joint liability between the creditor and the parties being fully or partially divided from the original borrower.

<sup>9</sup> Specify the purpose of using the foreign loan in accordance with regulations on foreign loan conditions such as: (i) execution of investment projects; (ii) increase of the scale of business capital according to the loan use plan; (iii) restructuring of foreign debts, etc. In case the borrower uses the loan for multiple purposes, the borrower is required to specify the amount used from the foreign loan for each purpose.

<sup>10</sup> In case the purpose of loan is to execute an investment project: A written approval of investment policies from a competent authority, an investment registration certificate according to investment regulations; etc. In case the loan purpose is to increase the capital scale according to the plan on using the foreign loan: specify the plan on using the foreign loan approved by the competent authority; in case the loan purpose is to restructure foreign debts: specify the plan on structuring foreign debts approved by the competent authority.

<sup>11</sup> Specify the competent authority approving the capital use plan and refer to the regulations regarding the approving authority:

- Proving that the use of capital does not require an investment registration certificate in accordance with the regulations on investment (fully citing the provisions of the law).

- Referring to legal regulations and regulations in the borrower's charter to prove the authority to approve the capital use plan.

<sup>12</sup> Specify: (i) Borrowing in cash: including borrowing directly in cash or through a loan entrustment contract with a non-resident trustor; (ii) Borrowing through the issuance of debt instruments (excluding international bonds); (iii) Borrowing through the form of finance lease.

<sup>13</sup> Specify the domestic fees payable by residents and overseas fees payable by non-residents.

<sup>14</sup> The enterprise shall estimate the cost of the loan on the date of submission of application for such loan. The cost of a foreign loan refers to the total cost converted as per the annual percentage of turnover of such foreign loan, including the costs relating to such foreign loan as specified in the Circular on foreign loan conditions applicable to enterprises not guaranteed by the Government.

<sup>15</sup> The loan proceed withdrawal is consistent with the loan agreement. Unless the loan agreement otherwise stipulates the plan for loan proceed withdrawal, after considering the production and business plan as well as the capital demand of the borrower consistent with the loan agreement, the borrower shall proactively provide the proposed detailed withdrawal plan on a monthly, quarterly, biannual or annual basis.

<sup>16</sup> The debt repayment plan is consistent with the loan agreement. Unless the loan agreement otherwise stipulates the detailed debt repayment plan, within the scope of commitments undertaken in the loan agreement, the proposed production and business plan as well as the

capability of mobilizing capital sources to repay debts to the creditor, the borrower shall provide the detailed debt repayment plan on a monthly, quarterly, biannual or annual basis.

<sup>17</sup> Clearly specify the interest payment period and the start date of interest payment.

<sup>18</sup> Currently, the Circular does not stipulate submission of any agreement on security interests, hence, the reference to regulations on secured transactions shall base on related terms and conditions specified in the loan agreement.

<sup>19</sup> Refer to regulations in Chapter V of this Circular.

## APPENDIX 02

*(Issued together with Circular No....../...../TT-NHNN dated.....of the Governor of the State Bank of Vietnam)*

### BORROWER'S NAME

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### Report on compliance with regulations on credit limits and safety ratios

No .	Expenditure	Regulations of the State Bank	At the end of....[month, year]	At the end of....[month, year]	At the end of....[month, year] (the latest month before the date of signing the loan agreement/agreement to increase the maximum loan proceed)	At the end of....[month, year]	...	At the end of....[month, year] (the latest month before the date of completing the application)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(...)	(*)
1	...							
2								
...								

\* Notes:

In case the borrower has not complied with regulations on credit limits and safety ratios in the operation of credit institutions and foreign bank branches, but the non-compliance has been approved by the Prime Minister or the Governor of the State Bank of Vietnam in accordance with the law, the borrower clearly states the percentage of non-compliance, fully lists the approval document(s) of the Prime Minister or the Governor of the State Bank.

### **Instructions for making the report:**

- Column (2): Safety ratios as prescribed in Article 130 of the Law on Credit Institutions
- Column (3): regulations of the State Bank for each ratio in Column (2) according to the guiding documents of the State Bank which are in force at the time of submission of application for registration of foreign loan.
- Column (4) (5) (6): the safety ratios at the end of the month in the last 03 months before the date of signing the loan agreement.
- Column (7), (...) (\*): the safety ratios at the end of the month of consecutive months from the date of signing the loan agreement/agreement to increase the maximum loan proceed until the date of submission of complete and valid application.

E.g. A loan agreement was signed on March 23, 2020. On April 20, 2020, the borrower submitted an application to register a foreign loan in accordance with regulations. On June 5, 2020, the borrower submitted a complete and valid application according to the Instructions for completing the application, the letter of clarification and equivalent documents, etc. Thus, the months which require reports on safety ratios include: reports on safety ratios on December 31, 2019, January 31, 2020, February 28, 2020 (three consecutive months prior to the signing date of the loan agreement), March 31, 2020, April 30, 2020, May 31, 2020 (consecutive months from the signing of the loan agreement to the completion of the application for registration of the foreign loan).

### **APPENDIX 03**

*(Issued together with Circular No....../...../TT-NHNN dated.....of the Governor of the State Bank of Vietnam)*

**THE STATE BANK OF  
VIETNAM**

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No. ....  
*Re. affirmation of foreign loan registration*

**SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom – Happiness**

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*[Location] ....., [date] .....*

**To:** .....

In response to the application for registration of a foreign loan No..... dated....., enclosing documents of.....(name of the enterprise), the State Bank of Vietnam hereby gives opinions as follows:

1. Affirming that (name of the enterprise) has registered a foreign loan with the State Bank of Vietnam in accordance with applicable laws and regulations on foreign loan management and repayment as well as other related legislative documents.

Code of the foreign loan: .....

2. Main information about the foreign loan:

2.1. The borrower: Name; address

2.2. The creditor<sup>1</sup>: Name and country of the creditor

2.3. Other relevant parties<sup>2</sup> (if any):

2.4. Date of signing of foreign loan agreement:

2.5. Loan purpose:

2.6. Loan amount:

2.7. Type of loan:

2.8. Currencies of indebtedness amount, loan proceed, and repayment amount:

2.9. Loan term:

2.10. Loan interest rate<sup>3</sup>:

2.11. Penalty interest:

2.12. Types of cost:

2.13. Plan for loan proceed withdrawal, plan for debt repayment:

- Plan for loan proceed withdrawal:

- Plan for principal repayment:

- Plan for interest repayment:

2.14. Other related information (if any):

3. Security interests for the loan as declared by the borrower:

Enterprise *[and relevant parties]* *[name of security interest]* *[ name of collateral]* as specified in the security documents as stated in term ... of the foreign loan agreement.

Enterprise *[and relevant parties]* shall take its own legal responsibility for entering into and executing security agreements and arrangements as to the foreign loan. The performance of secured transactions related to the foreign loan shall comply with applicable law on secured transactions and other regulations of relevant legislation.

Bank providing secured transactions:

Upon providing money transfer services related to secured transaction for a foreign loan of (name of the enterprise), the Bank.....should adhere to given responsibilities of a commercial bank as referred to in regulations of the State Bank on providing guidance on foreign borrowing and debt repayment of enterprises and other related legislative documents.

4. The loan is taken out through the foreign loan account in *[currency]* at the Bank.....

Upon providing account services for a foreign loan of (name of the enterprise), the Bank.....should adhere to given responsibilities of a commercial bank as referred to in regulations of the State Bank on providing guidance on foreign borrowing and debt repayment of the enterprise and other related legislative documents.

5. (Name of the enterprise) shall take its own legal responsibility for entering into and executing foreign loan agreements by adhering to the principle of autonomous borrowing and responsibility for debt repayment. The State Bank shall not bear any legal and financial liability, except that it shall be responsible for assuring that (name of the enterprise) has registered its foreign loan along with main information provided herein.

6. Other information (if any)

7. The State Bank shall request (name of the enterprise) to:

7.1. strictly comply with regulations on foreign loan management and repayment; foreign exchange management and other related laws and regulations.

7.2. abide by terms and conditions of a foreign loan agreement and other related arrangements relating to this foreign loan, which is not inconsistent with Vietnamese laws and regulations.

7.3. take full responsibility for the development, approval and implementation of the plan for using foreign loan in accordance with the provisions of law; using the foreign loan with proper



purposes as confirmed in this official letter, ensuring compliance with the provisions of the law on enterprises, investment and other relevant laws;

7.4. make reports on the Website in accordance with applicable laws and regulations on reporting on foreign borrowing and debt repayment of the enterprise.

8. Where there is any breach of regulations on foreign loan management and repayment, depending on the seriousness of such breach, (name of the enterprise) shall be subject to penalties in accordance with applicable regulations on imposition of penalties for administrative violations in the monetary operations and banking activities.

The State Bank of Vietnam notifies (name of the enterprise) of this to enforce its implementation.

## THE GOVERNOR

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<sup>1</sup> The creditor (with respect to foreign bilateral, syndicated loans which do not require any representative of the creditor) or the creditor's representative (with respect to foreign syndicated loans which require the creditor's representative). It is noted that the confirmation of the representatives of creditors may be accompanied by a confirmation of the original creditors. In case there is a representative of the creditor but **this representative is not responsible for the transfer and receipt of the loan proceeds**, it still confirms the specific creditors as the basis for the loan proceed transfer/receipt.

<sup>2</sup> Only list the related parties to whom the money flows between the borrower and these related parties.

<sup>3</sup> Specify the loan interest rate and refer to the terms in the loan agreement to show the principle of interest rate determination and interest calculation.

## APPENDIX 04

*(Issued together with Circular No....../...../TT-NHNN dated.....of the Governor of the State Bank of Vietnam)*

**BORROWER'S NAME**

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**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom – Happiness**

-----

No. ....

*[Location] ....., [date] .....*

*Re: registration of changes of foreign loan not  
guaranteed by the Government*

## **APPLICATION FOR REGISTRATION OF CHANGES OF FOREIGN LOAN NOT GUARANTEED BY THE GOVERNMENT**

**To:** The State Bank of Vietnam<sup>1</sup>

- Pursuant to the Government's Decree No. 219/2013/NĐ-CP dated December 26, 2013 on management of enterprise's foreign borrowing and repayment of foreign debts which are not guaranteed by the Government;
- Pursuant to Circular No. 12/2014/TT-NHNN dated March 31, 2014 of the State Bank of Vietnam on requirements for taking out foreign loans applied to enterprises not guaranteed by the Government and amending and replacing documents (if any);
- Pursuant to Circular No. .../2022/TT-NHNN dated ..... of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises;
- Pursuant to the foreign loan agreement signed between the parties dated.....;
- Pursuant to the revised foreign loan agreement signed between the parties dated.....; (if any);

The borrower, the undernamed, hereby registers changes of the foreign loan with the State bank of Vietnam as follows:

### **I. THE BORROWER:**

1. The borrower's name: .....
2. TIN (Taxpayer Identification Number):  
.....
3. Code of loan: .....
4. Number and date of confirmation of the registration of the foreign loan issued by the State bank of Vietnam;
5. Number and date of confirmation of registration of changes of the foreign loan issued by the State bank of Vietnam (list all confirmations of registration of changes available in chronological order);

### **II. CHANGES IN DETAILS:**

1. Change description 1<sup>2</sup> .....
- Original information: .....
- New information: .....
- Reason for change: .....
2. Change description n<sup>3</sup>: .....

*\* Notes: clarify terms of reference in the agreement on changes as to each of change (if any).*

### **III. EXPLANATION FOR THE CASE OF NO AGREEMENT ON CHANGES**

.....  
...

### **IV. PROPOSAL:**

[Borrower's name] requests the State Bank to confirm that the [borrower's name] has registered changes of the foreign loan with the State Bank.

### **V. COMMITMENT**

1. The representative of the borrower whose signature is appended hereto is committed to take responsibility for the accuracy of information stated in the Application form of changes of the foreign loan and documents enclosed thereto.
2. [Borrower's name] is committed to comply with regulations of law in Vietnam, regulations of Decree No. 219/2013/ND-CP dated December 26, 2013 of the Government on management of borrowing and repayment of foreign loans of enterprises that are not guaranteed by the Government; Circular No. 12/2014/TT-NHNN dated March 31, 2014 of the State Bank of Vietnam on requirements for taking out foreign loans applied to the businesses not guaranteed by the Government and amending and replacing documents (if any); Circular .../2022/TT-NHNN dated ..... of the Governor of the State Bank of Vietnam on instructions on foreign exchange administration in respect of foreign borrowing and foreign debt repayment of enterprises and relevant legislative documents.

**LEGAL REPRESENTATIVE OF THE  
BORROWER**

**Contact:**

Officer in charge:

.....

Phone number: ..... Fax:

.....

Transaction address (or mailing address):

**Guidelines for certain contents in the Application for registration of changes of foreign loans not guaranteed by the Government**

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<sup>1</sup> Clarify that the document is to be sent to Department of foreign exchange management or a Branch of the State Bank of province or centrally-affiliated city (the agency that has the authority to approve the loan amount requested by the borrower).

<sup>2</sup> Clarify information to be changed, i.e.

1. Change of creditor:

- Original creditor: .....

- New creditor: .....

In case of changes of the plan for loan proceed withdrawal, plan for debt repayment, but the loan agreement does not stipulate these plans, after considering the production and business plan as well as the capital demand of the borrower consistent with the loan agreement, the borrower shall proactively provide the proposed detailed withdrawal plan on a monthly, quarterly, biannual or annual basis.

<sup>3</sup> In case there are multiple changes, the borrower shall specify each change in the same manner as the instructions mentioned above.

**APPENDIX 05**

*(Issued together with Circular No....../...../TT-NHNN dated.....of the Governor of the State Bank of Vietnam)*

.....

Type of business entity of the borrower:

.....

(Month...year...)

**Unit: in thousand USD**

[illegible]

Notes: (\*) Specify the reasons for the changes in Column 7 and the description (if any)

.....

**Created by**  
(Signature and full name)

**Controlled by**  
(Signature and full name)

[Location] ....., [date] .....  
**Legal representative of the  
borrower**  
(Signature, seal, and full name)

### Instructions for making the report

**1. Regulated entities:** Residents being enterprises, cooperatives, unions of cooperatives, credit institutions and foreign bank branches that are established and doing business in Vietnam shall make reports on detailed arrangement of short-term foreign loans that are not guaranteed by the Government with outstanding debt balances in the reporting period.

**2. Report submission deadline:** No later than the 5th of the month immediately following the reporting month.

**3. Form of report:** Report in writing to the State Bank branch of province where borrower's head office is located.

**4. Recipient of report:** The State Bank branch of province where borrower's head office is located.

### 5. Instructions for making the report:

- Loans subject to the report are short-term foreign loans (with loan term up to 1 year). The loan term commences from the expected date of loan proceed withdrawal (receipt of money or customs clearance of goods) to the expected date of final repayment as specified in the loan agreement. As for a short-term foreign loan that is overdue but the borrower has arranged to repay the loan within 10 days from the anniversary of one year of the loan (thus not having to register the loan with the SBV), it will be reported as a short-term loan.

- The borrower sends a report to fill in the code of type of business entity of the borrower according to the categories as follows:

	Type of business entity of the borrower	Code
	Category of enterprises (excluding commercial banks, foreign bank branches)	
1	State-owned enterprises as defined in the Law on Enterprises 2015	SOE

2	Enterprises with 50% to less than 100% of charter capital owned by the State	S50
3	Enterprises with 51% to less than 100% of charter capital owned by foreign investors	F51
4	Enterprises with 10% to 51% of charter capital owned by foreign investors	F10
5	Other enterprises	KHA
	<b>Category of banks</b>	
6	Joint venture banks, wholly foreign-owned banks, foreign bank branches	FOB
7	Other joint-stock commercial banks	BAK

The borrower fills in the line “Type of business entity of the borrower”

- Column 7 - Changes: Other increase/decrease of outstanding balance of the foreign loan in the reporting period but no cash flow is generated due to: (i) exchange rate fluctuations when converting from loan currency to USD between reporting periods; (ii) adjustment due to erroneous reporting in the previous period(s); (iii) converting short-term loans to medium-term and long-term loans; (iv) converting loan capital into contributed capital; (v) writing off debt;...

Column 7 receives the value (+) if it is generated, and the value (-) if it is incurred. The borrower clearly reports the item that gives rise to the difference

- Column 8 = Column 2 + Column 4 - Column 5 + Column 7

- Test formula: Column 2 of the reporting period = Column 8 of the preceding reporting period

**The borrower's name:** ..... Address: .....  
.....  
Phone number: ..... Type of business entity of the borrower: .....

**REPORT ON ARRANGEMENT OF MEDIUM AND LONG-TERM FOREIGN LOANS  
AND DEBT REPAYMENT NOT GUARANTEED BY THE GOVERNMENT**  
(Month...year...)

*In thousand foreign currency units*

The borrower's	Details about the loan	Reporting period	Next period plan	Account service
----------------	------------------------	------------------	------------------	-----------------

name																provider	
	Maximum loan proceed	Type of loan	Guarantee	Type of business entity of the creditor	Outstanding balance at beginning of period		Arising during the period				Outstanding balance at the end of period		Withdrawal of loan proceed	Repayment	Interest repayment		
					Total	of which overdue	Withdrawal of loan proceed	Principal repayment	Interest repayment	Changes (*)	Total	of which overdue					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
<b>I. Total value of foreign loans in the form of deferred payment (in thousand USD)</b>																	
	xxx				xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
<b>II. Details of loans with other forms (not in the form of deferred payment) - in thousand foreign currency units</b>																	
<b>1. Loans in USD</b>																	
...																	
.....																	
<b>Total</b>																	
<b>2. Loans in EUR</b>																	
...																	
.....																	
<b>Total</b>																	
<b>3. Loans in ...</b>																	
...																	
.....																	
<b>Total</b>																	
<b>Total in thousand USD of foreign loans in Section II.</b>					xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		

Notes: (\*) Specify the reasons for the changes in Column 11 and the description (if any)

.....

**Created by**  
(Signature and full name)

**Controlled by**  
(Signature and full name)

[Location] .....,  
[date] .....  
**Legal representative of the borrower**  
(Signature, seal, and full name)

## Instructions for making the report

**1. Regulated entities:** Residents being enterprises, cooperatives, unions of cooperatives, credit institutions and foreign bank branches that are established and doing business in Vietnam shall make reports on detailed arrangement of medium- and long-term foreign loans that are not guaranteed by the Government with outstanding debt balances in the reporting period.

**2. Report submission deadline:** No later than the 5th of the month immediately following the reporting month.



**3. Form of report:** Report in writing to the State Bank branch of province where borrower's head office is located:

**4. Recipient of report:** The State Bank branch of province where borrower's head office is located.

**5. Instructions for making the report:**

- The borrower sends a report to fill in the code of type of business entity of the borrower according to the categories as follows:

	Type of business entity of the borrower	Code
	<b>Category of enterprises (excluding commercial banks, foreign bank branches)</b>	
1	State-owned enterprises as defined in the Law on Enterprises 2015	SOE
2	Enterprises with 50% to less than 100% of charter capital owned by the State	S50
3	Enterprises with 51% to less than 100% of charter capital owned by foreign investors	F51
4	Enterprises with 10% to 51% of charter capital owned by foreign investors	F10
5	Other enterprises	KHA
	<b>Category of banks</b>	
6	Joint venture banks, wholly foreign-owned banks, foreign bank branches	FOB
7	Other joint-stock commercial banks	BAK

- Column 3 "Type of loan": Specify the code of loan type as follows:

No.	Form of loan	Code
1	Borrowing in cash (including direct loans in cash or through loan entrustment contracts with non-residents)	T
2	Borrowing through import of goods with deferred payment	H
3	Borrowing through the issuance of debt instruments	B
4	Borrowing through financial leasing	L

- Column 4 "Guarantee": Specify the guarantor of the loan guarantee under the following symbol: Guaranteed by residents (R); Guaranteed by a non-resident (NR); Non-guaranteed loan (N).

- Column 5 “Type of business entity of creditor”: State the type of business entity of the creditor as follows: (i) the creditor is a parent company, a member company of the parent company (IN); (ii) the creditor is: A credit institution, international financial institution (CI); (iii) the creditor is: Other entities not falling into the above two categories (for syndicated loans, write according to the majority creditor) (KH).

- Column 11 "Change" adjusts the value of outstanding loans during the period but does not generate cash flows due to: (i) exchange rate fluctuations when converting from loan currency to USD between reporting periods; (ii) adjustment due to erroneous reporting in the previous period(s); (iii) converting short-term loans to medium-term and long-term loans; (iv) converting loan capital into contributed capital; (v) writing off debt;...

Column 11 receives the value (+) if it is generated, and the value (-) if it is incurred., the borrower clearly reports the details of the change.

- Column 12 = Column 6 + Column 8 - Column 9 + Column 11

- Test formula: Column 6 of the reporting period = Column 12 of the preceding reporting period

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