

OUR OFFICES:

Hanoi Office:

Unit 308-310, 3rd Floor,
Hanoi Towers
49 Hai Ba Trung St., Hoan
Kiem Dist., Hanoi, Vietnam
Tel: (84 24) 3934 0629
Fax: (84 24) 3934 0631
E-mail: vision@vision-associates.com

Ho Chi Minh City Office

Unit 1801, 18th Floor,
Saigon Trade Center
37 Ton Duc Thang Street,
District 1, HCMC, Vietnam
Tel: (84 28) 3823 6495
Fax: (84 28) 3823 6496
E-mail: hcmvision@vision-associates.com

LEGAL ALERT

Dear Esteemed Company,

V&A would like to update you on certain newly-issued legal documents relating to enterprises' community.

1. **New legal case announced by the Supreme People's Court**

Legal case No. 42/2021/AL regarding the right of consumers to choose a Court to settle disputes in the case of a model contract with an arbitration agreement was announced by Decision No.42/QD-CA dated 12 March 2021 of the Supreme People's Court to be applied in hearing as from 15 April 2021.

Accordingly, even a model contract executed with consumers has terms to choose foreign arbitration to settle disputes, but when a dispute occurs, consumers still may sue in Vietnamese Court; as the Court determined in its first instance judgment that in this case, it would be understood that consumers do not choose the arbitration and have the right to choose the Vietnamese Court for resolution of the dispute.

2. **More properties used for collateral arrangements securing civil obligations**

On 19 March 2021, the Government issued Decree No. 21/2021/ND-CP, detailing articles of the Civil Code on collateral arrangements for the performance of civil obligations ("Decree 21").

This Decree shall replace Decree No. 163/2006/ND-CP dated 29 December 2006 and Decree No.11/2012/ND-CP dated 22 February 2012 of the Government on secured transactions, and shall take effect on 15 May 2021.

Decree 21 adds properties used for collateral to secure the performance of civil obligations with:

- (a) Property sold under a property sale agreement with title retention;
- (b) Property that is subject to the obligations under a bilateral contract is breached with respect to the lien.

DISCLAIMER:

This memo has been prepared for alerting clients of **Vision & Associates Legal** only. Whilst every effort has been made to ensure accuracy, no responsibility and liability can be accepted for errors and omissions, however caused. The information contained in this publication should not be relied on as legal advice and should not be regarded as a substitute for detailed advice in individual cases.

3. New guidance on enterprise registration

On 16 March 2021, the Ministry of Planning and Investment issued Circular No. 01/2021/TT-BKHDT, providing guidelines for enterprise registration ("Circular 01").

Circular 01 issued 99 forms to be used in registration of enterprises and business households, and provided detailed guidelines on a number of issues related to registration of enterprises and business households.

This Circular shall take effect on 1 May 2021 and replace Circular No. 20/2015/TT-BKHDT dated 1 December 2015 of the Minister of Planning and Investment, providing guidelines for enterprise registration, as amended by Circular No. 02/2019/TT-BKHDT dated 8 January 2019 of the Minister of Planning and Investment.

Respectfully yours,

VISION & ASSOCIATES LEGAL

Should you need any further information or assistance regarding the above matter, please do not hesitate to contact us:

Mrs. LE Quynh Anh

Executive Partner

E: lq.anh@vision-associates.com

M: +84 913 563 961

Mr. LE Tuan Anh

Partner

E: lt.anh@vision-associates.com

M: +84 903 250 313
