

LEGAL UPDATES

BANKING

Circular No. 26/2017/TT-NHNN supplementing Circular No. 19/2016/TT-NHNN regarding bank cards

Effective date: 3 March 2018

The Circular provides for use of Quick Response Code (“**QR Code**”) for payment.

Card issuers shall notify the State Bank of Vietnam prior to issuance of new bank cards or amendments to existing bank cards. Card issuers shall request information and documents from customers prior to issuance of cards. Card issuers may agree with customers on credit limit, transfer limit, cash withdrawal limit or other limits. A cardholder can withdraw maximum amount of cash in foreign currency equivalent to VND30 million per day per card.

Any individual from 15 years old to under 18 years old may use debit cards, credit cards or prepaid cards. Any individual from 6 years old to under 15 years old may use debit cards or prepaid cards subject to his legal representative’s approval in writing. A foreigner may be issued with bank cards if he is allowed to stay in Vietnam for at least 12 months.

Bank cards may be used to pay for goods and services, including overseas goods and services.

Circular No. 21/2017/TT-NHNN regarding loan disbursement by credit institutions and branches of foreign banks

Effective date: 2 April 2018

- (1) Credit institutions and branches of foreign banks (“**Lenders**”) shall disburse loans to bank accounts of beneficiaries via non-cash payment instruments. A Lender may disburse the loan to the borrower’s bank account if:
 - (a) it is required by laws that money shall be transferred from the borrower’s bank account and in compliance with the loan purpose; or
 - (b) the borrower has made payments in connection with business plans approved by the lenders; or
 - (c) the borrower directly pays individuals or households for agricultural products in compliance with loan purpose.
- (2) The Lenders may consider disbursing loans to the borrower in cash if:
 - (a) the beneficiary does not have bank account at any bank; or
 - (b) the borrower does not have bank account at any bank and has made payments in connection with business plans approved by the lenders.
- (3) The Lenders may consider disbursing loans in cash or via non-cash instruments if:
 - (a) the amount to be paid to the beneficiary (who has a bank account) does not exceed VND100 million; or
 - (b) the borrower will make payments to the beneficiary who is State-owned organization and allowed to use cash in payment.

TELECOMMUNICATION**Circular No. 47/2017/TT-BTTTT regarding limitations on sales promotion in connection with ground mobile communication services**

- (1) In case of prepaid subscribers,
 - (a) the total value of sale promotion shall not exceed 20% of the value of the mobile communication services ("**Services**") or the specialized goods for the Services ("**Goods**"); and
 - (b) the value of sale promotion for each unit of Services or Goods shall not exceed 20% of the value of such relevant units prior to the sale promotion period.
- (2) In case of postpaid subscribers,
 - (a) the total value of sale promotion shall not exceed 50% of the value of the Services or the Goods; and
 - (b) the value of sale promotion for each unit of Services or Goods shall not exceed 50% of the value of such relevant units prior to the sale promotion period.
- (3) The above may not be applied to sale promotions by way of providing customers with samples of Services or Goods on complimentary basic, contests and awards, lucky draw or customer loyalty programs (if applicable).

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