

## LEGAL UPDATES

### PENAL LIABILITY

#### **Resolution No. 03/2019/NQ-HDTP dated 24 May 2019 guiding Article 324 of the Penal Code regarding money laundering crime**

Effective date: 7 July 2019

1. In general, money laundering is the illegal process of concealing the origin of money or properties generated by a criminal activity such as murdering, human trafficking, robbery and drug crimes. Such criminal activity may be committed by Vietnamese individuals or organizations, or foreign individuals or organizations, in or outside Vietnam (pursuant to the relevant foreign penal laws).
2. Certain money laundering techniques are
  - directly or indirectly participating in financial and banking transactions or other transactions in order to conceal the origin of illegal assets or money such as opening bank accounts, contributing capital, lending, transferring money, gambling and other related activities; or
  - using illegal money or assets for business or other activities such as investment for profitable purpose or donation.

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## ADMINISTRATIVE SANCTION

### **Decree No. 51/2019/ND-CP dated 13 June 2019 regarding administrative sanctions in case of breaches of regulations on science and technology activities and technology transfer**

Effective date: 1 August 2019

This Decree replaces Decree No. 64/2013/ND-CP dated 27 June 2013 and Decree No. 93/2014/ND-CP dated 17 October 2014. This Decree provides for new forms of sanctions, sanction levels, remedies and authority to settle breaches.

1. The offender (who may be individuals or organizations) may be subject to one of the principal sanctions, including caution or fine.
2. A maximum fine is VND50 million for individuals and VND100 million for organizations.
3. The offender may also be subject to one or several additional sanctions as follows:
  - revoking relevant licenses/certificates for the period of up to 3 months; and
  - confiscating material properties and means used to commit such breach.
4. Below are certain notable administrative violations and sanctions.

Breaches	Maximum fines
Failure to maintain and return documents to clients after completion of technology assessment services or technology testing services	VND20 million in case of organizations
Failure to maintain the satisfaction of the compulsory conditions relating to technology assessment or technology testing services	VND40 million in case of organizations
Failure to enter into a written agreement in case of capital contribution in the form of technology	VND20 million in case of individuals and VND40 million in case of organizations
Failure to obtain certificate of technology transfer registration in case of (i) transfer of technology from abroad to Vietnam and vice versa, or (ii) transfer of domestic technology in respect of project funded by the State	VND40 million in case of individuals and VND80 million in case of organizations

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