



VIETFUND
MANAGEMENT

VFMVN30 ETF

PROSPECTUS OF INITIAL PUBLIC OFFERING



Ho Chi Minh City, July 2014

The granting of permission by the SSC for VFMVN30 offering of the fund certificates to the public shall strictly mean that its registration for offering the Fund is undertaken in compliance with the legal regulations, and such grant shall not be construed to hold VFMVN30 ETF responsible for the content hereof, nor its investment strategy.

VFMVN30 ETF as described in this Prospectus is exchange-traded fund which is incorporated under the Law on Securities No.70/2006/QH11 passed by the National Assembly of the Socialist Republic of Vietnam on 29th June 2006, Law on amending and supplementing a number of articles of the Securities Law on 24th November 2011 and the guidance documents for its implementation.

This Prospectus is registered with the State Securities Commission on 04 July 2014.

PROSPECTUS

VFMVN30 ETF

INITIAL OFFERING FOR SALE THE VFMVN30 ETF FUND CERTIFICATES TO THE PUBLIC

(License of Establishment and Issue No 52/GCN – UBCK granted by the SSC on 04 July 2014)

Date of registration of the Prospectus : 04 July 2014

ISSUER:

VIETFUND MANAGEMENT (VFM)

- **Head office in Ho Chi Minh City**
Unit 1701-04, 17th Floor, Melinh Point Tower, 02 Ngo Duc Ke St., Ben Nghe Ward, District 1, HCMC, Vietnam
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Tel: (84.4) 3942 8168 Fax: (84.4) 3942 8169
- **The prospectus, periodical operation reports, financial reports shall be provided at the VFMVN30 ETF's fund management company, Authorized Participants, appointed distribution agents of VFMVN30 ETF and on website www.vinafund.com**
- **The Prospectus can be updated at least once (01) every six (06) months.**

SPOKESMAN:

Mr PHAM KHANH LYNH – Deputy CEO

VietFund Management Company (VFM)

Address: Unit 1701-04, 17th Floor, Me Linh Point Tower, 02 Ngo Duc Ke, District 1, Hochiminh City, Vietnam.

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IMPORTANT NOTICE

As provided below, before their subscription for VFMVN30 ETF, investors are provided with important information which they are obligated to carefully read and review before making any decisions on investing in VFMVN30 ETF.

VFMVN30 ETF fund certificates are permitted to issue to the public based on the information and commitments disclosed in this Prospectus. Fund Management Company (VFM) and its representatives shall not be accounted for pledges or information given by brokers, distribution agents or others, and such information is not included in this Prospectus, and neither. No person shall be entitled to deliver any pledge or information contrary to the contents of this Prospectus and attached documents. VFMVN30 ETF fund certificates are issued subject to the information and commitments disclosed in this Prospectus and the attached financial information. The circulation of this Prospectus as well as the distribution or issue of the fund certificates shall, under no circumstances, be construed as having any impact on the Fund's operational activity from the date of this Prospectus.

This Prospectus shall not constitute an offer for sale to any person in any country where such an offer is not approved or to whom such offer is not permitted under the law of that country. This Prospectus and distribution of its fund certificates may be restricted for circulation in some countries by their laws. Investors who wish to subscribe to buy the Fund certificates are obliged to do research, understand, and comply with any regulatory restrictions, foreign exchange, and duties laws of their respective countries.

Investors, including foreign investors, are obliged to seek professional advice concerning how tax matters, regulatory provisions on foreign exchange transactions and control of the acquisition and sale of fund certificates shall be regulated or adjusted in their countries.

Investors should be aware that fund certificates and any potential income arising out of their investments in the Fund may fluctuate in value without notice. Accordingly, at the date of dissolution, the residual value of fund certificates held by the investors may be lower than the original paid value.

Investors should remember that the fund management company's past business results shall not be an indicator of future ones.

Prior to making any investments, investors are obliged to carefully scrutinize this Prospectus, the Fund Charter, and other documents related to Vietnam Securities Investment Fund (VFMVN30 ETF) issued by the fund management company and its designated distribution agents, whose names are included herein.

Particularly, the value of the fund certificates, profit-generating potential and potential risks as provided in this document shall serve for reference purposes only, and may vary subject to market circumstances. Any investment in VFMVN30 ETF shall not be construed as a way to ensure profitability for investors. Investors are advised to scrutinize any possible risks described in this Prospectus prior to deciding to make any investments.

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I. KEY RESPONSIBLE PEOPLE FOR THE PROSPECTUS's CONTENT

1. Issuing Organization

VIETFUND MANAGEMENT (VFM)

Establishment License: No. 45/UBCK-GP granted by the SSC dated January 08, 2009.

Address: Unit 1701-04, 17th Floor, Melinh Point Tower, 02 Ngo Duc Ke St., Ben Nghe Ward, District 1 HCMC, Vietnam

Tel: (84.8) 3825 1488 Fax: (84.8) 3825 1489

Mr. DOMINIC SCRIVEN	: Chairman of VietFund Management (VFM)
Mr. TRAN THANH TAN	: CEO of VietFund Management (VFM)
Mr. NGUYEN MINH DANG KHANH	: Financial Director of VietFund Management (VFM)

We hereby certify that the information and figures contained herein are thoroughly collected, investigated, true and accurate.

2. Supervisory Bank:

STANDARD CHARTERED BANK (VIETNAM)

Legal Representative: Mr. Mr Nirukt Sapru

Position: CEO of Standard Chartered Bank (Vietnam)

This Prospectus is integral part of offering document which is written by Vietfund Management (VFM) and certified by Standard Chartered Bank (Vietnam). As a Supervisory Bank of VFMVN30 ETF, we shall have responsibility for the regulations in the range of Service Providing Contract for Fund Supervision signed by Standard Chartered Bank (Vietnam) and Vietfund Management Company (VFM) – a fund management company of VFMVN30 ETF, and in accordance with the legal regulations. However, we ensure that the analysis, evaluation and choice of words in this Prospectus have been carefully and reasonably executed by Vietfund Management Company (VFM) and other related organizations in accordance with the law.

II. TERMS/ DEFINITIONS

The following terms and abbreviated terms shall be defined and used throughout this Prospectus

“VFMVN30 ETF Fund”	(Hereinafter referred to as “The Fund”) A security that tracks an index or a basket of stocks like an index fund, but trades like a stock on an exchange. The Creation Units are listed and traded on Hochiminh City Stock Exchange (HOSE)
“Vietfund Management Joint-Stock Company (VFM)”	(hereinafter referred to as “VietFund Management (VFM)”), a joint stock company which the founders are Dragon Capital Management and Saigon Thuong Tin Commercial Joint Stock Bank, is incorporated under the License No. 45/UBCK-GP dated January 08, 2009, issued by the SSC, and conducting capital mobilization for and the management of VFMVN30 ETF.
“Dragon Capital Management Limited”	(Hereinafter referred to as DCM) means a limited liability company established under the laws of British Virgin Islands, is a member of Dragon Capital Group and is a founding shareholder of VFM.
“Saigon Thuong Tin Commercial Joint Stock Bank – Sacombank”	(Hereinafter referred to as Sacombank), means a commercial joint stock bank, established under the license No. 0006/NH-GP dated 05/12/1991 issued by State Bank of Vietnam under the banking law of Vietnam and a founding shareholder of VFM.
“HCMC Stock Exchange”	(hereinafter referred to as “HOSE”) means a state-owned corporate entity organized as a one-member limited liability company, operating under the Law on Securities, the Law on Enterprise, its Charter, and related statutory regulations.
“Hanoi Stock Exchange”	(hereinafter referred to as HNX) means a state-owned corporate entity organized as a one-member limited liability company, an independent unit with its own stamp, operating under the Law on Securities, the Law on Enterprise, its Charter, and related statutory regulations.
“Vietnam Securities Depository”	(hereinafter referred to as “VSD) means a state-owned corporate entity which is organized as a one member limited liability company, operating under the Law on Securities, the Law on Enterprise, Charter of VSD and other related statutory regulations.
“Depository and Supervisory Bank”	Standard Chartered Bank (Vietnam) is a commercial bank which is established under Vietnamese laws license No. 236/GP-NHNN, issued by the State Bank of Vietnam, dated 08 September 2008 (amended from time) and is issued the registration certificate No. 37/UBCK-GCN for securities depository activities by the State Securities Commission, dated 16 December 2008, undertaking following services for investment funds established in Vietnam: preservation and depository of securities, fund administration, fund accounting, Supervisory Bank and other services related to depository activities.
“Auditing Company”	An independent company which is approved by the SSC and appointed by the General Meeting of investors, of Vietnam Securities Investment Fund performing the auditing of the Fund's annual assets.
“Authorized Participants”	Securities companies providing brokerage services and self-trading or commercial bank having License of Depository Activities which signed the contract with VFM for setting-up the VFMVN30 ETF.
“Market makers”	The Authorized Participants which appointed by VFM to sign the contract to provide market-making service for VFMVN30 ETF. VFM

	can appoint one or more Authorized Participants(s) to build the VFMVN30 ETF's market maker group.
“Distribution agents”	Securities companies which provide securities brokerage services have signed distribution agreement of VFMVN30 ETF with VFM and Authorized Participants.
“Related service providers”	Supervisory Bank, Securities Depository Center providing one or more the fund administration service(s), transfer agency and customer relationship service(s).
“Fund Charter”	The Initial Fund Charter is set up as stipulated in Circular No. 229/2012/TT-BTC by VFM. The Authorized Participants and investors who registered to buy the VFMVN30 ETF are regarded as passing this Initial Charter.
“Prospectus”	The documents or electronic data publicizing objective, truthful and accurate information about the offer for sale or listing of VFMVN30 ETF Certificates.
“Supervisory contract”	The contract signed between the VFM and the Supervisory Bank and are approved by General Meeting of investors of VFMVN30 ETF.
“Investors”	Means domestic / foreign individual and institutions are holding VFMVN30's Creation Units.
“General Meeting of investors”	Defined as a periodic or extraordinary general meeting of investors where investors are entitled to vote, to pass important issues relating to VFMVN30 ETF. General Meeting of investors is the highest authority body of VFMVN30 ETF.
“Board of Representatives of the Fund”	Representatives of investors elected by the General Meeting of investors to represent investors for the purpose of supervising the operations of the VFMVN30 ETF, VFM and the Supervisory Bank.
“Charter Capital”	Net asset value of VFMVN30 ETF at the end-date of initial public offering and is recorded in this Fund Charter.
“VFMVN30 EFT Certificate”	A type of securities certifying that investors own a contribution portion in the VFMVN30 ETF. Par value of a fund certificate is VND10,000.
“A Creation Unit”	A Creation Unit comprises a minimum of one hundred thousand (100,000) of fund certificates and particularly stipulated in section 2.1, part X of the Prospectus. A Creation Unit is a transaction unit in Creation Trading between VFMVN30 ETF and the Authorized Participants and/or investors. VFM is entitled to adjust the volume of the fund certificates in one Creation Unit but it shall ensure that one Creation Unit must not less than 100,000 (one hundred) fund certificates.
“VN30 Benchmark Index”	VN30 Index, a capitalization-weighted index, comprising 30 companies which have the largest capitalization and liquidity are listed on HCMC Securities Exchange (HOSE), satisfying the index criteria and other selected criteria as stipulated. This Index is formed by HOSE comply with the current statutory provisions. Please refer to the website www.hsx.vn for more information of VN30 Index.
“Component securities”	The basic securities constituting the basket of securities of the VN30 Index.
“A basket of component	A basket comprises of component securities which is designed to

securities”

replicate the Index volatility and is approved by VFM during the creation of VFMVN30 ETF.

A basket of component securities in Creation must satisfy the following conditions:

- a) Include a minimum 85% of number of component securities constituting the Index (Basket of securities of the Benchmark Index);
- b) The value of basket of component securities shall not be less than 95% of the value of a basket of securities corresponding to the Benchmark Index.
- c) When HOSE makes a periodic or sudden adjustment of the basket of VN30 Index, the number of component securities in Creation could be lower than 85% of the number of benchmark index securities (but it must ensure a minimum of 50% of number of component securities constituting the Index) and/or the value of basket of component securities could be lower than 95% of the value of corresponding securities basket of VN30 Index.

“Creation Price”

A price that investors/ Authorized Participants must pay to create the Creation Units from fund management to exchange the basket of component securities.

The Creation price shall be the total par value of a Creation Unit (at the initial public offering) plus the creation fee as determined at point a, section 1.1, Part XI of the Prospectus.

“Creation / Redemption price”

The price that the fund management company uses to create/redeem a Creation Unit from Investors and/or Authorized Participants and vice versa.

Price of Creation of a Creation Unit (also called “Creation Price”) equals the net asset value per Creation Unit at the end of the day preceding the Creation Day plus creation fee.

Price of Redemption of a Creation Unit (also called “Redemption Price”) equals the net asset value per Creation Unit at the end of day preceding the redemption day deducts the redemption fee.

“Trading value”

Trading value in the initial public offering equals total par value of one Creation Unit multiply by the volume of distributed Creation Units.

Trading value in Creation equals net asset value per one Creation Unit at the end of business day prior to the Creation Day multiply by the volume of Creation Units.

“Creation Fee”

The fee that investors must pay the Fund management company when purchasing Creation Units in initial public offering or performing the Creation of Creation Units.

Such fee shall be collected when performing the transaction and shall be calculated on the percentage ratio of trading value of Creation Units. Such Creation Fee shall be described at point a and b, section 1.1, Part XI of this Prospectus.

“Redemption fee”

The fee that investors must pay the Fund management company, Authorized Participants when performing the Redemption of Creation Units.

Such fee shall be calculated on the percentage ratio of Redemption value. The Redemption Fee shall be described in section 1.2, Part

XI of this Prospectus.

“Fund Dividend”	The remaining return of VFMVN30 ETF after subtracting reasonable expenses and is approved by the General Meeting of investors based on investor’s ownership prorata basis.
“Closing date”	The day on which the capital mobilization for VFMVN30 ETF completes in accordance with the current legal regulations, applicable for the initial public offering of fund certificates.
“Fiscal Year”	A period of twelve months which commences on the beginning of the 1st of January and ends on the end of the 31 st of December according to calendar year. The first fiscal year of Vietnam Securities Investment Fund is calculated from the day on which it is officially issued a license by the SSC until the end of the 31 st of December of the same year. In case that the period from the day the fund is issued a license by the SSC to the end of the 31st of December of the same year is less than 90 days, the first accounting period shall be calculated from the day on which it is officially issued a license by the SSC until the end of the 31 st of December of the next year.
“Net Asset Value of the Fund”	Equals total market value of assets in the baskets subtracting all of liabilities of the Fund. Liabilities of VFMVN30 ETF comprise liabilities or payable obligations of the Fund calculated up to the day prior to the Valuation Date. Fund management company has its responsibility of determining net asset value of VFMVN30 ETF on a daily basis.
“Net Asset Value of a Creation Unit”	Equals VFMVN30 ETF's Net Asset Value divided by the total number of Creation Units. VFM has its responsibility of determining net asset value per Creation Unit on a daily basis.
“Net Asset Value per fund certificate”	Equals Net asset value of the fund divided by the total number of the outstanding fund certificates. VFM has its responsibility of determining net asset value per VFMVN30 ETF Certificate on a daily basis.
“Indicative Net Asset Value per fund certificate”	<p>(Hereinafter referred as “iNAV”) NAV per VFMVN30 ETF Certificate on the basis of the market price of component securities during the most recent trading. Such iNAV is calculated and provided by the HOSE.</p> <p>iNAV of one certificate is a reference price only and not a value for determining trading price. iNAV shall be updated minimum of once per 15 seconds(15s) and be publicly announced on website’s VFM and HOSE.</p>
“Valuation date”	A day on which VFM determines NAV of VFMVN30 ETF in accordance with the current statutory regulations.
“Creation / Redemption”	A transaction of exchange the basket of component securities for ETF Creation Units, and vice versa. This trading is conducted between the VFMVN30 ETF and the Authorized Participants and/or Investors which satisfying the conditions in the Prospectus and the Fund Charter.
“Creation / Redemption Orders”	include buying orders in which Authorized Participants and investors require the Fund to receive a basket of component securities and create Creation Units, and selling orders in which the Authorized Participants and investors require the fund to receive Creation Units in return for basket of component securities.
“Creation / Redemption day”	A valuation date on which VFMVN30 ETF, via VFM, creates and

redeems Creation Units from Authorized Participants and investors in accordance with the Creation regime.

“Cut-off time”

The latest time for Distribution agent or Authorized Participants receives Creation Orders from investors for implementation during the Creation day. Cut-off time shall not be later than the market closing time of HOSE and particularly stipulated in the Prospectus. In the case that there shall be any change in the cut-off time, VFM shall publicly announce on its website and update in the Prospectus.

“Fund administration service”

means a service that VFM authorize to Service

Providers to undertake the following services:

- Recording accounting entries of fund's transactions; recording fluctuation of Cash Component of the Fund;
- Preparing the Fund's financial statements; coordinating with and assisting Fund's auditor in performing audits for the Fund;
- Determining the Fund's net asset value, the net asset value per Creation Unit in accordance with statutory regulations and the Fund Charter;
- Undertaking other activities in accordance with legal regulations, the Fund's Charter and the contract which signed with VFM's management company.

“Transfer agency service”

Means a service that the VFM authorize to Service Providers to undertake the following services:

- Preparing and managing the Register of investors and the system of Investor's accounts and Authorized Participants' accounts, confirming the ownership of the Creation Units;
- Recording Exchange-traded orders namely Creation and Redemption Orders of investors and Authorized Participants, transferring the ownership of fund certificates and updating the register of investors;
- Supporting investors in implementation of rights related to the ownership of fund certificates of investors and Authorized Participants.
- Executing other acts in accordance with the Law, Fund Charter and Contract which signed with VFM.

“Other definitions”

Other definitions (if applicable) shall be construed as set forth in the law on Securities and other relevant documents.

III. INVESTMENT OPPORTUNITIES

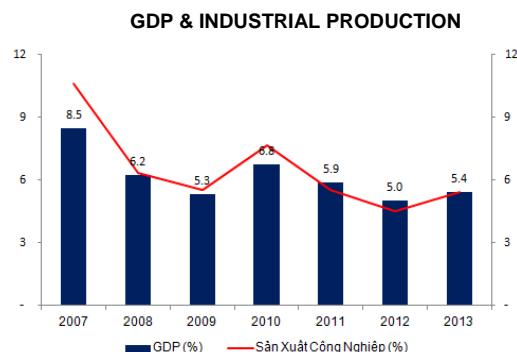
1. Vietnam Macro Economy

After experiencing a lot of turbulences in 2010-2011 and prolonged difficulties in 2012, the economy made positive improvements in 2013, restoring confidence in its recovery and bright prospect for a new phase of growth

Recovery of Industrial Production and GDP

Thanks to the easing monetary policy and supportive packages, the economy has improved its stability and come to a real recovery. Accordingly, GDP grew at 5.4% in 2013, slightly higher than 5% in 2012.

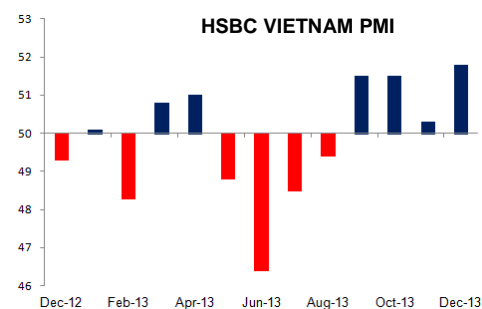
This expansion was supported by the recovery of industrial production and the surge of service sector with respective growths of 5.4% and 6.6%. In addition, the trend of GDP expansion is favorable in which it grew by 6.0% in the last quarter compared with 5.54%, 5.00%, and 4.76% in the previous three quarters.



Source: The General Statistics Office

Manufacturing activity expanded and recovered in the last six months of 2013. Accordingly, the HSBC Purchasing Manager Index (PMI) reached 51.8 in December, the highest level since 4/2011. The index registered at above 50 in the last 4 months, indicating expansion of manufacturing activity.

Positive effects of cuts in policy rates and other stimulus packages, manufacturing has maintained a good trend of improvement. Additionally, stronger growths of major export destinations (the United States, Europe, Japan) and the resumption of local demand have laid a stronger foundation for industrial production and shall continue into 2014.

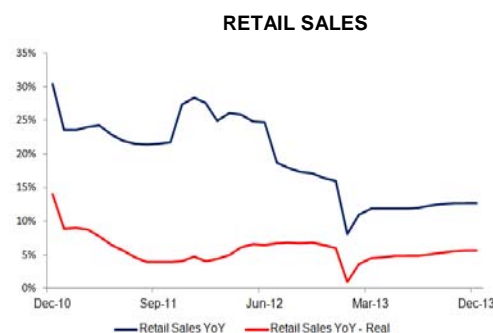


Source: Markit Economics

Rebound of Retail Sales

Retail sales has rebounded slightly since 3/2013 after falling hard in early 2013. If it is adjusted for inflation, retail sales grew at 5.6%, lower than that of 2012 but with positive trend. Local demand has since picked up and gained more momentum.

Amid controlled inflation and economic recovery, retail sales is expected to have significant improvement in 2014.

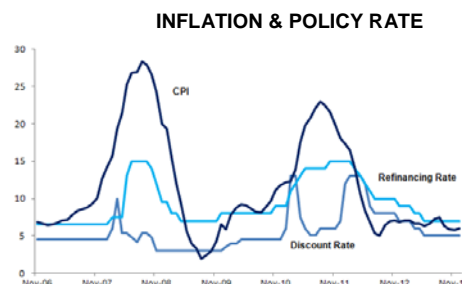


Source: The General Statistics Office

Inflation at 10-Year Low

Inflation stabilized in the last three months after a big surge in September when the consumer price index (CPI) reached 0.51% in December, bringing the annual index to 6.04% compared with end of 2012. Controlled inflation has helped stabilize the macro condition, restore confidence in the local currency, and maintain low volatility of the USD/VND exchange rate.

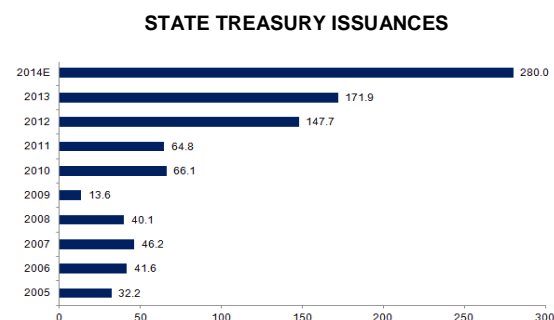
Global inflation is expected to be low in the first half of 2014. However, local inflation shall bear more effects from local factors such as the change in fiscal policy and the adjustment of key fuel items and electricity. Therefore, inflation in 2014 is expected to be around 6%-7%.



Source: The General Statistics Office

Increased Investment for Growth

In 2012, total investment fell to the lowest level in 12 years, registering at 30.4% GDP, leading to slow economic growth in the last 3 years. The government has planned to enhance public spending for infrastructure with additional 170 trillion for highway and other important infrastructure projects in 2014-2016. Besides, stronger foreign direct investment and revival of local production are expected to increase private investment. These shall be new sources for economic growth in the medium term.

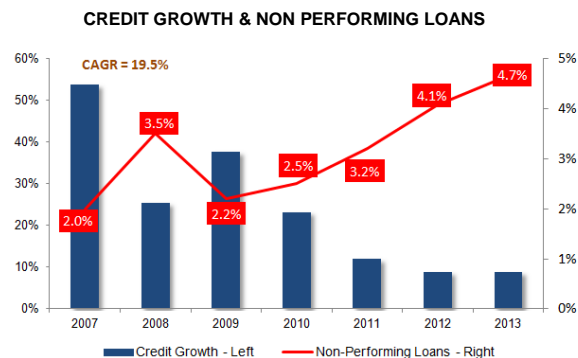


Source: HSC, VFM

Decent Credit Growth and Controlled Non-Performing Loans

Lending activity picked up in the fourth quarter after increasing at slow pace in the early of the year amid more risk averse by banks, low demand, and still high interest rates. Accordingly, credit increased in 8.8% after falling in the first two months. Although this performance was under the 12% expectation, it is a decent growth rate in the current economic environment.

With average lending rate falling to 12% from 15% in the end of 2012 and economic activity warming up, lending activity is expected to accelerate in 2014, reaching around 12%-14%. In addition, non-performing loans are being curbed and resolved to help facilitate further lending by banks.



Source: The State Bank of Vietnam

Export in the Spotlight and Stabilized Currency

Excellent export performance has emerged as a spotlight of the economy since 2012 and continued into 2013. Accordingly, export rose to \$132.2 billion, or 15.4% in 2013. Thanks to good record of attracting foreign direct investment and high disbursement in the last years, foreign invested companies have become key players in export, accounting for 2/3 of export value with a 22.4% growth, far eclipsing the local sector who registered just 3.5% growth.

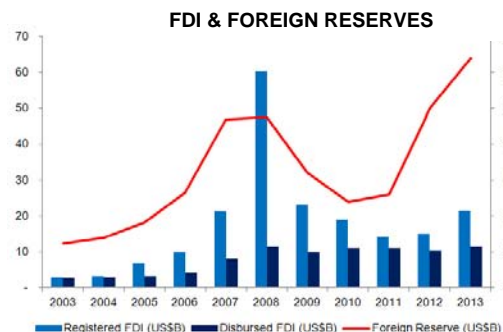
Trade surplus reached \$900 million in 2013. Strong current account in 2012 and 2013 has lifted foreign reserves to more than \$32 billion from \$20 billion in 2012. Consequently, exchange rate was stable in 2013 and is expected to have low volatility in 2014.



Source: The General Statistics Office

Rising Foreign Investment

In the last six years, registration of foreign direct investment has soared and disbursement has been strong, leading to excellent export performance and economic growth. In addition, the structure of foreign investment has been shifted to manufacturing instead of property and hospitality projects as it did in 2006-2007. Economic recover, Vietnam's potential entry into Trans-Pacific Partnership and an attractive stock market shall help boost foreign direct investment and portfolio investment in the coming year. This shall in turn help accelerate economic activity, stabilize the currency, and develop local capital market.



Source: The General Statistics Office

2. Introduction of VN30 Index

VN30 Index is an index comprising 30 companies with largest market capitalization and highest liquidity listed on HCMC Securities Exchange (HOSE) which satisfy the criteria for participating in the index and selected conditions as stipulated. In which, participating conduct in VN30 Index including the following criteria:

Criteria on listed:

Stocks shall not be in one of the following cases:

- Designated stock due to violation of information disclosure, controlled stock, suspended trading stock within 3 months from the rebalancing date.
- Stock listed on HOSE less than 6 months from the rebalancing date, and less than 3 months for stock with daily average market capitalization of top 5 companies.

Criteria on Free-float rate:

Stock shall participate in VN30 Index where free-float rate is more than 10%, specifically:

- The stock shall be eliminated from VN30 Index basket if free-float rate is less than 5%.
- The stock shall be eliminated from VN30 Index basket if free-float rate is in range from 5%-10% and it does not belong to one of 10 largest market capitalization stocks.

Criteria on liquidity:

Selected stocks in VN30 Index must assure liquidity by turnover ratio calculation as below:

$$\text{Turnover ratio} = \frac{\text{The ratio of average daily trading value of that stock (*)}}{\text{Average daily free-float-adjusted market capitalization value}}$$

(*) *The ratio of average daily trading value of that stock comprises order matching and put-through transactions.*

- Stock which does not include in the index on previous period having turnover ratio less than 0.05% shall be eliminated from VN30 Index basket.
- Stock which includes in the index on previous period having turnover ratio less than 0.04% shall be eliminated from VN30 Index basket.

A group of stocks satisfying the criteria of listed, liquidity and free-float rate is called a “List” and shall be sorted in descending order of the average daily free-float-unadjusted market capitalization value within 6 months.

Step 1: To select the first 50 stocks in the list and remove the designated stocks (if applicable). The removed stock shall be replaced by the next stock in the list which constituting 50 stocks in the list.

Step 2: To sort the 50 selected stocks in descending order of daily average trading value (including order matching and put-through value) within 6 months as of the review period.

- Stocks in the position of 20th and above in the list shall be deemed to participate in the Index;
- Stocks in the position of 41st and below in the list shall be deemed to remove from the Index;
- Stocks in the position of 21st to 40th: the consideration of the component securities were in the list in VN30 basket on the previous period shall be priority, then considering for the new stocks to constitute of 30 stocks in the basket. In the case that there shall be more than 1 stock which have the same position in the basket on the previous period, then the stock with higher average capitalization shall be selected.
- To select 5 stocks subsequent to the 30 selected stocks in the basket of VN30 Index to reserve in the reserved basket which use to replace in case that one or more component securities in VN30 shall be removed from the index basket in the middle of reviewing session.

VN30 Index is calculated based on the free-float-adjusted market capitalization value. The component securities of VN30 Index shall be annually reviewed once every six (6) months on Monday of the fourth week of July and January. Data is used for reviewing session being taken based on the data of cut-off time of the last trading session of June and December.

To avoid the situation of one or more securities in the index hold the large capitalization weighting, the capitalization weighting of the component securities in the index basket shall be limited in a specific threshold. The limitation shall be 10% for capitalization weighting of the component securities of VN30 Index. The review and adjustment of capitalization weighting limitation shall be implemented periodically once every six (6) months on the same periodic reviewing session of the Index, or shall be re-calculated when there is a change of component securities of the index basket on that session.

On the first session in 2014, total of average capitalization value of the basket of 30 component securities in VN30 Index occupy of 69.5% of the average capitalization value in entire market and total of its average trading value occupy of 61.1% on the total of average trading value in entire market.

For further information of VN30 Index, please visit website www.hsx.vn

3. Investment opportunities on ETFs

3.1 Milestone of ETFs’ history

After creating open-ended and close-ended fund which met investment objectives of institutional and individual investors in the global financial market, the idea of index investing fund came out by Wells Fargo

and American National Bank in 1973 for institutional customers. Two years later, public index mutual fund was official launched on December 31, 1975 in American market with total asset of USD11 million, this fund tracked the S&P 500. The asset under management (AUM) of this fund crossed USD100 billion in 1999. However, the first ETF which began trading in January 1993 on American financial market was called S&P Depository Receipt (SPDR) and was managed by the State Street Global Advisors. In subsequent years, series of large financial institutions continuously launched the ETF products. Of which, the well-known institutions mentioned are Barclay Global investors which entered the business in 1996, State Street Global Advisors which entered in 1998 and Vanguard began offering ETFs in 2001. After that, the Asian financial market began offering the first ETF on Hong Kong Stock Exchange in 1999. ETFs first began to appear in European market in 2001. As of the end of 2011, there were over 15 financial institutions in the world launching ETFs products.

It was clear that, from one ETF in 1993, the global financial market grew to 246 ETFs in 9 years later, in which European market was the largest with 109 ETFs, following was American market with 102 ETFs, Asian market and Canada were 24 and 14 ETFs respectively. This kind of investment was more and more popularity in the markets. According to Black Rock's statistic, there were 1,541 products related to ETF in 2007 with total asset under management of US\$851 billion, nearly double year-on-year. After 3 years, in 2010, there were 3,543 products with total asset of US\$1,483 billion, more than double of 2007. As of February 2014, it was increased to 5,098 products with total asset of US\$2,434 billion, a boom growth in scale of ETF products. Not only for scale, the ETF products were expanded and developed on other sectors such as ETF focusing on sectors, ETF of commodities, bond, futures and other asset classes. Although there have had been disadvantages in global financial market currently, ETFs are still more and more developed and popular.

3.2 Benefits of ETFs investment:

The following remarkable differences that attract individual and institutional investors' concern when making investment decision ETFs:

- An ETF is a passively managed tracking fund which holds assets corresponding to a basket of securities constituting the Benchmark Index. Its costs are lower than other actively managed funds. Typically average total expense ratio of ETF range from 0.75%-1% yearly, as opposed to 2%-3% yearly cost of other actively managed funds. An ETF investment is a low cost and cost-efficiency investment for investors.
- Since ETF trades like a common stock and its operational result is quite close to the Benchmark Index, ETF is an instrument which enabling domestic and foreign investors to quickly invest in the stock market or specific sectors in the stock market. Instead of time-consuming on selection and trading their stock group, investors are able to invest in the index replication ETF corresponding with such stock group.
- ETF investing brings flexibility for investors. While ETF certificates are traded as an ordinary close-ended fund in the market, they are also can be directly traded with Fund Management Company by Creation trading from the Authorized Participants. Therefore, ETF inherits the advantages of both close-ended fund and open-ended fund. Investors shall facilitate to trade its ETF on secondary market with small volume with the price closes to its net asset value as an ordinary stock trading, while trading in large volume on primary market with fund management company if the liquidity of the trading market is not good.
- ETF is a kind of index fund that represents the market, meaning its objective of replication an unique index, not gaining return higher that index. That means, the operation result of ETF follows closely the result of Benchmark Index. Most of the replication index ETFs is designed to represent the market or a particular sector. Consequently, investing in ETF helps investors to minimize unsystematic risks and pay lower fees than actively managed funds.
- ETF has high degree of transparency. Investors who buy close-ended or open-ended fund shall not know the fund portfolio, but ETF's Investor are able to know the fund portfolio before making decision, and investors could monitor their fund portfolio to actively making decision on buying or selling when the market volatile. In open-ended and close-ended fund investing, investors only know their net asset value of investment at the periodically NAV announcement by fund management company, this shall be on

daily or weekly basis after the trading day closes. However, with ETF investing, investors are able to know the result of their investment intra-day thanks to the iNAV structure.

In conclusion, ETF is a simple, understandable product. It well represents the market, reduces risk of securities selection, has high degree of transparency, offers investors flexibility, low cost and opportunities. Investing in ETF, a passive fund but it satisfies active investment needs of investors, means investors shall actively buy or sell ETF without any obstacles in the process of market information analysis.

IV. GENERAL INFORMATION ABOUT FUND MANAGEMENT COMPANY

1. General information of Viet Fund Management (VFM)

VFM was established in July 2003, initially as a joint-venture company of the two leading financial institutions which are Dragon Capital – a leading and well-respected foreign portfolio management company in Vietnam, and Sacombank – one of the commercial banks having largest charter capital in Vietnam. After operating and developing period, to affirm the strength of the fund management firm as well as our commitment to the quality of the services, since January 2009, the company has converted its legal status from joint-venture Company to Corporation Company with its name of Vietnam Investment Fund Management Joint Stock Company (VFM). In 2010, VFM has been approved to raise its charter capital to VND229.5 billion by the SSC under the changing license No. 79/UBCK-GP, dated November 04, 2010.

Presently, with its new operating model, VFM has utilized Dragon Capital's centralized, experienced, renowned, potential and sustainable resources together with other strategic partners comprising well-known financial organizations in the stock markets. All converge in synergy to create more competitive advantages for VFM on Vietnam financial market. VFM is currently managing total assets of over VND2,000 billion (as of 30 April 2014) through its products such as Vietnam Securities Investment Fund (VFMVF1), Vietnam Growth Investment Fund (VF2), Vietnam Blue-chips Fund (VFMVF4), Vietnam Active Fund (VFMVFA), Vietnam Bond Fund (VFMVFB) and other assigned capital sources, entrusted by nearly 6,000 investors who are domestic and foreign legal entity and individual.

VFM is currently managing the following funds:

- Vietnam Securities Investment Fund (VFMVF1):

VFMVF1 Fund is Vietnam's first closed-end public fund with initial chartered capital of VND300 billion managed by VFM. VFMVF1 is a balanced-fund which invests in equity, convertible bonds, and fixed income in Vietnam stock market.

VFMVF1 Fund has first raised charter capital from VND300 billion to VND500 billion in 2006, and has continuously risen from VND500bn to VND1000bn in 2007. VF1 Fund is considered one of the most liquid closed-end funds with in the Hochiminh City Stock Exchange (HSX). On October 08, 2013, VFMVF1 has officially converted to open-ended public fund which has a largest convertible value in Vietnam stock market.

- Vietnam Growth Investment Fund (VF2):

This is the first member fund managed by VFM. VF2 was established in December 2006 by 15 big partners comprising companies in finance, banking industries, listed companies, and the FMO, a financial institution of the Government of the Netherlands. The initial mobilized capital of VF2 is VND 400 billion which increased to VND 963.9 billion in December 2006. VF2 to be extended till 2014.

- Vietnam Blue-chips Fund (VFMVF4):

VF4 is our second closed-end fund and listed on the HOSE. With an initial chartered capital of VND806.46bn in total capital of VND8,000 billion, and 10 years of operation. VFMVF4 invests in blue-chips on the Vietnam stock market as well as leading government enterprises operating in all fundamental sectors of the Vietnam economy. VFMVF4 is also converted to open-ended fund on December 16, 2013.

- Vietnam Active Fund (VFMVFA):

VFA is the first active fund on the Vietnamese stock market using the quantitative analysis model to conduct strategic investments. Total capital is VND240.4 billion. VFMVFA's main strategy is trend-

following which employs Quantitative Investment model (Quant model) for its investment strategies in Vietnams Stock Market where Quant model is a perfect combination of fundamental, technical and statistical analysis. The trading following model shall buy when the market tends to go up and sell when market tends to go down.

VFMVFA is the first closed-ended fund converted to open-ended fund in Vietnam. VFMVFA is also converted to open-ended fund on April 18, 2013.

- Vietnam Bond Fund (VFMVFB):

VFMVFB is an open-ended fund which aims to invest in government bonds, government guaranteed bonds, municipal bonds, valuable papers with investment portion of 80% of the net asset value of such funds. Fund is mobilized with the initial chartered capital of VND100 billion in June 2013. VFMVFB is consulted by the Dragon Capital leading experts in debt securities.

- The discretionary portfolios management:

This is a specific financial service launching in 2008 which is designed for specialized investment strategies of each customer. With long experience in fund management in Vietnam market, the portfolio management service of VFM shall perform the investment objective upon each specialized needs on behalf of its customers. In which, VFM is assigned to invest and manage customer's properties. Therefore, customers shall have more time to concentrate on their main business. When using this service, our active management group shall advise and propose a specific plan based on customer's goals in profit maximization or getting long-term and stable income. Customers are investors comprising individual and legal entity with having large capitalization, and local and foreign financial institutions.

Information relating to VFM's operation in the past shall not be implied as a way to ensure its future operational results.

1.1 Introduction to the Board of Management of VietFund Management (VFM)

▪ Mr. Dominic Scriven	Chairman
▪ Mr. Tran Thanh Tan	Vice Chairman cum CEO
▪ Mr. Le Hoang Anh	Member
▪ Mr. Mr. Nguyen Van Cuu	Member of the Board of Directors
▪ Mrs. Luong Thi My Hanh	Member/ Investment Deputy CEO

Mr Dominic Scriven

Chairman

- Honour Degree in Law and Sociology of Exeter University (United Kingdom).
- Over 20 years of investment management and equity market development, of which over 18 years in Asia, especially in Hongkong and Vietnam;
- Co-founder of Dragon Capital Group in 1994.
- Strategic shareholder of several Securities Companies in Ho Chi Minh City and member of the Board of Director in various banks and listed companies on Vietnam stock exchange.
- Vice Chairman of VFM since 2003.
- Chairman of VFM since February, 2010.

Mr Tran Thanh Tan

Vice Chairman cum Chief Executive Officer

- MBA at Universite' Libre de Bruxelles (Belgium);
- Nearly 20 years of experience in investment and equity securities market;
- Co-founder and Partner of Dragon Capital since 1994;
- CEO of VFM since 2003;

	<ul style="list-style-type: none"> ▪ Standing Member of Club of listed companies; ▪ President of Fund Management Club; ▪ Vice Chairman and CEO of VFM since February 2010
Mr Le Hoang Anh Member of the Board of Directors	<ul style="list-style-type: none"> ▪ Ph.D. in Economics, Budapest Universities of Economic Sciences, Hungary; ▪ Many years of experience in high-level financial analysis with foreign corporations; ▪ Director of Dragon Capital Private Equity Management Ltd; ▪ Member of VFM's Investment Committee; ▪ Member of VFM's Board of Director since March 2010
Mr Nguyen Van Cuu Member of the Board of Directors	<ul style="list-style-type: none"> ▪ MBA of IMPAC University, USA; ▪ Many years of experience in Finance and Banking, stock investment; ▪ Previously Vice Chairman of Viet Capital Bank; ▪ Chairman of BETA Securities Incorporation since 2007; ▪ Chairman of Nam Viet Manufacturing and Trading Inc since 2012; ▪ Member of Council Members of Y My Building Materials Co Ltd; ▪ Member of Council Members of CSQ International Investment Inc; ▪ Member of the Board of Management of Sacombank since 2013.
Mrs Luong Thi My Hanh Member of the Board of Directors and Deputy CEO in charge of Investment and Research Department	<ul style="list-style-type: none"> ▪ Member of the CFA Association; ▪ Master in Business Administration, Gloucestershire University (England); ▪ 15 years of experience in fund management and securities investment; ▪ Portfolio Manager of VFM since 2005; ▪ Investment Director of VFM since 2008; ▪ Deputy CEO in charge of Investment & Research since 2010

1.2 Introduction of the Board of Directors of VietFund Management (VFM)

Mr. Tran Thanh Tan Chief Executive Officer (CEO)	(Please refer to the Introduction in section 1.1, part IV of the Prospectus)
Mrs. Luong Thi My Hanh Deputy CEO	(Please refer to the Introduction in section 1.2, part IV of the Prospectus)

Mr. Pham Khanh Lynh

Deputy CEO

- Master in Finance and Accounting, Swinburne University, Australia;
- Many years of experience in business development and stock market;
- Trading Director and market development at Asia Commercial Bank (ACBS);
- Business Development Director of VFM since 2003;
- Deputy CEO in charge of business development of VFM since 2007

Mr. Tran Le Minh

Deputy CEO

- Masters in Finance Management from Melbourne University, Australia;
- 15 years of experience in Finance & Accounting at PricewaterhouseCooper Viet Nam & Ernst & Young Viet Nam;
- More than 10 years of experience in asset management;
- Success in managing and developing of Hanoi Branch since 2004;
- Deputy CEO in charge of VFM's Hanoi Branch since February 2011.

Mr. Nguyen Minh Dang Khanh

Deputy CEO cum Financial Director

- Master of Science in Finance and Economics at West Texas A&M, USA;
- B.A in Law of HCMC Law University;
- Independent auditor (CPA);
- Financial Director in VFM since 2006;
- Deputy CEO cum CFO since March 2011.

1.3 Introduction to the Founding Shareholders of VFM**Dragon Capital Management Group**

Dragon Capital Group is an integrated financial services provider with an exclusive focus on Vietnam's capital markets. Established in 1994, with initial asset of USD 16 million, the group is now one of the largest and most experienced asset managers in Vietnam with total group assets in excess of US\$850 million (as at July 31, 2013).

Vietnam Enterprise Investments Limited (VEIL) is a largest Vietnam investment fund which is listed abroad since its founding in 1995. VEIL is the second largest investor in the domestic stock market after the State of Vietnam, in the banks and enterprises equitization. VEIL fund is first and foremost by DCG management with total assets over 473 million USD. VEIL is the most strategic fund of the DCG and impressive growth fund in Vietnam. Its objective is mainly invested in other public and private companies in Vietnam or the company related to Vietnam.

The next funds were established including:

- **Vietnam Growth Fund (VGF) & Vietnam Dragon Fund (VDF)** offer further access to listed and pre-listed opportunities;
- **Vietnam Resource Investment (VRI)**: the company's first specific asset class fund, offers access to Vietnamese mining and natural resource opportunities
- **Vietnam Debt Fund (VDeF)**: the first dedicated fund for Vietnam debt markets, targets government and private sector corporate debt

- **Vietnam Property Fund (VPF):** providing immediate access to the property sector in Vietnam across all sectors and all established conurbations.
- **Vietnam Equity (UCITS) Fund:** providing investment opportunity in listing companies in Vietnam.
- **Mekong Brahmaputra Clean Development Fund (MBCDF):** the first Fund in Vietnam which specializes in recycle energy and waste water treatment.

To find out more information about Dragon Capital, please visit at www.dragoncapital.com

Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank)



Officially established on 12/21/1991, after 20 years of operation, Sacombank has become one of the leading Banks in Vietnam with:

- Chartered capital of VND 10,000 billion.
- 330 transaction points covering 45/63 provinces, cities nationwide and 1 representative office in Laos and Cambodia.
- 6,180 agencies of 289 banks in 80 countries and territories in the world.
- More than 81,000 shareholders.
- Over 7,400 enthusiastic, creative and dynamic staffs.

The first bank to establish a grouping of enterprises under one corporate name. The Sacombank Group made its debut on 16 May 2008. Sacombank is the nucleus of the Group and coordinates activities of subsidiaries and associate companies.

To find out more information about Sacombank, please visit at www.sacombank.com.vn



Ho Chi Minh City Securities Corporation (HSC)

Ho Chi Minh City Securities Corporation (HSC) is the leading investment and financial services provider in Vietnam – a South East Asian country with the fastest-growth economy and capital market. Our clients comprise institutional and private investors, investment funds, state – owned companies, and other entities across different sectors, market segments and locations.

Since our establishment in 2003, several capital increases have secured HSC's position as one of the top securities firms in Vietnam with the strongest financial base and chartered capital of VND1,008 billion and total shareholders' equity of approximately VND2,163 billion as of December 31, 2012. HSC has continuously received awards from highly prestigious organizations, both national and international ones, for expertise and transparency in operation such as:

- Best Brokerage Firm in Equity Research in Vietnam - The 2011 All-Asia Research Team Survey, awarded by Institutional Investor.
- Best Brokerage Firm and Best Equity Research Firm in Vietnam - The 2010 Extel Survey, awarded by Thomson Reuters.
- Gold Award in the Capital Markets Category in the LACP Vision 2010 Annual Report Awards.

HSC's core business includes: securities brokerage, research, investment banking and financial investment. HSC's network has expanded to 7 transaction offices and branch nationwide with the Head Office in Ho Chi Minh City.

To find out more information about Sacombank, please visit at www.hsc.com.vn

2. Introduction of the management team of VFMVN30 ETF

- Ms. Luong Thi My Hanh VFMVN30 ETF Portfolio Manager (referred 1.1)
- Mr. Tran Le Minh VFMVN30 ETF Portfolio Manager (referred 1.2)

3. Authorized Participants:

Authorized Participants of VFMVN30 ETF are the leading and prestigious securities firms on Vietnam Stock Exchange, comprising of:

a. Ho Chi Minh City Securities Corporation (HSC)

Address of Head Office: 5th & 6th floor, AB Tower, 76 Le Lai, Ben Thanh Ward, District 1, HCMC

Tel: (08) 3823 3299 Fax: (08) 3823 3301

HCMC Securities Corporation (HSC) has established on April 23, 2003 pursuant to the Operation License No. 4103001573/GPHDKD issued by the Department of Planning and Investment of HCMC and Establishment and Operation License No. 11/UBCK-GPHDKD dated April 29, 2003. HSC provides all securities services, comprising: Securities Investment Advisory, Stock Issuance Underwriting, Securities Brokerage, Securities Self-trading, and Securities Depository.

b. Bao Viet Securities Joint Stock Company (BVSC)

Address of Head Office: 8, Le Thai To Street, Hoan Kiem District, Hanoi.

Address of Branch Office: 8th floor, Bao Viet Group Tower, 233 Dong Khoi, District 1, Hochiminh City

Tel: (04) 3928 8080 Fax: (04) 3928 9888

Bao Viet Securities Joint Stock Company (BVSC) was officially established with Vietnam Insurance Corporation, now known as Bao Viet Holdings Group, which operates under the supervision of the Ministry of Finance as its founding shareholder pursuant to the Business License No.01/GPHDKD granted by the State Securities Commission on November 26, 1999. BVSC has currently products and services: Securities Service, Research and Analysis Service, Investment Banking Service, Capital and Financial Investment Service.

List of Authorized Participants shall be periodically updated in Annex 1 of this Prospectus.

4. List of Distributing Agents:

List of assigned distributing agents (if applicable) shall be mentioned and periodically updated in Annex 1 of this Prospectus.

V. SUPERVISORY BANK

Standard Chartered Bank (Vietnam)

Head Office: Unit 1810-1815, 18th Floor, Keangnam Hanoi Landmark Tower, Lot E6, Cau Giay New Urban Area, Me Tri Commune, Tu Liem District, Hanoi, Vietnam

Phone: (84-4) 3936 8000, Fax: (84-4) 3936 8300

Standard Chartered Bank (Vietnam) is a commercial bank which is legally established under the Vietnamese Law license No. 236/GP-NHNN, issued by the State Bank of Vietnam on September 08, 2008 (to be amended from time to time), and is issued the registration certificate No. 37/UBCK-GCN for securities depository activities by the State Securities Commission (SSC) on December 16, 2008, undertaking following services for investment funds which are established in Vietnam: preservation and depository of securities, fund administration, fund accounting, Supervisory Bank and other services related to depository activities.

VI. AUDITING COMPANY

VFM shall annually propose a list of at least two (2) auditing companies to the General Meeting of investors for its selection. The selected auditor shall conduct annual auditing of VFMVN30 ETF's assets to ensure that investors shall be provided with accurate figures and data.

The proposed auditors for VFMVN30 ETF shall be either PriceWaterhouseCooper (PWC), or KPMG or Ernst & Young Vietnam Co., Ltd.

The PriceWaterhouseCooper (PWC)

PwC Vietnam is a member of a network of firms in 157 countries with more than 184,000 people who are committed to delivering quality in assurance, tax, legal and advisory services.

In Vietnam, PwC established its offices in Hanoi and Ho Chi Minh City in 1994. PwC's team of approximately 650 local and expatriate staffs have a thorough understanding of the transitional economy of Vietnam and a wide knowledge of policies and procedures covering investment, legal, tax and accounting and consulting throughout Vietnam.

PwC has built strong relationships with key ministries, financial institutions, state owned enterprises, private companies, commercial organizations and the ODA community. PwC Vietnam also has a foreign law company in Vietnam licensed by the Ministry of Justice with its Head Office in HCMC and a branch office in Hanoi.

KPMG Company Limited:

KPMG is a global network of professional services firms providing audit, tax and Advisory services, having over 155,000 outstanding professionals working together to deliver value in 155 countries worldwide.

KPMG in Vietnam was established in 1994. Up to now, with over 800 professionals work in Hanoi, HCMC and Thanh Hoa offices, KPMG is one of the largest professional services providers in Vietnam with a balanced mix of international and local customers.

Ernst & Young Vietnam:

Ernst & Young is the first global auditing and accounting company which is licensed for operation of 100% foreign owned capital company in Vietnam. Its first office has launched in 1991, Ernst & Young was licensed for auditing of issuance organizations, listed companies and securities trading organizations pursuant to Decree No. 62/QD-UBCK dated January 30, 2008.

VII. FUND ADMINISTRATION SERVICE PROVIDER

Standard Chartered Bank (Vietnam)

Head Office: Unit 1810-1815, 18th Floor, Keangnam Hanoi Landmark Tower, Lot E6, Cau Giay New Urban Area, Me Tri Commune, Tu Liem District, Hanoi, Vietnam

Phone: (84-4) 3936 8000, Fax: (84-4) 3936 8300

Standard Chartered Bank (Vietnam) is a commercial bank which is legally established under the Vietnamese Law license No. 236/GP-NHNN, issued by the State Bank of Vietnam on September 08, 2008 (to be amended from time to time), and is issued the registration certificate No. 37/UBCK-GCN for securities depository activities by the State Securities Commission (SSC) on December 16, 2008, undertaking following services for investment funds which are established in Vietnam: preservation and depository of securities, fund administration, fund accounting, Supervisory Bank and other services related to depository activities.

VIII. THE TRANSFER AGENCY SERVICE PROVIDER

VIETNAM SECURITIES DEPOSITORY (VSD)

Address: 15 Doan Tran Nghiep, Hai Ba Trung District, Hanoi

Tel: +84 4 3974 7113 Fax: +84 4 3974 7120

Established pursuant to Decision No. 171/2008/QĐ-TTg dated December 18, 2008 of the Prime Minister based on the conversion and re-organization of the current Vietnam Securities Depository (VSD) into a wholly state-owned limited liability company in conformity with the Securities Law.

IX. INFORMATION OF VFMVN30 ETF

1. General Information

1.1 Fund's name and contact

Fund's name : VFMVN30 ETF

Fund's name in English : VFMVN30 ETF

Address : Unit 1701-4, 17th floor, Me Linh Point Tower, 02 Ngo Duc Ke, District 1, HCMC, Vietnam.

Tel : +84-8 3825 1488 Fax: +84-8 3825 1489

Website: www.vinafund.com

1.2 Incorporation License and scale of the Fund

VFMVN30 ETF is licensed by SSC to issue IPO securities under the license No. 52/GCN-UBCK dated July 4th 2014.

In the Initial Public Offering of VFMVN30 ETF, the expected minimum charter capital of VND50 (fifty) billion is mobilized corresponding to 50 (fifty) blocks of Creation Units. Par value of each fund certificate is VND10,000 (ten thousand).

1.3 Fund type and operation term

VFMVN30 ETF is a public open-ended fund which is formed by exchanging the component securities to get creation units, and is listed on HCMC Securities Exchange.

Throughout its duration of operation, its obligation is to create Creation Unit, and vice versa. This transaction shall be performed between VFMVN30 ETF and Authorized Participants and Investors who satisfy the requirements at point a, section 3.1, Part X of this Prospectus.

VFMVN30 ETF's operation term shall be determined from the date of finishing of capital mobilization and officially registering with authorities, and the operation term shall not be limited.

2. Investment Objectives, Strategies and Restrictions of VFMVN30 ETF

2.1 Investment Objectives

The objective of VFMVN30 ETF is to replicate the performance of VN30 Index after subtracting Fund's expenses. VN30 Index is the price index established and managed by HCMC Securities Exchange.

2.2 Investment Strategy

VFMVN30 ETF implements a passive investing strategy to carry out its preset investment objectives. When the basket of securities of VN30 index changes, VFMVN30 ETF shall adjust the Fund's portfolio in order to make it consistent with the basket of VN30 index in terms of structure and weighting of assets. The Fund shall seek for obtaining a result which is similar to the Index and shall not implement the defense strategy when the market is reducing and shall not materialize its profits when the market is pricing too high. The passive investing is aimed to reduce the costs and make closer replication of Index by keeping a ratio of investment capital turnover lower than the ratio used by the funds which implement an active investment strategy.

The value of investment portfolio of the Fund is often not less than 95% of the corresponding value of basket of securities of VN30 Index. The basket of securities of VN30 Index including 30 stocks being listed on HOSE. The list of 30 stocks is screening through the index participation conditions, which satisfy the criteria of free-float ratio, market capitalization and trading value as prescribed in section 2, Part III of this Prospectus. When HOSE makes the rebalancing or unexpected change of VN30 index portfolio, the ratio of the Fund's assets invested in the securities basket may fluctuate to less than 95% of the corresponding value of securities basket of VN30 Index.

2.3 Investment Assets of VFMVN30 ETF

VFMVN30 ETF's investment assets comprise:

- a. Listed stocks and on-going traded on Stock Exchanges in Vietnam;
- b. Bank deposits at commercial banks upon the banking law. Bank deposit and investment on Forex Instruments management company at commercial bank approved by Board of Representatives of Fund;
- c. Derivative securities which are listed and traded on Stock Exchanges in Vietnam. The investment into derivative securities is only for the purpose of preventing risks and reducing the difference from the Index;
- d. Other assets derived from the ownership of securities in the portfolio of VFMVN30 ETF.

2.4 Investment sector

Based on the investment strategy, VFMVN30 ETF can invest all sectors on Vietnam Securities Market. VFMVN30 ETF's sector investing could be changed depending on the change of the basket of VN30 Index and its investment strategy.

2.5 Investment restrictions

The structure of investment portfolio of VFMVN30 ETF must be consistent with the regulations prescribed at the Fund Charter and must ensure:

- a. Not to invest in more than fifteen percent (15%) of the total value of outstanding securities of an issuing organization, except for the Government bonds;
- b. Not to invest more than twenty percent (20%) of the total assets value of the fund in securities issued by same organization, except for the Government bonds;
- c. Not to invest more than thirty percent (30%) of the total assets value of the fund into companies of a same group which have reciprocal ownership relation, except when they are component securities in the basket of VN30 Index;
- d. Not invest in certificates of its own fund, or of securities investment funds or securities investment companies which are established and operated in Vietnam;
- e. Not to invest in real estate, unlisted stocks, stocks unregistered for trading of a public company, contribution shares of a limited liability company, or separately issued bonds; except when they are fund assets which are beneficial from the rights of owners;
- f. Not to invest in securities issued by a Fund management company, a person relating to the Fund management company, an Authorized Participants except when they are component securities in the basket of the VN30 Index;
- g. At any time, the total value of commitments in derivative securities contracts and the account outstanding of the fund's payable amounts shall not exceed the net asset value of the fund.

The fund's investment structure stipulated in points a, b, c, section 2.5, part IX of this Prospectus is allowed to be erroneous but shall not exceed fifteen percent (15%) of the above stipulated investment restrictions and shall only due to the following reasons:

- a. Fluctuation of the price of assets in the fund's investment portfolio on the market;
- b. Division, separation, integration, merge, dissolution, bankruptcy, acquisition, takeover bid of issuing organizations;
- c. The structure of securities basket of VN30 Benchmark Index changes;
- d. The fund performs lawful payments; performs the Creation as stipulated in Article 12 of Circular No.229/2012/TT-BTC guiding on the establishment and management of the Exchange-Traded Fund;
- e. The fund is in the period of liquidation or dissolution, or the fund's duration of operation from the time being issued with a valid certificate of registration for fund establishment does not exceed ninety (90) days.

2.6 Borrowing/Lending restrictions

VFMVN30 ETF is not permitted to borrow in order to finance the Fund's activities, except for a short-term loan to cover necessary fees of the Fund. The total value of short-term loans borrowed by the Fund must not exceed 5% of the NAV of the Fund at all times, and the maximum term of such a loan shall be thirty (30) days.

2.7 Method of investment selection

In order to replicate the VN30 Index, in principle the Fund must hold all stocks in a basket of VN30 Index at corresponding ratio. However, in some cases, the Fund cannot fully buy all the stocks corresponding to the weighting in the Index. In such cases, the Fund may choose the method of raising the weighting or reducing the weighting of certain stocks in the index or buying the stocks not belonged to the index but have high correlation with VN30 Index to replace the stocks in the index in order to replicate the closest VN30 Index, after deducting the Fund's expenses. VFMVN30 ETF may sell stocks in the basket in advance if it estimates that there is a possibility of such stock to be out of the basket of VN30 Index or may buy the stocks which are not currently in the VN30 Index in advance if it estimates that there is a possibility of such stock to enter in basket of VN30 Index in the next reviewing session.

3. Investment risks

Any investment in a fund shall not be guaranteed or undertaken to be guaranteed, by any Supervisory Bank, fund Management Company or any organization, to ensure to achieve expected investment objectives.

Investment in VFMVN30 ETF should be meant to invest in stock market. Investors are advised not to expect short-term return from this kind of investment activity.

Though this Prospectus does not cover all risks relating to making investment in the Fund, investors are recommended to pay attention to the key factors mentioned herein prior to making decision on investment in VFMVN30 ETF.

3.1 Investment risks in Vietnam

VN30 is an index that includes securities on Vietnam stock market, thus, investors in VFMVN30 ETF may see the risks relating to the Vietnam economy. Since Vietnam stock market has been in developing stage, it is less correlated than the stock markets in the developed countries and in global stock market as well. When there is any unfavorable changes, investing in VFMVN30 ETF shall be damaged despite of good growth in the global economy. This is the kind of risk that investors may encounter when investing in any country.

3.2 Market risk

This type of risks occurs when the value of the Fund's assets decrease wholly or partially within a period of time that is affected by the economy or unforeseen factors. This shall affect the efficiency of investments, thereby affecting the operating results of the Fund.

3.3 Legal risk

Since Vietnam officially began operating a market-oriented economy at the beginning of 1990s, the Government has, and continues to complete the legal framework for securities and securities markets. The operations of Securities, securities investment funds and securities market operations were amended by legal documents issued in 1998. In 2006, facing with an exploding securities market and imminent entry into the WTO, the Government instituted several regulations, including the Law on Securities, guidance decrees, operating statutes, etc. However, legal risks remain whilst the Government continues the process of adjusting and perfecting the legal framework governing securities and the operations of the securities markets. These adjustments may influence the VFMVN30 ETF's operations in the future.

3.4 Risk for investment in shares

The value of shares held by VFMVN30 ETF may decline due to general market, economic conditions, investors' perception about market, or the factors relating to specific issuers that the Fund makes investment in. The shares traded on the market can achieve greater profits than debt securities with fixed income such as bonds. Thus, investing in shares shall also be subjected to greater risks than that of investment in debt securities.

3.5 Index tracking risk

VFMVN30 ETF's profits may vary from the VN30 index for many different reasons. Of which, the VN30 index is price index while VFMVN30 ETF has price fluctuations in the component shares and shall receive incomes from the cash dividend of shares in the portfolio. Moreover, during its operation, the Fund shall have to pay the operating expenses or costs related to the trade of securities to balance the portfolio. In addition, the Fund may not wholly invest in all shares in the VN30 index due to complying with a law or the liquidity of some shares in the VN30 index is not guaranteed. This is the main cause to raise tracking error between the Fund and the VN30 Index.

3.6 Risk of replicating portfolio management.

Unlike other investment funds, VFMVN30 ETF is not an active management investment fund. That means, unless a specific share is removed from the VN30 index basket, the Fund normally shall not sell any shares in the Fund's portfolio with a reason of financial drawback or specific corporate acts of that shares. In case a specific share is removed from the VN30 basket, the Fund shall implement to sell such securities regardless of the price of that share tends to rise or fall. Thus, VFMVN30 ETF's performance may be lower than active management investment fund which take advantage of market opportunities or to lessen the impact of the decrease of the market.

3.7 Premium/Discount Risk

The ETF trading on the Stock Exchange (secondary trading) may generate differences between the trading price on the Stock Exchange and the net asset value (NAV) of the Fund. That may be resulted from market fluctuations that lead to changes of the share's value in the Fund's investment portfolio or from supply/demand in the market. Therefore, investors may suffer a loss if investors buy the Creation Units when market price is higher than the NAV or sell the Creation Units when the market price is lower than the NAV.

3.8 Concentrated investment risk

VFMVN30 ETF's investment portfolio may focus on a specific sector or industry or group of sectors/industries corresponding to the focus on a specific sector or industry or group of sectors/industries of the VN30 index. Based on the components of the VN30 index as of January 31, 2014, the Fund's portfolio may focus on finance-banking-insurance industries with the weighting of more than 40%. The companies doing business in these industries may suffer economic or political risks or other conditions that may have negative impacts to shares prices, leading to the impact on the performance of the Fund.

3.9 Liquidity risk

Trading the ETF fund certificates on the stock market depends on the liquidity of Creation Units in the market. This may cause a risk for investors who want to trade the VFMVN30 ETF Certificates but not able to perform when there is low liquidity. But for investors who satisfy the conditions of Creation, they can perform the trading with Fund Management Company through the Authorized Participants.

3.10 Payment risk for T+

VFMVN30 ETF must correspond with the structure and the weighting of the assets with the VN30 Benchmark Index. Any periodical or unexpected changes of the VN30 index shall lead to changes in the structure and the weighting ratio of the Fund. The VN30 index shall remove or add shares immediately on the changing day. However, for the regulations of payment T + and borrowing/ lending restrictions, the Fund may not sell securities out of the index to buy additional securities to the index at the effective date of such changing date. During the T + time, additional securities to the index may vary in increase or decrease, causing differences between the Fund's performance and the VN30 index.

3.11 Delisting risk

If the tracking error of the Benchmark Index for the past 3 consecutive months exceeds the maximum error permitted by HCMC Stock Exchange; or the Index is indeterminable or in other circumstances as specified by HCMC Stock Exchange, the Fund shall be delisted and dissolved. As a result, investors of VFMVN30 ETF certificates shall not be entitled to create or redeem. In such case, investors may suffer damages when holding VFMVN30 ETF.

3.12 Default risk

The type of risk occurs when the issuer or guarantor for the payment of debt securities arising from securities in the fund portfolio being unable to make the required payments on the interest or principal when due. To minimize this risk, VFMVN30 ETF shall early sell the debt securities arising from the Fund's assets.

3.13 Redemption Risk

In case the redemption of Creation Units by investors/Authorized Participants lead to the ownership rate of foreign investors exceed the legal limit, or the ownership rate of outstanding shares in any organization exceeds more than 25% or by that investors themselves, fund management company must sell the number of component securities exceeding the regulated maximum ownership ratio and pay cash to investors. The cash paid to investors shall depend on the schedule or progress of the liquidation for such securities. Hence, risks may arise when market's liquidity is low or market price of those securities decreases. As a result, investors shall receive lower cash payment than the asset value on the trading day.

X. VFMVN30 ETF ISSUANCE PLAN FOR THE INITIAL PUBLIC OFFERING AND CREATION/REDEMPTION PROCEDURES

1. Legal Basis

The establishment and operation of VFMVN30 ETF and relevant matters are governed by the:

- Securities Law promulgated by the Socialist Republic of Vietnam on June 29, 2006, taking effect from January 1, 2007;
- Law No. 62/2010/QH12 on amending, supplementing a number of articles on Securities Law promulgated by the National Assembly of the Socialist Republic of Vietnam on November 24, 2010, taking effect from July 1, 2011;
- The Government's Decree No. 58/2012/ND-CP dated July 20, 2012 detailing the implementation of a number of articles of the Law on Securities and the Law on amending and supplementing a number of articles of the Law on Securities, taking effect from September 15, 2012;
- The Government's Decree No. 108/2013/ND-CP dated September 23, 2013 providing for the sanctioning of administrative violations in the domains of securities and securities market;
- Circular No. 217/2013/TT-BTC dated December 31, 2013 of the Ministry of Finance, guiding the sanction of administrative violations in domain of securities and securities market, taking effect from March 1, 2014;
- Circular No. 229/2012/TT-BTC dated December 27, 2012 of the Ministry of Finance, guiding the establishment and management of exchange-traded fund;
- Circular No. 183/2011/TT-BTC dated December 16, 2011 of the Ministry of Finance, guiding the establishment and management of open-ended funds;
- Circular No. 212/2012/TT-BTC dated December 5, 2012 of the Ministry of Finance, guiding the establishment, organization and operation of fund management companies;
- Circular 125/2011/TT-BTC dated September 5, 2011 of the Ministry of Finance, guiding the accounting applicable to the fund management companies;
- Circular No. 198/2012/TT-BTC dated November 15, 2012 of the Ministry of Finance, guiding the accounting applicable to open-ended funds;
- Circular No. 213/2012/TT-BTC dated December 6, 2012 of the Ministry of Finance, guiding operations of foreign investors in Vietnam securities market;
- Decision No. 15/2008/QD-BTC dated March 27, 2008 of the Ministry of Finance promulgating the regulation on securities practices;
- Circular No. 147/2012/TT-BTC dated September 10, 2012 of the Ministry of Finance on amending and supplementing a number of articles of "regulations on securities practice" promulgated together with the Decision No. 15/2008/QD-BTC, of March 27, 2008 of the Minister of Finance;
- Circular No. 52/2012/TT-BTC dated April 5, 2012 of the Ministry of Finance guiding the disclosure of information on securities market;
- Other relevant legal documents

2. The initial public offering for VFMVN30 ETF

2.1 Summary of the terms and conditions of the Fund

- Name of the Fund:	VFMVN30 ETF
- Form of the fund:	Exchange-traded fund
- Type of investors:	<ul style="list-style-type: none"> - Domestic and foreign individuals that meet the regulations as prescribed at Point 3, Article 4 of Circular No. 229/2012/TT-BTC - The Appointed Authorized Participants
- Term of the Fund:	No limit
- Expected minimum mobilization for the IPO	50.000.000.000 (fifty billion) Vietnam Dong
- Par value:	VND10,000
- Currency unit:	Vietnamese dong
- Creation Unit:	1 (one) Creation Unit comprises a minimum 100,000 ETF certificates
- Investment objectives:	The objective of VFMVN30 ETF is to track the performance of the VN30 index after deducting the Fund's expenses. The VN30 index is price index designed and managed by HCM City Stock Exchange
- Form of ownership:	Booking entry or electronic record
- Date of issuance:	To be clearly specified in Issuing Announcement after VFMVN30 ETF is licensed for the public offering.
- Closing date of the initial public offering	Within 20 days or maximum 90 days since effective date of the certificate of public offering of ETF certificates. The distribution period of fund certificates shall be detailed in Issuing Notice after VFMVN30 ETF is granted with certificate of the public offering by the State Securities Committee.
- Extension of issuance:	To be reviewed by the State Securities Committee but no more than 30 days after the end of distribution time-limit.

▪ Place of issuance:

VietFund Management (VFM)

Head office

Unit 1701-04, 17th Floor, Me Linh Point Building, 02 Ngo Duc Ke St, Dist 1, Ho Chi Minh city, Vietnam

Hanoi Branch

Unit 903, 9th Floor, Pacific Palace, Ly Thuong Kiet St, Dist Hoan Kiem, Ha Noi, Vietnam

▪ Related partners to the issue:

Issuing organization : VFMVN30 ETF

Issuing representative : Vietfund Management
Custodian Bank : Standard Chartered Bank (Vietnam)
Proposed auditing company : Ernst&Young Co., Ltd. or KPMG Co., Ltd or Price WaterCooperHouse (PWC)

Auhorized Participants/Distribution Agents : *List of Authorized Participants, Distributors shall be detailed at Annex 1 of this Prospectus.*

2.2 General regulations in implementing Creation

- a. Component securities for the initial contribution of VFMVN30 ETF are:
 - Securities in the basket of component securities for the exchange in accordance with the Announcement for VFMVN30 ETF IPO by VFM.
 - Securities that are freely transferable and deposited in the depository account of investors opened at VSD's members.
- b. Component securities for the IPO contribution may come from the following sources:
 - For Authorized Participants:
 - Component securities that are available on trading accounts of Authorized Participants;
 - Component securities borrowing from VSD's lending system with the creation purpose in the temporary holding account.
 - For investors:
 - Component securities that are available on depository account of investor.
- c. Number of minimum Creation Units must be registered for creation:
 - In the initial offering, investor must register to purchase at least one (1) Creation Unit.
 - In the initial offering, Authorized Participants must register to purchase Creation Units upon a mutual agreement between the Authorized Participants and VFM.

2.3 Registration and contribution for the purchase of Creation Unit in the initial public offering

2.3.1 Registration period for contribution

- The period of time in accordance with Announcement for VFMVN30 ETF IPO by VFM that Authorized Participants and investors send the Creation request to Transfer Agency (TA-VSD), in which clearly states the number of Creation Units in the IPO.
- The closing time of registration for Authorized Participants and investors is at 14:30pm on the closing date of registration for contribution.
- In case the registration for the purchase of Creation Units violate the regulations of applicable law or violate the regulations about registration for the purchase of Creation Units, VFM has the right to refuse or accept partially or wholly the number of registered Creation Units. The return of cash or securities in this case (if any) shall be carried out within 5 working days since the effective date of the Fund establishment license granted by State Securities Committee for successful issuance or within 5 working days after VFM informs the State Securities Committee of unsuccessful issuance. Any bank fees arising from the payment return shall be borne by investors.

2.3.2 Adjustment or cancellation of transactions of contribution registration

- Investors and Authorized Participants are allowed to adjust or cancel registration for contribution before the closing time of registration as defined in Point 2.3.1, Charter X of this Prospectus.
- Adjustment or cancellation of registration transactions for contribution shall be made with Authorized Participants where investors submit the registration document. Investors must submit the Request for adjustment and canceling orders to Authorized Participants (as attached Form).

2.3.3 Contribution Period

a. Announcement on the basket of component securities:

- By the time the IPO Announcement is published, VFM shall inform investors and Authorized Participants about the expected basket of component securities for one Creation Unit in the IPO. The expected basket shall be updated every Tuesday and Thursday in the registration period of contribution.
- By 9:00 am of the following working day since the last day of registration period for contribution, VFM shall announce to investors, VSD and Authorized Participants about official basket of capital-contributed component securities.

b. Duration of Contribution:

- Duration of contribution is the period of time that investors and Authorized Participants should send the request for freezing contributed component securities to Vietnam Securities Depository (VSD) and transfer the cash component (if applicable) to VFMVN30 ETF's escrow account at the Supervisory Bank upon Announcement for IPO.
- Registration document shall be completed when:
 - Investors fill in the information in the registration form for VFMVN30 ETF contribution, attached with request for freezing account and ownership transfer of contributed component securities, list of contributed component securities and certified confirmation of the balance from depository members where investors have trading accounts (as attached Form).
- Investors send registration documents to Authorized Participants or Distribution agents during the registration period upon the IPO Announcement of VFM.
- Cases for cash contribution due to:
 - i. Arising deviation between the value of basket of component securities and the Creation Price of Creation Units.
 - ii. Securities in the basket of component securities that Authorized Participants are restricted to invest as prescribed by law; or Authorized Participants have not made any trading procedures of the Treasury shares in compliance with related laws.
- For the Cash Component, investors, Authorized Participants shall ensure that the money shall be transferred to the Fund's account at Supervisory Bank on the last contribution day of the public offering.
- For the cash contribution as mentioned in point b.ii of section 2.3.3:
 - In case the Fund finishes purchasing the sufficient number of securities that Authorized Participants contribute by the cash component within 7 working days since the establishment of ETF Fund:
 - The Fund shall finalize the amount with Authorized Participants upon actual money that the Fund has paid (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) for the purchase on the stock exchanges to get the sufficient number of such securities codes. In case of a corporate action (stock dividend, bonus stocks, purchase right for additional shares) arising after the closing date of contribution to the completion date of the purchase, this number of component securities codes shall be adjusted accordingly.

Within two (02) working days from the completion date of the purchase of sufficient number of the securities, VFM shall announce to Authorized Participants about the difference in excess or deficit between the amount relating to component securities that Authorized Participants has contributed in cash and the actual expense that the Fund has spent on the purchase of sufficient number of the securities. In case the actual expense on the purchase of securities codes (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) is smaller than the cash contributed by Authorized Participants, the Fund shall refund the difference to Authorized Participants within two (2) working days from the date

VFM informs of this excess. If the actual expense on the purchase of securities (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) is higher than the contributed cash, Authorized Participants shall refund the difference in deficit to the Fund within two (2) working days from the date VFM informs of this deficit. The deficit shall be entered into the income of the Fund.

In case of a corporate action (cash dividends) arising after the closing date of contribution to the completion date of the purchase, the Authorized Participants shall refund the corresponding cash dividends to the Fund within 2 working days from completion date of the purchase of the fund. The value of cash dividends shall be entered into the income of the Fund.

- In case the Fund is unable to complete the purchase of sufficient number of securities that Authorized Participants contribute by cash within seven (07) working days from the establishment of the Fund:

The Fund shall finalize the amount with Authorized Participants upon the actual expenses (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) corresponding to the actual number of securities that the Fund purchased. The not-yet-purchased securities within seven (07) working days (from the establishment of the fund) shall be finalized based on the closing price on HOSE on the 7th business day (from the establishment of the fund) plus related expenses (including brokerage fees, securities transaction fees paid to Supervisory Bank) so that the Fund may buy itself the remaining securities in the future.

Within two (02) business days from the date the Fund are not able to complete the purchase of sufficient number of component securities that the Authorized Participants contributed by cash within 7 (seven) working days, VFM shall announce to Authorized Participants about the difference in excess or deficit between the contributed amount and the actual expenses (including brokerage fees, securities transaction fees paid to Supervisory Bank) that the Fund has paid for the already-purchased component securities plus the amount that the fund shall pay to purchase the not-yet-purchased component securities. In case the actual expense on the purchase of sufficient number of component securities codes is smaller than the cash contributed by Authorized Participants, the fund shall refund the difference in excess to Authorized Participants within two (2) days from the date VFM informs of this excess. If the actual expense on the purchase of sufficient number of component securities is higher than the contributed cash, Authorized Participants shall refund the difference in deficit to the Fund within two (2) days from the date VFM informs this deficit. The deficit shall be entered into the income of the fund.

- In case a corporate action (cash dividends) arising after the closing date of contribution to the end of the 7th working day (from the establishment of the Fund), the Authorized Participants shall refund the corresponding cash dividends to the Fund no later than 2 working days from the closing day of 7-day purchase period. The cash dividend value shall be entered into the income of the fund.

2.3.4 Freezing contributed component securities

- Component securities contributed by investors and Authorized Participants for the establishment of VFMVN30 ETF shall be frozen in accordance with the securities basket, rate, number of component securities that VFM informed and are corresponding to the number of Creation Units which investors and Authorized Participants legally registered for contribution.
- The freezing duration of component securities shall start from VSD confirmation for freezing until these securities are transferred into the depository account of VFMVN30 ETF with successful issuance or until the component securities are unfrozen upon the VFM's announcement.
- Unfreezing component securities: Component securities shall be unfrozen only when the issuance is not successful or special cases are reviewed for approval by the VFM.

- Documents, process and methods for freezing, unfreezing component securities shall be pursuant to VSD's regulations.

2.3.5 Determination of valid contribution trading

- Within two (02) working days from the closing date of contribution duration, VSD shall check on the number of contributed component securities and the amount of money (if any) to make sure that it matches the number of Creation Units that investors and Authorized Participants registered to the purchase.
- In case the sufficient number of component securities and sufficient amount of contributed cash (including cases as prescribed in point b.ii, Section 2.3.3, Charter X of this Prospectus) match with the number of registered Creation Units, VSD and Supervisory Bank shall freeze the component securities and amount of contributed cash and inform VFM to complete the procedure for the IPO.
- In case the sufficient number of component securities and not sufficient amount of contributed cash (including cases as prescribed in point b.ii, Section 2.3.3, Charter X of this Prospectus) do not match the number of registered Creation Units:
 - Authorized Participants, investors shall purchase the number of Creation Units corresponding to the actual number of contributed component securities and actual contributed cash amount.
 - The number of Creation Units which are placed by Authorized Participants and investors shall be rounded by Distributors (round down) corresponding to the actual number of component securities and actual contributed cash amount. VSD shall execute the freezing on the actual number of component securities corresponding to the adjusted number of Creation Units and inform VFM to complete the procedure for IPO.
- Contribution registration transactions that do not obtain enough component securities corresponding to one (01) Creation Unit, money or request for account freezing shall be invalid and unenforceable.

2.4 Distribution method of fund certificates for the initial public offering

- Fund certificates shall be distributed fairly, openly, in the issuance schedule of fund certificates and comply with current laws on ownership right limits in accordance with the law from time to time.
- Creation Units for the initial public offering shall be issued under the form of book-entry and VFM shall not issue Books or Certificates of ownership of Creation Units for investors and Authorized Participants. The number of Creation Units that Authorized Participants and investors are received shall be allocated into depository accounts of Authorized Participants and investors soon after VFM completes registration for Creation Units with VSD.
- In case that the initial public offering is not successful after the first issuance including the extension period or other cases upon the announcement of the fund management company, VFM shall suspend or cancel the issuance and make a public announcement in accordance with the regulation at point 6, Section 3 of Circular No. 229/2012/TT-BTC and other regulations about information announcement on stock market and complying with regulations at Article 22 and Article 23 of the Law on Securities.

2.5 Confirmation of rights of ownership, registration, depository of Creation Units

- Within five (05) working days from the effective date of The Fund's Establishment License of VFMVN30 ETF granted by the State Securities Committee, VFM shall register the Creation Units in the IPO with VSD. The number of Creation Units with valid cash shall be automatically deposited and distributed in the depository accounts of Authorized Participants and investors. (The ownership rights of Authorized Participants and investors for the above Creation Units become effective as VSD deposits, Creation Units to depository account. The effective date of depository for Creation Units in the initial public offering shall be also the effective date of VFMVN30 ETF registration with VSD.
- Transferring the ownership of contributed component securities: the quantity of component securities from the Authorized Participants and investors to form the fund shall be frozen and transferred from the

security depository account of the Authorized Participants and investors to the security depository account of the VFMVN30 ETF at the Supervisory Bank. The date to transfer the ownership of the component securities from the Authorized Participants and investors to the Fund is also the effective date of the registration of VFMVN30 ETF at VSD.

- Processes and procedures of registration, depository and transfer the ownership of ETF Fund Certificate from the Fund to the Authorized Participants and investors shall be implemented in compliance with the regulation stipulated in the Guidelines of Securities Depository issued by VSD regarding to the Exchange-traded-fund transaction, registration, depository, clearing the order and settlement for Creation Units.

2.6 Listing VFMVN30 ETF Certificates

Within 30 (thirty) days after the effective day of the Fund Registration License, VFM shall fulfill all the procedures to list VFMVN30 ETF Certificates on HCMC Stock Exchange.

2.7 Regulation on the trading made by VFM's related person during Initial Public Offering

Pursuant to Section 14, Article 2 of Circular No. 229/2012/TT-BTC and Section 9, Article 10 of Circular No. 183/2011/TT-BTC dated 16/12/2011 by the Ministry of Finance guiding on the establishment and management of the open-ended Fund, fund management company and its relevant person have the right to register for contribution to do the trading on the ETF Fund Certificates managed by the VFM with the same trading price applied to other investors.

3. Creation of Creation Units (Primary trading)

3.1 General regulation on Creation:

a. Participants on the Creation

- All the Authorized Participants as listed in Annex 1 of this Prospectus or in the updated announcement from VFM.
- Any individual, legal entity Investor that satisfy the conditions as below:
 - An investor must own component securities and satisfy the requirements on weighting and quantity of component securities as announced by VFM on the day of Creation;
 - An Investor must own at least 01 (one) Creation Unit on the day of Creation.

b. Component securities/ VFMVN30 ETF Certificates in the exchange transaction:

- Component securities for Creation are the basket of component securities as VFM's announcement which are freely-transferrable securities and deposited in the depository account of Authorized Participants and/or investors.
- Creation Units for Creation must be freely-transfer type and are deposited in the depository account of Authorized Participants and/or investors.
- Component securities/ VFMVN30 ETF certificates for Creation may be taken from the following sources:
 - For Authorized Participants:
 - Component securities/ VFMVN30 ETF certificates currently available in the depository account of Authorized Participants on the Creation Day.
 - Component securities/ VFMVN30 ETF certificates which Authorized Participants borrow via VSD's borrowing/lending system for the creation purpose in the temporary holding account.
 - For investors:
 - Component securities/ VFMVN30 ETF certificates currently available in the depository account of investors.
 - Component securities/ VFMVN30 ETF Fund Certificates are available on the security depository account of investors.

c. Time for Creation

- The first Creation day shall be after the effective date of the Fund registration license. The Creation frequency shall be on every Tuesday.
- The frequency of Creation is scheduled as follow:
 - Trading weekly on every Tuesday in one (1) month after the first Creation Day.
 - 2 times /week on every Tuesday and Thursday in one (1) following month.
 - Daily trading from the third month after the first Creation Day.
- The time of frequently trading shall be described as follows:
 - Trading time: from 09.00 to 14.30 in case the closing day of NAV falls into working days.
 - Trading time: from 13.30 to 14.30 in case the closing day of NAV falls into holidays.
- VFM shall announce in details when there is any change on the schedule and the trading frequency.
- VFM shall inform by 09.00 on Creation Day (called T-day) the basket of component securities for Creation and the discrepancy between the value of basket of component securities and the net asset value of a Creation Unit, except for the closing day of NAV falls in day-off or holidays, this shall be informed by 13.00 of the Creation Day. The basket of component securities shall be defined on the closing price of the day prior to the Creation Day and shall include all information about the component securities codes, weighting and the number of component securities codes in the basket.
- If the trading day falls into a holiday, then the trading day shall be carried on the following working day.

d. Cut-off time

- The cut-off time is 14:30 on the Creation Day (T day). This is the latest time that Authorized Participants, Distributors shall receive any Creation/ Redemption Orders and send to the Transfer Agency.

e. Trading method

- Investors place Creation Orders through Authorized Participants, appointed distribution agents as listed in the Annex 1 which is attached to this Prospectus or in accordance with the latest update (if any) from VFM.
- Investors shall fulfill and submit Creation/ Redemption orders (as attached form) to Authorized Participants which shall transfer all the documents to Transfer Agency before the Cut-off time. Investor can send trading order via internet, telephone or fax depends on the capability of each Authorized Participant. Sending and receiving trading orders by these means shall be strictly complied with the regulations on online transaction and securities. The original forms shall be submitted to the Authorized Participants within three (3) days after the Cut-off time.
- Exceptional cases for Cash Component in Creation:
 - There is a discrepancy between the value of the basket of component securities and the creation price of a Creation Unit.
 - One of the securities in the basket of component securities is restricted investment by the Authorized Participants in accordance with the current law, or the Authorized Participants still has not completed the trading in Treasury shares procedure as regulated by law.
- The documents for Creation Units shall be deemed as completed when:
 - The investors must fulfill these documents include VFMVN30 ETF Creation/Redemption Request, List of component securities/ETF Certificates, and Balance Confirmation written by depository members where investors have trading account of component securities/ETF certificates for trading (as attached form)
 - The investors shall submit the trading orders to Authorized Participants or Distributors upon VFM's Announcement.

- The Trading Orders shall be executed only when VSD confirms that the Authorized Participants and investor have sufficient basket of component securities, and creation units by Cash Component as indicated above the Trading Date.
- The Trading Orders arrive after the Cut-off time is automatically considered as an invalid order and shall be cancelled on the same Trading day. If the investors and Authorized Participants wish to proceed with the trading order, they have to register again in the next trading cycle; and the fund shall return the discrepancy (if any) to the investors and Authorized Participants in T+3 day, three (3) working days after the Trading Date.
- The Cash Component of the discrepancy (if any) during the trading shall be transferred directly from the account of the Investor and Authorized Participants to the account of the Fund at the Supervisory Bank by 11.00 am on T+1 day, one (01) working day after the Trading day; and T+3, three (3) working days after the Trading day from the Fund to investors and Authorized Participants in return.

f. Cancelling/ Modification of Trading Orders:

- Investors and Authorized Participants can only modify or cancel the trading order before the Cut-off time.
- The “Modification/Cancellation Request” shall be made at the Authorized Participants, distribution agents at which investors have previously placed the orders. Investors must fill in “Modification/Cancellation Request” and submit to Distribution Agents/Authorized Participants before the Cut-off time.
- The modification/cancelling of the trading orders made after the Cut-off time shall only be considered to execute when it is resulted by the mistyping of the Authorized Participants in number of ETF creation units in the Transfer Agency’s system.

g. Confirmation period:

- On the second working day after the Trading Day (T+2 day), Transfer Agency shall confirm the completion of the trading that investors and Authorized Participants who have previously placed the creation orders shall receive the ETF fund certificate; and the investors and Authorized Participants who have placed the redemption orders shall receive the basket of component securities on their depository account.

h. Duration for payment settlement to investors, Authorized Participants:

- By 11:00 on T+1 day, one (1) working day as of Trading Day, ETF Fund shall receive all Cash Component as prescribed in Article 3.3, Part X of the Prospectus.
- On T+3 day, three (3) working days as of Trading Day, ETF shall pay all Cash Component as prescribed in Article 3.4, Part X of the Prospectus.

3.2 Valuation method of Creation/Redemption price

- The Creation/Redemption price shall be determined at the end of the day prior to the Trading Day and be announced to investors on the trading day on the VFM’s website or other means of public announcement as per current regulation.
- The Creation/ Redemption price of one Creation Unit shall be defined as below:
 - Creation price: is the price investors must pay to buy one Creation Unit.
The Creation price shall be determined by the net asset value per Creation Unit at the end of the day prior to the Creation Day plus creation fee.
 - Redemption price: is the price that the Fund management company must pay to investors.
Redemption price shall be determined by the net asset value per Creation Unit at the end of the day prior to the Redemption Day plus redemption fee.

3.3 Creation order

- Investors submit to Authorized Participants and distribution agents the creation order in which exchange the component securities to VFMVN30 ETF fund certificates on their depository accounts, and “Request of freezing the component securities” during the trading session as per VFM’s Announcement. Creation

Order and required documents must be fulfilled and submitted to the Transfer Agency by the Authorized Participants before the Cut-off time.

- In case that the value of basket of component securities is lower than the net asset value of the Creation Unit, Authorized Participants and investors shall ensure the discrepancy amount shall be transferred to VFMVN30 ETF's account at the Supervisory Bank before 11:00 am on working day following the Creation Day (T+1 day). The Cash Component including the payment for the component securities that Authorized Participants exchanged in the case indicated at point e, section 3.1, Part X; the dividends, coupon bonds from component securities and other Cash Component (if any).
- For cash contribution of Authorized Participants as prescribed at point e, section 3.1, part X:
 - In case the Fund finishes purchasing sufficient number of securities that Authorized Participants contribute by cash component within 7 working days since the date of the Fund confirms the Trading result to the Authorized Participants (T+2):

The Fund shall finalize the amount with Authorized Participants upon actual money that the Fund has paid (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) for the purchase on the Stock Exchange to get the sufficient number of such securities. In case of a corporate action (stock dividend, bonus stocks, purchase right for additional shares) arising from the trading day (T-day) to the completion date of the purchase, this number of component securities codes shall be adjusted accordingly.

Within two (02) working days from the completion date of purchasing sufficient number of the securities, VFM shall announce to Authorized Participants about the difference in excess or deficit between the amount relating to component securities codes that Authorized Participants has contributed in cash and the actual expense that the Fund has spent on the purchase of sufficient number of the securities. In case the actual expense on the purchase of securities (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) is smaller than the cash contributed by Authorized Participants, the Fund shall refund the difference in excess to Authorized Participants within two (02) days from the date VFM informs of this excess. If the actual expense on the purchase of securities (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) is higher than the contributed cash, Authorized Participants shall refund the difference in deficit to the Fund within two (02) days from the date VFM informs this deficit. The deficit shall be entered into the income of the Fund.

In case of a corporate action (cash dividends) arising from the trading day (T-day) to the completion date of the purchase, the Authorized Participants shall refund the corresponding cash dividends to the Fund within 2 working days from completion date of the purchase of the Fund. The value of cash dividends shall be entered into the income of the Fund.

- In case the Fund is unable to complete the purchase of sufficient number of securities that Authorized Participants contribute by cash within seven (07) working days since the date of the Fund confirms the trading result to the Authorized Participants (T+2).

The Fund shall finalize the amount with Authorized Participants upon the actual expenses (including brokerage fees paid to securities companies, securities transaction fees paid to Supervisory Bank) corresponding to the actual number of securities that the Fund purchased. The not-yet-purchased securities within seven (07) working days (from the date the Fund confirms the trading result to the Authorized Participants (T+2) shall be finalized based on the closing price on HOSE on the 7th business day (since the date of the Fund confirms the trading result to the Authorized Participants (T+2) plus related expenses (including brokerage fees, securities transaction fees paid to Supervisory bank) so that the Fund might purchase the remaining securities in the future.

Within two (02) business days from the date the Fund are not able to complete the purchase of sufficient number of component securities that the Authorized Participants contributed by cash within seven (07) working days, VFM shall announce to Authorized Participants about the difference in excess or deficit between the contributed amount and the actual expenses (including brokerage fees, securities transaction fees paid to Supervisory Bank) that the Fund has paid for the already-purchased component securities plus the amount that the Fund shall pay to purchase the not-yet-purchased component securities. In case the actual expense on the purchase of sufficient number of

component securities is smaller than the cash contributed by Authorized Participants, the Fund shall refund the difference in excess to Authorized Participants within two (02) working days from the date VFM informs of this excess. If the actual expense on the purchase of sufficient number of component securities is than the contributed cash, Authorized Participants shall refund the difference in deficit to the Fund within two (02) working days from the date VFM informs this deficit. The deficit shall be entered into the income of the Fund.

In case a corporate action (cash dividends) arising after the closing date of contribution to the end of the 7th working day (from the date of the Fund confirms the trading result to the Authorized Participants (T+2)), the Authorized Participants shall refund the corresponding cash dividends to the Fund no later than two (02) working days from the closing day of 7-day purchase period. The cash dividend value shall be entered into the income of the Fund.

- In the case that value of component securities is higher than the net asset value of a Creation Unit; VFM shall pay the discrepancy to the Authorized Participants and investor by the VFM and Supervisory bank on the 3rd working day after the Creation Day (T+3 day).
- On the 2nd working day after the Creation Day (T+2), VSD shall review the entire Creation Orders submitted by investors and Authorized Participants. All the orders that have insufficient component securities in basket or have insufficient amount of money (if any) at the time of review shall be considered as invalid orders and unenforceable.
- All the Creation Orders that have sufficient component securities and sufficient amount of money (if any) shall be implemented, and the Authorized Participants and investors shall receive ETF Certificates on their security depository account.
- The transfer of ownership of the component securities from the depository account of investors and Authorized Participants to the depository account of the VFMVN30 ETF; and the registration and depository for additional issuance of ETF certificates shall be executed in accordance with the regulations of VSD.
- Effective date of additional issuance of ETF Certificates which additional issued at VSD shall also be the effective date of the transfer the ownership of component securities ownership from the Authorized Participants and investors to the Fund.

3.4 Redemption Order

- Investors submit to Authorized Participants, distribution agent the Redemption order in which exchange the ETF fund certificates to component securities, and “Request of freezing the ETF fund certificates” on their security depository account during the trading session per VFM’s Announcement. The Redemption order and required document must be fulfilled and submitted to the Transfer Agency before the Cut-off time.
- If the value of a Creation Unit that VFM receives from the Authorized Participants, investor is more than the value of basket of component securities, VFM shall pay the discrepancy to the Authorized Participants, investor in cash on the 3rd working day after the trading day (T+3 day).
- If the value a Creation Unit that VFM receives from the Authorized Participants, investor is less than the value of basket of component securities; Authorized Participants and investors must confirm the discrepancy amount shall be transferred to the ETF fund account at the Supervisory bank before 11:00 am on working day following Redemption day (T+1 day).
- If the Authorized Participants place a redemption order, the remaining number of Creation Units after redemption shall not be less than the minimum number of Creation Units required for Authorized Participants as described in agreement signed with VFM.
- On the 2nd working day after the redemption day (T+2 day), VSD shall review all the redemption orders submitted by investors and Authorized Participants. Any order that does not have enough Creation Units for redemption or the registered orders cause the remaining ETF fund certificate less than the minimum required securities for an Authorized Participant shall be considered as an invalid order and shall not be executed.

- The redemption order that has enough Creation Units shall be executed and the Authorized Participants and investors shall receive the basket of component securities on their security depository account.
- The transfer of ownership of the component securities from VFMVN30 ETF Fund's depository account to the investors/ Authorized Participants' depository account and the cancellation/withdrawal of ETF Fund Certificates shall be implemented in accordance with the regulation from VSD.
- Effective date of the transfer the component securities' ownership from VFMVN30 ETF to the Authorized Participants and investors, and the effective date of withdrawal ETF Fund Certificates shall be the same day with the effective date of the depository cancellation of VFMVN30 ETF Fund Certificates at VSD.
- Investors shall comply with all the tax, fee obligation during the implementation of all trading orders as stipulated by law.

3.5 Ownership of component securities exceeding the regulated limit

If the Fund receives Creation Units from an Authorized Participants or an investors and exchange a basket of component securities to the Authorized Participants or investor resulting in the ownership rate of component securities exceeding the legal limit in accordance with the law (as calculated at 9:30 am on the second day after the trading date), or leading the ownership rate of Authorized Participants is more than twenty-five per cent (25%) of the outstanding shares in any one organization, or ownership rate of shares issued by the Authorized Participants, investors themselves, VSD must immediately notify VFM and require the fund management company, Authorized Participants and investors carry out the followings:

- 1) If the investor is a foreign investor, VFM must sell the amount of component securities exceeding the regulated maximum ownership rate and pay cash to the investor in the form of money transfer;
- 2) If the exchange of the basket of component securities to the Authorized Participants or investors results in such Authorized Participants or investors owning more than twenty-five per cent (25%) of the outstanding shares in any one organization, or results in such Authorized Participants or investors owning shares issued by themselves which has not yet conducted procedures for a public offering or to trade treasury shares in accordance with current regulations, VFM must sell the amount of securities exceeding ratio for which a public offer must be made or sell all the securities issued by the Authorized Participants or investors itself and pay cash to such Authorized Participants or investors.

The Cash Component to Authorized Participants or investors prescribed in point (1) and (2) above shall depend on the sales schedule of the securities exceeding the maximum regulated ownership ratio or the ownership ratio for which a public offering must be made or which are considered to be treasury shares as prescribed in the regulations. The money payable to the Investor is the value of the transaction after deducting tax and trading fees as stipulated by relevant laws;

During the sale of component securities which exceed rates mentioned in this point, if such securities are entitled to dividends or rights of purchase, VFM shall implement as follows:

- For cash dividends, the Authorized Participants or investors shall be paid once the Fund receives this payment.
- For stock dividends/bonus shares, VFM shall pay cash after receiving and successfully selling such shares.
- For the right of purchase, VFM shall use the money from selling such shares to exercise the right of purchase on condition that the purchase price is lower than the market price on the day of implementation of such right. When the shares obtain from the right of purchase are deposited into the fund account, the Fund shall sell such shares and pay to the Authorized Participants or investors.

All the payment regarding to the cash dividends/bonus shares/ stock dividends/ right to purchase as mentioned above shall be done after (02) two working day since the Fund receive the money from selling such shares successfully.

Based on the notice of VSD, VFM shall calculate and allocate the payment to the Authorized Participants or investors on principles of first in first out (FIFO), the Fund's current payment ability ratio and the amounts received from sale of securities via order matching transactions respectively. Right after occurrence, such quantity of securities shall be accounted – off the Fund's Balance Sheet account. The

Supervisory Bank shall pay to the investor in accordance with the results of calculation and allocation by VFM.

If the Fund places orders for purchase/sale of same securities of a basket during a day, the purchase order shall be carried out before the sale order so that the Authorized Participants or investors be refunded with money in the cases mentioned in this clause.

- 3) If an investor's ownership is restricted for any other reason prescribed by law or because of a provision in the investor's own charter, then the investor must sell the quantity of component securities exceeding such regulated ownership ratio on the next trading day immediately after payment day.

3.6 Trading suspension on Creation Units

1. The Fund has the right to suspend the creation/redemption order in these following cases:
 - a. When the Stock Exchange (HOSE) changes the basket structure of the Benchmark Index;
 - b. When an issuing organization in the basket of component securities accounting for 1% and more in the Net asset value of the VFMVN30 ETF goes bankrupt or dissolved or suspended trading or delisting; or the basket of component securities [and/or] NAV of the VFMVN30 ETF is undetermined on the day prior to Creation Day because the Stock Exchange has suspended trading of securities in the basket of component securities;
 - c. When the basket of component securities is restructured to reduce its deviation from the Index;
 - d. For certain majeure reasons, the Supervisory Bank are unable to conduct any trading;
 - e. When other circumstances in accordance with the law or this Fund charter.
2. The Fund management company must, within 24 hours of the occurrence of any event prescribed in item 1, section 3.6 herein, notify the SSC and disclose information about such event on the website of the Stock Exchange. Immediately after such event ends, the Fund management company, Authorized Participants and Distributors must continue to accept and implement trading for investors.
3. The duration of any temporary suspension of trading which implemented by the Fund Charter must not exceed thirty (30) days from the most recent Trading Day. If trading is suspended for the reasons prescribed at point a, b, item 1, section 3.6, then suspension of exchange-traded orders must not exceed three (3) working days before and after the event as notified by VFM.
4. If the cause of a suspension has not been remedied within thirty (30) days after the date specified for expiry of suspension as stipulated in section 3 of this Article, the Fund must hold an extraordinary General meeting of investors or obtain written opinions approval from investors on dissolution of the Fund, or else extend the duration of suspension of exchange-traded orders. If the causes of suspension terminate within the regulated period for convening a general meeting of investors, the Fund management company may cancel the meeting.

3.7 Non-commercial transactions (gift, present, inheritance, transfer of ownership...)

Non-commercial transactions (such as donation, offer, gift, inheritance ...) of VFMVN30 ETF certificates are carried out similarly to the transfer of ownership of securities listed outside of the HOSE trading system as stipulated in the Regulations on registration of securities issued by VSD.

3.8 Trading Confirmation:

- On the second working day after the Trading Day (T+2 day), Transfer Agency shall confirm the completion of the trading that investors and Authorized Participants who have previously placed the creation orders shall receive the ETF fund certificate; and the investors and Authorized Participants who have placed the redemption orders shall receive the basket of component securities on their depository account.
- The exchange between the basket of component securities from investors, Authorized Participants' depository account to VFMVN30 ETF's depository account or vice versa; and the registration, deposit for additional Creation Units, cancellation, withdrawal of Creation Units purchased from the account of the Investor, Authorized Participants shall be executed in compliance with the regulation from VSD.

- Additional issued Creation Unit due to the Creation shall be issued under booking entry and VFM shall not issue the book to Investor; Authorized Participants creates Book/Certificate to certify the ownership of ETF Fund Certificates. The additional issued Creation Unit that Authorized Participants and investors received shall be allocated by VSD to the corresponding depository account after VFM completes the registration of such additional issued Creation Unit to VSD.
- Creation Unit purchased by the Fund shall be withdrawn from depository at VSD.

4. Invalid trading

The following trading shall be considered invalid trading:

- The Investor/Authorized Participants submit the trading orders to Transfer Agency after the Cut – off time.
- The number of component securities or VFMVN30 ETF Certificates is insufficient as stated in the trading orders submitted to VSD at the time VSD reviews the documents as stipulated in this Prospectus.
- The discrepancy amount and other fees from investors, Authorized Participants are not transferred on time.

All the invalid orders shall not be executed.

5. Trading of ETF Certificates on Stock Exchange Market (secondary market)

- Authorized Participants and investors are permitted to trade listed Creation Unit on the Stock Exchange system in accordance with the following principles:
 - Authorized Participants or investor must place a trading order on securities trading account. Trading and payment must be implemented in accordance with the regulations on securities trading issued by HOSE and VSD;
 - The trading unit shall be as regulated by HOSE where the VFMVN30 ETF certificates are listed;
 - VFMVN30 ETF certificates may be used to lend for margin trading and for other activities in conformity with the law on securities.
- Authorized Participants are only permitted to sell Creation Units (or component securities) on the Stock Exchange system if there are sufficient Creation Units (or component securities) for sale on payment day in accordance with regulations of VSD. This number of Creation Units (component securities) comprises the number of Creation Units (number of component securities) already existing on the Authorized Participants' account on Trading day, plus the number of Creation Units (the number of component securities) received before or on payment day from exchange of the basket of component securities (the number of Creation Units) and the number bought on the market or borrowed on VSD system as successfully traded previously.

6. Announcement on Net Asset Value and trading situation

6.1 Determination of Net Asset Value of the Fund

- VFM is responsible, on daily basis, to determine the net asset value of the Fund, net asset value on a Creation Unit, net asset value on a unit of fund certificates based on the market price, or the reasonable value (in case there is no market price for reference) of all the asset on investment portfolio of the Fund.
- The Fund's net asset value, net asset value on a Creation Unit, net asset value on a unit of fund certificates is determined by VFM or by the fund administration authorized service provider and certified by the Supervisory Bank as regulated by law. The value certification must be made in writing, or the access via the electronic information system of the supervisory bank is approved by the fund management company. If the valuation is incorrect, the supervisory bank must notify and request the fund management company to adjust it within 24 hours
- The net asset value shall be announced to the investors on the Valuation Date. The Fund's net asset value, net asset value on a Creation Unit, net asset value on a unit of fund certificates should be announced on the website of VFM, Stock Exchange, distribution agents, and the Authorized Participants in accordance with the regulation about information disclosing on stock market. The fund management company may authorize relevant service providers to determine the net asset value of the fund, the net asset value of a fund unit based on the price offered by quotation service providers. The fund management company is responsible for inspecting, supervising in order to ensure that the determination of the net asset value is accurate and in compliance with laws.

- The net asset value on a unit of fund certificates is equal to the Fund's net asset value divided for the total of fund certificates on circulation which is taken with two (2) decimal. Net asset value on a Creation Unit is equal to the Fund's net asset value divided for the total of Creation Units which is rounded up to a digit. Net asset value is rounded up in accordance with regulation on accounting and auditing. The discrepancy arises from the rounding up of net asset value shall be balanced to the Fund.
- The net asset value of a fund unit is the net asset value of the fund divided by the total number of circulating fund units on the trading day closest to the valuation day. The net asset value shall be rounded down to two (02) decimal places. The residual amount after the rounding shall be included in the fund.

6.2 Principles and method of Valuation of the Net Asset Value

1. Valuation date

The net asset value of the fund shall be determined on daily and monthly basis. In case the valuation date falls in a day-off or holiday, the valuation date shall be carried on the next working day right after. For the monthly valuation term, the valuation date shall be the first day of the next month regardless it falls in the day-off or holiday.

2. Principles and methods of determining the net asset value

a. The Fund Management Company: the Fund Management Company must ensure:

- The asset value shall be valued exactly and appropriately with legal regulations and the Fund Charter;
- The valuation must be accurate, on time and cover all investment tradings;
- The valuation items (inclusive of stocks, cash and other investment portfolios) must be regularly compared with original documents. The disagreed investment valuation must be timely handled.
- Dividends, stocks options and bonus stocks must be balanced to the assets of the fund (except accounted in accordance with prudent principle);
- Expenses, profits and dividends must be accounted in compliance with acural basis up to the day prior to the valuation date in accordance with the fixed interest rate;
- Taxes, charges and fees should need considering and changing timely in accordance with provisions of laws;
- To set up reasonably allowable fluctuation levels to changes of the key factors as valuating;
- Regularly review and check the valuation processes of the investment portfolios. The checking results must be kept.
- The comparison of documents on the assets of the Fund with the Supervisory Bank should be periodically made at least once every month.

b. The Supervisory Bank

- The Supervisory Bank must regularly check and supervise to ensure that the Fund Management Company has its principles, processes and methods of determining and the system of supervising the determination of the securities prices or the net asset value of the fund that shall have made in accordance with legal regulations and the Fund Charter. The regular checking and supervision must be maintained to the third party authorized by fund management company to perform this operation.
- Reviewing the principles, processes and methods of the valuation and the supervision system of the valuation must be done promptly after the supervision contracts signed with the Fund Management Company come into effect;
- The reviewing must be done more regularly as the Supervisory Bank is aware of or suspicious of the principles, processes and methods of the valuation and the supervision system of the valuation of the Fund Management Company not satisfying the requirements;
- The Supervisory Bank must ensure that every issue from the checking and supervision must be followed up, and appropriate resolving measures must be available taken.

3. Methods of determining the net asset value

- The net asset value (NAV) is total value of the assets and investments owned by VFMVN30 ETF subtracts its relevant liabilities (such as payables to buy securities, payables to management fee,

supervision fee, brokerage fee, depositing fee, administrative fee and valuation fee, etc.) on the day prior to the valuation date.

- Total liabilities of the Fund are liabilities or payment obligations of the Fund until the day prior to the valuation date. Methods of determining the value of the liabilities and payment obligations must be verified by the Supervisory Bank that they are appropriate with relevant legal provisions.

The net asset value of the fund (NAV) = total assets of the fund – total liabilities of the fund

- The net asset value per Creation Unit shall be the net asset value of the fund divided to total outstanding fund certificates and this shall be taken to two (02) decimal numbers.
- The net asset value per Creation Unit shall be the net asset value of the fund dividing the total of the outstanding Creation Units and this shall be rounded up to the units column.
- If the appraised or evaluated assets are not correct:
 - The Fund Management Company must notify the Supervisory Bank of the incorrect valuation of the asset as it is discovered.
 - The Supervisory Bank must submit monthly, quarterly and annual reports to the State Securities Commission to summarize the incorrect valuation cases in different periods;
- The net asset value shall be determined in accordance with following methods:

No.	Asset type	Methods of valuating transactions on market
Cash and equivalents, money market instruments		
1.	Cash (VND)	Cash balance on the day preceding the valuation date
2.	Term deposit	Deposit value plus interest receiveable until rates as of the day preceding the valuation date.
Bonds		
3	Listed bond	<ul style="list-style-type: none"> - Quoted price or other name, depending on internal regulations of the Stock Exchange (clean price) on the trading system of the Stock Exchange for outright bond transaction at the day of the latest transaction preceding the valuation date plus accrual interests; - If there is no transaction in two (02) weeks or more as of the day prior to the valuation date, it is priority to perform the order from the top one of following price levels: <ul style="list-style-type: none"> + The price determined in accordance with the methods approved by the Board of Representatives (detailed in the Valuation Manual); + The purchase price plus accumulated interest; + The face value plus accumulated interest.
4	Unlisted bond	The purchase price plus accumulated interest;
5	Rights associated with convertible bonds	The purchase price
Shares		
6	Shares listed on Ho Chi Minh City or Ha Noi Stock Exchange	<ul style="list-style-type: none"> - Closing price (or other name as prescribed by regulations of the Stock Exchange) of the latest transaction day prior to the valuation date; - If there is no transaction over two (02) weeks until the day prior to the valuation date, it is priority to perform the order from the top one of following price levels: <ul style="list-style-type: none"> + Closing price (or other name, depending on the internal regulations of the Stock Exchange) of the latest transaction day within 12 months prior to the Valuation date; + Purchase price (cost price); + Book value; + Price determined by the method as approved by the Board of Representatives.
7	Stocks with their tradings as suspended or their	It's priority to perform the order from the top one of following price levels:

	listing registration are cancelled	<ul style="list-style-type: none"> - Book value; - Face price; - Price determined by the method as approved by the Board of Representatives.
8	Shares of issuers falling into winding-up or bankruptcy	It's priority to perform the order from the top one of following price levels: <ul style="list-style-type: none"> - 80% of liquidating value of such shares at the latest the balance sheet date prior to the valuation date; - Price determined by the method as approved by the Board of Representatives
Derivative securities		
9	Listed derivative securities	The closing price on the latest trading day preceding the valuation date
10	Listed derivative securities without transaction within two weeks or more	Price determined by the method as approved by the Board of Representatives
11	Commitment of derivative contracts	As prescribed in details under paragraph E, section 2 of this Article
Other assets		
12	Other authorized investment assets	Price determined by the method as approved by the Board of Representatives

Notes:

- Accumulated interest: The interest calculated from the time of the latest interest payment to the valuation date;
- The book value of a share shall be determined on basis of the latest audited or reviewed financial statements.
- Day means calendar day.
- Valuation methods are detailed under the Manual of Valuation.
- Commitment value from derivative contracts
 - a) Commitment value (global exposure) is the value converted to money which securities investment funds/companies are parties with the obligation of contract implementation. The commitment value is determined upon the market value of outstanding assets, payment risks, market changes and the time necessary for position liquidation.
 - b) In calculating the commitment value, fund management company may apply:
 - Net offset principle of derivative position (reverse) for the same outstanding security, for example the purchase position of XYZ securities call option reduces (makes up) the commitment value from the sale position of XYZ securities call option;
 - Net offset principle of derivative position and spot delivery position of the same security, for example the purchase position (holding) of XYZ securities makes up (reduces) the commitment value deriving from the sale position of XYZ securities call option;
 - Other principles according to the international practice ensure the risk administration.

No.	Type of assets	Commitment value
1	Stock option (purchase of put option, sale of put option, sale of call option)	The market value of option position ¹ is adjusted by delta coefficient of option = Number of contracts x Volume of shares per contract x current market value of share x delta coefficient ²
2	Bond option (purchase of put option, sale of put option, sale of call option)	Market value of option position ³ is adjusted by delta coefficient of option = Number of contracts x nominal value x current market price of bonds x delta coefficient
3	Index future contract	Market value of future position = Number of contracts x value

		calculated on an index point x current index level
4	Bond future contract	Market value of future position = Number of contracts x value of contracts calculated under notional value x market value of the cheapest transferable bonds
5	Other contracts	Upon the model selected by the fund management company, agreed with the supervisory bank and approved by the fund representative board.

Note:

¹ If the fund holds long position, the market value may be adjusted to increase premium.

² Delta coefficient is the simple derivative of option price over underlying securities price. In the simple case, the delta coefficient may be considered 1. In case of complex option, the delta coefficient shall be determined by fund management companies, Supervisory bank after being approved by the Fund Representative Board.

³ If the fund holds long position, the market value may be adjusted to increase premium.

XI. FEES AND EXPENSES

1. Fees paid by investors, Authorized Participants

1.1 Creation fee

a. Creation fee applied for Initial Public Offering

- Creation fee is the fee that investors, Authorized Participants pay when purchasing Creation Units at IPO. This fee shall be payable upon the initial issuance and counted as percentage of the transaction value of a VFMVN30 ETF Creation Unit.
- Creation fee shall be applied as below:
 - For Authorized Participants: 0% on transaction value of the Creation Units.
 - For investors: 0% on transaction value of the Creation Units

b. Creation fee applied for Creation of Creation Units.

- Creation fee applied for Creation of Creation Units is the fee that investors, Authorized Participants pay when purchasing Creation Units after VFMVN30 ETF is established. This fee shall be payable upon the issuance and counted as percentage of the transaction value of a VFMVN30 ETF Creation Unit.
- Creation fee shall be applied as below:
 - For Authorized Participants: 0% on transaction value of the Creation Units.
 - For investors: 0% on transaction value of the Creation Units

1.2 Redemption fee applied for Redemption of Creations Units

- Redemption fee applied for Redemption of Creation Units is the fee that investors, Authorized Participants pay when selling Creation Units after VFMVN30 ETF is established. This fee shall be payable upon the redemption and counted as percentage of the transaction value of a VFMVN30 ETF Creation Unit.
- Such fee is subtracted from the discrepancy amount (in case the value of Creation Unit is higher than the value of the basket of component securities during Redemption of Creation Unit).
- If the difference amount is less than the redemption fee, then such surplus difference amount shall assure to be paid into the Fund's account by the Authorized Participants and Investors at Supervisory Bank no later than 11 am at T+1, one (1) business day from Redemption Day.
- Redemption fee shall be applied as follow:
 - For Authorized Participants are market makers: 0% on transaction value of the Creation Units.

- For Authorized Participants: 0.1% on transaction value of the Creation Units.
- For investors: 0.15% on transaction value of the Creation Units.

2. Fees paid by the Fund:

a. Fund Management Fee:

- The management fee is 0.65% of the net asset value of VFMVN30 ETF per fiscal year. This fee shall be paid for VFM to perform the fund management services for VFMVN30 ETF.
- The monthly payable fee shall be total fee calculated (deducted) of valuation period in a month.
- Formula to calculate the management fee for each valuation period shall be determined as follows:
- Management fee for the valuation period = percentage ratio of 0.65% of the management fee (year) x NAV at the day prior to the valuation date x number of days in accordance with actual calendar of the valuation period/actual days of a year (365 or 366)
- For the monthly valuation period of NAV, the management fee of the fund shall be the total fee at the valuation periods in a month.

b. Depository and supervision fee

- Depository and supervision fee shall be paid to the Custodian and Supervisory Bank to provide the services of the Custodian and Supervisory Bank to the Fund. The fee shall be calculated on each valuation period basing on NAV at the day prior to the valuation date and to be paid every month. The monthly payment fee shall be the total fee calculated (deducted) for the valuation periods done in a month.
- Supervision fee is 0.02% NAV/year.
- The maximum depositing fee is 0.06% NAV/year. This fee is exclusive of securities transaction fee of VND 100,000/trading, excluding exchange trading.
- Such above fee does not include normal external fees such as payment fee for the depository, legal fees, fee for unlisted securities withdrawal, etc...
- Formula for calculating the supervision and depository fees per valuation period shall be determined as follow:

The supervision and depository fees (exclusive of stock trading fee) for the valuation period = percent (%) of the supervision and depository fee (year) x NAV at the day before the valuation date x number of actual days in accordance with the actual calendar of the valuation period/number of actual days of a year (365 or 366)
- For the monthly valuation period of NAV, the supervision and depository fee shall be the total fee of all the valuation periods in the month.

c. Fund administration fee

- The administrative service fee of the fund shall be paid by VFMVN30 ETF for the agencies supplying the administrative service for the fund.
- The maximum administrative service fee of the fund is 0.035% NAV/year.
- The monthly payable fee shall be the total fee calculated (deducted) for the valuation periods done in a month.
- Formula to calculate the administrative service fee of the fund per valuation period shall be determined as follow:

The administrative service fee of the fund per valuation period = percent (%) of the administrative service fee of the fund (year) x NAV at the day before the valuation date x number of days in accordance with actual calendar of the valuation period/actual days of a year (365 or 366)
- For the monthly valuation period of NAV, the administrative service fee of the fund shall be the total fee at the valuation periods in the month.

- Total monthly fees of supervision, depositing and administrative service shall be the minimum of 42million/month in the first two years. From the third year onwards, this minimum fee shall be 50million/ month.
- The maximum monthly fee of supervision, depositing and administrative fee monthly shall be maximum of 0.5%NAV/year.
- The above minimum fee is always applied.

d. Transfer agency service fee

- The maximum transfer agency service fee shall be 0.02% NAV/year. This fee is paid by the VFMVN30 ETF to the agencies that provide transfer agency services to perform the transfer agency services as prescribed in the VFMVN30 ETF's Charter.
- The minimum transfer agency service fee shall be VND 5 million/month.
- Formula for calculating of transfer agency service fee for each valuation period in a month shall be determined as follow:
- The transfer agency service fee = fixed fee level of transfer agency service of each month / number of actual days per month x number of actual calendar days of valuation period.
- Fees and payment method shall be particularly specified in the Contract between the VFM and the transfer agency service providers.

e. Fees paid for the Benchmark Index management and operation agency

- The maximum fee of Index management and operation agency shall be 0.02%NAV/year and minimum of VND50million per year. This fee shall be paid by VFMVN30 ETF to the agencies that manage and operate the Index. Fee for the first year, twelve (12) months from the date of the Fund having Incorporation License from the Authorities, shall be VND 0.
- Formula to calculate the Benchmark Index management and operationa fee shall be determined as follow:
- Fee paid for the Index management and operation agency for each valuation period = the percent (%) of fees paid for the Index management and operation agency (year) x NAV at the day prior to the valuation date x number of actual days in accordance with actual calendar days of the valuation period / number of actual days of year (365 or 366).
- For the monthly valuation period of NAV, fees paid for the Index management and operation agency shall be the total fee at the valuation periods in the month.
- The fee level and the fee payment method shall be specified under the Contracts between the Fund Management Company and the Index management and operation agency.

f. Fees paid for the agencies supplying the service of calculating the indicative Net Asset Value (iNAV)

- The fee for the agencies supplying the services of calculating the indicative net asset value shall be 0.02% NAV/year and minimum of VND50 million per year. This fee paid by VFMVN30 ETF for the agencies supplying the services of calculating the indicative net asset value. Fee for the first year, 12 months from the first trading day of ETF Certificates at HOSE, shall be VND0.
- Formula to calculate the service supplying of calculating the indicative net asset value (iNAV) for each valuation period shall be determined as follow:
- Fee for supplying the services of calculating the indicative net asset value for the valuation period = percentage (%) of the service supplying of calculating the indicative net asset value (iNAV) (year) x NAV at the day prior to the valuation date x number of actual calendar days of the valuation period / number of actual days of year (365 or 366).
- For the monthly valuation period of NAV, fees paid for the agencies supplying the services of calculating the indicative net asset value shall be the total fee at the valuation periods in the month.

- The fee payment method shall be specified under the Contracts between the Fund Management Company and the Agencies supplying the services of calculating the indicative net asset value.

g. Other expenses and fees

Other expenses and fees of VFMVN30 ETF shall include:

- Transaction fee, comprising brokerage fee, transfer fee of asset transactions paid to Securities Company. Such fees shall not be included in any other expense, including fee paid to other services or to third party (underground expenses)
- Auditing fee paid to auditing company; legal advisory service fee, quotation service fee and other services fee, remuneration paid to the Board of Representatives of the Fund.
- Expenses relating to drafting, printing, Fund Charter's mailing, issuance of prospectus, simplified prospectus, account statements, transaction confirmation, bank statements and other documents for the Investors; expenses for fund public announcement; expenses for organizing and convening of General Meeting of investors and Board of Representatives.
- Fee relating to the performance of the transactions of the Fund's assets;
- Legal advisory service fee, quotation service fee and other reasonable services fee;
- Expenses for engaging independent organizations to provide valuation, asset valuation services for the Fund;
- Expenses for amending the Charter for the benefits of investors;
- Remuneration for the Board of Representatives;
- Other reasonable, valid fees and expenses as decided by the Board of Representatives;
- Insurance expenses (if applicable);
- Administration fee (fee for issuance certificate);
- Tax, cost, and fee to be paid in accordance with the statutory regulations;
- Interest payable from loans incurred by the Fund in accordance with the laws and the Fund Charter;
- Other reasonable, valid fees and expenses in accordance with the laws.

3. Operating Expenses ratio:

3.1 Ratio of Operating expenses of the fund

Operational expenses of the fund shall include the following after-tax expenses as above-mentioned in section 1.3 and 1.4.

- Within 45 days from the end of Q2 and Q4 every year, the fund management shall disclose information about the fund's operating cost rate as well as the fund's portfolio turnover rate on the websites of the fund management company and distributors after these values are verified by the Supervisory Bank.

Operating cost rate of the fund is determined by the following formula:

$$\text{Operating cost rate (\%)} = \frac{\text{Total operating expenses of the Fund in the latest 12 months} \times 100\%}{\text{Average NAV in the latest 12 months.}}$$

- In case the fund has been operated under one year, the operating cost rate shall be determined as follows:

$$\text{Operating cost rate (\%)} = \frac{\text{Total operating cost} \times 365 \times 100\%}{\text{Average net asset value of the fund in the reporting period} \times \text{number of days of operation of the fund (from the licensing date)}}$$

3.2 Tracking error- TE

Tracking error of the current week (t) is defined as below

$$TE_t = \sqrt{n} \sqrt{\frac{1}{n-1} \sum_{i=-n}^{-1} (R_i - \bar{R})^2}$$

In which: R_i is the difference between fluctuations in NAV of the Fund and fluctuations in the Benchmark Index from the i th week and prior to such week, including the current week (t), defined as below:

$$R_i = \ln \left[\frac{NAV_i}{NAV_{i-1}} \right] - \ln \left[\frac{\text{benchmark index}_i}{\text{benchmark index}_{i-1}} \right], \quad \bar{R} = \frac{1}{n} \sum_{i=-n}^{-1} R_i, n = 26$$

If the operational term of the fund shall not be up to six (06) months, n is the number of weeks, from the week of receiving the effective certificate of business registration of the fund.

4. Profit distribution method

- Fund's dividend can be distributed to investors based on the audited financial statement, proposed by VietFund Management (VFM), submitted for approval by latest recent General Meeting of investors. Dividend may be paid in cash or by issuing additional Creation Units. At least fifteen (15) days prior to dividend distribution, VietFund Management (VFM) must send a notice to the registered addresses of investors.
- Payment of dividend must ensure the following:
 - Conformity with the policy on distribution of profit specified herein;
 - Dividends must only be distributed after the Fund has completed payment of all tax and financial obligations and established sufficient reserves (if applicable) in accordance with the Fund Charter;
 - The Fund must ensure that immediately after payment it shall still be able to pay its debts and other financial obligations when they fall due and that NAV shall not be less than fifty (50) billion Vietnam Dong;
 - The amount of the dividend shall be decided by the General Meeting of investors or Board of Representatives, and must be consistent with investment objectives and provisions of profit distribution policy in the Fund Charter;
 - If dividends are paid by shares, the Fund shall have the sufficient reciprocal capital from after-tax retained earning based on the financial statements for the most recent period which have been audited or checked.
- Sources for dividend distribution must satisfy the following:
 - Accumulated profits to the end of fiscal year, which VietFund Management (VFM) proposed shall be a positive number after subtracting incurred expenses in operational period.
 - The distribution source shall be from the realized profit of the Fund during its operation.
 - After subtracting the expected figures of proposed profits to distribute to investors, the remaining accumulated profits to the end of fiscal year, which VietFund Management (VFM) proposed to distribute, must be higher or equal 0 (must not be negative).
 - To meet the dividend paying principle of the Fund which prescribed in this Prospectus.
- VietFund Management (VFM) can distribute the dividends after the Fund is finished or must have financial capacity to complete of all taxes and other financial obligations in accordance with the law; established sufficient reserves in accordance with the Fund Charter; The Fund must ensure that immediately after payment it shall still be able to pay its debts and other financial obligations when they fall due.

- Before distributing dividends to investors, VietFund Management (VFM) must withhold all taxes, fees and expenses in accordance with the legal regulations. Investors shall pay bank transfer fees of the dividends.
- Dividend may be paid in cash or by issuing additional Creation Units. Only investors who are in the list of investors at the right-closing day can receive the dividends.

5. Operational result of the Fund

VFMVN30 ETF has not yet come into operation; therefore, there is no operational result at this time. Once the fund is officially established, the operational information of the Fund shall be updated and reported to the Authorized Participants, Distributors and VietFund Management (VFM) or on website www.vinafund.com.

The forecast of macro economy situation in this Prospectus shall not be implied as a way to guarantee its future operational results.

6. Fund Charter

Fund Charter is summarized as the below main information:

(Details of the Fund Charter shall be stated in the Draft Fund Charter of VFMVN30 ETF attaching registration document for Initial Public Offering of VFMVN30 ETF)

1. LEGAL BASIS

2. DEFINITIONS

Chapter 1. GENERAL PROVISIONS

Article 1. Name and address contact

Article 2. Duration of operation of the Fund

Article 3. Organizational principles

Article 4. Total mobilization capital and quantity of VFMVN30 ETF certificates for initial public offering.

Article 5. Appointing a representative to mobilize capital and sale offering of Fund certificates

Article 6. Fund management company

Article 7. Supervisory Bank

Chapter II. REGULATIONS ON OBJECTIVES, POLICIES AND RESTRICTIONS OF INVESTMENT

Article 8. Investment objectives

Article 9. Investment strategies

Article 10. Investment restrictions

Article 11. Method of investment selection

Chapter III. INVESTORS, INVESTOR REGISTER AND CREATION TRADING

Article 12. Investors

Article 13. Rights and obligations of investors

Article 14. Criteria, conditions for participating in Exchange-trading of investors

Article 15. Register of investors

Article 16. Creation of Creation Units and vice versa (primary trading)

Article 17. Trading of VFMVN30 ETF certificates on the Stock Exchange (secondary transaction)

Article 18. Creation price and redemption price

Article 19. Inheritance of fund certificates

Chapter IV GENERAL MEETING OF INVESTORS

Article 20. General meeting of investors

Article 21. Rights and tasks of investors' General Meeting

Article 22. Conditions and proceedings of investors' General Meeting

Article 23. Approval of any decision of the Investor's General Meeting

Chapter V BOARD OF REPRESENTATIVES OF THE FUND

Article 24: Board of Representatives of the fund

Article 25. Criteria for selection members of Board of Representatives

Article 26. Rights and obligations of Board of Representatives

Article 27: Chairperson of Board of Representatives

Article 28. Dismiss, removal and addition of members of Board of Representatives

Article 29. Meeting of Board of Representatives

Article 30. Meeting minutes of Board of Representatives

Chapter VI THE FUND MANAGEMENT COMPANY

Article 31. Criteria to select the Fund Management Company

Article 32. Rights and obligations of the Fund Management Company

Article 33. Termination of rights and obligations to the Fund of the Fund Management Company

Article 34. Operational restrictions of the Fund Management Company

Chapter VII. SUPERVISORY BANK

Article 35: Criteria to choose the Supervisory Bank

Article 36. Rights, obligations and operations of the Supervisory Bank

Article 37. Termination rights and obligations to the fund of the Supervisory Bank

Chapter VIII. RELEVANT SERVICE PROVIDERS

Article 38. Authorized operations

Article 39. Criteria to choose relevant service providers

Article 40. Obligations of the relevant service providers

Article 41. Obligations of the Fund Management Company to the authorized activities

Article 42. Termination of granting authority

Chapter IX. THE AUTHORIZED PARTICIPANTS

Article 43. Conditions to choose the Authorized Participants

Article 44. Rights and obligations of the Authorized Participants

Article 45. Market makers

Chapter X. DISTRIBUTORS

Article 46. Criteria to choose Distributors for the Creation Units

Article 47. Operations of the Distributor s

Chapter XI. AUDITING, ACCOUNTING AND REPORTING SYSTEM

Article 48. Criteria to choose and replace the Auditor

Article 49. Fiscal year

Article 50. Accounting regime & financial reports

Chapter XII. METHODS OF DETERMINING THE NET ASSET VALUE OF THE INVESTMENT FUND

Article 51. Determination of net asset values of the Fund

Article 52. Methods of determining the net asset value of the Fund

Chapter XIII. PROFIT AND OPERATING EXPENSES OF THE FUND

Article 53. Income of the Fund

Article 54. Profit distribution

Article 55. Fees paid by the Fund

Article 56: Operating expenses of the Fund

Chapter XIV. DISSOLUTION OF THE FUND

Article 57. Conditions for dissolving the Fund

Article 58. Sequences and procedures of dissolving the Fund

Chapter XV. SETTLEMENT OF BENEFIT CONFLICTS

Article 59. Control benefit conflicts between the Fund and other Funds, trust investment customers of the Fund Management Company and between the Fund and the Fund Management Company.

Chapter XVI. INFORMATION DISCLOSURE AND CHANGE OF THE FUND CHARTER

Article 60. Information disclosure

Article 61. Change of the Fund Charter

Article 62. Registration of the Fund Charter

Article 63. Implementation provisions

ANNEX 1: COMMITMENTS OF THE FUND MANAGEMENT COMPANY

ANNEX 2: COMMITMENTS OF THE SUPERVISORY BANK

ANNEX 3: GENERAL COMMITMENTS OF THE FUND MANAGEMENT COMPANY AND THE SUPERVISORY BANK

7. Time and place for providing the operational report of the Fund.

Operation report shall be performed in accordance with the current law.

Operation report shall be provided at the Authorized Participants, appointed Distributors and VietFund Management's office or on the website www.vinafund.com.

XII. CONFLICT OF INTEREST

- The Fund management company shall:
 - Separate the investment strategies and objectives of each fund managed by VFM;
 - Separate VFM's assets from the Funds' assets and investors' assets entrusted to VFM for its management; separate assets of the funds managed by VFM.
- All securities transactions of members of the Board of Management, Investment Council, Chairman of the VFM, members of the Board of Directors, Inspection Committee, the compliance officer, fund management practitioners and staff of the Fund Management Company shall be reported and controlled in accordance with the Fund Charter and the current law.

- An internal system for controlling and managing risks has been established to ensure that any conflict of interests arising within the Fund Management Company shall be under control.

XIII. REPORTING AND DISCLOSURE OF INFORMATION

VFM shall perform and disclose information of periodical and extraordinarily reports for VFMVN30 ETF as stipulated by the applicable laws as follow:

- The fund management company must, on a monthly, quarterly or annual basis, send to investors, Authorized Participants the statistics on trading and reports on changes in NAV of the Fund. Deadline for providing information is five (5) days from the date of a written request from investors, Authorized Participants.
- The fund management company shall provide the following documents to investors, Authorized Participants on website of the fund management company:
 - Prospectus, simplified prospectus,
 - Audited semiannual and annual reports,
 - Semiannual and annual reports on overall activities of the fund.
 - Semiannual and annual statistical reports on trading fees
 - Monthly, semiannual and annual reports on investment activities of the Fund.
- The VFM must disclose the following information on its website and that of the Stock Exchange within 24 hours of the end of a trading session on Creation day:
 - The component securities portfolios used for exchange;
 - The number of Creation Units issued to and/or redeemed from Authorized Participants and Investors; and the differences as compared to the previous Creation day;
 - Information of the volume of listed Creation Units which are traded on the Stock Exchange; information of fluctuations in trading prices of Creation Units, the closing price of Creation Units and the differences as compared to the previous trading day;
 - The NAV of the Fund, the NAV of a Creation Unit , and the NAV of one fund certificate and the fluctuation in these value, fluctuation in the iNAV within a day; Benchmark Index and fluctuation in the Index;
 - Any suspension of Trading orders (if applicable)
 - Any tracking error in the investment portfolio and re-adjustment of the basket of investment component securities (if applicable);
 - Any incorrect determination of NAV of the Fund (if applicable);
 - Dissolution of the Fund (if applicable);
 - Replacement of Supervisory Bank (if applicable);
 - Correction or cancellation of the transaction errors (if applicable);
 - Any other relevant information (if applicable).
- On weekly basis, the fund management company must announce tracking errors on its website
- The fund management company must disclose the following information on its website on a semiannual or annual basis:
 - Information of the effectiveness of the operation of the ETF compared to the Benchmark Index (if applicable)
 - Information about any distribution of profit;

- The ratio of operational expenses. Information disclosure of the ratio of operational expenses determined within a period of forty-five (45) days after the end of the second and fourth quarter each year.

In addition, a few other reports (if there are) shall be provided by the fund management company on its website at www.vinafund.com

XIV. CONTACT ADDRESSES FOR INQUIRIES

VIETFUND MANAGEMENT (VFM)

Head office in Ho Chi Minh City:

Address: 17th Floor, MeLinh Point Tower, 02 Ngo Duc Ke St., Ben Nghe Ward, District 1, HCMC, Vietnam

Tel: (84.8) 3825 1488 Fax: (84.8) 3825 1489

Hanoi Branch Office:

Unit 5A2, 5th Floor, BIDV Building, 194 Tran Quang Khai St., Hanoi, Vietnam

Tel: (84.4) 3942 8168 Fax: (84.4) 3942 8169

All inquiries shall be answered by the VFMVN30 ETF's Authorized Participants and Distributors.

XV. UNDERTAKING

VFM shall hereby undertake, in its good faith, to bear full liability for the accuracy and authenticity of the contents in this Prospectus and other documents as attached herein.

XVI. APPENDICES

1. List of the Authorized Participants and Appointed Distributors
2. Suggestion forms related to the transactions of contribution registration for fund establishment and Creation.
3. Fund Charter of VFMVN30 ETF

Hochiminh City, 4th July, 2014

Authorized Representative of Supervisory Bank

(Signed and seal)

Ms. Tran Minh Huong

Chairman of VFM

(Signed)

DOMINIC SCRIVEN

Chief Executive Officer of VFM

(Signed and seal)

TRAN THANH TAN

ANNEX 1: LIST OF AUTHORIZED PARTICIPANTS, APPOINTED DISTRIBUTORS AND LOCATIONS FOR PROVIDING VFMVN30 ETF PROSPECTUS

(applied from the date of VFMVN30 ETF receives its issuance license from the SSC till further notices)

1. List of Authorized Participants cum Distributors:

a) HO CHI MINH SECURITIES CORPORATION – HSC

Head office in Ho Chi Minh City

Address: 5th – 6th Floor, A&B Tower, 76 Le Lai, Ben Thanh Ward, Dist 1, Hochiminh City

Tel: (08) 3823 3299 Fax: (08) 3823 3301

Hanoi Branch Office

Address: 4th – 5th Floor, 66A Tower, Tran Hung Dao St., Hoan Kiem District, Ha Noi

Tel: (04) 3922 4693 Fax: (04) 3933 4822

b) BAO VIET SECURITIES JOINT STOCK COMPANY (BVSC)

Head office in Hanoi

Address: 8, Le Thai To Street, Hoan Kiem District, Hanoi

Tel: (04) 3928 8080 Fax: (04) 3928 9888

Hochiminh City Branch Office

Address: 8th Floor, Bao Viet Group Building, 233 Dong Khoi St., District 1, Hochiminh City.

Tel: (08) 3914 6888 Fax: (08) 3914 7999

2. List of other distributors:

VFMVN30 ETF has not yet any distributors currently. In case of having distributors, VFM shall update information to investors.

ANNEX 2: THE SUGGESTION FORMS OF CONTRIBUTION REGISTRATION FOR ESTABLISHMENT AND CREATION

1. Form of contribution registration to VFMVN30 ETF
2. Form of suggestion for freezing and transferring the ownership of the contribution component securities.
3. List of contributed component securities.
4. The balance confirmation written of members where opened by investors using account for contributed component securities.
5. Form of suggestion for adjustment and cancellation of Creation Orders
6. Creation Orders (attached list of component securities and the balance confirmation written of members where opened by the investors using account for component securities depository)
7. Redemption Orders (with attachment of list of ETF certificates Creation Units and balance confirmation in written of the members where opened by investors using account for fund certificates depository)



VIETFUND
MANAGEMENT

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