

**DCVFMVNMIDCAP ETF**

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**CHARTER**

**ON**

**ORGANIZATION AND OPERATION**

**Ho Chi Minh City, April 2023**

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## 1. LEGAL BASES

The establishment and operation of DCVFMVNMIDCAP ETF and related matters are governed by:

- Law on Enterprises No. 59/2020/QH14 passed by the National Assembly on 17 June 2020 and effective as from 1 January 2021, and its guiding documents.
- Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on 26 November 2019 and effective as from 1 January 2021;
- Decree No. 155/2020/ND-CP dated 31 December 2020 of the Government providing detailed regulations on implementation of a number of articles of the Law on Securities, effective as from 1 January 2021;
- Decree No. 156/2020/ND-CP dated 31 December 2020 of the Government regulating penalties for administrative breaches in the securities and securities market sector, effective as from 1 January 2021;
- Circular 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance regulating the accounting regime applicable to open-ended fund;
- Circular 101/2021/TT-BTC dated 17 November 2021 of the Ministry of Finance regulating service prices in the securities sector applicable at the Stock Exchanges and Vietnam Securities Depository and Clearing Corporation; effective as from 1 January 2022;
- Circular 102/2021/TT-BTC dated 17 November 2021 of the Ministry of Finance regulating service prices in the securities sector applicable at securities business organizations and commercial banks participating in the securities market of Vietnam; effective as from 1 January 2022;
- Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance providing guidelines for disclosure of information on the securities market, effective as from 1 January 2021;
- Circular No. 98/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance providing guidelines on operation and management of securities investment funds, effective as from 1 January 2021;
- Circular No. 99/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance providing guidelines on operation of securities investment fund management companies, effective as from 1 January 2021;
- Circular No. 119/2020/TT-BTC regulating activities of registration, depository, clearance and settlement for securities transactions;
- Circular No. 120/2020/TT-BTC regulating trading of shares listed and registered for trading and fund certificates, corporate bonds and secured warrants listed on the securities trading system;
- Other relevant legal documents.

## 2. DEFINITIONS

Unless otherwise required by the context, the following words and expressions shall have the following meanings:

“DCVFMVNMIDCAP ETF”	means an open-ended securities investment fund formed from receipt and exchange of Component Securities Baskets for fund certificates. Fund certificates are listed and traded on the HCMC Stock Exchange.
“Fund Management Company”	means Dragon Capital Vietfund Management (hereinafter referred to as DCVFM Fund Management Company), established under Licence No. 45/UBCK-GP dated 8 January 2009 of the SSC and Amended Licence No. 88/GPDC-UBCK dated 30 December 2020 of the SSC, and operating in the sectors of managing securities investment funds, securities investment companies, managing securities investment portfolios and providing consultancy on securities investment. DCVFM Fund Management Company is the company raising capital for, and managing, DCVFMVNMIDCAP Fund.
“HCMC Stock Exchange”	(hereinafter referred to as HOSE) means a legal entity, organized in the form of one-member limited liability company and operating in accordance with the Law on Securities, the Law on Enterprises, VNX’s charter and other provisions of relevant laws.
“Hanoi Stock Exchange”	(hereinafter referred to as HNX) means a State-owned legal entity, organized in the form of one-member limited liability company and operating in accordance with the Law on Securities, the Law on Enterprises, Vietnam Exchange’s charter and other provisions of relevant laws.
Vietnam Securities Depository and Clearing Corporation	(hereinafter referred to as VSDC VSDCC) means a State-owned legal entity, organized in the form of one-member limited liability company and operating in accordance with the Law on Securities, the Law on Enterprises, Vietnam Exchange’s charter on organization and operation and other provisions of relevant laws.
"Custodian Bank"	(hereinafter referred to as the Custodian Bank) means Standard Chartered Bank (Vietnam) Limited, under Licence of Establishment and Operation no.56/GP-NHNN issued by State bank of Vietnam on November 27 <sup>th</sup> 2023, replaced for License no. 236/GP-NHNN issued by State bank of Vietnam on September 8 <sup>th</sup> 2008 along with the related papers in adjusting or supplementing License (and any adjusted, supplemented or replaced versions at the certain point of time) and issued by the SSC with Certificate of Registration of Securities Depository Operation No. 08/GCN-UBCK on 7 May 2015 (and any adjusted, supplemented or replaced versions at the certain point of time), and implementing the following professional operations: safekeeping and depository of securities, economic contracts and source vouchers relating to the Fund's assets, and at the same time

	supervising the activities of the Fund. Rights and obligations of the Custodian Bank are stipulated in Chapter VII of this Charter.
“Auditing Company”	means the independent auditing company of DCVFMVNMIDCAP ETF which conducts the annual audit of assets of DCVFMVNMIDCAP ETF and included in the list of auditing companies approved by the State Securities Commission. The auditing company shall be appointed by the general meeting of investors.
“Authorized Participant”	means a securities company with securities brokerage and proprietary trading services or a custodian bank having a certificate of registration of depository activities, which has entered into a contract to establish DCVFMVNMIDCAP ETF with DCVFM Fund Management Company.
“Market Maker”	means a securities company acting as an Authorized Participant selected by DCVFM Fund Management Company to enter into a contract to provide market making services for DCVFMVNMIDCAP ETF. DCVFM Fund Management Company may appoint one or more Authorized Participants as the Market Maker(s) of DCVFMVNMIDCAP ETF.
“Distribution Agent”	means a securities company with securities brokerage operations and a certificate of registration of public fund certificate distribution activities, which enters into a contract for distribution of DCVFMVNMIDCAP ETF Certificates with the Fund Management Company and Authorized Participants.
“Relevant Service Provider”	means the depository bank or VSDC providing one or a number of fund administration services or transfer agent services.
“Fund's Charter”	comprises this document, the attached Appendices and lawful amendments and supplements (if any).
“Prospectus”	means the document or electronic data publishing accurate, truthful and objective information relating to the offering of Fund certificates, the Fund Management Company and the relevant organizations of the Fund.
“Custodian Contract”	means the contract entered into between DCVFM Fund Management Company and the Custodian Bank which is approved by the general meeting of investors of DCVFMVNMIDCAP ETF.
“Investor”	means a domestic or foreign individual or organization holding DCVFMVNMIDCAP ETF Certificates.
“General Meeting of Investors”	means the general meeting of Investors with voting rights which is organized regularly or extraordinarily to approve important issues relating to DCVFMVNMIDCAP ETF. The General Meeting of Investors is the highest authority of DCVFMVNMIDCAP ETF.
“Board of Representatives of the Fund”	means the representatives of Investors elected by the General Meeting of Investors to supervise the activities of DCVFMVNMIDCAP ETF,

	DCVFM Fund Management Company and the Custodian Bank on behalf of Investors.
“Charter Capital”	means the net asset value of DCVFMVNMIDCAP ETF at the end of the initial public offering recorded in this Charter.
“DCVFMVNMIDCAP ETF Certificate ”	means the type of securities confirming an Investor's ownership of a capital contribution portion in DCVFMVNMIDCAP ETF. The par value of a Fund certificate is VND 10,000.
“Creation Unit”	One DCVFMVNMIDCAP ETF Creation Unit consists of one hundred thousand (100,000) Certificates. DCVFMVNMIDCAP ETF Creation Unit is the trading unit in transactions under the basket exchange regime between DCVFMVNMIDCAP ETF and Authorized Participants and Investors. The Fund Management Company is entitled to adjust the number of Fund certificates in one DCVFMVNMIDCAP ETF Creation Unit, however, one Creation Unit must be ensured to consist of no less than one hundred thousand (100,000) Fund certificates.
“Reference Index / VNMidcap Reference Index” (VNMidcap)	means the price index built from the component stock basket of VNAllshare, comprising 70 companies with the capitalized value after VN30 satisfying the eligibility to participate in the index set and the screening conditions in accordance with regulations. For detailed information about this index, please refer to HOSE's website.
“Component Securities”	means the underlying securities which make up the securities basket of the Reference Index, not including derivative securities.
“Component Securities Basket”	means the basket of Component Securities designed to replicate the performance of the Reference Index and accepted by the Fund Management Company in transactions of exchange for DCVFMVNMIDCAP ETF Creation Units.  The basket of component securities in swap transactions shall satisfy the following conditions: a) The benchmark index is made up by at least 50% of its underlying securities; b) The value of the component securities is not smaller than 95% of the value of the corresponding basket of the index.
“Initial Issue Price”	means the price used by the Fund Management Company as the basis for distribution of DCVFMVNMIDCAP ETF Creation Units to Authorized Participants and Investors in order to redeem the Component Securities Basket. The Initial Issue Price equals the total par value of one Creation Unit (in the initial public offering) plus the Issue Service Price prescribed in clause 10 of Article 16 of this Charter.



<p>“Exchange Traded Price”</p>	<p>means the price used by the Fund Management Company as the basis for exchanging one Creation Unit for the Component Securities Basket from an Authorized Participant or an Investor and vice versa. The Exchange Traded Price of the Component Securities Basket for one Creation Unit (also called the Issue Price) equals the net asset value per Creation Unit calculated at the end of the day immediately preceding the Exchange Traded Day plus the issue service price applicable to the exchange transaction.</p> <p>The Exchange Traded Price of one Creation Unit for the Component Securities Basket (also called the Redemption Price) equals the net asset value per Creation Unit calculated at the end of the day immediately preceding the Exchange Traded Day minus the redemption service price applicable to the exchange transaction.</p>
<p>“Transaction Value”</p>	<p>The Transaction Value in the initial public offering is equal to the total par value of one Creation Unit multiplied by the quantity of DCVFMVNMIDCAP ETF Creation Units distributed.</p> <p>The Transaction Value in an exchange transaction is equal to the net asset value per Creation Unit at the end of the day immediately preceding the Exchange Traded Day multiplied by the quantity of DCVFMVNMIDCAP ETF Creation Units exchanged in the transaction.</p>
<p>“Issue Service Price”</p>	<p>means the service price payable by an Authorized Participant or an Investor to the Fund Management Company when buying DCVFMVNMIDCAP ETF Creation Units in the initial public offering or when conducting a transaction to exchange the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units.</p> <p>This service price is collected upon conducting the transaction and calculated as a percentage of the Transaction Value of the DCVFMVNMIDCAP ETF Creation Units. This Issue Service Price will be prescribed in clause 10 of Article 16 of this Charter.</p>
<p>“Redemption Service Price”</p>	<p>means the service price payable by an Authorized Participant or an Investor to the Fund Management Company when conducting a transaction to exchange DCVFMVNMIDCAP ETF Creation Units for the Component Securities Basket.</p> <p>This service price is calculated as a percentage of the Transaction Value of the DCVFMVNMIDCAP ETF Creation Units. This Redemption Service Price will be prescribed in clause 10 of Article 16 of this Charter.</p>
<p>“Fund Yield”</p>	<p>means the remaining profits of DCVFMVNMIDCAP ETF after deducting eligible expenses and decided by the General Meeting of Investors to be distributed in proportion to the ownership ratios of Investors.</p>

“Fiscal Year”	means the twelve months from the beginning of 1 January to the end of 31 December of every Gregorian year. The first Fiscal Year of DCVFMVNMIDCAP ETF will be calculated from the date DCVFMVNMIDCAP ETF is issued with a certificate of registration of establishment of the Fund by the SSC to the end of 31 December of the same year.
“Net Asset Value of the Fund”	is the total value of DCVFMVNMIDCAP ETF’s assets minus the value of its liabilities by the day before the valuation day.
“Net Asset Value per Creation Unit”	equals the Net Asset Value of the Fund divided by the total number of DCVFMVNMIDCAP ETF Creation Units. The Fund Management Company is responsible to determine the Net Asset Value per DCVFMVNMIDCAP ETF Creation Unit on a daily basis.
“Net Asset Value per Fund certificate”	equals the Net Asset Value of the Fund divided by the total number of Outstanding Fund certificates. The Fund Management Company is responsible to determine the Net Asset Value per DCVFMVNMIDCAP ETF Certificate on a daily basis.
“Indicative Net Asset Value per Fund certificate”	(hereinafter referred to as iNAV) means the Net Asset Value per DCVFMVNMIDCAP ETF Certificate determined on the basis of the market price of Component Securities from the most recently conducted transaction in the trading session. This value is calculated and provided by HOSE.  The Indicative Net Asset Value per Fund certificate is an indicative value only, not a value to determine the traded price. The Indicative Net Asset Value is updated at least every fifteen seconds (15s) and is published on the websites of DCVFM Fund Management Company and on the system of HOSE.
“Valuation Day”	means the day on which DCVFM Fund Management Company determines the Net Asset Value of DCVFMVNMIDCAP ETF in accordance with current laws.
“Basket Exchange”	means the exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa. This transaction is conducted between DCVFMVNMIDCAP ETF and Authorized Participants or Investors, satisfying the conditions prescribed in this Charter.
“Exchange Traded Orders”	consist of buy orders in which Authorized Participants and Investors request that the Fund receive the Component Securities Basket and issue DCVFMVNMIDCAP ETF Creation Units, and sell orders in which Authorized Participants and Investors request that the Fund receive DCVFMVNMIDCAP ETF Creation Units and return the Component Securities Basket.
“Exchange Traded Day”	means the Valuation Day on which DCVFMVNMIDCAP ETF, via DCVFM Fund Management Company, issues and redeems

	DCVFMVN MIDCAP ETF Creation Units from Authorized Participants and Investors in accordance with the Basket Exchange regime.
“Cut-off Time”	Means the last point of time at which a Distribution Agent or Authorized Participant receives Exchange Traded Orders from Investors for execution during an Exchange Traded Day. The Cut-off Time may not be later than the market closing time during an Exchange Traded Day of HOSE and is specified in the Prospectus. The Cut-off Time is 14:44 on an Exchange Traded Day (day T). Where there is any change to the Cut-off Time, the Fund Management Company will provide prior notice on its website and update the Prospectus.
“Investment Fund Administration Services”	means the services authorized by the Fund Management Company to a Relevant Service Provider to provide, comprising the following activities: <ul style="list-style-type: none"> <li>- Making accounting entries of transactions of the Fund: recording changes to the cash flows into and out of the Fund;</li> <li>- Preparing financial statements of the Fund; coordinating with and supporting the auditing organization of the Fund in conducting audit of the Fund;</li> <li>- Determining the Net Asset Value of the Fund, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate in accordance with law and this Charter;</li> <li>- Conducting other activities in accordance with law, this Charter and the contract entered into with DCVFM Fund Management Company;</li> </ul>
“Transfer Agent Services”	means the services self-executed or authorized by DCVFM Fund Management Company to a Relevant Service Provider to provide, comprising the following activities: <ul style="list-style-type: none"> <li>- Preparing and managing the register of Investors and the system of accounts of Authorized Participants and Investors; and certifying the ownership of Fund certificates;</li> <li>- Recording exchange orders, buy orders and sell orders of Authorized Participants and Investors; transferring the ownership of Fund certificates; and updating the register of Investors;</li> <li>- Assisting Investors in exercising the rights relating to the ownership of Fund certificates of Authorized Participants and Investors;</li> <li>- Conducting other activities in accordance with law, this Charter and the contract entered into with DCVFM Fund Management Company.</li> </ul>
“Related Person”	In accordance with clause 4 of Article 4 of the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on 26 November 2019 and taking effect on 1 January 2021.

“Other Definitions”	Other definitions (if any) shall be construed as prescribed in the Law on Securities and other relevant legal documents.
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## Chapter I

### GENERAL PROVISIONS

#### **Article 1. Name and contact address**

Name of the investment fund:	Quỹ ETF DCVFMVNMIDCAP
English name:	DCVFMVNMIDCAP ETF
Contact address:	15 <sup>th</sup> Floor, Me Linh Point Tower, 02 Ngo Duc Ke, Ben Nghe Ward, District 1, HCMC
Telephone:	+824 83825 1488
Fax:	+824 83825 1489
Website:	<a href="https://dragoncapital.com.vn/">https://dragoncapital.com.vn/</a>

#### **Article 2. Operational duration of the Fund**

The term of operation of DCVFMVNMIDCAP ETF is calculated from the date the Fund is issued with a licence for establishment of the Fund by the State Securities Commission, and is indefinite.

#### **Article 3. Organizational principles**

1. DCVFMVNMIDCAP ETF is an open-ended public fund, formed from the receipt and exchange of the Component Securities Basket for Fund certificates and is listed and traded on HOSE.
2. During the operational duration, DCVFMVNMIDCAP ETF has the obligation to exchange the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa. These transactions are conducted between DCVFMVNMIDCAP ETF and Authorized Participants or Investors satisfying the provisions of current laws and the conditions stipulated in the Charter and the Prospectus of the Fund.
3. Assets of DCVFMVNMIDCAP ETF are deposited and supervised by the Custodian Bank.
4. The highest authority of DCVFMVNMIDCAP ETF is the General Meeting of Investors.
5. The Board of Representatives of DCVFMVNMIDCAP ETF shall be elected by the General Meeting of Investors to supervise regular activities of DCVFMVNMIDCAP ETF, DCVFM Fund Management Company and the Custodian Bank.
6. DCVFM Fund Management Company is appointed by the General Meeting of Investors to manage investment activities of the Fund.

#### **Article 4. Total mobilized capital and quantity of DCVFMVNMIDCAP ETF Certificates in the initial offering**

1. The total capital of DCVFMVNMIDCAP ETF is formed by the capital contributions by Authorized Participants and Investors.
2. In the initial offering, each Investor shall subscribe for at least one (01) Creation Unit, and each Authorized Participant shall subscribe for DCVFMVNMIDCAP ETF Creation Units as agreed between such Authorized Participant and DCVFM Fund Management Company ensuring that at least one (01) Creation Unit [must be subscribed for].
3. Authorized Participants and Investors shall contribute capital for establishment of DCVFMVNMIDCAP ETF by way of the Component Securities Basket. Capital contribution in cash shall be conducted only in certain cases as stipulated in Circular 98/2020/TT-BTC. The Component Securities Basket and the quantity of Creation Units distributed to Authorized Participants and Investors shall be determined on the basis of the Reference Index on the final

trading day in the offer tranche. The payment regime and form, the principles for determination of the quantity of Fund certificates distributed to Investors on the basis of the capital contribution by way of the Component Securities Basket, and the procedures and conditions for additional payment in cash shall be detailed in the Prospectus.

4. The sequence, procedures and conditions for registration and contribution of capital for establishment of DCVFMVNMIDCAP ETF are detailed in the Prospectus.
5. The entire Component Securities Basket of Authorized Participants and Investors shall be placed in an escrow account at VSDC. Immediately after the effective date of the certificate of registration of establishment of the Fund, these assets shall be deposited in the DCVFMVNMIDCAP Fund's depository account opened at the Custodian Bank.
6. The Charter Capital raised in the initial public offering of DCVFMVNMIDCAP ETF is sixty (60) billion Vietnamese dong, equivalent to sixty (60) DCVFMVNMIDCAP ETF Creation Units. The par value of each Fund certificate is VND ten thousand (10,000).
7. Within 30 (thirty) days from the effective date of the certificate of registration of establishment of the Fund, DCVFM Fund Management Company shall complete the procedures for listing DCVFMVNMIDCAP ETF Certificates at the HCMC Stock Exchange.

#### **Article 5. Appointment of agent to raise capital and offer Fund certificates**

1. DCVFMVNMIDCAP ETF appoints DCVFM Fund Management Company as the sole agent to raise capital and issue DCVFMVNMIDCAP ETF Certificates.
2. The legal representative of DCVFM Fund Management Company is appointed as the agent to raise capital and make public offering of DCVFMVNMIDCAP ETF Certificates.

#### **Article 6. Fund Management Company**

The Fund Management Company: Dragon Capital Vietfund Management Joint Stock Company (DCVFM).

Licence for Establishment and Securities Business Operation No.: 45/UBCK-GP dated 8 January 2009 of the State Securities Commission. Amended licence No. 88/GPDC-UBCK dated 30 December 2020 of the SSC. DCVFM Fund Management Company is the official Fund Management Company of DCVFMVNMIDCAP ETF. The Company's operation shall be governed by the Law on Securities, the Law on Enterprises and relevant laws (if any).

DCVFM Fund Management Company has its head office at:

15<sup>th</sup> Floor, Me Linh Point Tower, 02 Ngo Duc Ke, District 1, HCMC, Vietnam.

Telephone: (84-28)-3825 1488      Fax: (84-28)-3825 1489

Website: [www.dragoncapital.com.vn](http://www.dragoncapital.com.vn)

And its branch at:

24<sup>th</sup> Floor, Tower 1, Capital Palace, 29 Lieu Giai, Ngoc Khanh Ward, Ba Dinh District, Hanoi

Telephone: (84-24) 39428168/ 39360203      Fax: (84-24) 39428169

#### **Article 7. Custodian Bank**

Standard Chartered Bank (Vietnam) Limited, a bank with 100% foreign owned capital, established under Licence for Establishment and Operation No.56/GP-NHNN issued by State bank of Vietnam on November 27<sup>th</sup> 2023, replaced for License no. 236/GP-NHNN issued by State bank of Vietnam on September 8<sup>th</sup> 2008 along with the related papers in adjusting or supplementing License (and any adjusted, supplemented or replaced versions at the certain point of time) and issued with Certificate of

Registration of Securities Depository Operation No. 08/GCN-UBCK by the State Securities Commission on 7 May 2015 (and any adjusted, supplemented or replaced versions at the certain point of time), provides the following services to securities investment funds established in Vietnam: depository services, fund administration services, custodian bank services and other depository-related services.

The rights and obligations of the Custodian Bank are stipulated in Chapter VII of this Charter.

Head office: 3rd Floor, Unit CP1.L01 & CP2.L01, Capital Place, 29 Lieu Giai, Ngoc Khanh Ward, Ba Dinh District, Hanoi, Vietnam

Telephone: (84-24) 3936 8000

Fax: (84-24) 3837 8356

## **Chapter II**

### **PROVISIONS ON INVESTMENT OBJECTIVES, STRATEGIES AND RESTRICTIONS**

#### **Article 8. Investment objectives**

The objective of DCVFMVNMIDCAP ETF is to replicate the performance of the Reference Index as close as possible.

#### **Article 9. Investment strategies**

1. Investment strategies:

DCVFMVNMIDCAP ETF uses the sampling strategy to carry out pre-determined investment objectives. The Fund will be directed towards sample selection and optimization, giving priority to stocks with high capitalization value and liquidity in and outside the Reference Index basket in order to (1) limit liquidity risks for the investment portfolio and (2) streamline the portfolio to enable Authorized Participants to easily conduct exchange traded and market making activities while ensuring that tracking errors comply with regulations.

2. Intended investment business lines and sectors:

Pursuant to the investment strategies, DCVFMVNMIDCAP ETF may invest in all business lines of the Vietnamese securities market which are not prohibited by law. The investment structure according to the business lines of DCVFMVNMIDCAP ETF may vary subject to changes in the Reference Index basket and investment strategies of the Fund.

3. The invested portfolio of DCVFMVNMIDCAP ETF comprises:

Securities in the Reference Index basket and the following assets

- a. Deposits in commercial banks in accordance with the law on banking; The fund management company shall only make deposits and invest in money market instruments including financial instruments and negotiable instruments as prescribed by law at the credit institutions approved by the fund's representative board.
- b. Monetary market instruments including valuable papers and negotiable instruments in accordance with law;
- c. Debt instruments of the Government, Government-guaranteed bonds, and municipal bonds;
- d. Listed stocks, stocks registered for trading, bonds listed on stock exchanges and public fund certificates;
- e. Derivative securities listed and traded on stock exchanges and only aimed at hedging for underlying securities currently held by the Fund and minimizing tracking errors;
- f. Accrued rights attached to securities currently held by the Fund.

## **Article 10. Investment restrictions**

1. The investment portfolio of DCVFMVNMIDCAP ETF must match the investment objectives and strategies specified in Article 9 of this Charter and the Prospectus. The investment portfolio of DCVFMVNMIDCAP ETF must match the Reference Index basket in terms of the structure and weighting of assets and must ensure that the tracking error of the Net Asset Value per Creation Unit of the ETF must not exceed the maximum tracking error in accordance with its Charter, the regulations of stock exchanges and provisions of law.
2. The investment portfolio structure of DCVFMVNMIDCAP ETF must comply with the provisions of the Fund's Charter and ensure the following:
  - a. Not to invest in securities of an issuing organization for more than 10% of the total value of outstanding securities of such organization, except for debt instruments of the Government;
  - b. Not to invest more than 20% of the total value of assets of the Fund in outstanding securities and the assets (if any) prescribed in sub-clauses a and b of clause 3 of Article 9 of this Charter of one issuing organization, except for debt instruments of the Government;
  - c. Except for Component Securities included in the Reference Index basket, not to invest more than 30% of the total value of assets of the Fund in the assets prescribed in sub-clauses a, b, d and e of clause 3 of Article 9 of this Charter, issued by companies in the same group of owner-related companies in the following cases: parent company and subsidiary company; companies owning more than 35% of shares or capital contributions of one another; or a group of subsidiary companies having the same parent company;
  - d. Not to invest in its own Certificates;
  - e. To invest only in public fund certificates, stocks of other securities investment companies managed by other fund management companies and to ensure the following restrictions:
    - Not to invest in more than 10% of the total number of outstanding fund certificates of one public fund or outstanding stocks of one public securities investment company;
    - Not to invest more than 20% of the total value of assets of the Fund in fund certificates of one public fund or one public securities investment company;
    - Not to invest more than 30% of the total value of assets of the Fund in public fund certificates or stocks of public securities investment companies;
  - f. Not to invest in real property, unlisted stocks, stocks not yet registered for trading of public companies, capital contribution portions in limited liability companies or privately placed bonds, except where they are assets the Fund enjoys from owner's rights;
  - g. Not to invest in securities issued by the Fund Management Company, Related Persons of the Fund Management Company, or Authorized Participants except where they are Component Securities included in the Reference Index basket;
  - h. At all times, the total global exposure of derivative securities contracts and the balance of payables of the Fund may not exceed the Net Asset Value of the Fund.
3. The Fund Management Company may not use capital and assets of the Fund to provide a loan or a guarantee for any loan. The Fund Management Company may not borrow for investment, except for short-term loans made in accordance with the law on banking to cover necessary costs for the Fund or to make payments for Fund certificate transactions with Investors. The total value of short-



term loans of the Fund must not exceed five percent (5%) of the Net Asset Value of the Fund at all times and the maximum loan term is thirty (30) days.

4. The Fund Management Company may not use assets of the Fund to carry out margin trading (borrowing to buy securities) for the Fund or for any other individual or organization; the fund management company may not use assets of the Fund to carry out short sale or securities lending transactions.
5. The investment structure of the Fund may exceed the investment restrictions stipulated in sub-clauses a, b, c and e of clause 2 of this Article only and for the following reasons only:
  - a. Fluctuations in market price of assets on the investment portfolio of the Fund;
  - b. Payments of the Fund made in accordance with law, including conducting trading orders of Investors;
  - c. Division, separation, consolidation and merger of issuing organizations;
  - d. Current dissolution of the Fund;
  - e. Changes to the securities basket structure of the Reference Index;
  - f. Recent issuance of an establishment licence for the Fund and the Fund has not been in operation for more than 03 months from the date of issuance of the certificate of registration of establishment of the Fund.
6. Within a three (03) month period from the date a deviation arises for any of the reasons prescribed in sub-clauses a, b, c, d, e and f of clause 5 of this Article, the Fund Management Company has the obligation to notify the State Securities Commission and adjust the investment portfolio structure to ensure compliance with clause 2 of this Article.
7. If a deviation results the Fund Management Company's failure to comply with the investment restrictions stipulated by law or this Charter, the Fund Management Company must adjust the investment portfolio within a time-limit of fifteen (15) days from the date of discovery of the deviation. The Fund Management Company must pay compensation for damage (if any) to the Fund and must bear all costs arising in relation to the adjustment of the investment portfolio. If any profit arises, such profit must be immediately accounted for as profit earned for the Fund.
8. Within a time-limit of the regulations from the date of completion of the adjustment of the investment portfolio, the Fund Management Company must disclose information in accordance with regulations, and at the same time notify the State Securities Commission of the deviations in the investment portfolio structure, the reasons therefor, the time when the event arose or was discovered, the extent of damage and compensation for damage (if any) to the Fund or profit (if any) generated to the Fund, the remedial measures, and the timing and results of remedy.
9. The fund shall make indirect outward investments in accordance with regulations of the Law on investment after obtaining SSC's approval, and must comply with the following rules:
  - a) The fund has obtained the indirect outward investment limits set by SBV;
  - b) The fund shall only make indirect outward investment in the assets specified in the fund's charter and in conformity with SBV's regulations;
  - c) The fund's outward investment shall not exceed 20% of its NAV and its registered investment limit certified by SBV.

d) The fund's indirect outward investments, indirect outward investment limits and adjustment thereof shall comply with regulations on investments, investment limits and adjustment thereof laid down in this Article.

#### **Article 11. Method of investment selection**

In order to replicate the Reference Index, the Fund will, using the sampling strategy, invest in the Component Securities of VNMidcap Reference Index. Where the Reference Index has changes during regular or irregular reviews, the Fund will adjust the weightings of the codes in the basket based on the changes of the Reference Index.

### **Chapter III**

#### **INVESTORS, REGISTER OF INVESTORS AND FUND CERTIFICATE TRANSACTIONS**

#### **Article 12. Investors**

1. Investors of DCVFMVNMIDCAP ETF are domestic and foreign organizations and individuals owning at least one (01) DCVFMVNMIDCAP ETF Certificate. Investors shall not bear any legal liability for nor have any other obligations to the Fund other than the liabilities within the scope of the number of Fund certificates they own. Institutional Investors comprise economic and social organizations recognized by the law of Vietnam. An Investor being a legal person shall appoint a lawful representative to represent the number of Fund certificates it owns. Nomination, cancellation or replacement of such representative must be notified in writing, signed by the authorized representative of the institutional Investor.
2. State owned agencies and units of the people's armed forces of Vietnam may not engage in capital contribution to establish the Fund or buy DCVFMVNMIDCAP ETF Certificates. Capital contribution to establish the Fund or purchase of Fund certificates by credit institutions, insurance enterprises, securities business organizations or State owned single member limited liability companies shall be made in accordance with relevant specialized laws.
3. There is no ownership ratio restriction with respect to foreign Investors in DCVFMVNMIDCAP ETF.
4. The Fund Management Company and Related Persons of the Fund Management Company may make capital contributions to establish the Fund, buy Fund certificates and trade DCVFMVNMIDCAP ETF Certificates currently managed by the Company at the same trading prices applicable to other Investors.

#### **Article 13. Rights and obligations of Investors**

1. An Investor has the following rights and obligations:
  - a. To enjoy benefits from investment activities of the securities investment fund in proportion to the capital contribution ratio;
  - b. To request that DCVFM Fund Management Company, on behalf of DCVFMVNMIDCAP ETF, conduct an exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa as prescribed this Charter.
  - c. To transfer or sell DCVFMVNMIDCAP ETF Certificates through the trading system of stock exchanges in accordance with the applicable laws on securities and the securities market.
  - d. To enjoy the benefits and assets lawfully distributed from the liquidation of assets of the Fund in proportion to the quantity of Fund certificates owned by the Investor (if any remaining).

- e. To initiate legal action against the securities investment fund management company, the Custodian Bank or a relevant organization if such organization breaches its lawful rights and interests;
  - f. To be entitled to equal treatment with each Fund certificate entitling its owner to equal rights, obligations and interests;
  - g. The right to transfer Fund certificates freely, except where transfer is restricted in accordance with law and the Fund's Charter;
  - h. The right to full access to regular information and extraordinary information about the operation of the Fund;
  - i. Rights and responsibilities to attend meetings of the General Meeting of Investors and exercise the right to vote in person or via a proxy or remote voting (by post, fax, email, attendance at online conference, electronic voting or other electronic forms);
  - j. To exercise its rights through the General Meeting of Investors and to be obliged to observe decisions of the General Meeting of Investors, comply with the fund Charter;
  - k. To pay in full the Component Securities Basket, DCVFMVNMIDCAP ETF Certificates or money to buy DCVFMVNMIDCAP ETF Certificates as committed within the prescribed time-limit and to be liable for the debts and other property obligations of the Fund within the extent of the amount paid upon buying Fund certificates.
  - l. Other rights and obligations in accordance with the law on securities and this Charter.
2. An Investor or a group of Investors owning 5% or more of the total number of outstanding Fund certificates has the following rights:
- a. To review and make an extract from the minutes book and resolutions of the Board of Representatives of the Fund, annual financial statements and reports of the Custodian Bank relating to the operation of the Fund;
  - b. To request that the Fund Management Company convene an extraordinary meeting of the General Meeting of Investors in the following cases:
    - The Fund Management Company or the Custodian Bank breaches any right of Investors or any obligation of the Fund Management Company or the Custodian Bank, or issues a decision exceeding its authority prescribed in the Fund's Charter, the Custodian Contract or assigned by the General Meeting of Investors, causing losses to the Fund;
    - The term of the Board of Representatives of the Fund has expired for more than 06 months and no replacement has been elected;
    - Other cases as prescribed in the Fund's Charter;
  - c. To request that the Fund Management Company or the Custodian Bank explain abnormal issues relating to assets and asset management or trading activities of the Fund. Within a time-limit of 15 days from the date of receipt of the request, the Fund Management Company or the Custodian Bank must respond to the Investor(s);
  - d. To recommend issues to be included in the meeting agenda of the General Meeting of Investors. Recommendation must be made in writing and sent to the Fund Management Company no later than three (03) business days before the opening date;
  - e. Other rights and obligations as prescribed in the Fund's Charter.

3. An Investor or a group of Investors owning 10% or more of the total number of outstanding Fund certificates has the right to nominate people to the Board of Representatives of the Fund. The sequence and procedures for nomination shall apply similar to the provisions in the law on enterprises applicable to nomination to the Board of Management by a shareholder or group of shareholders owning 10% or more of the total number of ordinary shares.
4. A request or recommendation of an Investor or a group of Investors as prescribed in clauses 2 and 3 of this Article must be made in writing and must contain the full name(s), contact address, number of civil identity card or citizen identity card or passport or other lawful personal identification; name, head office address, nationality, number of enterprise registration certificate or number of decision on establishment in respect of an institutional Investor; number of Fund certificates held and holding time of each Investor, total number of Fund certificates of the whole group of Investors and ownership ratio in the total number of outstanding Fund certificates of the Fund; contents of the request or recommendation; grounds and reason. In the case an extraordinary meeting of the General Meeting of Investors is convened in accordance with sub-clause b of clause 2 of this Article, documents proving the reason for such convening; or documents and evidence of the breach of the Fund Management Company or the Custodian Bank, or of a decision exceeding the authority prescribed in the Fund's Charter or the Custodian Contract must be enclosed.

**Article 14. Criteria and conditions applicable to Investors participating in an exchange transaction**

1. An Investor owning Component Securities and satisfying the requirements on weightings and quantity of securities in the Component Securities Basket as notified by the Fund Management Company when they conduct trading in exchange for DCVFMVNMIDCAP ETF Creation Units, except where an Investor conducting an exchange transaction for DCVFMVNMIDCAP ETF Creation Units makes an additional payment in cash and/or an Authorized Participant or Distribution Agent buys the Component Securities Basket for Investors.
2. An Investors owning at least 01 (one) DCVFMVNMIDCAP ETF Creation Unit when carrying out a transaction to exchange Fund certificates for Component Securities.
3. An Investor may carry out an exchange transaction only through the Authorized Participant where the Investor opens a securities trading account and with whom it has entered into a service contract for exchange trading.

**Article 15. register of Investors**

1. Within a time limit of five (05) days from the effective date of the certificate of registration of establishment of the Fund, the organization providing Transfer Agent Services is responsible to prepare the register of Investors and certify the ownership of Authorized Participants and Investors of the quantity of DCVFMVNMIDCAP ETF Certificates registered to buy. The register of Investors of DCVFMVNMIDCAP ETF may be a written document or an electronic file or both. The register of Investors must record correctly and fully the following main items:
  - a. Name; head office address of the Fund Management Company; name and head office address of the Custodian Bank; full name of the Fund; and codes of the listed securities of the Fund (if any);
  - b. The total number of Fund certificates permitted to be offered, the total number of Fund certificates already sold and the total value of capital raised for the Fund;

- c. Information about Investors and Authorized Participants:
    - (i) Regarding individuals: Full name of the Investor, No. of valid civil identity card or No. of citizen identity card or No. of valid passport or other lawful personal identification, contact address, contact telephone number, email address (if any);
    - (ii) Regarding organizations: Full name, abbreviated name, transaction name, head office address, enterprise registration certificate or Decision no. of establishment; full name, No. of civil identity card or No. of valid passport, contact address, contact telephone number and email address of the individual authorized by the organization to trade Fund certificates;
  - d. Securities depository account number (if any); account number of the Investor or sub-account enclosed; securities trading registration code (of foreign Investors); number of DCVFMVNMIDCAP ETF Creation Units owned; ownership ratio; date of registration to buy and date of payment; enclosed certification of VSDC of the detailed Component Securities Basket of each Authorized Participant or Investor currently frozen for the purpose of inclusion in DCVFMVNMIDCAP ETF; securities trading registration code (of foreign Investors);
  - e. Date of registration of ownership of Fund certificates (in the main book);
  - f. Date of preparation of the register of Investors.
2. Within a time-limit of ten (10) days from the effective date of the certificate of registration of establishment of the Fund, the organization providing Transfer Agent Services must register and deposit Creation Units for Authorized Participants and Investors at VSDC. A file for registration and depository of DCVFMVNMIDCAP ETF Creation Units is made in accordance with guidelines of VSDC.
  3. The quantity of DCVFMVNMIDCAP ETF Creation Units issued [and/or] redeemed on the next trading day shall be automatically updated, registered, and deposited into its system in accordance with its guidelines.
  4. The Fund Management Company and the organization providing Transfer Agent Services must always have complete information about the ownership of each Investor. Information about assets of an Investor in the main book is the evidence confirming ownership of Fund certificates of such Investor. Ownership of an Investor is established from the time the information about the ownership of such Investor is updated in the main book.
  5. The register of Investors is kept at the head offices of the organization providing Transfer Agent Services and the Fund Management Company.

**Article 16. Exchange trading of Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa (primary trading)**

1. An exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa applicable to Authorized Participants and Investors shall be implemented in accordance with the following principles:
  - a. Only Authorized Participants participate in direct exchange transactions with the Fund Management Company;
  - b. Investors are permitted to conduct exchange trading only via Authorized Participants where they have opened securities trading accounts and with whom they have entered into service contracts for exchange trading;

- c. Authorized Participants and Investors are permitted to conduct additional exchange trading in cash in the following cases:
- A difference between the value of the Component Securities Basket and the Exchange Traded Price of a DCVFMVNMIDCAP ETF Creation Unit arises.
  - An Authorized Participant or an Investor is restricted from transfer of securities codes included in the Component Securities Basket in accordance with law, or an Authorized Participant or Investor owns 25% or more of the outstanding stocks of an organization, or an Authorized Participant or Investor owns stocks issued by such Authorized Participant or Investor itself and such Authorized Participant or Investor has not yet carried out the procedures for public offer to acquire or trading of treasury stocks in accordance with relevant laws. The Authorized Participant or Investor shall notify the Fund Management Company of the exchanged securities codes requiring additional payment in cash, and shall be solely responsible and shall provide explanations when requested by an administrative agency and the Fund Management Company. The method for registration and implementation shall be stipulated specifically in the Prospectus. The method, procedures and conditions for the additional payment in cash as well as method, procedures for declaration with Authorized Participant and Investors when the Fund shall be detailed in the Prospectus.
- d. Investors are permitted to make payments in cash and/or by other assets to Authorized Participants and Distribution Agents. Authorized Participants and Distribution Agents are responsible to purchase sufficiently the Component Securities Basket for Investors prior to placing Exchange Traded Orders for ETF Certificates for Investors. The method of implementation shall comply with the regulations of Authorized Participants, Distribution Agents and VSDC.
- e. The frequency of exchange trading of DCVFMVNMIDCAP ETF is daily (on business days).
- f. The specific trading time of a trading session on the Exchange Traded Day shall be implemented as notified by DCVFM Fund Management Company.
- Reduction of the trading frequency shall be approved by the General Meeting of Investors, ensuring that the trading frequency must be not less than twice (02) in one (01) month.
- If a trading day falls on a public holiday, trading shall be conducted on the next trading day of the Fund.
- An Exchange Traded Day may be suspended in accordance with clauses 6, 7, 8 and 9 of this Article.
- g. The minimum trading unit is one DCVFMVNMIDCAP ETF Creation Unit, equivalent to one hundred thousand (100,000) DCVFMVNMIDCAP ETF Certificates. The Fund Management Company is entitled to adjust the number of Fund certificates in an ETF Creation Unit after publicly announced in its Prospectus; however one Creation Unit must be ensured to consist of no less than 100,000 Fund certificates. In the case of such adjustment, the earliest time of application of the new Creation Unit is fifteen (15) days from the date when the information about the size of the new Creation Units is published on the websites of stock exchanges, VSDC, the Fund Management Company, Authorized Participants and Distribution Agents (if any);
- h. Component Securities/DCVFMVNMIDCAP ETF Certificates for exchange trading

- Component Securities for exchange trading are securities which are included in the exchanged Component Securities Basket as notified by DCVFM Fund Management Company, are freely transferable, and are currently deposited in depository accounts of Authorized Participants [and/or] Investors.
- DCVFMVNMIDCAP ETF Certificates for exchange trading must be freely transferable and currently deposited in depository accounts of Authorized Participants [and/or] Investors.
- Component Securities/DCVFMVNMIDCAP ETF Certificates for exchange trading may be sourced from the following:
  - o In the case of Authorized Participants:
    - ✓ Component Securities/DCVFMVNMIDCAP ETF Certificates currently available on depository accounts of Authorized Participants on the Exchange Traded Day and securities pending payment from buy orders which have been matched prior to the Exchange Traded Day.
    - ✓ Component Securities/DCVFMVNMIDCAP ETF Certificates borrowed by Authorized Participants via the borrowing and lending system of VSDC for the purpose of conducting exchange trading and currently held in escrow accounts.
  - o In the case of Investors:
    - ✓ Component Securities/DCVFMVNMIDCAP ETF Certificates currently available on depository accounts of Investors on the Exchange Traded Day.
- i. Exchange Traded Orders of Investors shall be transferred to an Authorized Participants (including where Investors place Exchange Traded Orders via Distribution Agents of the Fund) and must be kept by the organizations directly receiving Exchange Traded Orders (Authorized Participants or Distribution Agents) in accordance with the law on securities. Exchange Traded Orders of Authorized Participants shall be kept by the Authorized Participants in accordance with the law on securities. If a Distribution Agent or an Authorized Participant receives any trading order via the Internet, telephone or fax, depending on the ability of the Authorized Participant, execution [of the order] in such forms must comply with the provisions on e-transactions and securities, and at the same time, must ensure the following:
  - The time of receipt and the name of the recipient of the order must be recorded on a complete, accurate, timely and clear basis;
  - The original order slip is required to be sent to the Authorized Participant within 03 (three) days from the Cut-off Time.
- j. An Exchange Traded Order may be implemented only when it satisfies at least all the following conditions:
  - [The Exchange Traded Order] is transferred by an Authorized Participant to the organization providing Transfer Agent Services prior to the Cut-off Time. Any order received after the Cut-off Time shall be deemed invalid and shall not be executed. The procedures shall be detailed in the Prospectus;
  - The fund management company confirms the qualified transaction conditions, after VSDC confirming that the Authorized Participant or Investor has the sufficient Component Securities Basket or sufficient Creation Units to complete the payment for the transaction

on the payment date, except for the cases stipulated in sub-clause c of clause 3 of Article 16 of this Charter. In the case of sale of DCVFMVNMIDCAP ETF Certificates, the remaining number of DCVFMVNMIDCAP ETF Certificates of the Authorized Participant after the sale must not be less than the minimum number of Creation Units required to maintain the status of Authorized Participant in accordance with the contract on establishment of the Fund signed with DCVFM Fund Management Company.

- k. Activities of exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units and vice versa shall be implemented in the form of book entry in the depository account system of Authorized Participants, Investors and DCVFMVNMIDCAP ETF at VSDC. The transfer of the Component Securities Basket and DCVFMVNMIDCAP ETF Certificates in payment activities shall be implemented in accordance with the procedures detailed in the Prospectus and in compliance with guidelines of VSDC.
  - l. Payment for the monetary difference arising during exchange trading (if any) shall be detailed in the Prospectus.
2. The procedures for exchange trading are as follows:
- a. Prior to an exchange traded session, DCVFM Fund Management Company is responsible to notify Authorized Participants and publish the Component Securities Basket to be exchanged for one (01) DCVFMVNMIDCAP ETF Creation Unit on its website and on the websites of stock exchanges and VSDC. The information comprises codes of Component Securities, the weighting and number of each code of Component Securities on this basket. The above Component Securities Basket is determined on the basis of the end of the day price immediately preceding the Exchange Traded Day of Fund certificates.
  - b. Exchange Traded Orders from Investors shall be transferred to Authorized Participants directly or via Distribution Agents in accordance with this Charter and the guidelines in the Prospectus. If any Authorized Participant is unable to receive orders from an Investor as the Distribution Agent or the Authorized Participant is dissolved, declared bankruptcy, or its licence for establishment and operation is revoked, or its operation is suspended or temporarily suspended or due to a technical error of the IT system or for any reason of force majeure such as a fire or natural disaster, then trading orders of the Authorized Participant or Investor shall be directly transferred to the Fund Management Company.  
The Authorized Participant shall transfer Exchange Traded Orders of the Authorized Participant or Investor to VSDC prior to the market closing time in accordance with guidelines of VSDC.
  - c. Within one (01) business day as from the Exchange Traded Day, VSDC shall complete transfer of the Component Securities Basket from the depository account of the Authorized Participant or Investor into the depository account of DCVFMVNMIDCAP ETF or vice versa, and at the same time register and deposit DCVFMVNMIDCAP ETF Certificates into the account of the Authorized Participant or Investor. Receipt or refund of payments in cash is stipulated in clause 3 of this Article and detailed in the Prospectus. The Fund Management Company is responsible to confirm completion of the transaction and VSDC confirms ownership of the Authorized Participant or Investor.
  - d. If, within maximum one (01) day from the Exchange Traded Day, but no later than the point of time of allocation of trading results, any error is discovered due to a mistake or mix-up during



the process of placement of orders, collation of information or receipt, transfer or entering of orders into the system, then the Distribution Agent or Authorized Participant must inform VSDC, the Fund Management Company, and the Custodian Bank and request rectification of the trading error in accordance with the procedures and guidelines of VSDC. Beyond the above time-limit, the Distribution Agent or Authorized Participant shall be liable to the Investor for any trading error it has made.

- e. After receiving orders from Authorized Participants or Investors, VSDC is responsible to check the ability to execute clients' orders, ensuring satisfaction of the provisions in sub-clauses g and i of clause 1 of this Article, and to confirm and execute trading orders of Authorized Participants or Investors in accordance with the provisions of this clause and guidelines of VSDC.
3. The Component Securities Basket is the main payment facility in exchange transactions between DCVFMVNMIDCAP ETF and Authorized Participants or Investors except where:
- a. Upon exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units, the value of the Component Securities Basket is less than the Net Asset Value of DCVFMVNMIDCAP ETF Creation Units. The difference arising shall be paid additionally in cash by the Authorized Participant or Investor to the account of DCVFMVNMIDCAP ETF opened at the Custodian Bank as detailed in the Prospectus.
  - b. Upon exchange of DCVFMVNMIDCAP ETF Creation Units for the Component Securities Basket, the value of DCVFMVNMIDCAP ETF Creation Units received by the Fund Management Company from the Authorized Participant or Investor is higher than the value of the Component Securities Basket. This difference shall be paid in cash by the Fund Management Company to the Authorized Participant or Investor as detailed in the Prospectus.
  - c. If the Authorized Participant or Investor is restricted from investment in certain codes of Component Securities contained in the Component Securities Basket, or the Authorized Participant or Investor owns 25% or more of the outstanding stocks of an organization, or the Authorized Participant or Investor owns stocks issued by such Authorized Participant or Investor and such Authorized Participant or Investor has not yet carried out the procedures for public offer to acquire or trading of treasury stocks in accordance with relevant laws, then the Authorized Participant or Investor may make additional payment in cash to the account of DCVFMVNMIDCAP ETF and vice versa as detailed in the Prospectus.
4. If DCVFMVNMIDCAP ETF receives Creation Units from an Authorized Participant or Investor and returns the Component Securities Basket to the Authorized Participant or Investor but it does not have the sufficient quantity of securities of any one Component Securities code or does not own any certain Component Securities code to return to the Authorized Participant or Investor, such return shall be conducted in accordance with the Prospectus.
5. If DCVFMVNMIDCAP ETF receives DCVFMVNMIDCAP ETF Creation Units from an Authorized Participant or Investor and returns the Component Securities Basket to the Authorized Participant or Investor, causing the ratio of ownership of Component Securities to exceed the maximum limit stipulated by law (calculated at the swap accomplishment at VSDC (Day T+1)), or causing the Authorized Participant or Investor to own 25% or more of the outstanding stocks of an organization, or the Authorized Participant or Investor to own stocks issued by such Authorized Participant or Investor itself, VSDC shall be responsible to notify DCVFM Fund Management

Company and request DCVFM Fund Management Company, the Authorized Participant or Investors to do the following:

- a. In the case of a foreign legal entity or individual, DCVFM Fund Management Company is required to sell the quantity of Component Securities causing the excess of the maximum ownership ratio and make monetary payment to the Authorized Participant or Investor by bank transfer.
- b. Where the exchange of the Component Securities Basket to an Authorized Participant or Investor causes such Authorized Participant or Investor to own 25% or more of the outstanding stocks of an organization, or the Authorized Participant or Investor to own stocks issued by such Authorized Participant or Investor itself, and such Authorized Participant or Investor has not yet carried out the procedures for public offer to acquire or trading of treasury stocks in accordance with relevant laws, DCVFM Fund Management Company shall be responsible to sell the securities in excess of the ratio requiring a public offer to acquire or sell all securities issued by such Authorized Participant or Investor and make monetary payment to such Authorized Participant or Investor.

The monetary payment to an Authorized Participant or Investor as stipulated in sub-clauses a and b in this clause depends on the schedule of liquidation of the securities in excess of the maximum ownership ratio or the ownership ratio requiring a public offer to acquire or margin trading in accordance with regulations. The payment made to an Investor is the Transaction Value after deducting taxes and trading expenses in accordance with relevant laws;

If, while DCVFM Fund Management Company sells the Component Securities in excess of the ratio stated in this clause, these securities are entitled to dividends or purchase right, DCVFM Fund Management Company shall implement as follows:

- With respect to dividends in cash, Investors [and/or] Authorized Participants shall be paid in cash after DCVFMVN MIDCAP ETF receives the amount of such dividends.
- With respect to dividends in stocks or bonus stocks, DCVFM Fund Management Company shall make monetary payment after receiving such stocks and selling them successfully.
- With respect to the purchase right, the DCVFM Fund Management Company shall comply with specific regulations published in the Fund Prospectus.

Payments relating to the entitlement to dividends or the right stated above shall be made after 2 (two) business days from the date on which DCVFMVN MIDCAP ETF receives money or successfully sell such dividends or right. The payment made to the Authorized Participant or Investor is the Transaction Value after deducting taxes and trading expenses in accordance with relevant laws.

Based on the notice of VSDC, DCVFM Fund Management Company shall calculate and allocate the returned amount of money to Authorized Participants [and/or] Investors on the principle of first in first out (FIFO) with respect to transactions in different exchange sessions, and then pro-rata with respect to transactions in the same exchange session on the basis of the current solvency of the Fund as well as the proceeds from sale of securities via order matching. As soon as these securities arise, they shall be separately accounted for and monitored. Fund Management Company shall make payments to Authorized Participants or Investors according to the results

of calculation and allocation of the Fund Management Company with the supervisor of Custodian bank..

If the Fund has buy/sell orders of the same securities codes of the basket in the day, the buy sell orders shall be executed before sell orders of the Fund in the Accounting handbook of the fund.

- c. If an Investor's ownership is restricted for any other reason in accordance with law or provisions in the Investor's charter, the Investor shall be responsible to sell the Component Securities in excess of the ownership limit on the trading day immediately after the payment day. Pending adjustment of the ownership ratio to the limits prescribed by law, the Investor is not permitted to exercise the voting right at the general meetings of shareholders of the issuing organizations with respect to the number of Component Securities in excess of the ownership limit in accordance with law.
6. The Fund Management Company has the right to suspend receipt and execution of Exchange Traded Orders for DCVFMVNMIDCAP ETF Creation Units from Authorized Participants or Investors in one of the following cases:
    - a. Stock exchanges change the structure of the Reference Index basket;
    - b. An organization issuing a type of securities in the investment portfolio of DCVFMVNMIDCAP dissolved or declared bankrupt; or suspended, or such securities are delisted; or the Component Securities Basket and/or the Net Asset Value of DCVFMVNMIDCAP ETF is unable to be determined on the trading day immediately preceding the Exchange Traded Day as a stock exchange decides to suspend trading of securities in the investment portfolio of the Fund;
    - c. The Fund restructures the investment portfolio in order to reduce any tracking error;
    - d. The Fund Management Company, Custodian Bank, and/or VSDC is unable to conduct Basket Exchange due to force majeure;
    - e. The fund management company has the right to suspend to either receive or execute the exchange of the Component Securities Basket for DCVFMVNMIDCAP ETF Creation Unit from the investors and authorized participants if the receipt or execution the exchange trade might lead to the violations of the fund's investment portfolio to investment restrictions according to point a Clause 3 article 45 of Circular 98/2020/TT-BTC and amended regulations (if any) of Circular 98/2020/TT-BTC;
    - f. Other cases in accordance with law and this Charter and announced in the Prospectus, abridged Prospectus, or considered necessary by the State Securities Commission.
  7. Within twenty four (24) hours of the occurrence of one of the events prescribed in clause 6 of this Article, the Fund Management Company must make a report to the State Securities Commission, and at the same time, disclose information on the website of stock exchanges. The Fund Management Company, Authorized Participants and Distribution Agents must resume receipt and execution of basket exchange orders for Investors immediately after termination of such event.
  8. The duration of temporary suspension of exchange trading must not exceed thirty (30) days from the nearest date of the exchange trading. In the case of suspension of exchange trading for any cause stipulated in sub-clauses (a) and (b) of clause 6 of Article 16 of this Charter, the period of suspension shall not exceed three (03) business days before and after termination of such events as notified by DCVFM Fund Management Company.

9. If, within thirty (30) days from the expiry of the period of suspension of trading Fund certificates as stipulated in clause 8 of this article, the causes of suspension have not yet been remedied, the Fund Management Company must hold an extraordinary meeting of the General Meeting of Investors on dissolution of the Fund, or extension of the period of suspension of trading Fund certificates. If the causes of the suspension of trading Fund certificates are terminated during the period of convening the General Meeting of Investors, the Fund Management Company may cancel the convening of the General Meeting of Investors.

10. Issue Service Price and Redemption Service Price:

a. Issue Service Price: means the service price payable by an Authorized Participant or Investor to the Fund Management Company when buying Creation Units in the initial public offering or when conducting a transaction to exchange the Component Securities Basket for Creation Units. This service price is collected upon conducting the transaction and calculated as a percentage of the Transaction Value.

- The Issue Service Price applicable to an Authorized Participant shall be stipulated in the Authorized Participant's contract and shall not exceed 0.5% of the Transaction Value.
- The Issue Service Price applicable to an Authorized Participant being a Market Maker shall be stipulated in the Market Maker's contract and shall not exceed 0.5% of the Transaction Value.
- The Issue Service Price applicable to an Investor shall not exceed 1% of the Transaction Value.

Specific service prices are announced in the Prospectus, the summary Prospectus, on the websites of the Fund Management Company and Distribution Agents or in other forms.

b. Redemption Service Price: means the service price payable by an Authorized Participant or Investor to the Fund Management Company when conducting a transaction to exchange Creation Units for the Component Securities Basket. This service price is calculated as a percentage of the Transaction Value of Creation Units.

- The Redemption Service Price applicable to an Authorized Participant shall be stipulated in the Authorized Participant's contract and shall not exceed 0.5% of the Transaction Value.
- The Redemption Service Price applicable to an Authorized Participant being a Market Maker shall be stipulated in the Market Maker's contract and shall not exceed 0.5% of the Transaction Value.
- The Redemption Service Price applicable to an Investor shall not exceed 1% of the Transaction Value.

c. Specific service prices are announced in the Prospectus, the summary Prospectus, on the websites of the Fund Management Company and Distribution Agents or in other forms.

This price of service shall be cleared in the difference (in case the value of Creation Unit of DCVFMVN MIDCAP ETF is larger than the value of Component Securities Basket). If the amount of difference is smaller than the service price of buying back, Authorized Participant or Investor has to guarantee the payment of the price gap into the account of DCVFMVN MIDCAP ETF at the Custodian bank as prescribed in its Prospectus.

d. Any adjustment of the Issue Service Price and Redemption Service Price applicable to an Authorized Participant or an Authorized Participant being a Market Maker shall be as agreed

between the Fund Management Company and such Authorized Participant or Authorized Participant being a Market Maker.

- e. The Issue Service Price and Redemption Service Price applicable to an Investor may be increased only when the service prices after the increase shall not exceed 1% of the Transaction Value. The earliest date of application of the new service prices is sixty (60) days as from the date when the Fund Management Company announces the new service prices on its website.
- f. In the case of any reduction in the Issue Service Price and Redemption Service Price applicable to an Investor as stipulated in this Article, the earliest date of application of the new service prices shall be thirty (30) days from the date the new service prices are announced in the Prospectus, and the Fund Management Company shall be responsible to update these new service prices in the Fund's Charter at the most recent annual general meeting.

**Article 17. Trading of DCVFMVNMIDCAP ETF Certificates on stock exchanges (secondary trading)**

1. Authorized Participants or Investors trade the listed DCVFMVNMIDCAP ETF Certificates via the trading systems of stock exchanges in accordance with the following principles:
  - a. An Authorized Participant or an Investor places a trading order on its own securities trading account. Trading and payment for transactions are implemented in accordance with the regulations on securities trading issued by stock exchanges and VSDC;
  - b. The trading unit shall be implemented in accordance with regulations of the stock exchanges where DCVFMVNMIDCAP ETF Certificates are listed;
  - c. DCVFMVNMIDCAP ETF Certificates may be used to lend for margin trading and for other activities in conformity with the law on securities.
2. Authorized Participants are only permitted to sell DCVFMVNMIDCAP ETF Certificates (or Component Securities) on the system of a stock exchange if there are sufficient DCVFMVNMIDCAP ETF Certificates (or Component Securities) for sale on the payment date in accordance with regulations of VSDC. This number of DCVFMVNMIDCAP ETF Certificates (or Component Securities) comprises the number of DCVFMVNMIDCAP ETF Certificates (the number of Component Securities) readily available on the Authorized Participant's account on the trading day, plus the number of DCVFMVNMIDCAP ETF Certificates (the number of Component Securities) received before the payment date from exchange trading on the basis of the Component Securities Basket (the number of ETF Certificates) obtained from buy transactions on the market or borrowing transactions on the system of VSDC as successfully executed previously.

**Article 18. Initial Issue Price and Exchange Traded Price**

1. Initial Issue Price: means the price used by the Fund Management Company as the basis for distribution of Creation Units to Authorized Participants and Investors in order to redeem the Component Securities Basket. The Initial Issue Price equals the total par value of one Creation Unit (in the initial public offering) plus the Issue Service Price stipulated in clause 10 of Article 16 of this Charter.
2. Exchange Traded Price: means the price used by the Fund Management Company as the basis for exchanging one Creation Unit for the Component Securities Basket from an Authorized Participant or an Investor and vice versa.

- a. The Exchange Traded Price at which the Fund Management Company receives the Component Securities Basket, and at the same time issues one Creation Unit to an Authorized Participant or an Investor (also called the Issue Price) equals the Net Asset Value per Creation Unit used at the end of the day immediately preceding the Exchange Traded Day plus the Issue Service Price applicable to the exchange transaction.
- b. The Exchange Traded Price at which the Fund Management Company redeems one Creation Unit, and at the same time returns the Component Securities Basket to an Authorized Participant or an Investor (also called the Redemption Price) equals the Net Asset Value per Creation Unit used at the end of the day immediately preceding the Exchange Traded Day minus the Redemption Service Price applicable to the exchange transaction.

#### **Article 19. Non-commercial transfer**

1. Non-commercial transfers (such as donation, gift-giving or inheritance, etc.) of DCVFMVNMIDCAP ETF Certificates shall be implemented similarly to the transfer of ownership of listed securities outside the trading systems of stock exchanges as prescribed in the regulations on securities registration issued by VSDC.
2. Donation, gift-giving or inheritance of Fund certificates must comply with current laws. The Fund accepts lawful inheritors only and is not responsible for any dispute related to donation, gift-giving or inheritance or any donator, giver or inheritor.
3. The organization providing Transfer Agent Services shall register lawful inheritors in the register of Investors after such inheritors have provided sufficient lawful evidence of the donation, gift-giving or inheritance.

### **Chapter IV**

#### **THE GENERAL MEETING OF INVESTORS**

##### **Article 20. The General Meeting of Investors**

1. The General Meeting of Investors is the highest authority of DCVFMVNMIDCAP ETF. All Investors whose names are included in the list of registration of Investors before a meeting is convened have the right to attend the General Meeting.
2. Annual meetings of the General Meeting of Investors are organized within a time-limit of 04 months from the end date of the Fiscal Year. At the request of the Board of Representatives of the Fund, an annual meeting of the General Meeting of Investors may be extended but not for more than 06 months from the end date of the Fiscal Year and the State Securities Commission must be notified thereof.
3. An annual meeting of the General Meeting of Investors may be organized in the form of meeting in person, or collecting written opinions, or attending and voting at an online conference, electronic voting or other electronic forms. A meeting of the General Meeting of Investors in the form of collecting written opinions may be conducted in the form of mailing written documents or sending email. The General Meeting of Investors authorizes the Board of Representatives of the Fund to approve the rules of the forms of meeting by collecting written opinions, online conference, electronic voting or other electronic forms (if any).
4. The program and agenda of the General Meeting of Investors are prepared by the Fund Management Company similar to the program and agenda of the General Meeting of Shareholders in accordance with the law on enterprises. At least 07 business days before a meeting of the General Meeting of

Investors, the Fund Management Company must send to the State Securities Commission all the program, agenda and relevant materials, and at the same time, carry out information disclosure on the summon of General Meeting of Investors, in which mentioned the purpose and objective of the meeting.

5. The costs of annual meetings of the General Meeting of Investors and the first meeting of the General Meeting of Investors shall be paid by the Fund.
6. Extraordinary meetings of the General Meeting of Investors
  - a. The Fund Management Company is responsible to convene extraordinary meetings of the General Meeting of Investors in the following cases:
    - When considered necessary for the interests of the Fund by the Fund Management Company, or the Custodian Bank, or the Board of Representatives of the Fund;
    - At the request of an Investor or a group of Investors as prescribed in sub-clause b of clause 2 of Article 13 of this Charter.
  - b. The organization of an extraordinary meeting of the General Meeting of Investors as prescribed in sub-clause a of clause 6 of this Article must be carried out within thirty (30) days from the date the Fund Management Company receives a request to convene an extraordinary meeting of the General Meeting of Investors,.
  - c. In the case the Fund Management Company fails to convene a meeting of the General Meeting of Investors as prescribed in this Article , the Fund Management Company must be responsible before the law and must compensate for the damage arising to the Fund (if any). In the case the Fund Management Company fails to convene a meeting of the General Meeting of Investors as prescribed in this Article, within a time-limit of the subsequent 30 days, the Board of Representatives of the Fund or the Custodian Bank shall replace the Fund Management Company to convene a meeting of the General Meeting of Investors in accordance with the sequence and procedures prescribed in the Prospectus and the Fund's Charter.

#### **Article 21. Rights and duties of the General Meeting of Investors**

1. Election, removal and dismissal of the Chairperson and members of the Board of Representatives of the Fund;
2. Decision on remuneration rates and operational expenses of the Board of Representatives of the Fund;
3. Consideration of and dealing with breaches by the Fund Management Company, the Custodian Bank and the Board of Representatives of the Fund causing losses to the Fund;
4. Decision on amendments of and additions to the Fund's Charter;
5. Plans for profit distribution;
6. Decision on fundamental changes to the investment policies or objectives of the Fund; change of service prices, fees payable to the Fund Management Company or the Custodian Bank; and change of the Fund Management Company or the Custodian Bank;
7. Dissolution, merger, consolidation or separation of the Fund in accordance with the Charter and current laws;
8. Suspension of trading of Fund certificates;
9. Passing of annual financial statements and reports on assets and operation of the Fund;

10. Passing of selection of the approved auditing organization to audit annual financial statements of the Fund and independent valuation enterprises (if any);
11. Request for the Fund Management Company and the Custodian Bank to present books or transaction documents at the General Meeting of Investors;
12. Other issues under its authority in accordance with the law on securities and this Charter.

#### **Article 22. Conditions and procedures for conducting meetings of the General Meeting of Investors**

1. A meeting of the General Meeting of Investors is conducted when attended by the number of Investors representing over 50% of the total number of votes. The form of attending and voting in the General Meeting can be direct or via a proxy in the following case:
  - Attending and voting in person in the meeting;
  - Authorizing another person or authorizing the Board of Representatives of the Fund to attend and to vote in the meeting;
  - Attending and voting through online conference, electronic voting or other electronic forms; attending an online meeting through telephone, the internet or other audio-visual means of communication.
  - Sending a vote to the meeting by mail, fax, email or other electronic forms.
2. If the first meeting does not satisfy the condition to conduct as prescribed in Clause 1 of this Article, the second meeting will be convened within a time-limit of thirty (30) days, from the intended opening date of the first meeting. In this case, the General Meeting of Investors will be conducted regardless of the number of attending Investors.
3. The General Meeting of Investors will be chaired by the Chairperson of the Board of Representatives of the Fund, or, in the absence of the Chairperson, by the Vice Chairperson of the Board of Representatives of the Fund or any other person elected by the General Meeting of Investors.
4. Minutes of all meetings of the General Meeting of Investors must be made and kept at the head office of the Fund Management Company.

#### **Article 23. Passing of decisions by the General Meeting of Investors**

1. Each Fund certificate shall have one vote. The Custodian Bank, the Fund Management Company, the auditing organization and the law company providing services to the Fund have the right to attend the General Meeting of Investors but may not vote.
2. The General Meeting of Investors shall pass resolutions under its authority by voting in a meeting or collecting written opinions or other electronic forms.
3. Except for the cases stipulated in clause 5 of this Article, a decision at a meeting of the General Meeting of Investors is passed when it is agreed by the number of Investors representing over fifty per cent (50%) of the total number of votes of all the attended Investors.
4. The Fund Management Company may collect written opinions from Investors, except for the cases stipulated in clause 5 of this Article. In this case, the Fund Management Company must comply with the same time-limit for sending opinion slips and materials for a meeting to Investors as applicable to the case of invitation to meetings of the General Meeting of Investors. Principles, contents, order and procedures for obtaining opinions from investors in writing:



- (i) The fund management company has the right to collect opinions of investors in writing to pass the decision of the General Meeting of Investors;
- (ii) The fund management company is responsible for preparing the opinion form and draft decision of the General Meeting of Investors;
- (iii) The opinion form must include the following main contents:
- Name, address, license information of the Fund;
  - Information of investors, total number of fund certificates being held and number of votes of investors;
  - Issues to be consulted and answered respectively in the order of approval, disapproval and abstention;
  - The deadline for sending the opinion form to the fund management company;
  - Full name and signature of the legal representative of the Fund Management Company and the Chairman of the Board of Representatives.
- (iv) The opinion form shall be sent to the Fund Management Company in one of the following forms: by courier, fax, or email (attached with a scanned copy of the opinion form signed by the Investor). Opinion forms sent by courier must be enclosed in a sealed envelope. Opinion forms sent by email or fax must be kept confidential until the counting of votes. In case of sending the opinion form by email, the fund management company must specify the email address to receive the opinion form, and the investor must send it by email registered in the Register of Shareholders. invest.
- (v) A written opinion form with complete content, signed by the investor being an individual, the authorized representative or the legal representative of the investor being an organization, and sent to the Company. fund management company within the specified time limit is considered valid.
- (vi) The fund management company establishes a vote counting committee, organizes the counting of votes, makes a minutes of vote counting, and announces the approved vote counting results, resolutions and decisions to investors within 07 days. working days from the end of the time limit for investors to send comments to the Fund Management Company. The minutes of vote counting have the same value as the minutes of the General Meeting of Investors and must include the following principal contents:
- Name, address, license information of the Fund;
  - Total number of valid, invalid and not received opinion polls; total number of valid opinion polls agreeing, disagreeing, and abstaining for each voting issue;
  - Resolutions and decisions passed and the corresponding percentage of votes;
  - Full name and signature of the head of the vote counting committee, the chairman of the Board of Representatives or the person authorized by the Chairman of the Board of Representatives and the legal representative of the fund management company or the person represented by the fund management company. The law of the authorized fund management company.
- (vii) The Vote Counting Committee, members of the Board of Representatives of the Fund are jointly responsible for the completeness, accuracy and truthfulness of the content of the vote counting minutes; jointly responsible for damages arising from decisions passed due to dishonest and inaccurate counting of votes.

(viii) The vote counting minutes must be published on the portal of the Fund Management Company and the State Securities Commission within twenty-four hours from the end of the vote counting.

(ix) Answered opinion forms, vote counting minutes, adopted resolutions and decisions and other relevant documents must be kept at the head office of the fund management company.

In this case, the fund management company must comply with the deadline for sending the votes and Congress documents to the investor as in the case of inviting the Congress of Investors. When seeking investor's written opinions, decisions are approved when they are approved by the number of investors that represent over fifty percents (50%) of the total amount of such investors' total fund units of investors voted in favor;

5. A decision of the General Meeting of Investors on the following matters must be passed by voting in a meeting:
- a) Fundamental changes to the investment policies or objectives of the Fund; change of service prices payable to the Fund Management Company or the Custodian Bank; or change of the Fund Management Company or the Custodian Bank;
  - b) Division, separation, merger, or consolidation of the Fund; or dissolution of the Fund; or change of the operational duration of the Fund;

A decision at a meeting shall be passed when it is agreed by the number of Investors representing over sixty five per cent (65%) of the total votes of all attending Investors.

6. The Fund Management Company and the Board of Representatives of the Fund are responsible to ensure that all decisions of the General Meeting of Investors comply with law and this Charter. Where a decision of the General Meeting of Investors is contrary to law and this Charter, a meeting of the General Meeting of Investors must be held to re-collect opinions or to collect written opinions of Investors.
7. Within a time-limit of twenty four (24) hours after the passing of a decision of the General Meeting of Investors, the Fund Management Company and the Board of Representatives of the Fund are responsible to prepare minutes of the meeting or vote-counting minutes (in the case of collection of opinions of Investors in writing or by email or in other electronic forms) and the resolution of the General Meeting and send same to the State Securities Commission and the Custodian Bank and disclose information in accordance with the current regulations on disclosure of information in the securities market.
8. Any decisions of the General Meeting of Investors passed contrary to law and the Charter shall be invalid and unenforceable. These decisions are automatically cancelled. At the same time, the Fund Management Company is responsible to inform the State Securities Commission and Investors of resolutions which are invalid and cancelled.
9. Objections to decisions of the General Meeting of Investors
- a. Investors of the ETF objecting to decisions which have been approved by the General Meeting of Investors on fundamental changes to the investment policies or investment objectives of the Fund; increase of service prices payable to the Fund Management Company or the Custodian Bank; change of the Fund Management Company or the Custodian Bank; division, separation, merger and consolidation of the Fund; or dissolution of the Fund; have the right to request that the Fund Management Company redeem their Fund certificates as prescribed below:

- i. Regarding the Fund certificates which form a full Creation Unit, if they are not sold on the secondary market by the Investor and redemption by the Fund Management Company is requested, the Fund Management Company shall carry out redemption via an order for an exchange transaction from Fund certificates to Component Securities Basket at the Authorized Participant where the Investor opens an account.
  - ii. Conditions and process to implement an Exchange Traded Order comply with Article 14 and Article 16 of this Charter.
  - iii. Investors objecting to decisions which have been approved by the General Meeting of Investors and sending a written objection to the Fund Management Company specifying the reason which is accepted by the Fund Management Company will not have to pay the Redemption Service Price when placing an Exchange Traded Order from Fund certificates to Component Securities.
  - iv. Fund certificates which do not form a full Creation Unit will be sold by Investors on the secondary market.
- b. A request for redemption of Fund certificates must be made in writing, specifying the name and contact address of the Investor, number of Fund units, and the reason to request redemption. The request must be sent by the Investor to the head office of the Fund Management Company and the Distribution Agent within a time-limit of fifteen (15) days from the date the General Meeting of Investors approves the decision on the above-mentioned issues.
10. Within a time-limit of forty five (45) days after the date of announcement of results of a meeting of the General Meeting of Investors, the Fund Management Company must complete the redemption of Fund certificates for Investors objecting to a decision of the General Meeting of Investors in accordance with clause 9 of this Article. In this case, the Redemption Price is determined on the basis of the Net Asset Value per Fund certificate in the most recent Fund certificate trading period from the time the Fund Management Company receives the request from the Investor and the Investor is not required to pay the Redemption Service Price.

## **Chapter V**

### **THE BOARD OF REPRESENTATIVES OF THE FUND**

#### **Article 24. The Board of Representatives of the Fund**

1. The Board of Representatives of DCVFMVNMIDCAP ETF represents the interests of Investors, and are elected by the General Meeting of Investors by secret ballot at a meeting of the General Meeting of Investors or by collection of written opinions.
2. The Board of Representatives of DCVFMVNMIDCAP ETF has three (03) to five (05) members, of whom at least two thirds (2/3) of the number of members of the Board of Representatives of the Fund are independent members (not being Related Persons) of the Fund Management Company or the Custodian Bank or authorized representatives of the organization. Nomination and self-nomination for members of the Board of Representatives of the Fund must comply with the following provisions:
  - a) Information relating to the candidates to the Board of Representatives of the Fund must be announced on the website of the fund management company not later than 10 days prior to the summon date of General Meeting of Investors to appoint membership of Board of representatives. It must include as a minimum: full name, date of birth; professional qualifications; management qualifications; experience in asset management operations or

investment analysis, or experience in securities, banking or insurance activities; working experience and achievements; companies and funds where the candidate is sitting on the board of management or is a member of the board of representatives of the fund; interests relevant to the Fund Management Company or the Custodian Bank(if any); and other relevant information, if any;

b) If the number of candidates nominated and self-nominated to the Board of Representatives of the Fund is still insufficient, the incumbent Board of Representatives of the Fund may nominate additional candidates or organize nomination in accordance with the mechanism prescribed in the Fund's Charter. The nomination mechanism or the manner for the incumbent Board of Representatives of the Fund to nominate candidates to the Board of Representatives of the Fund shall be expressly announced and approved by the General Meeting of Investors through before making nominations;

c) Sequence and procedures for nomination and self-nomination for members of the Board of Representatives of the Fund

- If any candidate has been identified, the Board of Representatives of the Fund must publish information relating to the candidate at least 10 days before the opening date of a meeting of the General Meeting of Investors on the website of the Fund Management Company so that Investors can learn about this candidate before voting;
- If the number of candidates nominated and self-nominated to the Board of Representatives of the Fund is still insufficient in accordance with law, the incumbent Board of Representatives of the Fund may recommend additional candidates or organize nominations in accordance with the Fund's Charter.
- An Investor or a group of Investors owning 10% or more of the total number of Fund certificates has the right to nominate persons to the Board of Representatives of the Fund. Nomination of persons to the Board of Representatives of the Fund is carried out as follows:
  - + Investors forming a group to nominate persons to the Board of Representatives of the Fund must notify attending Investors of the formation of the group prior to the opening of the General Meeting of Investors;
  - + Based on the number of members of the Board of Representatives of the Fund, an Investor or a group of Investors prescribed in this clause has the right to nominate one or more persons as decided by the General Meeting of Investors as candidates to the Board of Representatives of the Fund. Where the number of candidates nominated by the Investor or the group of Investors is lower than the number they are entitled to nominate as decided by the General Meeting of Investors, the remaining candidates shall be nominated by the Board of Representatives of the Fund and other Investors.

3. The Board of Representatives of the Fund must include:

- a. At least one independent member with professional qualifications and experience in the fields of accounting and audit;
- b. At least one independent member with professional qualifications and working experience in activities of securities investment analysis or asset management;
- c. At least one member with professional qualifications in law.

4. Decisions of the Board of Representatives of the Fund are approved by voting in meeting or collecting written opinions. Each member of the Board of Representatives of the Fund has one vote. Where a member is unable to participate directly in a meeting of the Board of Representatives, such member has the right to send a written opinion and/or authorize a person to represent him or her to attend and vote at the meeting.
5. During the process of operation, where a member of the Board of Representatives of the Fund is removed or dismissed as prescribed in Article 28 of this Charter, or where the structure of the Board of Representatives of the Fund or a member no longer satisfies the conditions prescribed in sub-clauses 2 and 3 of this Article, within a time-limit of 15 days after the change, the Board of Representatives of the Fund and the Fund Management Company shall be responsible to select a member satisfying the conditions prescribed in clause 3 of this Article for temporary replacement. The temporary replacement member shall exercise the rights and perform the obligations of a member of the Board of Representatives of the Fund until the General Meeting of Investors officially appoints a replacement member.
6. The Fund Management Company must report to the State Securities Commission and disclose information on any change to the structure of the Board of Representatives in accordance with applicable regulations on information disclosure in the securities market.

**Article 25. Term of office and standards for selection of members of the Board of Representatives of the Fund**

1. The term of members of the Board of Representatives of the Fund shall not exceed 05 years and members may be re-elected for an unlimited number of terms.
2. Standards for selection of members of the Board of Representatives of the Fund
  - a) Not falling into the categories not entitled to establish and manage enterprises in Vietnam as prescribed in the Law on Enterprises;
  - b) Having professional qualifications and experience in the fields of management of economics, finance and the capital market, but not necessarily being an Investor of the Fund. An independent member shall not be a Related Person of the Fund Management Company and the Custodian Bank.
3. The member who is the Chairperson or Vice Chairperson of the Board of Representatives must have economic or financial management qualifications and be knowledgeable in the business activities and affairs of the investment Fund. The Chairperson of the Board of Representatives of the Fund must be an independent member.
4. The following people may not become members of the Board of Representatives of the Fund:
  - a) [Those] in the cases prescribed in the laws on enterprises and securities applicable to members of the board of management and the board of management;
  - b) [Those who are] members of more than 05 boards of representatives of public funds or boards of management of public securities investment companies;

**Article 26. Rights and obligations of the Board of Representatives of the Fund**

1. To represent the interests of Investors; to perform the duties and exercise the powers assigned and delegated truthfully within the framework of the provisions of current laws and of this Charter as approved by the General Meeting of Investors to protect the interests of Investors;

2. To be loyal to the interests of the Fund, to avoid conflicts of interests causing damage to the Fund, and to ensure compliance with principles in the case of conflicts of interests between members and the Fund, and between members and Related Persons of the Fund;
3. To review the performance of the Fund Management Company and regularly inspect the reasonableness, legality, truthfulness and prudence in asset management activities of the Fund Management Company;
4. To supervise the operation of the Fund Management Company, the Custodian Bank and organizations providing services to the Fund in compliance with this Charter and provisions of law;
5. To inspect and supervise the performance of the process and method of determination of the Net Asset Value of the Fund;
6. To propose investment policies and objectives of the Fund;
7. To recommend the rate of profits to be distributed to Investors; and to approve the time-limit and procedures for distribution of profits;
8. To decide issues which have not been agreed between the Fund Management Company and the Custodian Bank based on provisions of law;
9. To approve the valuation handbook of the Net Asset Value of the Fund and the list of organizations providing quotes; to approve the list of credit institutions receiving deposits of the Fund and monetary market instruments in which the Fund is permitted to invest as prescribed at sub-clause a,b of Clause 3 Article 9 of this Charter; and to approve asset transactions of the Fund in accordance with authority with respect to transactions carried out in accordance with an agreed manner outside the trading system of stock exchanges;
10. To be entitled to request that the Fund Management Company and the Custodian Bank provide, in a timely manner, sufficient documents and information about fund management and custodian activities;
11. To propose the change of the Fund Management Company or the Custodian Bank;
12. No member of the Board of Representatives [of the Fund] shall be required to be personally responsible for their actions or any other action taken on behalf of the Fund in good faith and in an honest, clean, public-spirited and selfless manner in accordance with the scope and powers delegated under regulations, or in conformity with the powers delegated under this Charter or the regulations of the Board of Representatives and in strict accordance with law; if any decision passed by the Board of Representatives of the Fund is contrary to law or this Charter, causing damage to the Fund, members who agree to pass such decision must be personally jointly liable therefor; and any member who oppose the passing of such decision shall be relieved from liability;
13. To participate in election, removal and dismissal of the positions in the Board of Representatives of the Fund under the authority of the Board of Representatives of the Fund (not including the position of Chairperson of the Board of Representatives of the Fund);
14. To study and evaluate the operational status and results, and to contribute opinions in formulating annual and quarterly directions, duties and developmental strategies of the Fund;
15. The Board of Representatives of the Fund may not, directly or indirectly:
  - a. Use the Fund's assets for any Investor of the investment fund to borrow monies;
  - b. Use the Fund's assets to guarantee or as mortgaged assets for any Investor to borrow monies;

- c. Use the Fund's assets to guarantee or provide as mortgaged assets for another company to borrow monies;
  - d. Provide to anyone information of the investment fund and clients which may not be disclosed.
16. To attend meetings of the Board of Representatives of the Fund, to discuss and participate in voting directly or to send opinion slips to participate in voting (in the case of absence from the meeting or in the case written opinions are sought by the Chairperson of the Board of Representatives of the Fund) to decide on issues within the agenda of the meeting
  17. To perform resolutions of the General Meeting of Investors and decisions of the Board of Representatives of the Fund;
  18. Two-thirds (2/3) or more of members of the Board of Representatives of the Fund have the right to decide to convene an extraordinary meeting of the General Meeting of Investors or an extraordinary session of the Board of Representatives of the Fund.
  19. To be authorized by the Chairperson of the Board of Representatives to decide on specific matters in certain fields within the Chairperson's authority.
  20. To comply with other provisions of law and this Charter.
  21. The Board of Representatives of the Fund is entitled to monthly remuneration as decided by the General Meeting of Investors. That members of Board of representatives or Secretary of Board of representatives who are DCVFM employees will not receive any remuneration.
  22. Except for the matters stipulated in clause 3 of Article 21 of this Charter, the Board of Representatives is entitled to decide on all the matters stipulated in Article 21 of this Charter if authorized by the most recent General Meeting of Investors.
  23. Within fifteen (15) days from the date of a decision by the Board of Representatives of the Fund on any matter stipulated in clause 22 of this Article, the Board of Representatives must, via the Fund Management Company, send the minutes of the meeting and the resolution of the Board of Representatives of the Fund to the State Securities Commission and the Custodian Bank, and at the same time, disclose information in accordance with the current regulations on information disclosure on the securities market.
  24. The Board of Representatives of the Fund is responsible to perform the obligation to disclose information in accordance with the current laws on information disclosure on the securities market with respect to insiders and related persons of insiders of public funds.

**Article 27. Chairperson of the Board of Representatives of the Fund**

1. The General Meeting of Investors elects the Chairperson of the Board of Representatives of the Fund from the members of the Board of Representatives in the forms of voting at a meeting of the General Meeting of Investors or collecting written opinions. The Chairperson of the Board of Representatives of the Fund must be an independent member.
2. The Chairperson of the Board of Representatives of the Fund has the following rights and duties:
  - a. To prepare operational programs and plans of the Board of Representatives of the Fund;
  - b. To prepare programs, agenda and materials servicing meetings; and to convene and chair meetings of the Board of Representatives of the Fund;
  - c. To monitor the process of organization of implementation of decisions of the Board of Representatives of the Fund;

- d. To issue a notice on an automatic dismiss or removal stipulated in clause 1 of Article 28 of this Charter.
  - e. Other rights and duties prescribed in the Fund's Charter.
3. Where the Chairperson of the Board of Representatives of the Fund is absent or unable to perform his or her assigned duties, a member of the Board of Representatives of the Fund authorized by the Chairperson of the Board of Representatives of the Fund shall exercise the rights and perform the duties of the Chairperson of the Board of Representatives of the Fund.
  4. In the case no one is authorized, the remaining members of the Board of Representatives of the Fund shall select one of the independent members to hold temporarily the position of the Chairperson of the Board of Representatives of the Fund on the principle of unanimity. Re-election of the Chairperson of the Board of Representatives of the Fund shall be conducted at the nearest General Meeting of Investors..

**Article 28. Removal, dismissal and addition of members of the Board of Representatives of the Fund**

1. The General Meeting of Investors removes a member of the Board of Representatives of the Fund in the following cases:
  - a) Not satisfying the standards and conditions prescribed in Article 25 of this Charter;
  - b) Having an application for resignation which is approved;
  - c) Being declared by a court as missing, dead or having restricted capacity for civil acts;
2. The General Meeting of Investors dismisses a member the Board of Representatives of the Fund in the following cases:
  - a) Not participating in activities of the Board of Representatives of the Fund for 06 consecutive months, except in the case of force majeure;
  - b) Disclosing secrets which go against the interests of the Fund;
  - c) Being accused or prosecuted;
  - d) Being prohibited from holding the position of a member of a board of representatives of a fund by provisions of law or of the State Securities Commission and competent authorities;
3. Where considered necessary, the General Meeting of Investors decides on replacing a member of the Board of Representatives of the Fund; removes or dismisses a member of the Board of Representatives of the Fund not in the cases prescribed in clauses 1 and 2 of this Article.
4. The Board of Representatives of the Fund must convene a meeting of the General Meeting of Investors to elect additional members to the Board of Representatives of the Fund in the following cases:
  - a) The number of members of the Board of Representatives of the Fund is reduced by more than one third of the number stipulated in the Fund's Charter. In this case, the Board of Representatives of the Fund must convene a meeting of the General Meeting of Investors within a time-limit of 60 days from the date on which the number of members is reduced by more than one third;
  - b) The number of independent members of the Board of Representatives of the Fund is reduced, failing to ensure the percentage prescribed in the Charter;



- c) Except in the cases prescribed in sub-clauses a and b of this clause, the General Meeting of Investors elects new members in replacement of the members of the Board of Representatives of the Fund who have been removed or discharged at the most recent meeting.
5. Members of the Board of Representatives of the Fund shall be added in the following cases:
- a. When dismissal or removal of a member of the Board of Representatives of the Fund stipulated in clauses 2 and 3 of this Article results in the failure to ensure the minimum number of members of the Board of Representatives of the Fund prescribed in clause 2 of Article 24 of this Charter;
  - b. When DCVFMVNMIDCAP ETF wishes to add members to the Board of Representatives of the Fund, this addition must not exceed the maximum number stipulated in clause 2 of Article 24 of this Charter;
  - c. Additional members of the Board of Representatives of the Fund must satisfy all the standards and conditions prescribed in Article 25 of this Charter.
  - d. Additional members of the Board of Representatives of the Fund shall be elected by secret ballot at a meeting of the General Meeting of Investors or by collection of written opinions.

**Article 29. Meetings of the Board of Representatives of the Fund**

- 1. The Chairperson of the Board of Representatives of the Fund has the right to convene meetings of the Board of Representatives of the Fund. The Board of Representatives of the Fund must meet at least once every quarter to discuss and decide on matters within its authority.
- 2. The Board of Representatives of the Fund shall convene an extraordinary meeting at the request of the Chairperson of the Board of Representatives of the Fund, the Fund Management Company or the Custodian Bank or at the request of at least two thirds (2/3) of the total number of members of the Board of Representatives of the Fund.
- 3. A meeting of the Board of Representatives of the Fund may be held in person, via telephone, the Internet or other audio-visual means of communication or by collection of written opinions.
- 4. The sequence for holding a meeting, agenda of the meeting and relevant materials shall be informed to members 5 days in advance.
- 5. A meeting of the Board of Representatives of the Fund is conducted when attended by two thirds (2/3) or more of the total number of members, of whom the number of independent members must account for more than fifty percent (50%), including persons representing members of the Board of Representatives to attend the meeting and authorized to vote, and members of the Board of Representatives not attending the meeting in person but sending their written opinions in writing or via audio-visual means of communication in the presence of all the attending members. A decision of the Board of Representatives of the Fund is passed when approved by over fifty percent (50%) of the number of attending members of the Board of Representatives of the Fund and by over fifty percent (50%) of the number of independent members of the Board of Representatives of the Fund.
- 6. The Fund Management Company and the Custodian Bank are entitled to attend meetings of the Board of Representatives of the Fund but may not vote.
- 7. The Board of Representatives of the Fund shall appoint a qualified employee of the Fund Management Company as the secretary preparing minutes of meetings of the Board of Representatives of the Fund.
- 8. All costs for holding meetings and travel expenses of the Board of Representatives of the Fund shall be paid by the Fund.

### **Article 30. Minutes of meetings of the Board of Representatives of the Fund**

Meetings of the Board of Representatives of the Fund must be fully minuted. Minutes of meetings of the Board of Representatives of the Fund must be made in detail and clearly. The secretary and the chairman of a meeting must sign the minutes of the meeting. Where the chairman or the secretary refuses to sign the minutes of a meeting but such minutes are signed by all the other members of the Board of Representatives of the Fund attending the meeting and contain all the contents, such minutes shall be valid. Minutes of meetings of the Board of Representatives of the Fund must be retained at the Fund Management Company in accordance with the law on enterprises and this Charter. The chairman and the secretary must be jointly responsible for the accuracy and truthfulness of the minutes of the meeting of the Board of Representatives of the Fund.

## **Chapter VI**

### **FUND MANAGEMENT COMPANY**

#### **Article 31. Standards for selection of the Fund Management Company**

The selected Fund Management Company must satisfy the following conditions:

1. Having been issued by the State Securities Commission with a licence for fund management operations.
2. Being completely independent from the Custodian Bank.
3. Having full capacity to carry out fund management
4. Agreeing to implement commitments to the Fund as stated in Appendices 1 and 3 of this Charter.

#### **Article 32. Rights and obligations of the Fund Management Company**

1. The Fund Management Company has the following obligations:
  - a. To comply with provisions of law and the charter of the Fund Management Company. To conduct management of assets of the Fund in accordance with this Charter. To comply with the rules on professional ethics, voluntariness, fairness and honesty and in the best interests of the Fund.
  - b. The Fund Management Company is the authorized representative of the Fund and acts on behalf of the Fund to exercise ownership over assets of the Fund in an honest and prudent manner.
  - c. When managing assets of the Fund, the Fund Management Company must:
    - i. Sign a depository and custodian contract with the Custodian Bank; deposit all assets arising within the territory of Vietnam and completely, promptly and accurately archive information and data about the ownership and original legal documents verifying ownership of assets at the Custodian Bank;
    - ii. In the case of investment by way of deposits, deposit certificates for the Fund, the Fund Management Company is only permitted to make deposits at the credit institutions included in the list approved by the Board of Representatives of the Fund; and must provide sufficient information about deposit contracts and deposit accounts to the depository bank and the Custodian Bank in order for these organizations to verify balances of the deposit accounts and values of the deposit contracts with the credit institutions receiving the deposits, and keep the original deposit contracts and provide such contracts at the request of the depository bank and the Custodian Bank;
    - iii. In the case of investments in capital contribution portions in limited liability companies, unlisted stocks or stocks not yet registered for trading, or unlisted bonds for the Fund; the

- Fund Management Company must deposit original copies or valid copies of contracts and source vouchers of the transactions, or the original register of shareholders or of members or documents certifying ownership of assets at the depository bank and the Custodian Bank in order for these organizations to conduct periodical verification with organizations receiving investment capital;
- iv. To separate assets of the Fund from assets of the Company itself and those entrusted by clients to the Company for management; to completely and promptly archive accounting books and source vouchers of transactions and documents relating to transactions and the asset ownership of the Fund; to compile on a complete, accurate and timely basis, information about assets of the Fund and the place where such assets are deposited and stored;
  - v. To establish the inspection regime, and to regularly conduct tripartite verification to ensure consistency of asset data of the Fund in the account system of the Fund managed at the Company and the asset depository system of the Fund at the depository bank or the Custodian Bank with issuing organizations, VSDC, the organization managing the register of shareholders, the project owner, organizations receiving investment capital and organizations receiving deposits. The Fund Management Company is responsible to establish a regime for the depository bank and the Custodian Bank to actively and directly verify with the above organizations in order to check, supervise and completely and accurately compile information on the depository, registration of ownership and management of assets of the Fund;
  - vi. To make investments in assets of the Fund in accordance with law and this Charter;
  - vii. To assign at least two (02) fund managers of the Fund to manage and operate investment activities of each securities investment fund. The above fund managers must have fund management practising certificates and at least two (02) years' experience in asset management activities and have not been penalized for any administrative offence in the securities and securities market sector. Information about qualifications, expertise, professional activities and experience in asset management of the fund managers must be publicly disclosed in the Prospectus.
- d. The Company must establish the process of allocation of trading orders and trading assets reasonably and fairly when conducting transactions for the Fund, other entrusting clients and the Company itself. This process must be provided to Custodian bank and shall apply consistently. The process of allocation of assets must specify the principles for implementation, price determination method, and the quantity of assets allocated to each entrusting client, ensuring compliance with the investment objective and risk acceptance level of each entrusting client. The Company must issue the process of management of securities investment funds, securities investment portfolio management procedure, securities investment advisory procedure and other functional procedures that are applicable with securities professional of the company; internal control procedure; evaluation handbook; conditions, sequence, procedures for convening and methods of conducting meetings and passing the decisions at General meeting of Investors shall apply to the funds, General Meetings of Shareholders of securities investment companies; code of professional ethics for each working position. With regard to derivative investment trustors, the procedures for management of securities investment fund must include specific regulations on principles and methods for using derivatives to

prevent risks to the fund/securities investment company; the procedures for securities portfolio management must include specific regulations on principles and methods for using derivatives to prevent risks to underlying securities held by trustors. Such procedures must be consistently applied during operation of the company.

- e. In fund management activities, the Fund Management Company is responsible to ensure:
  - (i) To conduct determination of the Net Asset Value of the Fund; the Net Asset Value per Creation Unit and per Fund certificate in accordance with law and this Charter;
  - (ii) To prepare, archive and update on a timely, complete and accurate basis the register of Investors. The contents of the register of Investors shall comply with the relevant provisions of the law on securities investment funds and the Fund's Charter;
- f. The Fund Management Company is authorized to carry out fund administration activities. In this authorization of activities, the Fund Management Company must comply with the provisions of the law on establishment and organization of operation of fund management companies and this Charter.
- g. The Fund Management Company has the obligation to provide in full and on time necessary information about the Fund, asset transactions of the Fund, the place where assets of the Fund are deposited and other relevant information (if any) and create all favourable conditions required for the Custodian Bank at the written request of the Custodian Bank in order for the Custodian Bank to exercise all rights and perform all duties to the Fund in accordance with law. At least once a (01) month, the Fund Management Company has the obligation to reconcile asset portfolios of the Fund with the Custodian Bank.
- h. Within fifteen (15) days as from the date when the Custodian Bank discovers and notifies the Fund Management of any asset transaction of the Fund which is contrary to provisions or beyond the authority of the Fund Management Company in accordance with law and this Charter, the Fund Management Company must cancel such transaction or carry out transactions to recover the position of the Fund. The Fund Management Company must bear all costs arising in relation to such transactions and losses (if any). If these transactions generate profits, all the profits must be accounted for into the Fund.
- i. The Fund Management Company must formulate, implement and apply consistently operational procedures, the valuation handbook and accounting policies in accordance with the relevant laws and this Charter.
- j. The fund management company must comply with the code of professional ethics, and act voluntarily, impartially and truthfully, and in the best interests of its trustors. Provisions on compliance with the code of professional ethics are compulsory terms of employment contracts signed between the company and its employees.
- k. The Fund Management Company must build processes and set up an organizational structure and risk control system in conformity with the size and type of the Fund. The risk management system must rely on risk administration policies and processes established in accordance with international practices as appropriate to the market conditions of Vietnam and under guidelines of the State Securities Commission, and ensure identification of and determination of the level of all potential risks in the investment portfolio of the Fund. Depending on types of risks and complexity of investment assets and requirements of the Fund, the Company must provide the appropriate risk acceptance level.

- l. The Fund Management Company is responsible to compensate for losses caused to the Fund due to the fault of its staff, incidents or errors of the technical system and operational procedures/rules of the Company, or due to failure of the Fund Management Company to perform correctly its obligations in accordance with law and this Charter. Compensation to the Fund or Investors [investing] into the Fund shall be made in accordance with the law on establishment and management of open-ended funds and the agreements among the relevant parties.
- m. The Fund Management Company must purchase professional indemnity insurance for its professional staff (if considered necessary), or establish a risk reserve fund in accordance with law in order to compensate the Fund for any loss and damage in the cases stipulated in sub-clause l of this clause.
- n. The Fund Management Company is responsible to implement, and request that Distribution Agents formulate, issue and organize implementation of "know your client" rules and procedures and verification and update of clients' information in accordance with the law on securities, the law on anti-money laundering and relevant laws. When implementing "know your client", the Fund Management Company [and/or] Distribution Agents may decide to meet or not to meet clients in person.
  - If not meeting clients in person, the Fund Management Company [and/or] Distribution Agents must ensure they have measures, forms and technologies to identify and collect full client information and verify clients accurately in accordance with the law on securities, the law on anti-money laundering, the law on e-transactions, and relevant laws on ensuring safety and confidentiality of client information;
  - The Fund Management Company [and/or] Distribution Agents must store full "know your client" information and data in accordance with the law on securities, the law on anti-money laundering, and relevant laws. "Know your client" information must be stored, backed up, kept confidential and provided at the request of competent State administrative agencies;
  - Before commencing "know your client" activities using not-meeting-in-person methods, the Fund Management Company [and/or] Distribution Agents through the Fund Management Company must notify the State Securities Commission;
  - Where necessary, the State Securities Commission requires that the Fund Management Company [and/or] Distribution Agents suspend or terminate "know your client" using not-meeting-in-person methods.
- o. Where the Fund is a foreign investor, the Fund Management Company must ensure that the asset investment of the Fund complies correctly with the law on foreign exchange control and ownership ratios in Vietnamese enterprises at the time of investment.
- p. Upon using entrusted assets raised in Vietnam to conduct offshore indirect investment, the Fund Management Company must comply with the law on offshore indirect investment and on foreign exchange control and other relevant laws. Offshore indirect investment activities may be conducted only if it is permitted by a provision in the Fund's Charter, Charter of the fund management company or an investment trust contract.
- q. When conducting trading of assets of the Fund, the Fund Management Company shall ensure that:

- (i) The securities trading value in a year via brokers of one securities company must not exceed 50% of the total securities trading value of the Fund in the year;
  - (ii) The securities trading value in a year via brokers of securities companies being Related Persons of the Fund Management Company must not exceed 20% of the total securities trading value of the Fund in the year;
  - (iii) The Fund Management Company is responsible to maintain confidentiality of information about the Fund, information about asset transactions and other relevant information, except where it is requested to provide information to the State Securities Commission and competent State administrative agencies.
- r. The Fund Management Company must ensure:
- i. Separation of its head office and information technology infrastructure from those of other economic organizations. If the Company uses the information technology infrastructure of its parent company, of a subsidiary company or of an organization being a Related Person, a mechanism for delegation and use restriction must apply, ensuring that departments of the parent company, the subsidiary company or the organization being a Related Person cannot access the computer system or the databases of the Company;
  - ii. Separation of databases between professional departments which may have potential conflicts of interests in the Company, including separation of the entrusted asset management department, the investment research and analysis department and the investment implementation department. The computer system and the databases shall be delegated to each individual and department in accordance with working positions as stipulated in the internal control rules.
  - iii. Separation of physical facilities, personnel and databases between financial investment activities of the Company and the activities of securities investment fund management, securities investment portfolio management and securities investment consultancy.
- s. When providing online securities trading services, the Fund Management Company [and/or] Distribution Agents of Fund certificates must comply with the law on electronic securities transactions.
- t. Other obligations as stipulated by the law on establishment, organization and operation of fund management companies.
2. The Fund Management Company has the following rights:
- a. To select the Custodian Bank in accordance with the criteria stipulated in Article 35 of this Charter;
  - b. To authorize the Custodian Bank and a number of organizations permitted to provide services relating to fund management activities to carry out some or all of Fund administration activities. The Fund Management Company must take the responsibility in relation to the authorization, and ensure that the relationship of authorization of responsibilities to such organizations in Fund administration activities does not have any adverse effect on the interests of Investors of the Fund;
  - c. To refuse to issue Fund certificates to organizations not permitted to invest in the Fund in accordance with law or to individual Investors who do not have full capacity for civil acts;

- d. To perform all benefits, obligations and responsibilities for and on behalf of the Fund with respect to assets owned by the Fund in accordance with law;
- e. When exercising the voting rights at the general meetings of shareholders of issuing organizations or shareholding companies in which the Fund is a shareholder, the Fund Management Company or the Custodian Bank may exercise the voting rights via a proxy, and must ensure that its vote does not affect any decision of which other shareholders vote in favour in accordance with law;
- f. To sign Fund certificate distribution contracts with Distribution Agents of Fund certificates;
- g. To be entitled to service prices and fees stipulated in this Charter in compliance with law;
- h. To conduct business activities and provide services in accordance with law;
- i. To attend periodical and extraordinary meetings of the General Meeting of Investors and of the Board of Representatives of the Fund;
- j. To make decisions on investments of the Fund in compliance with the provisions of this Charter and other provisions of law.

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

1. The Fund Management Company shall terminate its rights and obligations towards the Fund in the following cases:
  - a. Upon voluntary request from the Fund Management Company for termination of [its] rights and obligations towards entrusting clients in accordance with the Fund's Charter;
  - b. At the request of the General Meetings of Investors of the securities investment fund;
  - c. Upon revocation of its licence for establishment and operation of securities business as prescribed in Article 95 of the Law on Securities;
  - d. Upon re-organization of the Fund Management Company;
  - e. In other cases in accordance with law.
2. The Fund Management Company must organize a meeting of the General Meeting of Investors of the securities investment fund to obtain opinions on the plan to deal with assets and the replacement fund management company in the cases prescribed in sub-clauses a, c and d of clause 1 of this Article.
3. Within 05 business days from the date on which entrusting clients approve the decision on replacement of the Fund Management Company, the replacement fund management company is responsible to request that the State Securities Commission amend the certificate of registration of establishment of the Fund, license of establishment and operation of the fund management company in relation to the change of the Fund Management Company.
4. Rights and obligations of the replaced Fund Management Company with respect to entrusting clients shall only be terminated from the time of completion of the registration and transfer of ownership of entrusted assets, and handover of all assets, documents proving the ownership, source vouchers, records and information about entrusted assets, and rights and obligations with respect to entrusting clients to the replacement fund management company. The transfer of assets must be completed within 06 months from the date on which entrusting clients approve the decision on replacement of the Fund Management Company.
5. Within 07 business days from the date of completion of the handover work, the replacement fund management company shall send to the State Securities Commission the minutes of handover of

responsibilities and assets between the two fund management companies. The minutes must be certified by entrusting clients or their representatives and the depository bank and/or the Custodian Bank.

6. The replaced Fund Management Company must be totally responsible to entrusting clients for liabilities and assets which have not yet been fully handed over to the replacement fund management company. In this case, the replaced Fund Management Company is responsible to resolve and remedy the consequences arising within 05 years from the time of completion of the handover of assets to the replacement fund management company as stipulated in clause 5 of this Article.
7. Expenses for compensation upon change of the Fund Management Company  
Where the Fund changes the Fund Management Company as prescribed in sub-clause a of Clause 1 of this Article, the Fund shall be required to pay a fee (other than the fees stipulated in this Charter) to the Fund Management Company in accordance with the following tariff:

<b>Fee calculated on the NAV of the Fund</b>	<b>Time of replacement of the Fund Management Company</b>
2,0%	Within 03 years from the date of establishment of the Fund
1,5%	After 03 years from the date of establishment of the Fund

The NAV used to calculate the compensation cost for the Fund Management Company is the average NAV of the NAVs according to the reported NAVs of the 365 days immediately preceding the time the General Meeting of Investors approves the decision to change the Fund Management Company as certified by the Custodian Bank.

This fee is aimed at covering the costs arising to the Fund Management Company as a consequence of the reduction in activities and changes of human resources, management system and infrastructure.

If the General Meeting of Investors decides changing the Fund Management Company for the reason of breach of law and such decision is not objected to by the State Securities Commission, the Fund shall not have to pay the above-mentioned fee to the Fund Management Company.

#### **Article 34. Restriction of activities of the Fund Management Company**

1. The Fund Management Company may not be a Related Person or have ownership, lending or borrowing relationships with the Custodian Bank or the depository bank of the securities investment fund. Members of the board of management, staff of the internal audit section or inspection committee (if any), the chairman of the company, the executive management and employees of the Fund Management Company may not work in the sections providing fund administration, custodian or depository services in these banks and vice versa.
2. Members of the board of management, the executive management and employees of the Fund Management Company may not request, require or receive, in the name of individuals or in the name of the company, any remuneration, profits or interest, other than the service prices and fees at the rates of service prices and fees specified in the Fund's Charter.
3. In its asset management activities for the Fund, the Fund Management Company shall ensure:
  - a. Not to use assets of the Fund to invest in the Fund itself;
  - b. Not to use assets of the Fund to invest in entrusting clients managed by the Fund Management Company, except for entrusting clients of investor directed portfolio services, entrusting clients being foreign individuals, organizations established under foreign laws, 100% foreign-invested



enterprises and voluntary supplementary superannuation funds where these clients have approved the above-mentioned transactions to be carried out

- c. Not to use assets of the Fund to invest in the Fund Management Company itself; not to invest in organizations being Related Persons of the Fund Management Company except for the case assets of the ETF are used to invest in securities in the Component Securities Basket of the Reference Index; not to invest in organizations where a member of the board of management or members' council, a member of the executive committee or an employee of the company is a shareholder or member owning more than ten percent (10%) of the charter capital;
  - d. Not to use assets of the Fund to provide a loan in any form, to guarantee a loan in any form, or to pay debt obligations of the Fund Management Company, Related Persons of the Fund Management Company, or other organizations or individuals;
  - dd. Investment of assets of the Fund in derivative securities must comply with provisions of the law on securities investment funds;
  - e. Not to provide statements on or guarantee investment results except for the case of investment in products of fixed income, not to enter into contracts to accept trusteeship for investment in bonds at interest rates not in compliance with the reality of the market and investment analysis results of the company itself; to cover directly or indirectly part or all of the losses of entrusting clients due to investment activities; not to carry out transactions aimed at reducing the profits of one entrusting client to increase the profits of another entrusting client; and not to enter into contracts or carry out transactions on unreasonably unfavourable terms for no legitimate reason.
4. The Fund Management Company may use the equity and capital of entrusting clients to buy and own (not including the number of stocks in the basket of an entrusting client which is an exchanged traded fund) twenty five percent (25%) or more of the total number of outstanding stocks of one public company or outstanding closed fund certificates of one closed fund upon full satisfaction of the following conditions:
- a. To have written consent of entrusting clients or their representatives on the public offer to acquire, the price for the offer to acquire, the volume of assets planned to offer to acquire, and the method of distribution of assets after conducting the offer to acquire;
  - b. The Fund Management Company shall conduct the public offer to acquire in accordance with the provisions on public offers to acquire of the law on securities.
5. The Fund Management Company may not authorize or outsource to organizations in the territory of Vietnam to provide services of securities investment fund management, securities investment portfolio management, consultancy on securities investment or management of entrusted assets.
6. Other restrictions as prescribed in the Fund's Charter and the law on establishment, organization and operation of fund management companies.

## **Chapter VII**

### **CUSTODIAN BANK**

#### **Article 35. Criteria for selection of the Custodian Bank**

The selected Custodian Bank must satisfy the following conditions:

1. The Custodian Bank selected by the Fund Management Company must satisfy the conditions prescribed in Article 116 of the Law on Securities.

2. The Custodian Bank must be completely independent and separate from the Fund Management Company to which the bank provides custodian services. The Custodian Bank, members of the board of management, members of the general director board, and employees of the Custodian Bank responsible for custodian and safekeeping assets of the Fund may not be Related Persons, or have ownership, borrowing or lending relationships with the Fund Management Company and vice versa.
3. The Custodian Bank, members of the board of management, members of the general director board and employees of the Custodian Bank responsible for custodian and safekeeping assets of the Fund may not be partners buying or selling assets of the Fund.
4. The Custodian Bank must have full capacity to provide custodian and depository services.
5. The Custodian Bank must agree to implement commitments to the Fund as stated in Appendix 2 and Appendix 3 of this Charter.

### **Article 36. Rights, obligations and activities of the Custodian Bank**

1. Obligations of the Custodian Bank:
  - a. To always act in the best interests of Investors;
  - b. To be responsible for losses caused to the Fund by errors of the bank in accordance with provisions of law and the Custodian Contract;
  - c. To ensure the conduct of supervision of activities of the Fund Management Company in managing assets of the Fund as prescribed in the Law on Securities, relevant regulations, the Prospectus and the Fund's Charter;
  - d. To provide custodian and depository services for assets of the Fund in strict accordance with relevant laws, the Custodian Contract, the Prospectus and the Fund's Charter;
  - e. To separate assets of the Fund from assets of the Fund Management Company, assets of the other funds, assets of other clients of the Custodian Bank and assets of the Custodian Bank itself.
  - f. To ensure and bear total responsibility for assets of the Fund when entrusting a sub-depository organization as agreed in the service provision contract and as prescribed by law;
  - g. To supervise or calculate the Net Asset Value of the Fund, Net Asset Value per Creation Unit and Net Asset Value per Fund certificate in compliance with law and this Charter, ensuring that calculation of Net Asset Values of the Fund is accurate;
  - h. To deal with securities transactions in compliance with lawful instructions of the Fund Management Company, which instructions may be refused by the Custodian Bank if the Custodian Bank has grounds to believe that such instructions are unlawful or not in compliance with this Charter. Refusal must be sent in writing to the Fund Management Company specifying the reason therefor, with a copy sent to the State Securities Commission;
  - i. To reconcile regularly assets of the Fund with the Fund Management Company;
  - j. To pay lawful and proper costs of the Fund in accordance with lawful instructions of the Fund Management Company, ensuring that such costs are in compliance with provisions of law and the terms of this Charter;
  - k. To make monetary payments to Authorized Participants and Investors on certificates exchange trade of the fund management company or upon income distribution by the Fund or upon liquidation or dissolution of the Fund. To make payments to Authorized Participants and Investors and other cases in accordance with law and this Charter strictly according to lawful

instructions of the Fund Management Company, ensuring that payments are made in compliance with the terms of this Charter;

1. The Custodian Bank must comply with other provisions in the Law on Securities and relevant legal instruments, this Charter and the Custodian Contract;
2. Rights of the Custodian Bank
  - a. The Custodian Bank is entitled to the types of service prices and fees for provision of custodian and safekeeping services for assets of the Fund in accordance with the Prospectus and the Fund's Charter, and in compliance with provisions of law;
  - b. To attend regular and extraordinary meetings of the General Meeting of Investors and of the Board of Representatives of the Fund.
3. Custodian activities of the Custodian Bank
  - a. The custodian scope is limited within the activities of the Fund Management Company relating to the Fund to which the bank carries out the custodian function. In custodian activities, the Custodian Bank must:
    - Coordinate with the Fund Management Company in reviewing periodically the internal process on principles and methods to determine the Net Asset Value of the Fund; audit, supervise the determination of the Net Asset Value of the Fund; and check and ensure that the Net Asset Value per Fund certificate and the Net Asset Value per Creation Unit are calculated correctly, accurately and in compliance with provisions of law and in this Charter;
    - Supervise investment activities and asset transactions of the Fund, re-check to ensure that the type of investment assets and investment portfolio structure are in compliance with regulations on investment restrictions and borrowing restrictions in accordance with law and the Fund's Charter; supervise asset transactions between the Fund and the Fund Management Company and Related Persons, ensuring compliance with law and the Fund's Charter. Upon discovering a sign of breach of provisions of law, the Custodian Bank must report to the State Securities Commission and notify the Fund Management Company within a time-limit of twenty four (24) hours from the discovery of the breach, and at the same time, request that the Fund Management Company take measures for timely resolution and remedy of any consequences arising within the prescribed time-limit;
    - Supervise the organization of implementation of and assess the result of consolidation, merger, dissolution, and liquidation of assets, of the Fund;
    - Supervise and ensure the legality of, and pay expenses from assets of the Fund only in accordance with law and this Charter;
    - The Fund Management Company may, from time to time, deposit the amount of the fund to banks in the list as approved in writing by the Board of representatives, and the Custodian Bank shall, as receiving and in accordance with appropriate orders from the fund management company, deposit the amount kept by or in accordance with orders of the fund management company to these banks or agencies. Even conditions herein, the Custodian Bank shall not be liable for safely keeping the amount as deposited to these banks or agencies and shall not be liable for any loss due to dissolving, going bankrupt or losing payment possibility of these banks or agencies;

- Supervise other activities of the Fund Management Company in management of assets of the Fund in strict accordance with Article 116 the Law on Securities and this Charter;
  - Certify reports on Net Asset Values, investment activities and investment portfolio of the Fund prepared by the Fund Management Company.
- b. The Custodian Bank is responsible to prepare and archive for a period of ten (10) years files and source vouchers in the form of hard copy and electronic files in order to confirm the compliance in activities of the Custodian Bank with respect to the Fund Management Company in accordance with provisions of law. These materials must be provided upon a request in writing from the State Securities Commission.
  - c. Upon a request in writing from the Fund Management Company, the Custodian Bank is responsible to provide on a timely, complete and accurate basis necessary information to the Fund Management Company and the approved auditing organization for these organizations to exercise rights and perform obligations fully towards the Fund in accordance with law and this Charter.
  - d. The Custodian Bank has the right to request that the Fund Management Company provide on a timely basis necessary and relevant materials and information; information about issuing organizations in which the Fund invests for the Custodian Bank to exercise rights and perform obligations fully towards the Fund in accordance with law. The Custodian Bank is responsible to keep confidential in accordance with law all materials and information received from the Fund Management Company.
  - e. In case the fund management company does not carry out activities aimed at restoring the position of the fund, shall comply with the provisions of Circular 98/2020/TT-BTC, the custodian bank shall report to the State Securities Commission within 05 working days from the date the Custodian bank sends the notice, notify the fund management company. In this case, the custodian bank has the right to execute only legitimate orders and trading instructions of the fund management company without leading to the fund's portfolio structure violating legal regulations and other regulations in the Fund Charter.
  - f. Where the Fund Management Company has to pay compensation for damage to the Fund or Investors in accordance with the provisions of Circular 98/2020 TT-BTC and other relevant regulations,..., the Custodian Bank must coordinate with the Fund Management Company to carry out payment procedures on a timely and complete basis for the Fund or Investors according to lawful instructions of the Fund Management Company. The Custodian Bank jointly with the Fund Management Company are responsible to compensate for damage to the Fund in the case damage occurs due to failure of the Custodian Bank to perform on a complete and timely its responsibility to supervise investment activities of the Fund, determination of the Net Asset Value of the Fund and other custodian activities with respect to the Fund in accordance with provisions of law. The rate of compensation for damage shall be in accordance with the terms of the contract entered into or agreed between the Fund Management Company and the Custodian Bank.

**Article 37. Termination of rights and obligations of the Custodian Bank towards the Fund**

1. The Custodian Bank shall terminate all of its rights and obligations of towards the Fund in the following cases:

- a. Upon revocation of its certificate of registration of securities depository operation as prescribed in clause 2 of Article 60 of the Law on Securities;
  - b. Upon unilateral termination of the depository contract or the Custodian Contract;
  - c. Upon being out of time, dissolution, division, separation, consolidation or merger of the Fund;
  - d. Under a decision of the General Meeting of Investors of the Fund;
  - e. In other cases in accordance with law.
2. In the case prescribed in clause 1 of this Article, the transfer of rights and obligations of the Custodian Bank towards the Fund to another custodian bank, another custodian bank must be conducted in accordance with law.

## **Chapter VIII**

### **RELEVANT SERVICE PROVIDERS**

#### **Article 38. Authorized activities**

The Fund Management Company is permitted to provide authorization with respect to the following services:

1. Fund administration services:
  - Making accounting entries of Fund transactions: recording fluctuations reflecting cash flow in and out of the Fund;
  - Preparing financial statements of the Fund, and coordinating with and assisting the Fund's auditing organization during audits of the Fund;
  - Determining the Net Asset Value of the Fund, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate unit in accordance with law and this Charter;
  - Undertaking other activities in accordance with law, this Charter, the Prospectus and the contract signed with the Fund Management Company.
2. Transfer Agent Services:
  - Preparing and managing the main book; opening, monitoring and management of the system of accounts of Investors; and certifying ownership of Fund certificates;
  - Recording exchange portfolio orders and buy. sell orders of Investors and Authorized Participants; transferring ownership of Fund certificates; and updating the main book;
  - Assisting Investors, Authorized participants in exercising their rights in relation to the ownership of Fund certificates by Investors and Authorized Participants;
  - Maintaining communication channels with Investors, Distribution Agents, State administrative agencies and other competent organizations;
  - Providing trading account statements, transaction confirmations and other documents;
  - Undertaking other activities in accordance with law, this Charter, the Prospectus and the contract signed with the Fund Management Company.

#### **Article 39. Criteria for selection of Relevant Service Providers**

1. Criteria on adequate capacity, personnel systems, experience and professionalism.  
Any organization selected by the Fund Management Company to provide relevant services must be permitted by law to operate in the sector implemented. Also, such organization must set up complete database systems for storing and processing data. Its personnel must be experienced, receive regularly updated training, and must carry out activities professionally.

2. Criteria on organizational structure of the departments providing relevant services of the authorized entities, systems of operational procedures, systems of reporting and approval of reports.  
Departments providing relevant services of the authorized entities must have mutual operational procedures and must set up complete and clear systems of reporting and approval of reports in accordance with law.

#### **Article 40. Responsibilities of Relevant Service Providers**

1. Principles of authorization activities:  
Organizations receiving authorization must perform properly the work as authorized to them in compliance with law and be responsible for the work done by them.
2. Scope of operation, functions and duties of the authorized entities:
  - a. With respect to administration services
    - Making accounting entries of Fund transactions: recording fluctuations reflecting cash flow in and out of the Fund;
    - Preparing financial statements of the Fund, and coordinating with and assisting the Fund's auditing organization during audits of the Fund;
    - Determining the Net Asset Value of the Fund, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate unit in accordance with law and this Charter;
    - Undertaking other activities in accordance with law, this Charter, the Prospectus and the contract signed with the Fund Management Company.
  - b. With respect to Transfer Agent Services:
    - Preparing and managing the main book; opening, monitoring and management of the system of accounts of Investors and Authorized Participants; and certifying ownership of Fund certificates;
    - Recording exchange portfolio orders and buy, sell orders of Investors and Authorized Participants; transferring ownership of Fund certificates; and updating the main book;
    - Assisting Investors in exercising their rights in relation to the ownership of Fund certificates by Investors and Authorized Participants;
    - Maintaining communication channels with Investors, Distribution Agents, State administrative agencies and other competent organizations;
    - Providing trading account statements, transaction confirmations and other documents;
    - Undertaking other activities in accordance with law, this Charter, the Prospectus and the contract signed with the Fund Management Company.
3. Requirements on source vouchers, records and databases:  
Source vouchers and records relating to the authorized services must be stored by the authorized entities within the period stipulated by law. Also, the authorized entities must be responsible to set up databases in conformity with the requirements of the work assumed which are convenient, complete and in strict accordance with the requirements stipulated by law.
4. The authorized entities must implement authorized activities effectively and prudently, and must be responsible to maintain confidentiality of all information relating to Investors and partners of the Fund Management Company;

5. The authorized entities are responsible to provide the Fund Management Company with independent audit reports in respect of the contents relating to the authorization activities for the purpose of serving the inspection and supervision activities of the Fund Management Company.

**Article 41. Responsibilities of the Fund Management Company for authorization activities**

1. The authorization does not reduce or change the responsibilities of the Fund Management Company with respect to the Fund;
2. Before signing a contract to use services of an authorized entity, the Fund Management Company must evaluate and prepare minutes of assessment of the capacity, physical facilities and information technology technical infrastructure of the authorized entity, ensuring that the authorized entity has operational procedures and sufficient capacity in terms of personnel and systems in order to implement the authorized activities, including internal control systems, physical facilities, technical solutions, disaster backup systems, hot stand-by systems, and personnel with appropriate experience and professional qualifications to implement the authorized activities.
3. To conduct regularly inspection and supervision in order to ensure that the authorized activities are carried out carefully and safely in accordance with law and this Charter, ensuring that the quality of services provided by the authorized entity satisfies the criteria and requirements of the Fund;
4. The Fund Management Company may use independent consultants and services provided by other professional organizations operating lawfully in order to perform these stipulated responsibilities;
5. To maintain personnel having appropriate experience, expertise and professional knowledge to supervise, identify and manage effectively the risks arising from the authorized activities;
6. To set up procedures and systems ensuring that at all times the Fund Management Company, independent auditing organizations and competent State administrative agencies are able to access necessary information in order to inspect and supervise the authorization activities, and evaluate and manage the risks arising from the authorization activities;
7. The Fund Management Company must be totally responsible [for any issue] arising from the authorization. The Fund Management Company must ensure continuity of the authorized activities without interruption and without affecting investment activities of Investors;
8. To provide completely, promptly and accurately relevant information to the authorized entity in order for the latter to be able to implement fully and promptly all rights, obligations and responsibilities during the authorization activities;
9. To store completely, promptly and accurately all instructions, requests and documents sent to the authorized entity to implement the authorization activities;

**Article 42. Termination of authorization activities**

1. An authorized entity shall terminate all rights and obligations authorized by the Fund Management Company with respect to the Fund in the following cases:
  - a. The authorized entity requests termination of its rights and obligations;
  - b. The authorized entity terminates its operation, is dissolved or becomes bankrupt;
  - c. At the request of the Fund Management Company;
  - d. At the request of the General Meeting of Investors;
  - e. The Fund is dissolved;
  - f. The Fund is merged or consolidated into another fund pursuant to a decision of the General Meeting of Investors;

- g. The licence of the authorized entity for the sector implemented is revoked;
  - h. The authorized entity is consolidated or merged into another organization.
2. The rights and obligations of an authorized entity with respect to the Fund shall only be terminated from the time of completion of handover of the rights and obligations with respect to the Fund to the authorized entity taking over or to the Fund Management Company. The authorized entity taking over must prepare the minutes of handover between the two entities certified by the Fund Management Company.

## **Chapter IX**

### **AUTHORIZED PARTICIPANTS AND MARKET MAKERS**

#### **Article 43. Conditions for selection of Authorized Participants**

1. Be a securities company with brokerage and self-trading operations or a commercial bank having a certificate of registration of depository activities, and having signed an authorized participant contract with DCVFM.
2. In the most recent twelve (12) month period prior to the month of lodging the application file for registration to establish DCVFMVNMIDCAP ETF, have maintained a minimum liquidity ratio of two hundred and twenty per cent (220%), or a higher ratio if so required by the Fund Management Company. The depository bank must satisfy the provisions on capital adequacy ratio in accordance with the law on banking;
3. Have signed an authorized participant contract with DCVFM;
4. Ensure the minimum number of Creation Units in order to maintain status as an Authorized Participant in accordance with provisions in the authorized participant contract signed with the Fund Management Company.
5. Satisfy other conditions (if any) in the authorized participant contract.

#### **Article 44. Rights and responsibilities of Authorized Participants**

1. Rights of Authorized Participants:
  - a. To provide brokerage services to Investors during exchange traded activities in accordance with current law. This provision applies to Authorized Participants being securities companies only;
  - b. To conduct self-trading with DCVFMVNMIDCAP ETF via the Fund Management Company pursuant to the regime on exchange trading of its Component Securities Basket for DCVFMVNMIDCAP ETF Creation Units, and vice versa;
  - c. To borrow Component Securities to exchange for DCVFMVNMIDCAP ETF Creation Units; or to borrow DCVFMVNMIDCAP ETF Creation Units to exchange for the Component Securities Basket. Such borrowing of securities and DCVFMVNMIDCAP ETF Certificates must be conducted on the system and in accordance with guidelines of VSDC;
  - d. To trade DCVFMVNMIDCAP ETF Certificates and Component Securities when an equivalent order is matched, ensuring that there are sufficient assets at the time of payment for a transaction in accordance with clause 2 Article 44 of Circular 98/2012/TT-BTC, except for the case stipulated in sub-clause c of clause 3 of Article 16 of this Charter.
2. Responsibilities of Authorized Participants:
  - a. To receive trading orders (directly or via Distribution Agents) and to transfer fully, promptly and accurately trading orders of each Investor to the Fund Management Company, VSDC,



- and/or Relevant Service Providers. This provision applies to Authorized Participants being securities companies only;
- b. Not to consolidate or to clear trading orders of Investors. Trading orders from Investors must be processed independently and separately from the processing of trading orders of the Authorized Participants themselves. In the case of trading of DCVFMVNMIDCAP ETF Certificates on stock exchanges, Authorized Participants must implement Investors' orders before their own orders. During a transaction to exchange for DCVFMVNMIDCAP ETF Creation Units, Authorized Participants may use assets in their self-trading accounts and their own assets only in order to exchange for DCVFMVNMIDCAP ETF Creation Units and may not use assets of Investors;
  - c. To ensure that Investors have sufficient cash and/or securities in their escrow accounts in accordance with law in order to conduct trading;
  - d. To manage separately assets of Investors in the account of each such Investor, independently from their own assets. Not to use assets of Investors in any form; not to deposit, withdraw, transfer, or conduct any transaction relating to assets of Investors; not to receive authorization from Investors nor to transfer cash or assets between accounts of Investors. Any transaction relating to assets of Investors is only permitted if it complies with law and lawful orders or instructions in writing from Investors;
  - e. To maintain a smooth and continuous communication channel with Investors to ensure that they are updated promptly, completely and accurately with all information and respond to queries of Investors regarding the Fund's products offered for sale; to keep statistics, compile account statements, and to certify transactions at the request of Investors; to provide Investors with the Prospectus, summary Prospectus and financial statements of the Fund, documents on meetings of the General Meeting of Investors, and other information; and to perform the obligations to provide reports and disclose information as authorized by the Fund Management Company;
  - f. To compile and archive details of Investors and their transactions. To provide such details to the Fund Management Company, the Stock Exchange, VSDC, Relevant Service Providers and the State Securities Commission upon their request;
  - g. To comply with the operational principles of Distribution Agents in accordance with the regulations on establishment and management of open funds issued by the Ministry of Finance.
  - h. Where an Authorized Participant sells DCVFMVNMIDCAP ETF Certificates, the number of remaining DCVFMVNMIDCAP ETF Certificates of such Authorized Participant after the sale shall not be less than the minimum number of Creation Units required to maintain the status as an Authorized Participant in accordance with the authorized participant contract signed with DCVFM.
  - i. Other activities in accordance with law, this Charter, the Prospectus and the authorized participant contract signed with DCVFM.

#### **Article 45. Market Makers**

1. Market makers are Authorized Participants selected by DCVFM to sign contracts for provision of market making services to DCVFMVNMIDCAP ETF. DCVFM may appoint one or more Authorized Participants to act as ETF Market Makers. DCVFM is responsible to send contracts on

market making activities to the State Securities Commission immediately after it signs such contracts with Market Makers.

2. Market Makers must quote buy offer and sell offer prices of ETF Certificates; and are responsible to buy and sell ETF Certificates at the quoted prices on trading days, and discharge their obligations and responsibilities in accordance with current laws and the Regulations on operation of market makers formulated and issued by stock exchanges.

## **Chapter X**

### **DISTRIBUTION AGENTS**

#### **Article 46. Conditions for selection of Distribution Agents of Fund certificates**

1. Being a securities company with the securities brokerage operation, and have signed contracts for distribution of DCVFMVNMIDCAP ETF Certificates with the Fund Management Company and Authorized Participants;
2. As at the time of registration of operation, having at least one business location selected as the outlet for Fund certificate distribution which satisfies the requirements of law on outlets for fund certificate distribution;
3. Having operational procedures on Fund certificate distribution including rules and procedures on identification of and on updating information about Investors and beneficiaries, measures for verification of information about Investors and beneficiaries, rules on professional ethics applicable to staff who distribute Fund certificates, and internal rules aimed at preventing late trading and speculation based on trading time differences or market timing prohibited by international practices.

#### **Article 47. Activities of Distribution Agents**

1. Compiling complete information about Investors and beneficiaries in accordance with the law on securities and the regulations on anti-money laundering and combating against terrorism financing;
2. Receiving and delivering trading orders of each Investor to the organization providing Transfer Agent Services in a complete, timely and accurate manner. Distribution Agents may consolidate or clear trading orders, and may not directly receive money and make payments for Fund certificate transactions for Investors; Distribution Agents may receive trading orders of Investors only when order slips have been filled in accurately and contain complete information in accordance with the standard form stipulated by the governing law. Order slips must be kept by Distribution Agents in accordance with the law on securities. Also, the time of receiving orders and persons receiving orders from Investors must be recorded completely, accurately, promptly and clearly. Orders received via telephone or fax, or online trading orders via the Internet or other electronic means and transmission lines shall comply with the regulations on e-transactions and order slips shall be stored in the form of electronic data files.
3. Assisting Investors in carrying out the procedures for changing information in the main book, certifying ownership of Fund certificates by Investors, and transferring ownership in accordance with law;
4. Maintaining a smooth and continuous communication channel with Investors to ensure that they are updated promptly, completely and accurately with all information and respond to queries of Investors regarding the Fund's products offered for sale; keeping statistics, compiling account statements, and certifying transactions at the request of Investors; providing Investors with the Prospectus, summary Prospectus and financial statements of the Fund, documents on meetings of

- the General Meeting of Investors, and other information; implementing the reporting regime and making disclosure of information as authorized by the Fund Management Company;
5. Assisting the Fund Management Company or Relevant Service Providers in holding meetings of the General Meeting of Investors; receiving authorization to attend [meetings] and exercising voting rights as instructed in writing by Investors;
  6. Compiling and archiving details of Investors and their transactions. Providing such details to the Fund Management Company, Relevant Service Providers and the State Securities Commission upon their request.

## **Chapter XI**

### **AUDITING, ACCOUNTING AND REPORTING REGIME**

#### **Article 48. Selection criteria and change of Auditing Company**

Annually, the Fund Management Company shall propose at least two (02) auditing companies to the General Meeting of Investors for its selection. Where the General Meeting of Investors authorizes the Board of Representatives of the Fund in accordance with clause 22 of Article 26 of this Charter, the Board of Representatives of the Fund shall select an Auditing Company to conduct audits for the Fund. The selected Auditing Company must satisfy the following conditions:

1. Having a licence for provision of auditing services issued by the Ministry of Finance.
2. Being fully capable of providing auditing services.
3. Being permitted by the State Securities Commission to audit investment funds.
4. Not being a Related Person of the Fund Management Company or the Custodian Bank.

#### **Article 49. Fiscal Year**

1. Fiscal Year means the twelve month period calculated from the beginning of 1 January until the end of 31 December of each calendar year. The first Fiscal Year of the Fund shall be calculated from the date on which the Fund is issued by the State Securities Commission with a certificate of establishment of the Fund until the end of 31 December in the same year.
2. If the period from the date when the Fund is issued by the State Securities Commission with the certificate of registration of establishment of the Fund until the end of 31 December in the same year is less than 90 days, the first accounting period shall be calculated from the date on which the Fund is issued by the State Securities Commission with the certificate of registration of establishment of the Fund until the end of 31 December of such year or until the end of 31 December of the next year.

#### **Article 50. Accounting regime & financial statements**

1. Accounting regime

The Fund shall apply the accounting regime of Vietnam and comply with other regulations related to the accounting work of the Fund as stipulated by competent agencies.

2. Financial statements

- The Fund Management Company is responsible to prepare regular financial statements on business results and financial status of the Fund and other necessary reports to present activities of the Fund.
- Semi-annual financial statements/annual financial statements shall be reviewed on a semi-annual basis/independently audited on an annual basis by the selected Auditing Company. Copies of audit reports and operational reports of the Fund must be sent to each member of the

Board of Representatives of the Fund and published on the website of the Fund Management Company for reference by Investors.

3. Other reports

The Fund Management Company must comply with the current laws on reporting regime and disclosure of information in relation to business activities of the Fund.

## **Chapter XII**

### **METHOD OF DETERMINATION OF NET ASSET VALUE OF INVESTMENT FUND**

#### **Article 51. Determination of the Net Asset Value of the Fund**

1. The Fund Management Company must formulate a valuation handbook which contains the following contents: principles and detailed process of implementing valuation methods in compliance with law, this Charter and international practices; and which must be clear for uniform application in different market conditions.
2. The valuation handbook must be approved by the Board of Representatives of the Fund and provided to the Custodian Bank in order for the latter to supervise the calculation of Net Asset Values.
3. The Fund Management Company is responsible to determine the Net Asset Value of DCVFMVN MIDCAP ETF, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate on a daily basis in accordance with the following principles:
  - a. The Net Asset Value of the Fund is determined as equal to the total value of assets less the total liabilities of the Fund. The total value of assets of the Fund is determined on the basis of the market price or the fair value of assets (if the market price cannot be determined). The total liabilities of the Fund are the debts or payment obligations of the Fund as at the most recent day prior to the Valuation Day. The method of determining the market price, the fair value of assets included in the portfolio and the value of debts and payment obligations shall be implemented in accordance with the principles stipulated in Article 52 of this Charter and the internal rules in the valuation handbook;
  - b. The Net Asset Value per Fund certificate is equal to the Net Asset Value of the Fund divided by the total number of outstanding Fund certificates, which is taken with two (02) decimal places. The Net Asset Value per Creation Unit is equal to the Net Asset Value of the Fund divided by the total number of Creation Units which is rounded up to a digit. The Net Asset Value is rounded in accordance with the accounting regime of the Fund. The balance arising from the rounding of the Net Asset Value of the Fund is accounted for into the Fund.
  - c. After determining the net asset value of the Fund, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate, the Fund Management Company must be certified by the Custodian Bank. The certification of the values must be in writing or retrieved via the electronic information system of the Custodian Bank approved by the Fund Management Company. Within 24 hours from the time of discovering that a Net Asset Value is incorrectly determined, the Custodian Bank must notify and request that the Fund Management Company promptly make adjustment or vice versa in a case where the Custodian Bank provides the Net Asset Value determination services. Within the limit of time as regulated from the date of discovering that a Net Asset Value is incorrectly determined, the Fund Management Company or the Custodian Bank (if the Custodian Bank provides the Net Asset Value determination

services) must make an adjustment and disclose information in accordance with regulations, and at the same time, notify the State Securities Commission of such incorrect valuation, including the cause(s) for the event, duration of incorrect valuation, and measures for resolution. The notice must be signed for confirmation by both the Fund Management Company and the Custodian Bank. After the Custodian Bank provides the certification, the Net Asset Values stated above must be disclosed in accordance with the regulations on disclosure of information on the securities market. The Net Asset Values must be disclosed to Investors on the business day following the Valuation Day in the case of a daily valuation period.

- d. The Fund Management Company may authorize Custodian Bank to determine the Net Asset Value of the Fund, the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate. In this case, the Fund Management Company and the Custodian Bank must set up a mechanism and process to conduct verification, review, check and supervision with a view to ensuring that Net Asset Values are determined correctly and in compliance with the Fund's Charter, the valuation handbook and law.
- e. The Fund Management Company or the Indicative Net Asset Value calculation service provider authorized by the Fund Management Company is responsible to determine the Indicative Net Asset Value (iNAV) per Fund certificate on the basis of the market price of Component Securities from the most recently conducted transactions. The Indicative Net Asset Value per Fund certificate is an indicative value only and is not the value to be used for determining the trading price. The Indicative Net Asset Value is updated at least every fifteen seconds (15s) and published on the website of the Fund Management Company or on the system of stock exchanges.

4. The Fund Management Company ensures that the [tracking] error is determined in accordance with the following formula:

The tracking error in the current week (t) is determined in accordance with the following formula:

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

In which:  $R_i$  is the difference between fluctuations in the Net Asset Value of one Creation Unit (NAV/CU) and fluctuations in the Reference Index from the  $i^{\text{th}}$  week and prior to such week, including the current week (t), determined in accordance with the following formula:

$$R_i = \ln \left[ \frac{(NAV/CU)_i}{(NAV/CU)_{i-1}} \right] - \ln \left[ \frac{Reference\ Index_i}{Reference\ Index_{i-1}} \right],$$

$$\bar{R} = \frac{1}{n} \sum_{i=-n}^{-1} R_i$$

In which  $n = 26$

- ❖ If the Fund has been operating for less than six (06) months, then n is the number of weeks calculated from the week of effectiveness of the certificate of registration of establishment of the Fund.

5. If the [tracking] error of the ETF exceeds 80% of the maximum error stipulated by the Stock Exchange, the Fund Management Company shall be responsible to report it to the State Securities Commission and stock exchanges, and at the same time, make a disclosure of information in accordance with regulations within 24 hours immediately after the event arises. Within three (03) months from the date on which the excessive [tracking] error arises, the Fund Management Company is responsible to adjust the investment portfolio of the Fund in order to ensure that the [tracking] error does not exceed 80% of the maximum [tracking] error.

## **Article 52. Method of determination of the Net Asset Value of the Fund**

### 1. Valuation Day:

The Valuation Day shall be a business day (of a daily valuation period) or every Friday (of a weekly valuation period) and the first day of the following month (of the monthly valuation period). Where the Valuation Day falls on a day off or public holiday, the Valuation Day shall be the immediately following business day, except for the monthly valuation period, which is still the first day of the next month.

In case the fund management company changes the period of determining the net asset value of the fund, the fund management company must seek approval from the Fund Representative Board before implementing.

### 2. Principles and method of determining Net Asset Values

A. The Fund Management Company: The Fund Management Company must ensure that:

- a. Assets are valued accurately and in compliance with law and this Charter;
- b. Valuation must reflect investment transactions in an accurate, timely and complete manner;
- c. Valuation items (including stocks, cash and other investments) must comply with the Fund's Charter, the Prospectus and the valuation handbook approved by the Board of Representatives of the Fund.
- d. Dividends, stock purchase rights and bonus stocks must be accounted for as assets of the Fund in accordance with current regulations and law.
- e. Expenses, interest and dividends must be subject to cumulative cost accounting until the day immediately preceding the Valuation Day;
- f. Taxes, service prices, fees and charges require timely consideration and adjustments in accordance with current law;
- g. Reasonable permitted fluctuation rates for changes of important factors upon valuation are established;
- h. Reconciliation of source vouchers relating to assets of the Fund with the Custodian Bank should be conducted periodically and at least once every month.

B. The Custodian Bank

- a. The Custodian Bank must conduct regular inspection and supervision in order to ensure that the Fund Management Company has in place the principles, process and method of determining and system of supervising the determination of securities prices or the Net Asset Value of the Fund which are implemented in accordance with law and this Charter. Regular inspection and supervision must be maintained with respect to a third party which is authorized by the Fund Management Company to carry out these activities;

- b. The principles, procedures and method of price determination and the supervision system of price determination must be implemented immediately after the Custodian Contract signed with the Fund Management Company takes effect;
- c. Review must be conducted more often when the Custodian Bank knows or suspects that the Fund Management Company's principles, procedures and method of supervision system of price determination fail to satisfy the requirements;

C. Method of determining Net Asset Values:

Net Asset Value (NAV) means the total value of assets owned by DCVFMVNMIDCAP ETF minus the total liabilities of the Fund on the day before the Valuation Day.

Total liabilities of the Fund means the debts or payment obligations of the Fund as at the most recent day before the Valuation Day. The total asset value of the Fund is determined on the basis of the market price or the fair value of assets (if the market price cannot be determined or the market price fluctuates abnormally as stipulated in the valuation handbook approved in writing by the Board of Representatives of the Fund).

The Custodian Bank shall supervise the determination of the Net Asset Value (including total assets and total liabilities) of the Fund, and at the same time, shall conduct checking to ensure that the Net Asset Value per Creation Unit and the Net Asset Value per Fund certificate are calculated correctly, accurately and in compliance with law and the Fund's Charter.

**Net Asset Value of the Fund (NAV) = Total assets of the Fund – Total liabilities of the Fund**

The Net Asset Value per Fund certificate is equal to the Net Asset Value of the Fund divided by the total quantity of outstanding Fund certificates, and calculated to two (02) decimal places. The Net Asset Value per Creation Unit is equal to the Net Asset Value of the Fund divided by the total number of outstanding DCVFMVNMIDCAP ETF Creation Units, and rounded down to the units digit.

D. The Net Asset Value is determined in accordance with the following method:

No.	Type of asset	Principles of transaction valuation on the market
<b>Cash and cash equivalents, monetary market instruments</b>		
1.	Cash (VND)	Monetary balance in on-call accounts as at the date before the Valuation Day.
2.	Term deposits	Value of deposits plus interest receivable as at the day before the Valuation Day.
3.	Treasury bills and negotiable deposit certificates, and other monetary market instruments	Buy price plus cumulative interest as at the day before the Valuation Day and in accordance with guidelines in the valuation handbook approved by the Board of Representatives of the Fund.
4.	Non-interest bearing instruments on which is not payable including bills of exchange, bonds, valuable papers and other non-interest bearing instruments	Quoted price on the trading system of the Stock Exchange; in the case where there is no quoted price, the price shall be determined by the valuation method mentioned in the valuation handbook and approved by the Board of Representatives of the Fund.
<b>Bonds</b>		

5.	Listed bonds/ Private Placement Corporate Bond (PPC Bond)	<p>- Weighted average quoted price (clean price) for outright transactions on the trading system or some other name, subject to the internal rules of the stock exchange on the most recent trading day before the Valuation Day plus cumulative interest. In the following cases where:</p> <ul style="list-style-type: none"> <li>• No trading is conducted on the trading system at the Stock Exchange for more than 15 days as at the Valuation Day; or</li> <li>• Weighted average quoted price as mentioned above with abnormally fluctuated prices are conducted as detailed in the valuation handbook</li> </ul> <p>then the price of bonds shall be in accordance with the details mentioned in the valuation handbook approved by the Board of Representatives of the Fund.</p>
6.	Unlisted bond	<p>The average clean price of successful transactions at the last day before the valuation date is based on quotes of at least three (03) non-relevant quote organizations and approved by the Board of Representatives plus accumulated interest(*). In case there is one (01) quote organization cannot set out the price, bond price is the average clean price of the successful trades at the nearest day prior to the evaluation date based on the two (02) quote organizations plus accumulated interest (*)</p> <ul style="list-style-type: none"> <li>• insufficient quotes of at least three (03) quote organizations; or</li> <li>• have sufficient quotes but have from (02) to three (03) the quote organization does not determine the price; or</li> <li>• the above-mentioned average clean price (*) has unusual fluctuations according to the details mentioned in the valuation handbook,</li> </ul> <p>the bond price shall be carried out according to the details mentioned in the Valuation Handbook approved by the Board of Representatives.</p>
7.	Warrants attached to convertible bonds	Price determined by the method approved by the Board of Representatives of the Fund
8.	Bonds of an organization in the status of dissolution or bankruptcy	Price determined by the method approved by the Board of Representatives of the Fund
<b>Stocks</b>		
9.	Stocks listed on the Stock Exchange; Stocks of a Public company registering for trading on the UpCom system	- Closing price (or some other name, subject to the internal rules of the stock exchange) on the most recent trading day before the Valuation Day;



		<p>- If there is no trading for more than 15 days as at the Valuation Day, priority shall be given to applying one of the following prices in descending order:</p> <p>+ Closing price (or some other name, subject to the internal rules of the stock exchange) on the most recent trading day within 90 days prior to the Valuation Day;</p> <p>+ Buy price (cost price);</p> <p>+ Book value;</p> <p>+ Price determined by the method approved by the Board of Representatives of the Fund.</p> <p>- During the period in which procedures for [trading] floor change for securities are carried out, the final closing price on the most recent trading day before the Valuation Day shall be used.</p> <p>- Where stocks are approved for listing but the first transaction has not yet been conducted, valuation shall be implemented as if they are initial public offering shares in listing process.</p>
10	Stocks suspended from trading, or de-listed or de-registered for trading	<p>Priority shall be given to applying one of the following prices in the descending order:</p> <p>- Book value;</p> <p>- Par value;</p> <p>- Price determined by the method approved by the Board of Representatives of the Fund.</p>
11.	Stocks of an organization in the status of dissolution or bankruptcy	<p>Priority shall be given to applying one of the following prices in descending order:</p> <p>- 80% of the liquidation value of such stocks on the most recent balance sheet preparation day before the Valuation Day;</p> <p>- Price determined by the method approved by the Board of Representatives of the Fund upon the circumstances.</p>
12.	Other shares and capital contributions (including IPO shares in listing process)	<p>- The average value of successful transactions on the most recent trading day before the Valuation Day on the basis of the quotations of at least three (03) quoting organizations not being Related Persons and approved by the Board of Representatives of the Fund on the most recent trading day before the Valuation Day.</p> <p>- If there are not sufficient quotations of at least 03 quoting organizations not being Related Persons and approved by the Board of Representatives of the Fund, priority shall be given to one of the following prices in descending order:</p> <p>+ Average price of two (02) or more quoting organizations not being Related Persons and approved by the Board of Representatives of the Fund;</p>

		<ul style="list-style-type: none"> <li>+ Price of the most recent reporting period but not exceeding 90 days prior to the Valuation Day;</li> <li>+ Buy price;</li> <li>+ Book value;</li> <li>+ Price determined in accordance with the Theoretical models approved by the Board of Representatives of the Fund.</li> </ul>
<b>Fund certificates</b>		
13.	Listed public fund certificates	<ul style="list-style-type: none"> <li>- Closing price (or some other name in accordance with regulations of the Stock Exchange) on the most recent trading day before the Valuation Day;</li> <li>- If there is no trading for more than 15 days as at the Valuation Day, the price shall be determined as one of the following prices: <ul style="list-style-type: none"> <li>+ Net asset value of such fund certificates as disclosed on the website of such fund management company; or on the stock exchange; or on the website of the SSC as detailed in the valuation handbook;</li> <li>+ Buy price (cost price);</li> <li>+ Price determined by other methods approved by the Board of Representatives of the Fund.</li> </ul> </li> </ul>
14.	Unlisted public fund certificates	- Net asset value per fund unit on the most recent valuation day of such fund certificates prior to the Valuation Day of DCVFMVNMIDCAP ETF.
<b>Derivative securities</b>		
15.	Listed derivative securities	The closing price, or otherwise called according to Stock Exchange's internal regulations, of the latest trading day before the valuation date. In the absence of closing price of Stock Exchange as prescribed in this Article, the price is determined based on the daily settlement price/final settlement price (in case of maturity) provided by VSDC to clearing derivative members and published on VSDC website at the latest trading date preceding the valuation date.
16.	Listed derivative securities with no trading for more than 15 days as at the Valuation Day	Price determined by the method approved by the Board of Representatives of the Fund.
17.	Global exposure from derivative contracts	As detailed in sub-clause E Clause 2 of this Article.
<b>Other assets</b>		
18.	Other assets permitted to be invested	On a case-by-case basis, the price of assets shall be appropriately determined in accordance with one of the following methods:

		The market price is the average price of successful transactions conducted on the most recent trading day before the Valuation Day as provided by at least 02 (two) quoting organizations; or in accordance with the method approved by the Board of Representatives of the Fund.
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Notes:

- Cumulative interest is the interest calculated from the most recent interest payment date until the day prior to the Valuation Day;
- The book value of a stock is determined on the basis of the most recent audited or reviewed financial statements.
- The liquidation value of a stock is determined as equal to the value of the equity of the issuing organization divided by the total number of outstanding stocks.
- Day is construed as a Gregorian day.
- In other situations arising in which the method of valuation cannot be determined, the detailed guidelines in the valuation handbook approved by the Board of Representatives of the Fund shall apply.

E. Global exposure from derivative contracts

- a. Global exposure means the value converted into cash for which the Fund is the party obliged to implement the contract. The global exposure is determined on the basis of the market value of underlying assets, payment risks, market fluctuations and the time required to liquidate the position.
- b. When calculating the global exposure, the Fund Management Company may apply:
  - The principle of netting of derivative positions (reverse direction) in respect of the same underlying securities, for example, the long position of the call option of XYZ securities reduces (offsets) the global exposure from the short position of the call option of XYZ securities;
  - The principle of netting of derivative positions and the spot position of the same securities, for example, the long (holding) position of XYZ securities offsets (reduces) the global exposure arising from the short position of the call option of XYZ securities;
  - Other principles in accordance with international practice, ensuring risk management.

No.	Type of asset	Global exposure
1	Stock option (buy of put option, sale of put option, sale of call option)	Market value of the option position <sup>1</sup> adjusted by the delta coefficient of the option = Number of contracts × Quantity of stocks per contract × current market price of stocks × delta coefficient <sup>2</sup>
2	Bond option (buy of put option, sale of put option, buy of call option)	Market value of the option position <sup>3</sup> adjusted by the delta coefficient of the option = Number of contracts × par value × current market price of bonds × delta coefficient
3	Index futures contracts	Market value of the future position = Number of contracts × value calculated on one index point × current index level
4	Bond futures contracts	Market value of the future position = Number of contracts × value of contracts calculated on the basis of par value

No.	Type of asset	Global exposure
		(notional) × market value of transferable cheapest-to-deliver bonds
5	Other contracts	In accordance with model selected by the Fund Management Company, agreed between the Fund Management Company and the Custodian Bank, and approved by the Board of Representatives of the Fund.

Notes:

<sup>1</sup> If the Fund holds the long position, the market value may be adjusted to increase the premium to buy the option.

<sup>2</sup> Delta coefficient is the first derivative of the option price with respect to the price of underlying securities. In simple cases, the delta coefficient may be deemed as equal to 1. In the cases of complicated options, the delta coefficient shall be determined by the Fund Management Company and the Custodian Bank after the Board of Representatives of the Fund approves.

<sup>3</sup> If the Fund holds the long position, the market value may be adjusted to increase the premium to buy the option.

### Chapter XIII

#### PROFIT AND OPERATIONAL EXPENSES OF THE FUND

##### Article 53. Income of the Fund

Income of the Fund comprises the following:

1. Dividends.
2. Bond interest,.
3. Deposit interest, certificate of deposit.
4. Trading differences from investment activities of the Fund.
5. Other income, if any, arising from asset investment or activities of the Fund.

##### Article 54. Distribution of profit

1. To minimize costs incurred, DCVFMVNMIDCAP ETF will not carry out profit distribution.
2. All profits of the Fund arising during the operational process shall be accrued to increase the Net Asset Value of the Fund.

##### Article 55. Service prices and fees payable by the Fund

1. Fund management service price
  - The fund management service price is 0.8% of the Net Asset Value of DCVFMVNMIDCAP ETF per Fiscal Year. This service price shall be paid to DCVFM Fund Management Company to provide management services to DCVFMVNMIDCAP ETF.
  - The amount of service price payable monthly is the total service price calculated (appropriated) for periods of valuation implemented in the month.
  - The management service price in each valuation period shall be determined in accordance with the following formula:  
 Management service price for the valuation period = Percentage of the (annual) management service price x NAV on the day prior to the Valuation Day x actual number of calendar days of the valuation cycle/ actual number of days in the year (365 or 366)
2. Depository and custodian service prices

The custodian or depository service price shall be paid to the Custodian Bank to provide custodian or depository bank services to the Fund. The service price shall be calculated in each valuation period on the basis of the NAV on the day prior to the Valuation Day and shall be paid monthly. The service price payable monthly is the total of the service prices calculated (appropriated) for the valuation periods implemented in the month.

- The maximum custodian service price is 0.02% of NAV per year (excluded VAT tax (if any))
- The maximum depository service price is 0.05% of NAV per year.
- These service prices do not include the securities trading price of 100,000 dong per transaction, excluding exchange transactions.
- The service prices above do not include normal external expenses such as payment costs to VSDC, legal expenses, fees for withdrawing unlisted securities and so forth.
- The custodian or depository service price in each valuation period shall be determined in accordance with the following formula:
- Custodian or depository service price (excluding the securities trading price) for the valuation period = Percentage of the (annual) custodian or depository service price x NAV on the day prior to the Valuation Day x actual number of calendar days of the valuation cycle / actual number of days in the year (365 or 366).

The service price and method of payment of service prices are specified in the Contract between the Fund Management Company and the Service Provider.

## 2. Fund administration service price

- The fund administration service price is the service price payable by DCVFMVNMIDCAP ETF to the organization providing fund administration services to the Fund.
- The maximum fund administration service price is 0.03% of NAV per year (exclusive of VAT (if any)).
- The amount of service price payable monthly is the total of the service prices calculated (appropriated) for the valuation periods implemented in the month.
- The fund administration service price in each valuation period shall be determined in accordance with the following formula:

Fund administration service price for the valuation period = Percentage of the (annual) fund administration service price x NAV on the day prior to the Valuation Day x actual number of calendar days of the valuation cycle / actual number of days in the year (365 or 366)

- The service price and method of payment of service prices are specified in the Contract between the Fund Management Company and the Service Provider.

## 3. Transfer Agent Service price

- The Transfer Agent Service price is the price payable by the Fund to an organization providing Transfer Agent Services. The Transfer Agent Service price shall be announced in the Prospectus or the summary Prospectus, on the websites of the Fund Management Company and Distribution Agents or in other forms.
- The Transfer Agent Service price in each valuation period in a month shall be determined in accordance with the following formula:

Transfer Agent Service price for the valuation period = The monthly Transfer Agent Service price/ actual number of days in the month x actual number of calendar days of the valuation cycle

- Service prices and methods of payment of service prices shall be specified in the contract between the Fund Management Company and the organization providing Transfer Agent Services. In addition, the Fund shall pay any expenses relating to the exercise of rights to VSDC as agreed in the contract.

4. Service price payable to the organization managing and operating the Reference Index

- The maximum service price for management and operation of the Reference Index is 0.05% of NAV per year and the minimum service price shall be stipulated in the contract between the Fund Management Company and the organization managing and operating the Reference Index (exclusive of VAT (if any)). This service price shall be paid by DCVFMVNMIDCAP ETF to the organization managing and operating the Reference Index.

- The service price for management and operation of the Reference Index in each valuation period shall be determined in accordance with the following formula:

Service price paid to the organization managing and operating the Reference Index for the valuation period = Percentage of the (annual) service price paid to the organization managing and operating the Reference Index x NAV on the day prior to the Valuation Day x actual number of calendar days of the valuation cycle / actual number of days in the year (365 or 366)

- The service price, applicable time and methods of payment of the service price shall be specified in the contract between the Fund Management Company and the organization managing and operating the Reference Index.

5. Service price payable to the Indicative Net Asset Value calculation service provider

- The maximum service price for providing the service of calculating the Indicative Net Asset Value is 0.05% of NAV per year and the minimum service price shall be stipulated in the contract between the Fund Management Company and the organization providing the service of calculating the Indicative Net Asset Value (exclusive of VAT (if any)). This service price shall be paid by DCVFMVNMIDCAP ETF to the organization providing the service of calculating the Indicative Net Asset Value.

- The service price for providing the service of calculating the Indicative Net Asset Value in each valuation period shall be determined in accordance with the following formula:

Service price paid to the organization providing the service of calculating the Indicative Net Asset Value for the valuation period = Percentage of the (annual) service price paid to the organization providing the service of calculating the Indicative Net Asset Value x NAV on the day prior to the Valuation Day x actual number of calendar days of the valuation cycle / actual number of days in the year (365 or 366)

6. The service price, applicable time and methods of payment of the service price shall be specified in the contract between the Fund Management Company and the organization providing the service of calculating the Indicative Net Asset Value. The total price of fund establishment member services is 0.05% of the net asset value of the DCVFMVNMIDCAP ETF/financial year. This service price is paid to securities companies selected and contracted to perform marketing services and quote prices on the market for the DCVFMVNMIDCAP ETF.

- The monthly service price is the total service price calculated (deducted) for the valuation periods performed in the month.
- The formula for calculating the price of fund-raising member services in each valuation period is determined as follows:  
Fund-setting member service price for valuation period = Rate of fund-making member service price (year) x NAV at the day before the valuation date x the actual calendar number of valuation cycles / actual days of the year (365 or 366)
- Service price and method of service fee payment are specified in the contract between the fund management company and selected securities companies.

#### 7. Other fees, service prices, and charges

- Trading service prices, including brokerage expenses, and service prices for transfer of asset transactions of the Fund payable to securities companies. These expenses do not include any other expense, including service fees and prices paid for other services or service fees and prices paid to third parties (implicit costs).
- Auditing expenses paid to the auditing organization; legal consultancy services, quotation services and other services, and remuneration paid to the Board of Representatives of the Fund.
- Expenses for drafting, printing and sending the Fund's Charter, the Prospectus, the summary Prospectus, financial statements, transaction confirmations, account statements and other documents to Investors; expenses for disclosing information about the Fund; expenses for holding meetings of the General Meeting of Investors and of the Board of Representatives of the Fund.
- Expenses relating to conducting asset transactions of the Fund.
- Expenses for legal consultancy services, quotation services and other reasonable services;
- Expenses relating to the hiring of independent organizations to provide services of valuation and assessment of assets of the Fund;
- Expenses for amendment of the Fund's Charter in the interests of Investors;
- Remuneration and business expenses for the Board of Representatives of the Fund;
- Reasonable and valid expenses as decided by the Board of Representatives of the Fund;
- Expenses for insurance (if any);
- Fees paid to regulatory agencies (fees for issuance of the licence to the Fund);
- Taxes, service prices, fees and charges payable by the Fund in accordance with Law;
- Interest payable on loans of the Fund in compliance with the Fund's Charter, the Prospectus and law;
- Other types of service prices and expenses in accordance with law.

In a specific time, the fund management company can adjust the ratio on total expense of operation of the Fund (“TERo”) (after subtracting the related costs regarding to investment trading) in order to support the Investors. Details of TERo (if any) and applied effect shall be updated in Prospectus of the Fund and announced on the website of the fund management company.

The Fund Management Company, on behalf the Fund, will sign reasonable and valid services contracts ensuring the compliance with the laws for the Fund and Fund Charter.

#### **Article 56. Expenses of the Fund**

1. Expenses incurred by the ETF comprise the following service prices, fees and expenses:

- a. Asset management service price payable to the Fund Management Company;
  - b. Expense payable to Authorized Participants;
  - c. Fund asset depository service price and custodian service price payable to the Custodian Bank;
  - d. Fund administration service price for management of the register of Investors and Transfer Agent Services and other service prices and fees payable by the Fund Management Company to VSDC and the Relevant Service Provider;
  - e. Service price payable to the organization managing and operating the Reference Index;
  - f. Trading fees, including brokerage expenses, fees for transfer of asset transactions of the Fund payable to securities companies. These expenses do not include any other expense, including fees paid for other services or fees paid to third parties (implicit costs);
  - g. Auditing expenses payable to the auditing organization; legal consultancy services, quotation services and other services, remuneration paid to the Board of Representatives of the Fund;
  - h. Expenses for drafting, printing and sending the Fund's Charter, the Prospectus, the summary Prospectus, financial statements, transaction confirmations, account statements and other documents to Investors; expenses for disclosure of information about the Fund; expenses for holding meetings of the General Meeting of Investors and of the Board of Representatives of the Fund;
  - i. Expenses relating to conducting asset transactions of the Fund and other expenses in accordance with law;
  - j. Expenses relating to the change of the depository bank, the Custodian Bank (if any) or other service providers.
3. The Fund Management Company, Authorized Participants and Distribution Agents are responsible to pay expenses for printing and issuing advertising materials and information about the Fund's products.

## **Chapter XIV**

### **DISSOLUTION OF THE FUND**

#### **Article 57. Conditions for dissolution of the Fund**

1. The Fund shall be dissolved in the following circumstances only:
  - a. The Fund Management Company is dissolved, becomes bankrupt, or its licence for establishment and operation is revoked without identifying a replacement fund management company within two (02) months from the date of occurrence of the dissolution or bankruptcy event or licence revocation;
  - b. The Fund Management Company requests termination of its rights and obligations with respect to the Fund, which is approved by the General Meeting of Investors without identifying a replacement fund management company within two (02) months from the date of announcement of its request;
  - c. The Custodian Bank is dissolved or becomes bankrupt, or its licence for establishment and operation is revoked without identifying a replacement custodian bank within two (02) months from the date of occurrence of the dissolution or bankruptcy event or licence revocation;



- d. The Custodian Bank requests termination of its rights and obligations with respect to the Fund without identifying a replacement custodian bank within two (02) months from the date of announcement of its request;
  - e. The Net Asset Value of the Fund is below ten (10) billion for six (06) consecutive months;
  - f. The Fund is delisted.
  - g. The Fund is dissolved pursuant to a decision of the General Meeting of Investors.
2. Within thirty (30) days from the date on which the Fund is compulsorily dissolved as stipulated in clause 1 of this Article, the Fund Management Company or the Custodian Bank and the Board of Representatives of the Fund (if there is no Fund Management Company) shall convene the General Meeting of Investors to pass a plan for dissolution of the Fund.
  3. The General Meeting of Investors has the right to appoint an independent auditing organization to check, assess and supervise all activities of liquidation, valuation, re-evaluation of the valuation and distribution of assets of the Fund to Investors; or to maintain the operation of the current Board of Representatives of the Fund in order for the latter to supervise the process of liquidation and distribution of assets of the Fund.
  4. The Fund Management Company and the Custodian Bank are responsible to complete liquidation of assets of the Fund and distribution of assets of the Fund to Investors in accordance with the plan passed by the General Meeting of Investors. Where the Fund is dissolved in accordance with sub-clause a of clause 1 of this Article, the Custodian Bank shall be responsible to liquidate and distribute assets of the Fund.
  5. Unless otherwise decided by the General Meeting of Investors, the Fund Management Company and the Custodian Bank may not conduct the following as from the date on which the General Meeting of Investors decides on dissolution of the Fund:
    - a. Undertake any investment activity or any transaction to buy assets for the Fund;
    - b. Convert any unsecured debts into debts secured by assets of the Fund;
    - c. Donate assets of the Fund to any other organization or individual;
    - d. Pay out contracts in which the value of obligations of the Fund is greater than the value of obligations of the other contractual party; or pay out debts to creditors who are also debtors of the Fund without set-off;
    - e. Conduct other transactions with the objective of dissipating assets of the Fund.
  6. Assets of the Fund under dissolution comprise:
    - a. Assets and property rights which the Fund has at the time it is subject to compulsory dissolution;
    - b. Profit, assets and property rights which the Fund will have as a result of implementation of transactions created prior to the date on which the Fund is subject to compulsory dissolution;
    - c. Assets being the security for discharge of obligations of the Fund. In the case of payment of assets being the security to secured creditors, then if the value of such security exceeds the amount of secured debts which are payable, the excess shall be an asset of the Fund.
  7. The Fund Management Company [and/or] the Custodian Bank shall be responsible to transfer the Component Securities Basket to Investors corresponding to their ownership ratios in the Fund in accordance with sub-clause c of clause 9 of this Article.
  8. If an Investor makes a written request or [has] a too small number of Fund certificates as stipulated in this Charter, the Fund Management Company may carry out liquidation sale of assets and pay

money to such Investor. Liquidation sale of assets being listed securities or securities registered for trading must be conducted via the trading system of stock exchanges, or may be conducted by other methods ensuring the best interests of the Fund and compliance with the dissolution plan passed by the General Meeting of Investors.

9. Assets from liquidation of the Fund shall be paid in the following priority order:
  - a. Discharge of financial obligations owing to the State;
  - b. Items payable to the Fund Management Company, to the Custodian Bank, and other items payable and expenses of dissolution of the Fund. If the Fund is compulsorily dissolved pursuant to sub-clause a or b of clause 1 of this Article, the Fund shall not be required to pay any contractual service price or fee to the Fund Management Company or to the Custodian Bank as from the date on which such event arises;
  - c. The residual assets shall be used to make payment to Investors corresponding to their ratios of capital contribution to the Fund. In the case of assets [requiring] ownership registration, then the Fund Management Company [and/or] the Custodian Bank shall be responsible to request that VSDC, the organization managing the register of shareholders, [and/or] issuing organizations to make a transfer and conduct registration of ownership of assets for the Investors [concerned].
10. The results of liquidation of assets of the Fund must be certified by the Custodian Bank and by the Fund Management Company, and be approved by the independent auditing organization appointed by the General Meeting of Investors as stipulated in clause 3 of this Article, or the Board of Representatives of the Fund supervising the process of liquidation of assets.

#### **Article 58. Sequence and procedures for dissolving the Fund**

1. The Fund Management Company or the Custodian Bank and the Board of Representatives of the Fund (if there is no Fund Management Company) must notify the State Securities Commission of the dissolution of the Fund within seven (07) days after the date on which the General Meeting of Investors issues the decision to dissolve the Fund.
2. The documents notifying dissolution of the Fund comprise:
  - a. Notice of dissolution of the Fund containing the items set out in Circular 98/2020/TT-BTC;
  - b. Meeting minutes and resolution of the General Meeting of Investors on dissolution of the Fund, enclosing the plan and schedule of liquidation and distribution of assets as passed by the General Meeting of Investors, which specifies the principles for determining the Net Asset Value on the dissolution day and during the period in which the Fund liquidates its assets in compliance with law, this Charter and the valuation handbook; and the method for distributing assets to Investors and supplying them with information about liquidation and distribution of assets;
  - c. Written undertaking signed by the legal representative of the Fund Management Company (if any) and by the Custodian Bank to be responsible to complete the procedures for liquidation of assets in order to dissolve the Fund.
3. If the State Securities Commission does not provide any opinion on the dissolution of the Fund after fifteen (15) days from the date of sending the notice, then the Fund Management Company [and/or] the Custodian Bank shall be responsible to announce the notice of dissolution of the Fund in accordance with current law, and at the same time the Fund Management Company shall implement

the sequence and procedures for conducting voluntary delisting or de-registration of Fund certificates in accordance with guidelines of stock exchanges [and/or] of VSDC.

4. The liquidation of assets of the Fund and the time-limit for same shall be implemented in accordance with the dissolution plan passed by the General Meeting of Investors, but shall not exceed a maximum of six (06) months from the date of announcement of the notice of dissolution of the Fund. During the liquidation of assets in order to dissolve the Fund, the management service price, the custodian service price and other expenses shall be collected in accordance with the service tariffs and charges passed by the General Meeting of Investors. After the dissolution day, the Fund Management Company shall, on a monthly basis, provide Investors with information about the expenses arising within such period, the residual Net Asset Value of the Fund, the residual Net Asset Value per Creation Unit and the residual Net Asset Value per Fund certificate, and the list of residual assets not yet distributed to Investors on the standard forms stipulated by current law. The notice to Investors must be supplied to the State Securities Commission enclosing a report on assets and report on the investment portfolio of the Fund on the standard forms stipulated by current law.
5. Within five(05) days from the date of completion of dissolution of the Fund, the Fund Management Company or the Custodian Bank (if there is no Fund Management Company) is responsible to disclose information about the completion of the liquidation, distribution and dissolution of the Fund in accordance with current laws and at the same time notify the State Securities Commission of the dissolution results including the following data:
  - a. Report certified by the Fund Management Company [and/or] Custodian Bank and the auditing organization or the Board of Representatives of the Fund (if any) on the liquidation of assets of the Fund, on the payment of debts and discharge of other property obligations to creditors and to other people with rights and obligations, including financial obligations owing to the State. The report must enclose a list of creditors and the amount of debts paid out, including tax debts;
  - b. Report on results of the dissolution and liquidation of assets of the Fund certified by the Fund Management Company [and/or] Custodian Bank and the auditing organization or the Board of Representatives of the Fund (if any) in terms of the process of liquidation of assets, and method of liquidation and distribution of assets; the total value of assets received after liquidation; and the total amount of liabilities and residual assets for distribution to Investors on the standard form stipulated by current laws. If the Fund conducts distribution of assets other than in cash, then the report must also include confirmation from VSDC on completion of allocation to and registration of securities for Investors at the request of the Fund Management Company [and/or] Custodian Bank and the Investors; confirmation from the organization managing the register of shareholders, from issuing organizations, and from enterprises receiving investment capital from the Fund regarding completion of transfer of ownership of shares [and/or] capital contribution portions of each Investor participating in the Fund at the request of the Fund Management Company;
  - c. Original certificate of registration of establishment of the Fund;
  - d. Report on evaluation of asset liquidation results from the auditing organization appointed by the General Meeting of Investors or from the Board of Representatives of the Fund (if any);
  - e. Confirmation from Investors of receipt of all money and assets correctly in accordance with the Fund dissolution plan.

6. If the notice of dissolution results is inaccurate or includes a forged document, then the Fund Management Company, the Custodian Bank, and other organizations and individuals involved must be jointly liable to pay the unpaid debts and shall also be personally liable before the law for any consequences arising within a three (03) year period from the date of lodging the report on dissolution results with the State Securities Commission.

## **Chapter XV**

### **RESOLUTION OF CONFLICTS OF INTERESTS**

#### **Article 59. Control of conflicts of interests between the Fund and other funds, entrusting investors of the Fund Management Company and between the Fund and the Fund Management Company**

1. The Fund Management Company must:
  - a. Separate the investment strategies and the investment objectives of each fund managed by the Fund Management Company;
  - b. Separate assets of the Fund Management Company from assets of the funds managed by the Fund Management Company and assets of entrusting Investors; and separate assets of the funds managed by the Fund Management Company.
2. All securities transactions of members of the board of management of the Fund Management Company, members of the executive management board, members of the inspection committee, inspectors, fund management practitioners and employees of the Fund Management Company must be reported and controlled in compliance with this Charter and current law;
3. Internal control, risk management and conflict of interest monitoring systems shall be established in the Fund Management Company.

## **Chapter XVI**

### **DISCLOSURE OF INFORMATION AND CHANGES TO THE CHARTER**

#### **Article 60. Disclosure of information**

1. The Fund Management Company shall disclose information about the operation of the Fund in accordance with the law on disclosure of information on the securities market.
2. A notice on convening a meeting of the Board of Representatives of the Fund shall be deemed as communicated to each member of the Board of Representatives of the Fund if it is notified directly to the member of the Board of Representatives of the Fund or sent in writing to the address notified to the Fund by the members of the Board of Representatives of the Fund.
3. The Prospectus and summary Prospectus; audited financial statements; semi-annual financial statements; and monthly and annual operational reports of the Fund shall be provided free-of-charge to Investors on the website of the Fund Management Company and on the Distribution Agent system, or shall be sent directly to Investors via email.
4. Convening letters, notices, orders or documents required to be sent to the Fund or its operators may be delivered directly or posted to the registered office address of the Fund in a stamped envelope addressed to the Fund or the Fund operators.
5. The Fund Management Company shall disclose information in accordance with the law on securities and the securities market.

## **Article 61. Changes to the Charter**

1. The initial Fund's Charter is formulated by the Fund Management Company in accordance with the standard form stipulated in Circular No. 98/2020/TT-BTC. Authorized Participants [and/or] Investors registering to purchase DCVFMVNMIDCAP ETF Certificates are deemed to have passed this initial Charter.
2. In the case of amendment of or addition to this Charter, the Fund Management Company must obtain opinions of the General Meeting of Investors. Upon amendment of or addition to this Charter, the Fund Management Company must notify Investors of such amendment or addition and update same in the Fund's Charter.

## **Article 62. Registration of the Charter**

1. This initial Fund's Charter comprises 16 Chapters, 63 Articles and 03 Appendices and takes effect from the date on which the SSC issues the certificate of registration of establishment of the Fund to DCVFMVNMIDCAP ETF.

This Charter is amended and supplemented at the first time including 16 Chapters, 63 Articles and 03 Appendices according to Resolution of General Meeting of investors of financial year 2022 dated on 12/03/2023 and takes effect on 12/03/2023.

This Charter is amended and supplemented at the second time including 16 Chapters, 63 Articles and 03 Appendices according to Resolution of General Meeting of investors of financial year 2023 through the shape of a written opinion dated on 17/04/2024 and takes effect on 17/04/2024.

Any extract or copy of this Charter issued by the Fund shall be valid when it is signed by the Chairperson of the Board of Representatives of the Fund or the legal representative or the authorized person of the Fund Management Company.

2. This Charter is made into 05 original copies in Vietnamese with equal validity:
  - 02 copies to be registered at State agencies in accordance with law.
  - 01 copy to be filed at the office of the Fund.
  - 01 copy to be filed at the office of the Fund Management Company.
  - 01 copy to be filed at the office of the Custodian Bank.

## **Article 63. Implementing provisions**

The Fund is officially established after the State Securities Commission issues the certificate of registration of establishment of the Fund. The Fund Management Company is responsible to complete all procedures and files in strict accordance with law.

The following appendices are enclosed with the Charter:

APPENDIX 1: COMMITMENTS OF THE FUND MANAGEMENT COMPANY

APPENDIX 2: COMMITMENTS OF THE CUSTODIAN BANK

APPENDIX 3: JOINT COMMITMENTS OF THE FUND MANAGEMENT COMPANY AND THE CUSTODIAN BANK.

Prepared in Ho Chi Minh City, April 17, 2024

**Representative of the Fund Management**

**Company**

***(signed and sealed)***

**Beat Schurch**

**On behalf of The General Meeting of**

**Investors**

***(signed)***

**Nguyen Boi Hong Le**

**Chairwoman of Board of Representatives**

**APPENDIX 1: COMMITMENTS OF THE FUND MANAGEMENT COMPANY  
DRAGON CAPITAL VIETFUND MANAGEMENT JOINT STOCK COMPANY (DCVFM)**

Licence for Establishment and Operation No. 45/UBCK-GP issued by the SSC on 8 January 2009.

Amended Licence No.: 88/GPDC-UBCK issued by the SSC on 30 December 2020.

Head office address: 15<sup>th</sup> Floor, Me Linh Point Tower, 02 Ngo Duc Ke, Ben Nghe Ward, District 1, HCMC

Telephone: (028)-3825 1488 Fax: (028)-3825 1489 Website: <https://dragoncapital.com.vn>

DCVFM commits to carry out the following with respect to DCVFMVNMIDCAP ETF:

1. To comply strictly with law and this Charter in fund management activities;
2. To perform fund management duties in an effective, honest and diligent manner and in compliance with the investment objectives of the Fund, giving priority to the legitimate rights and interests of Investors.
3. To ensure that the Fund has one custodian bank at all times;
4. To pay service price to the Custodian Bank and other service providers in accordance with this Charter;
5. To provide the Custodian Bank periodically with the following information:
  - (a) Operational reports and financial statements of the Fund, the register of Investors and the number of Fund certificates held by Investors;
  - (b) Reports relating to the Fund or relating to the Fund's assets and investment portfolio;
  - (c) Assessment of the Net Asset Value of the Fund, and the Net Asset Value per Fund certificate;
  - (d) Information relating to fund management activities and other obligations;
6. To provide free-of-charge or to be entitled to collect a reasonable service price when providing copies of the Fund's Charter (and its attached appendices) and the Prospectus (and its attached appendices) to Investors who so request;
7. Not to invest in securities or assets in which the Fund Management Company itself or its Related Persons have interests or are involved, except in the cases permitted by law;
8. Not to use the status of the Fund Management Company in fund management activities in order to benefit directly or indirectly the Company itself or Related Persons or to harm the interests of Investors;
9. To carry out valuation and accounting work of the Fund in a truthful, accurate and timely manner;
10. To provide free-of-charge or to be entitled to collect a reasonable service price when providing copies of annual reports and other reports of the Fund to Investors who so request;
11. To provide free-of-charge or to be entitled to collect a reasonable service price when providing copies of annual reports of the Custodian Bank on assessment of fund management activities of the Fund Management Company to Investors who so request;
12. To ensure that all information disclosed by or on behalf of the Fund Management Company is complete, truthful and accurate, and does not omit any event affecting the interests of Investors or any event affecting the contents of the disclosed information, and does not omit any information required by law to be disclosed, and does not mislead Investors;
13. To provide fully necessary information for the independent auditing organization of the Fund to carry out its audit duties on an effective and timely basis;

14. To report on a timely basis to the State Securities Commission in the case of inconsistency when reconciling current assets/liabilities between the Fund Management Company and the Custodian Bank;
15. To perform the obligation to convene meetings of the General Meeting of Investors in accordance with law;

**DRAGON CAPITAL VIETFUND MANAGEMENT  
JOINT STOCK COMPANY**

*(signed & sealed)*

**BEAT SCHURCH  
General Director**

**APPENDIX 2: COMMITMENTS OF THE CUSTODIAN BANK  
STANDARD CHARTERED BANK (VIETNAM) LIMITED**

Licence for Establishment and Operation No.: no.56/GP-NHNN issued by State bank of Vietnam on November 27<sup>th</sup> 2023, replaced for License no. 236/GP-NHNN issued by State bank of Vietnam on September 8<sup>th</sup> 2008 along with the related papers in adjusting or supplementing License (and any adjusted, supplemented or replaced versions at the certain point of time)

Certificate of Registration of Securities Depository Activities No.: 08/GCN-UBCK issued by the State Securities Commission on 7 May 2015.

The Custodian Bank commits:

1. To comply with law and this Charter in custodian activities;
2. To ensure that the Fund has one fund management company at all times;
3. To carry out the functions of the Custodian Bank in a diligent, truthful and prudent manner with respect to the Fund;
4. To implement depository, payment, safekeeping and custody of all assets and securities of the Fund on behalf of Investors; to reconcile the current assets/liabilities of the Fund with the Fund Management Company at least once a month and to report to the State Securities Commission in the case of any inconsistency in the current assets/liabilities between the Fund Management Company and the Custodian Bank;
5. To separate assets of the Fund from assets of the Custodian Bank, assets of the Fund Management Company, assets of other funds, and assets of other customers of the Custodian Bank;
6. To supervise the investment portfolio of the Fund, the valuation of assets of the Fund, the determination of the Net Asset Value of the Fund, the determination of the Net Asset Value per Fund certificate unit, and the determination of the Net Asset Value per Creation Unit in accordance with current laws and this Charter;
7. To guarantee [performance of] the custodian obligations in order for the Fund Management Company not to abuse its fund management status for the purpose of conducting activities which bring benefits directly or indirectly to the Fund Management Company or Related Persons, harming the interests of Investors;
8. To ensure that the Fund is audited annually by an independent Auditing Company;

**Representative of**  
**Standard Chartered Bank (Vietnam) Limited**  
*(signed & sealed)*



**APPENDIX 3: JOINT COMMITMENTS OF THE FUND MANAGEMENT COMPANY AND  
THE CUSTODIAN BANK**

**DRAGON CAPITAL VIETFUND MANAGEMENT JOINT STOCK COMPANY (DCVFM)**

Licence for Establishment and Operation No. 45/UBCK-GP issued by the SSC on 8 January 2009

Amended Licence No.: 88/GPDC-UBCK issued by the SSC on 30 December 2020.

**STANDARD CHARTERED BANK (VIETNAM) LIMITED**

Licence for Establishment and Operation: no.56/GP-NHNN issued by State bank of Vietnam on November 27<sup>th</sup> 2023, replaced for License no. 236/GP-NHNN issued by State bank of Vietnam on September 8<sup>th</sup> 2008 along with the related papers in adjusting or supplementing License (and any adjusted, supplemented or replaced versions at the certain point of time)

Certificate of Registration of Securities Depository Activities: 08/GCN-UBCK issued by the State Securities Commission on 7 May 2015

1. Jointly commit to perform the obligation to protect the interests of Investors;
2. Jointly commit to comply with law and this Charter throughout the duration of operation of the Fund;
3. Jointly commit to exercise voting rights arising in relation to the ownership of shares/ capital contributions invested by the Fund in the spirit and in the interests of Investors at the general meetings of shareholders of issuing organizations or at the members' council of any enterprise to which the Fund contributes its capital;
4. Jointly commit not to receive any remuneration, profit or benefit not specified in this Charter or in the Prospectus from the performance of trading of assets of the Fund or trading of other assets.

**Representative of the Fund Management  
Company**

*(signed & sealed)*

**BEAT SCHURCH  
General Director**

**Representative of Standard Chartered  
Bank (Vietnam) Limited**

*(signed & sealed)*