**PROCEDURES FOR DISSOLUTION OF SECURITIES INVESTMENT COMPANY**

***Legal grounds:***

*Law on Securities 2019;*

*Law on Enterprises 2020;*

*Decree 155/2020/ND-CP of the Government;*

*Decree 01/2021/ND-CP of the Government.*

1. **In which case the securities investment company is dissolved?**

A securities investment company is a securities investment fund organized in the form of a joint-stock company to invest in securities. There are two types of securities investment companies, namely private securities investment companies, and public securities investment companies. According to Article 268.1 of Decree 155/2020/ND-CP, cases of dissolution of a dissolved securities investment company include:

* End of operation term stated in the charter of the securities investment fund;
* The general meeting of investors shall decide to dissolve the securities investment fund before the end of the operation term stated in the charter of the securities investment fund;
* The securities investment fund management company has its license for establishment and securities business revoked or is dissolved or goes bankrupt but the board of representatives of the securities investment fund fails to establish an alternative investment fund management company within 2 months from the date of occurrence of the event;
* The custodian bank has its certificate of registration of securities depository activities revoked, dissolved, goes bankrupt or the custodian contract between the custodian bank and the securities investment fund management company is terminated but the securities investment fund management company fails to establish a replacement custodian bank within 02 months from the date of occurrence of the event;
* The net asset value of the securities investment fund is valued at below 10 billion dongs for 6 consecutive months; or
* Other cases as prescribed in the charter of the securities investment fund.

1. **Documents of application for dissolution of a securities investment company**

Before proceeding with the dissolution according to the legal order, the securities investment company must prepare a dossier of request for dissolution according to Article 268.3 of Decree 155/2020/ND-CP. Documents include:

* A written request for dissolution according to Form No. 97 of the Appendix issued together with Decree 155/2020/ND-CP;
* Minutes of meetings, resolutions of the General Meeting of Shareholders approving the dissolution of the securities investment company, the plan on the dissolution of the securities investment company;
* The plan for the dissolution of the securities investment company according to Form No. 95 of the Appendix issued together with Decree 155/2020/ND-CP;
* A written commitment of the securities investment fund management company (if any), the depository bank, the custodian bank (if any) on the responsibility to complete the procedures for asset liquidation to dissolve the securities investment company.

1. **Procedures for dissolution of a securities investment company under the law on securities and the law on enterprises**

The order of carrying out the dissolution of a securities investment company is carried out according to the following steps (Article 268 of Decree 155/2020/ND-CP and Decree 01/2021/ND-CP of the Government):

* Step 1: Within 03 months before the date of dissolution as prescribed at Points a and b, Clause 1, Article 104 of the Law on Securities 2019 or within 30 days from the date on which the securities investment company falls into the following cases: dissolved under the provisions of points c, d, dd, and e clause 1 Article 104 of the Law on Securities 2019, the Board of Management of the securities investment company must convene the General Meeting of Shareholders of the securities investment company to approve the plan on dissolution of the securities investment company.
* Step 2: Within 15 days from the date the company's General Meeting of Shareholders approves the dissolution plan, the Board of Management of the securities investment company must send a dossier of request for dissolution to the State Securities Committee.
* Step 3: Within 15 days from the date of receiving the complete and valid dossier, the State Securities Committee shall notify the receipt of the plan to dissolve the securities investment company; in case of refusal, must reply in writing and clearly state the reason.
* Step 4: Carry out the dissolution according to the provisions of the law on enterprises in order

1. Approving resolutions and decisions on the dissolution of the company;
2. Organize the liquidation of corporate assets and payment of debts;
3. Submit resolution, dissolution decision, and meeting minutes to the Business Registration Authority;
4. Update the legal status of the business in the National Business Registration Portal.

* Step 5: Within 05 working days from the date of completion of the dissolution of the securities investment company, the Board of Management must report to the State Securities Commission on the results of the dissolution of the securities investment fund. A dossier of a report on dissolution of a securities investment company includes:
* Report on dissolution results according to Form No. 98 of the Appendix issued together with Decree 155/2020/ND-CP certified by the securities investment fund management company, depository bank, custodian bank (if any), the audit organization, the Board of Mnagement of the securities investment company on the liquidation of the company's assets, and the distribution of the company's assets to shareholders according to the plan approved by the General Meeting of Shareholders; total value of assets obtained after liquidation; total liabilities, including financial obligations to the State and the remaining assets to be distributed to shareholders. The report must include a list of creditors and the amount of debt paid, including tax debts;
* The original license of establishment and operation of the securities investment company;
* Report on the appraisal of asset liquidation results of the audit organization appointed by the General Meeting of Shareholders, the Board of Management of the securities investment company (if any);
* Documents of the depository bank, custodian bank (if any), and securities investment fund management company (if any) detailing the payment, list of assets distributed to each shareholder, enclosed with according to the certification of the shareholders that they have received enough money and assets according to the dissolution plan approved by the General Meeting of Shareholders or the confirmation of the Vietnam Securities Depository and Clearing Corporation that the refund has been completed, all allocation and registration of securities to shareholders at the request of the securities investment fund management company, depository bank, custodian bank (if any), and shareholders; certification of the organization managing the shareholder book, the issuing organization, the enterprise receiving the investment capital of the securities investment fund on the completion of the transfer of ownership of shares and contributed capital to each shareholders of securities investment companies at the request of securities investment fund management companies.
* Step 6: Within 15 days from the date of receipt of a complete set of documents and reports on the dissolution of the company, the State Securities Commission shall issue a decision to revoke the License for establishment and operation of the securities investment company.

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