

# Matrix of Reserved Matters and Veto Rights

Foreign Investor Governance Framework for Vietnam Joint Ventures

**Usage Guide:** Use this matrix during your joint venture negotiations in Vietnam. These clauses must be written directly into your Shareholders' Agreement (SHA) and corporate Charter to override default statutory voting risks.

CORPORATE MATTER	STATUTORY THRESHOLD (LAW ON ENTERPRISES)	CUSTOM PROTECTED THRESHOLD / VETO REQUIREMENT	STRATEGIC RATIONALE / RISK MITIGATED
<b>1. Capital and Corporate Structure</b>			
Charter Amendments	75% majority vote of attending shareholders.	<b>Unanimous approval or explicit written consent of the foreign investor.</b>	Prevents the local partner from altering voting thresholds or changing company rules unilaterally.
Capital Changes and Share Dilution	50% or 65% majority vote depending on entity type.	<b>Investor veto power required for any equity changes.</b>	Stops the local partner from forcing capital calls that dilute minority foreign shares.
Corporate Reorganization or Dissolution	75% majority vote of attending shareholders.	<b>Supermajority requirement of 85% or higher.</b>	Prevents premature company liquidation or forced mergers without investor clearance.
<b>2. Financial and Operational Controls</b>			
Major Asset Sales	75% majority vote for assets valued over 35% of total company wealth.	<b>Veto power on any asset sale exceeding a custom limit: example: \$50,000 USD.</b>	Prevents the local partner from selling off core factories, machinery, or corporate land.
Commercial Loans and Corporate Debt	Standard board majority decision.	<b>Unanimous board approval required for loans above agreed operational limits.</b>	Protects the joint venture from being overloaded with high-interest local debt.
Related Party Transactions	Board majority vote excluding interested members.	<b>Absolute veto right for the foreign investor.</b>	Prevents the local partner from siphoning company profits to their own separate supply chain firms.
<b>3. Intellectual Property and Leadership</b>			
Intellectual Property Licensing	Standard board majority decision.	<b>Unanimous approval required for transfer, license, or pledge of any IP assets.</b>	Secures parent company software, trademarks, and design patents from local leakage.
Legal Representative Appointment	Standard board majority decision.	<b>Exclusive appointment right granted to the foreign investor.</b>	Controls the selection of the individual who holds the official company seal and signs binding contracts.

CORPORATE MATTER	STATUTORY THRESHOLD (LAW ON ENTERPRISES)	CUSTOM PROTECTED THRESHOLD / VETO REQUIREMENT	STRATEGIC RATIONALE / RISK MITIGATED
C-Suite Executive Selection	Standard board majority decision.	<b>Veto right over the selection of General Director and Chief Financial Officer.</b>	Ensures operational and financial transparency by placing trusted leaders in key roles.

This matrix is a baseline template. Custom legal drafting is required to match your specific equity distribution.

For professional corporate governance setup, contact GTI Partner: [info@gtipartner.com](mailto:info@gtipartner.com) | +84 395 208 086 | [gtipartner.com](http://gtipartner.com)

**Think Global. Act Local. Deliver Results.**