

## Vietnam WFOE Registration Procedures and Fees

*Unless otherwise indicated, the WFOE mentioned in this quotation refers to a limited liability company formed and incorporated in Ho Chi Minh City, Vietnam in accordance with the Law on Investment and wholly owned by one or more foreign companies or individuals. A WFOE in the form of a limited liability company is by far the most popular investment vehicle in Vietnam amongst foreign investors.*

Our fee to handling the formalities of the registration of a WFOE in Ho Chi Minh City, Vietnam is USD6,000. Our fee includes the setting up of a bank account in the name of the WFOE and payment of official registration fee. For details, please refer to the Section 1 of this quotation.

For the incorporation of a WFOE in Vietnam, client shall provide the identification documents and address proof of each shareholder, director and legal presentative, a copy of the lease agreement of the business address, the official financial proof of the investor of WFOE. The required materials are detailed in Section 6 of this quotation.

In general, the whole processing time for the registration of a WFOE (for general business activities) in Ho Chi Minh City, Vietnam takes about 2 months. It should however be noted that the Department of Planning and Investment (hereinafter referred to as "DPI") may acquire further review according to the identity of the investor and the business activities conducted or request for documents supplementation and therefore some of the procedures may take longer than expected.

The fee quoted applies to business which does not require any additional license or permit. If the business to be carried out by the Vietnam WFOE requires an extra license or permits, Kaizen can help to apply for such license or permit and our fees will be quoted upon request.

The fee stated in the quotation are for general reference only and is subject to change from time to time.

### SHENZHEN 深圳

Rooms 1203-06, 12/F.  
Di Wang Commercial Centre  
5002 Shennan Road East  
Luohu District, Shenzhen, China  
中國深圳市羅湖區深南東路5002號  
地王商業中心12樓1203-06室  
T: +86 755 8268 4480

### SHANGHAI 上海

Room 603, 6/F., Tower B  
Guangqi Culture Plaza  
2899A Xietu Road, Xuhui District  
Shanghai, China  
中國上海市徐匯區斜土路2899甲號  
光啓文化廣場B座6樓603室  
T: +86 21 6439 4114

### BEIJING 北京

Room 303, 3/F.  
Interchina Commercial Building  
33 Dengshikou Street  
Dongcheng District, Beijing, China  
中國北京市東城區燈市口大街33號  
國中商業大廈3樓303室  
T: +86 10 6210 1890

### SINGAPORE 新加坡

138 Cecil Street, #13-02 Cecil Court  
Singapore 069538  
新加坡絲絲街138號  
絲絲閣13樓1302室  
郵政編碼: 069538  
T: +65 6438 0116

### TAIPEI 台北

Room 303, 3/F., 142 Section 4  
Chung Hsiao East Road  
Daan District, Taipei  
Taiwan 10688  
台灣台北市大安區忠孝東路四段  
142號3樓之3  
郵政編碼: 10688  
T: +886 2 2711 1324

### NEW YORK 紐約

202 Canal Street, Suite 303, 3/F.  
New York, NY 10013, USA  
美國紐約州紐約市  
堅尼路202號3樓303室  
郵政編碼: 10013  
T: +1 646 850 5888

### LONDON 倫敦

Room 319, 3/F., One Elmfield Park  
Bromley, Greater London  
BR1 1LU, UK  
英國倫敦布羅姆利  
雅茅菲爾德公園一號3樓319室  
郵政編碼: BR1 1LU  
T: +44 20 8176 3860

## 1. Vietnam WFOE Registration Services and Fees

Our fees for handling the registration of a WFOE (in the form of a limited liability company) with a share capital of not more than USD200,000 in Vietnam are USD6,000. In particular, our fees cover the following services:

- (1) Pre and Registration
  - (a) Performing name availability search and reservation;
  - (b) Drafting Company Charter;
  - (c) Preparation of incorporation documents and registration forms;
  - (d) Payment of official registration fees;
  - (e) Application for an Investment Registration Certificate (IRC);
  - (f) Application for an Enterprise Registration Certificate (ERC);
  - (g) Engraving company stamp for the WFOE;
  - (h) Handling the tax registration with the local Tax Management Authority.
  
- (2) Bank Account Opening

Kaizen could provide the assistance to open one Vietnam corporate bank account remotely for our client instead of visiting Vietnam in person, and most documents required for bank account opening will be also prepared by Kaizen.

Please note, that the bank has the right to decide whether to approve the client's account opening application, and whether the account opening is successful or not, Kaizen does not assume any responsibility and no payment will be refunded should such an application being rejected by the banks.

Note:

- (1) This package covers government official registration fee, but does not include courier fee, notarization fee, translation fee or any travel costs if required during the registration process of the applicant company.
- (2) This package does not cover the application of any additional license or permit. Kaizen can help to apply for such license or permit and our fees will be quoted upon request.

## 2. Optional Services

In addition to the registration service set out in Section 1, Kaizen can also provide the following services upon request:

No	Description	Fee (USD)
1	Legalisation of documents (Note 1)	TBA
2	Legal (local) representative (Note 2)/month (min 6 months)	600
3	Work Permit and Residence Card (Note 3)	1,500
4	Registered Address (Note 4)	1,500
5	Translation (Note 5)	TBA

### Note:

- (1) Kaizen can arrange legalisation of the identification documents of investor of the Vietnam WFOE for investors registered/resided in Mainland China, Hong Kong, Taiwan, Singapore, US and UK and a few other countries. Our fee for legalisation service will be quoted upon request.
- (2) A Vietnam WFOE is required to have one or more legal representatives who shall be ordinary resident in Vietnam (over 183 days per year in the country) to represent the WFOE to exercise the rights and perform the obligations arising from transactions of the company as well as represent the WFOE in the capacity as plaintiff, respondent or person with related interests and obligations before the arbitration or court, and other rights and obligations as prescribed by laws of Vietnam. Kaizen may provide our client with a local legal representative for a fee of USD600 per month. Minimum service period for local legal representative service is 6 months. A refundable deposit of USD1,000 will be collected and will be refunded upon termination of service.
- (3) The work permit, which allows a foreigner to work in Vietnam for up to 24 months, is issued by the Department of Labor, Invalid and Society. Vietnam work permit application is always handled by the employer. In order to obtain work permit for foreign employee, an employer in Vietnam must first apply for approval of employment of foreigners from the Minister of Labour - Invalids and Social Affairs. Upon approval, an application for work permit is submitted to the Ministry of Labor – War Invalids and Social Affairs or the Department of Labor – War Invalids and Social Affairs where the foreigner is planning to work. The entire process typically takes 4 to 6 weeks.

- (4) Please note that it is mandatory to provide a Vietnam office address when handle the WFOE registration with DPI. In order to meet the requirements of Vietnam Law on Investment, Kaizen can provide an address in Ho Chi Minh City to be used as the registered address for Vietnam WFOE for one year. Kaizen could also receive and forward letters and couriers on behalf of our client, the fees will be quoted separately upon request.
- (5) Our service fees stated in Section 1 of this quotation do not cover the costs for translating the documents prepared by you from English to Vietnamese or translating of registration documents from Vietnamese to English. The relevant fee will be quoted upon request.

### **3. Time of Billing and Payment Methods**

Upon receipt of your confirmation of engagement, we will issue and send an invoice together with the wiring instructions to you for your settlement. When you arrange the payment, please put our invoice number of account number in the message section and then send email a copy of the remittance receipt to us for our records. Because of the nature of service, we require full payment in advance. And once the service is commenced, no refund of service fee will be made.

We accept cash, HKD check, TT and credit card through Paypal. An extra handling fee of 5% will be charged if paid by Paypal.

### **4. Fundamental Structure of a WFOE in Vietnam**

Minimum requirements to incorporate in Vietnam:

- (1) At least one shareholder, one director and one legal representative. The number of shareholders shall not exceed 50 persons.
- (2) The shareholder could be a legal person or a natural person. There are no restrictions on the nationality of the shareholder.
- (3) There are no restrictions on the nationality of the director. And the director is not required to reside in Vietnam.
- (4) A Vietnam WFOE must have at least one legal representative, who is required to reside in Vietnam, as a resident. The legal representative usually acts as the director at the same time.
- (5) There is no limit for the registered capital. However, it is recommended to set the registered capital at USD100,000 or above. Please kindly note that the registered capital shall be remitted to the company bank account within 90 days after receiving the ERC of the WFOE. There will be a fine if the client does not remit the registered capital within the specified timeframe.

## 5. Materials Required

For the purpose of registering a WFOE in Vietnam, client should prepare and provide the following materials:

- (1) The identification document(s) of the investor/member of the proposed WFOE. For individual member, it is the passport. For corporate member, these include its Certificate of Incorporation/Formation, Articles of Association (constitution), latest annual return.
- (2) In case of corporate member, the residential address, email and telephone number of the directors of the corporate shareholder.
- (3) A copy of the latest audited financial statements.
- (4) A banker's reference letter or official financial proof of the shareholder or the certificate of account balance in the name of the member of the Vietnam WFOE. The account balance shall be greater than the capital to be invested in Vietnam.
- (5) Four copies of legalized passport copy of the legal representative of the WFOE.
- (6) The resident address, email and telephone number of the legal representative of the WFOE.
- (7) A copy of the lease contract, which shall be notarized by the local notary public of Vietnam.
- (8) A copy of the business license of the corporate lessor, which shall be notarized by the local notary public of Vietnam.
- (9) A copy of the ownership certificate of the land or premises of individual lessor, which shall be notarized by the local notary public of Vietnam.
- (10) A duly completed Vietnam Company Registration Order Form (provided by Kaizen).

The identification documents of the member, director and legal representative (if a foreigner) must be legalised the Vietnam Embassy in the place where the member is registered/resided and where the director and legal representative are resided.

Any documents provided by client and need to be submitted for Vietnam company registration must be in English. If any of them is not prepared in English, a translation of that document (by a qualified translator) must be prepared.

## 6. Vietnam WFOE Registration Procedures and Schedule

Under normal circumstances, if the company name and the business scope do not need an extra license or permit, the registration of a WFOE in Ho Chi Minh City, Vietnam takes around 2 months. The specific registration time depends on the schedule of client to provide the documents required and the approval time by the Authorities involved. The table below lists the necessary procedures and timeframe.

Item	Description	Time (Day)
<b>Preliminary Preparation</b>		
1	Client confirms with Kaizen of the engagement for the registration of a WFOE in Vietnam (and also registered office and legalisation services); Kaizen issues an invoice to client.	1
2	Client decides on the structure of the Vietnam WFOE, such as the amount of capital (and the amount of investment), the person to be appointed as director/legal representative of the WFOE.	Client's Schedule
3	Client delivers the materials listed in Section 5 to Kaizen and at the same time settles Kaizen's invoice.	Client's Schedule
4	Kaizen arranges the legalisation of the identification documents of the member and director and legal representative of the Vietnam.	5-15
5	Kaizen arranges the lease agreement of business address.	1-5
<b>Application for Registration</b>		
6	Kaizen arranges availability check of proposed of the WFOE and applies for approval of use of the proposed name.	2
7	Once the name has been approved, Kaizen prepares the incorporation documents and sends to the client for signing	5
8	Client signs the incorporation application documents and couriers the duly signed original documents to Kaizen.	Client's Schedule
9	Kaizen arranges to apply for the Investment Registration Certificate (IRC) from (Vietnam Department of Planning and Investment, DPI).	20-30
10	Kaizen arranges to apply for the Enterprise Registration Certificate (ERC). The ERC also serves as the tax registration number.	5-10
11	Kaizen arranges engraving of company stamp	2
<b>Post-registration Procedure</b>		
12	Kaizen arranges bank account opening for the WFOE (excluding the time for receiving the tokens for the e-banking, approximately 1-2 weeks). Client should remit the registered capital to the bank account within 90 days upon issuance of the ERC.	2
13	Kaizen arranges to apply for the tax registration (with the local Tax Management Authority) within 30 days upon issuance of the ERC.	10
<b>Total: 2 months up</b>		

## 7. Documents to be Returned to Client after the Registration

After all incorporation procedures are completed, Kaizen will return the following documents to client for retention and as proof that the Vietnam WFOE is duly registered:

- (1) The IRC issued by the DPI;
- (2) The ERC issued by the DPI;
- (3) Tax registration documents;
- (4) Company Stamp.

The above documents are available for pick up in any Kaizen offices.

*If you wish to obtain more information or assistance, please visit our official website at [www.kaizencpa.com](http://www.kaizencpa.com) or contact us through the following:*

**T:** +852 2341 1444

**M:** +852 5616 4140, +86 152 1943 4614

**WhatsApp/Line/Signal/WeChat:** +852 5616 4140

**Skype:** kaizencpa

**E:** [info@kaizencpa.com](mailto:info@kaizencpa.com)