

Article 464. Ownership rights with respect to property lent

A borrower shall become the owner of borrowed property from the time of delivery of the property.

Article 465. Obligations of lenders

1. Deliver the property to the borrower in full, strictly in accordance with the quality and quantity, and at the time and place, agreed.
2. Compensate the borrower for any damage where the lender knows that the property is not of the agreed quality but fails to notify the borrower, unless the borrower accepts the property with knowledge that the property is not of the agreed quality.
3. Do not demand the borrower to return the property prior to the due date, except in the cases provided in article 470 of this Code or relevant laws.

Article 466. Obligations of borrowers to repay loans

1. Where the property lent is a sum of money, the borrower must repay the lender the loan in full when due. If the property is an object, the borrower must deliver to the lender an object of the same type, quantity and quality, unless otherwise agreed.
2. Where a borrower is not able to deliver an object, it may, with the consent of the lender, repay the value of the borrowed object, in cash, as at the time and place of delivery.
3. The place for repayment of a loan shall be the place of residence or head office of the lender, unless otherwise agreed.
4. If a borrower fails to repay all or any instalment of an interest-free loan, in whole or in part, when payment falls due, the borrower must, if the parties so agree, pay interest on the overdue amount from the due date until the date on which payment is made, at the basic interest rate prescribed in Clause 2 Article 468 of this Code, unless otherwise agreed or otherwise prescribed by law.
5. If a borrower fails to repay, in whole or in part, a loan with interest, the borrower must pay:
 - a) Interest on the principal as agreed in proportion to the overdue loan term and interest at the rate prescribed in Clause 2 Article 468 in case of late payment;
 - b) Overdue interest on the principal equals one hundred and fifty (150) per cent of the interest rate in proportion to the late payment period, unless otherwise agreed.

Article 467. Use of borrowed property

Parties may agree that borrowed property may only be used for the agreed purpose of the loan. The lender may check the use of the property and may demand its early return if, despite warning, the borrower continues to use the property contrary to the agreed purpose.

Article 478. Interest rates

1. The rate of interest for a loan shall be as agreed by the parties.

The rate of interest for a loan agreed by the parties may not exceed 20% per year, unless otherwise prescribed by law. According to actual conditions and at the proposal of the Government, the Standing Committee of National Assembly shall adjust the above interest and send report to the National Assembly at the latest session.