

APPROVED
by the General Shareholders Meeting
Minutes No. __ as of __.__.2015

Regulation on PJSC VTB Bank Statutory Audit Commission

1. General Provisions

1.1. The Statutory Audit Commission of PJSC VTB Bank (hereinafter referred to as the "Bank") is an elected body, exercising supervision over business and financial performance of the Bank.

1.2. In performing its activities, the Statutory Audit Commission is guided by the legislation of the Russian Federation, the Bank's Charter, this Regulation and other by-laws, as well as resolutions of the Bank's General Shareholders Meeting.

1.3. Competence of the Statutory Audit Commission is outlined by the legislation of the Russian Federation and the Bank's Charter. The Statutory Audit Commission's operations procedure is given herein.

1.4. The Bank's Statutory Audit Commission is independent of any officers/management bodies of the Bank and reports to the Bank's General Shareholders Meeting.

1.5. As resolved by the General Shareholders Meeting, members of the Statutory Audit Commission when performing their duties may get remuneration and (or) compensation of their relevant expenses. The amount of remuneration and compensations shall be defined by the resolution of the Bank's General Shareholder's Meeting.

Remuneration and compensations shall not be paid to the members of the Statutory Audit Commission engaged in civil service.

2. Procedure for Electing the Statutory Audit Commission

2.1. The Statutory Audit Commission shall be elected at the Bank's Annual General Shareholders Meeting. The quantitative and individual membership of the Commission shall also be set by the General Shareholders Meeting. The terms of reference of the elected members shall be valid until the next annual General Shareholders Meeting.

2.2. The shares owned by Supervisory Council members or persons holding positions in the Bank's governance bodies shall not participate in voting when electing members of the Statutory Audit Commission.

2.3. There is no limit to the number of times the Commission members can be re-elected.

2.4. Members of the Bank's Statutory Audit Commission may not be at the same time the Supervisory Council members or hold any other positions in the

Bank's governance bodies.

2.5. Powers of some or all the members of the Statutory Audit Commission may be early terminated upon resolution of the General Shareholders Meeting.

2.6. In the event of early termination of powers of one member of the Statutory Audit Commission or if such member leaves the Commission, powers of all the rest members shall remain in force.

A member is deemed leaving the Commission if he/she voluntarily resigned, deceased or is unable to exercise his powers on some other grounds.

A member of the Statutory Audit Commission is deemed left on the next day upon the date of submitting resignation notice, of the date of death, or the date the Bank receives documents confirming impossibility for such member to exercise the relevant powers.

3. Chairman of the Statutory Audit Commission

3.1. The Statutory Audit Commission is headed by the Chairman voluntarily elected by the Commission members and out of them by open ballot, by a majority vote of all the members, at the first meeting of the Statutory Audit Commission.

3.2. Chairman of the Statutory Audit Commission shall:

- develop the agenda of the Statutory Audit Commission meetings;
- call and hold the Statutory Audit Commission meetings;
- arrange the current operations of the Statutory Audit Commission;
- represent the Statutory Audit Commission at the Bank's General Shareholders Meeting, the Bank's Supervisory Council meetings as well as to the executive bodies of the Bank; and
- sign documents of the Statutory Audit Commission.

3.3. The Statutory Audit Commission may relieve the Chairman from its duties and elect the new Chairman. Such decision is taken by a majority vote of the Commission members participating in the meeting.

3.4. The Statutory Audit Commission Chairman may voluntarily resign, yet remaining a member of the Commission from the day the Commission gets his/her resignation notice.

3.5. In the absence of the Statutory Audit Commission Chairman, one of the Commission members shall perform his/her functions upon decision of the Bank's Statutory Audit Commission.

4. The Statutory Audit Commission Meetings and Decision-Making Procedure

4.1. The Statutory Audit Commission meeting shall be held upon results of audit (inspection) and in some other cases, requiring joint decision of the Statutory Audit Commission.

4.2. Written notice of the Statutory Audit Commission meeting shall be sent to each member of the Commission at least 5 days before the date of the meeting.

Such notice shall include:

- time and place of the meeting;
- items on the agenda.

The materials related to items on the agenda shall be attached to the notice. The documents stated herein may be sent by mail, fax, courier or e-mail.

4.4. The quorum for a valid meeting of the Statutory Audit Commission shall be at least one half of its elected members (except for the left ones).

4.5. The Statutory Audit Commission shall make decision and approve resolutions and acts by a majority vote of its members attending the meeting (taking part in the meeting held by absentee ballot). In decision-making each member of the Commission is entitled to one vote. None of the Statutory Audit Commission members may transfer their vote to another person, including another Commission member. In the case of equality of votes, the vote of the Commission Chairman or acting Chairman shall be the casting vote.

4.6. Determining the quorum or voting results, a written opinion on the items on the agenda of the Commission member, absent at the meeting for good reasons, shall be taken into account, if such opinion was received by the Commission before the beginning of the meeting. In such written opinion the Commission member shall clearly define his/her opinion on the relevant item, stating “yes”, “no” or “abstain” resolution.

4.7. Members of the Statutory Audit Commission are entitled to give a dissenting opinion on the items on the Commission meetings agenda, require inclusion of such opinion into the meeting minutes and its communication to the Bank’s governance bodies.

4.8. The Statutory Audit Commission Chairman may invite persons that are not members of the Commission to its meetings.

5. Procedure for Holding Meetings by Absentee Ballot

5.1. The Bank’s Statutory Audit Commission may make decisions at the meetings held by absentee ballot. Voting is performed by ballot papers (without joint presence of the Commission members to discuss the items on the agenda or make decisions on the ones put to the vote).

5.2. The Commission Chairman shall decide on holding meeting by absentee ballot. The Chairman develops the list of items submitted for absentee voting and sets the deadline for the filled-in ballot papers submission.

5.3. Notice of holding a meeting by absentee ballot, ballot papers and other required materials are sent by the Chairman to each Statutory Audit Commission member. Such notice shall include the deadline for the filled-in ballot papers submission, determined by the Statutory Audit Commission Chairman.

The documents stated herein may be sent by mail, fax, courier or e-mail.

5.4. Notice on holding meeting by absentee ballot shall be sent to the

Commission members at least 1 day prior to the deadline for the filled-in ballot papers submission.

5.5. Any ballot paper shall include:

- wording of each voting item and the relevant resolution;
- “yes”, “no” and “abstain” options for each item put to the vote;
- deadline for the filled-in ballot papers submission to the Chairman;
- notice that the ballot paper shall be signed by the Statutory Audit Commission member.

5.6. The date of holding the Statutory Audit Commission meeting by absentee ballot shall be the deadline for the filled-in ballot papers submission.

Meeting minutes shall be issued according to the duly filled-in ballot papers.

5.7. When determining voting results, votes on the items with one option selected shall only be counted. Filled-in ballot papers violating the above requirement shall be deemed invalid and shall not be counted when determining voting results.

6. Documents of the Statutory Audit Commission

6.1. The Statutory Audit Commission Meeting Minutes shall be issued at least within 5 days after holding the meeting and signed by the Commission Chairman.

Minutes of a meeting held by absentee ballot shall be issued at least within 3 days after holding the meeting and signed by the Commission Chairman. Ballot papers shall be an integral part of meeting minutes.

6.2. The Statutory Audit Commission Meeting Minutes shall include:

- date, time and place of the meeting;
- list of attendees;
- meeting agenda;
- items put to the vote;
- voting results (indicating the number of “yes”, “no” and “abstain” votes);
- decisions made.

Materials determining the decision made (resolutions, Audit certificates, dissenting opinions of the Commission members and other documents) shall be attached to the minutes.

Minutes of a meeting held by absentee ballot shall include:

- date of absentee meeting;
- time and place of issuing minutes;
- participants;
- agenda;
- items put to the vote and voting results;
- decisions made.

6.3. Audit certificate and opinion of the Statutory Audit Commission shall be made upon the audit (inspection) results at least within 30 days after auditing (inspecting). Audit certificate and opinion of the Statutory Audit Commission shall be signed by all the Commission members performing audit (inspection) and the

Commission Chairman.

Audit certificate of the Statutory Audit Commission shall include:

- place and time of audit (inspection);
- members of the Statutory Audit Commission performing audit (inspection);
- grounds for performing audit (inspection).

Audit certificate shall include description of the major revealed risks, violations and defects in the Bank's operations and analysis of the grounds for their appearance, estimation of risk of further appearance of such violations and recommendations on such risks mitigation/correction of the violations revealed.

Resolution of the Statutory Audit Commission shall include:

- membership and date of the Statutory Audit Commission election, regulations applied to its operation;
- members of the Commission taking part in the audit (inspection);
- audited period;
- place and date of issuing opinion of the Statutory Audit Commission;
- conclusions upon results of such audit (inspection):
 - a) reliability of data in the reports and other financial documents of the Bank;
 - b) violations of accounting procedure and financial statements submission procedure stated according to the legal acts of the Russian Federation, as well as violation of legal acts of the Russian Federation when performing financial and economic operations;
- data on the Statutory Audit Commission requirement to convene the Supervisory Council meeting or an extraordinary General Shareholders Meeting.

6.4. Other documents of the Statutory Audit Commission shall be issued in any form and signed by its Chairman.

6.5. Original minutes and opinions of the Statutory Audit Commission, as well as audit materials, shall be kept by the Commission Chairman or by one of the Commission members, elected by a majority vote from the elected Statutory Audit Commission members. No later than in a month upon holding the Annual General Shareholders Meeting all the documents of the Statutory Audit Commission related to audits of the Bank for the expired fiscal year shall be handed over for storage to the Bank's Executive Secretary, and the relevant act shall be issued.

6.6. The Bank shall provide access to the shareholders for opinions of the Statutory Audit Commission under the procedure and in the scope stated by the Russian legislation

6.7. Upon written request of a shareholder the Bank shall provide for the relevant fee the copies of the Statutory Audit Commission opinions. The amount of fee shall be determined by the Bank and shall not exceed the expenses for its copying and mailing.

7. The Statutory Audit Commission Audits Procedure

7.1. In the course of audit the Bank's Statutory Audit Commission may inspect conformance by the Bank to legal and other acts regulating its operations, legality of such operations, internal control arrangement procedure, performance by the Bank of

the orders of the President and Government of the Russian Federation.

7.2. Upon request of the Bank's Statutory Audit Commission the parties holding positions in the Bank's governance bodies shall submit the documents on the Bank's financial and economic operations.

7.3. The Bank's Statutory Audit Commission works according to the independently approved plan, providing for the procedure and deadlines of audits (inspections) of the Bank's operations.

When performing audit (inspection) the Commission may take into account the results of inspections held by the Bank's division performing internal audit.

7.4. Issuing request for information to the Bank is performed according to the proposals of the Statutory Audit Commission members taking part in the audit (inspection), on the contents of such request. Request for information shall be signed by the Commission Chairman and sent to the President-Chairman of the Bank's Management Board.

7.5. Upon results of each audit (inspection) the Bank's Statutory Audit Commission issues an audit certificate signed by the Chairman and members of the Commission performing audit (inspection). Audit certificate is reviewed at the Commission meeting and submitted to the Bank, the Bank's Supervisory Council and the Audit Committee under the Bank's Supervisory Council within 30 business days upon termination of audit (inspection).

7.6. If the Statutory Audit Commission members disagree with the Commission opinion/act they shall be entitled to issue a dissenting opinion and require to attach it to the Commission opinion/act.

7.7. To support operations of the Statutory Audit Commission the Bank shall provide to it the premises required and access to them, as well as the relevant technical means and materials.

7.8. The Statutory Audit Commission Action Plan shall include the annual audit of financial and economic operations of the Bank.

The Commission submits to the Bank's Supervisory Council members its opinion on the results of the scheduled annual audit (inspection) of the Bank's financial and economic operations, including reliability of data in the Bank's annual report and financial statements, at least 60 days prior to the date of the Annual General Shareholders Meeting.

7.9. Extraordinary audit (inspection) of the Bank's financial and economic operations may be performed at any time as resolved by the Statutory Audit Commission, the General Shareholders meeting, the Supervisory Council or the Bank's shareholder (-s) owing (in the aggregate) at least 10 percent of the Bank's voting shares, within 30 business days from the date of receiving the relevant request by the Statutory Audit Commission Chairman:

7.9.1. The General Shareholders Meeting or the Supervisory Council initialing audit (inspection) of the Bank's financial and economic operations shall submit to the Statutory Audit Commission its resolution to hold (initiate) the audit in the form of a protocol (copy or extract thereof) of the relevant governance body. Such protocol

(copy or extract thereof) shall be handed-over to the Statutory Audit Commission Chairman;

7.9.2. A shareholder (shareholders) initiating audit (inspection) of the Bank's financial and economic operations shall submit to the Statutory Audit Commission a written request for holding audit, including:

- name (company name) of a shareholder (-s) submitting the request;
- data on shares owned by such shareholder (-s) (quantity, category, type);
- grounds for audit.

The request shall be signed by the shareholder or its representative. If signed by the shareholder's representative, the relevant POA shall be attached. If the request is initiated by shareholders – a group of legal entities, signature of a person acting under the charter without POA shall be confirmed with a seal of such legal entity.

If the request is signed by a representative of such legal entity acting under POA on its behalf, the relevant POA shall be attached.

7.10. Parties initiating an extraordinary audit (inspection) of the Bank's financial and economic operations are entitled to recall their request any time before the Statutory Audit Commission makes a decision to hold audit (inspection) sending a written notice to the Commission.

7.11. The Statutory Audit Commission may refuse to hold audit (inspection) of the Bank's financial and economic operations if:

- the parties submitting request for holding audit (inspection) of the Bank's financial and economic operations, do not have powers to initiate such audit (inspection);
- the facts being the grounds for submitting request for holding audit (inspection) of the Bank's financial and economic operations, are already audited (inspected) and the Commission issued the relevant opinion;
- the request does not conform to the legislation of the Russian Federation.

7.12. The Statutory Audit Commission shall inform the shareholder (-s) imitating the audit (inspection) of the refusal to hold such audit (inspection) within 5 business days since the date of the relevant decision by sending him/her a letter signed by the Statutory Audit Commission Chairman or acting Chairman.

8. Powers, Rights and Obligations of the Statutory Audit Commission

8.1. The object of audit of the Bank's Statutory Audit Commission shall be the Bank's operations, including identification and assessment of risks arising in the course of its financial and economic operations.

The Statutory Audit Commission shall:

8.1.1. hold audit (inspection) of the Bank's financial and economic operations, and issue the relevant opinion upon its results, containing:

- confirmation of reliability of data, included in the Bank's reports and other

financial documents;

- information on violations of accounting procedure and financial statements submission procedure stated according to the legal acts of the Russian Federation, as well as violation of legal acts of the Russian Federation in performing financial and economic operations;

8.1.2. confirm reliability of data in the annual report and annual accounting (financial) statements of the Bank;

8.1.3. prepare proposals/recommendations on improving the Bank's assets management efficiency, as well as risk management and internal control systems;

8.1.4. supervise correction of defects and performance of recommendations stated in the acts upon results of previous audits (inspections).

8.2. The Statutory Audit Commission is entitled:

- to require the Bank's governance bodies and officers to submit information (documents and materials) necessary for the audit (inspection);
- to require from the Supervisory Council members and the Bank's officers written and oral explanations on the items revealed in the course of audits;
- to inform the Supervisory Council and/or other governance bodies of the Bank of any cases of non-performance of the Commission requirements to provide the relevant documents or refuse to give explanation on the items revealed by the Commission by the Bank's employees, including the persons performing management functions;
- to ask the Bank's governance bodies to bring to material or disciplinary responsibility the Bank's employees, including officers, in the case of revealing violation by such employees of the Bank's Charter, by-laws, job descriptions, as well as the facts of abuse/ fraud;
- to require to convene a meeting of the Supervisory Council or an extraordinary General Shareholders Meeting subject to the applicable legislation of the Russian Federation, the Bank's Charter and by-laws;
- to ask the Bank's Supervisory Council and executive bodies to take measures and set deadlines for correcting violations revealed by the Statutory Audit Commission.

8.3. Members of the Statutory Audit Commission shall:

- take part in audit inspections (audits) in strict compliance with the Commission decisions on the audit (inspection) procedure;
- conform to the requirement to keep confidential any commercial, banking or other legally protected secret, not to disclose confidential or insider information, available for the Commission members when performing their functions;
- state and objectively include violations of legal acts, the Bank's Charter and by-laws by the Bank employees, revealed by the Statutory Audit Commission in the course of audit;
- act honestly and reasonably in the interests of the Bank when exercising its rights and duties;
- duly inform the Bank's Supervisory Council, the Management Board and President-Chairman of the Management Board of the results of the audits and

inspections of the Bank's operations, as well as of the opinion of the Statutory Audit Commission, proposals to eliminate the reasons and conditions for violation of financial and economic discipline, as well as proposals for improvement of internal control system and raising efficiency of the Bank's operations.