

APPROVED

by the General Shareholders Meeting of
Rosneft Oil Company

“ _____ ” _____ 2014

Minutes № _____

REGULATIONS
on the Audit Commission
of Rosneft Oil Company
(new version)

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Article 1. General Provisions

- 1.1. The Regulations on the Audit Commission of Rosneft (hereinafter – the “Regulations”) have been developed in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint Stock Companies”, other normative legal acts of the Russian Federation and the Charter of Rosneft (hereinafter - the “Company”) and govern the activities of the Audit Commission of the Company.
- 1.2. The Audit Commission of the Company (hereinafter – the “Audit Commission”) shall be an elected body which supervises the business activities of the Company and the activities of its governing bodies, officers, subdivisions, branches and representative offices.
- 1.3. In its activities the Audit Commission shall be guided by the legislation of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company, as well as resolutions of the General Shareholders Meeting of the Company (hereinafter the General Shareholders Meeting) and of the Board of Directors of the Company (hereinafter the Board of Directors).
- 1.4. The competence of the Audit Commission shall be determined by the legislation of the Russian Federation and the Charter of the Company. The procedure for activities of the Audit Commission shall be determined by these Regulations.

Article 2. Procedure for Formation of the Audit Commission

- 2.1. Members of the Audit Commission of the Company shall be elected by the General Shareholders Meeting of the Company for the term until the next Annual General Shareholders Meeting of the Company by the majority vote of the shareholders participating in the General Shareholders Meeting of the Company from among the candidates proposed in accordance with the procedure established by the legislation of the Russian Federation, the Charter of the Company and other relevant internal documents. The term of office of the Audit Commission shall expire on the day of the Annual General Shareholders Meeting of the Company.
- 2.2. Candidates who have gained the majority vote from the shareholders participating in the General Shareholders Meeting of the Company shall be considered elected to the Audit Commission. Persons elected to the Audit Commission of the Company may be re-elected an unlimited number of times.
- 2.3. Members of the Audit Commission may not at the same time be members of the Board of Directors of the Company or occupy other positions in the governing bodies of the Company.
- 2.4. Shares held by members of the Board of Directors of the Company or by persons who occupy positions in the governing bodies of the Company may not participate in voting when members of the Audit Commission are elected.
- 2.5. Powers of individual or all members of the Audit Commission may be terminated early by a resolution of the General Shareholders Meeting of the Company. If powers of any member of the Audit Commission are terminated early, then powers of other members of the Audit Commission shall not be terminated.
- 2.6. Members of the Audit Commission shall be considered as no longer serving on the Audit Commission if they are deceased or found missing by the court. Any member of the Audit Commission shall be recognized as no longer serving as of the day following the day on which the Company received documents certifying that the death or missing of the member of the Audit Commission.
- 2.7. In case if the number of members of the Audit Commission becomes less than three (3), the

Board of Directors of the Company shall convene the extraordinary General Shareholders Meeting of the Company to elect the Audit Commission. The remaining members of the Audit Commission shall perform their duties till the new members of the Audit Commission are elected.

Article 3. Chairman of the Audit Commission

- 3.1. At the first meeting following its election, the Audit Commission shall elect the Chairman of the Audit Commission from amongst its members.
- 3.2. The Chairman of the Audit Commission may be re-elected by the majority vote of all members elected to the Audit Commission.
- 3.3. The Chairman of the Audit Commission shall:
 - formulate the agenda of meetings of the Audit Commission;
 - convene and conduct meetings of the Audit Commission;
 - organize day-to-day activities of the Audit Commission;
 - represent the Audit Commission at the General Shareholders Meeting of the Company, at meetings of the Board of Directors of the Company and the Management Board of the Company;
 - sign documents of the Audit Commission.
- 3.4. In the absence of the Chairman of the Audit Commission, the duties of the Chairman shall be performed by a member of the Audit Commission appointed by the resolution of the Audit Commission adopted by the majority of votes of members of the Audit Commission participating in the meeting.

Article 4. Powers of the Audit Commission. Rights, Duties and Liability of Members of the Audit Commission. Remuneration and Compensation to members of the Audit Commission

- 4.1. The Audit Commission shall inspect/audit activities carried out by the Company, including identification and assessment of risks arising from or in the course of business operations of the Company. The Audit Commission of the Company shall:
 - 4.1.1. audit/inspect financial and business operations of the Company, whereupon it shall draw up a report that shall include:
 - confirmation of reliability and accuracy of the data in reports and other financial documents of the Company;
 - information on any non-compliance with the accounting and financial reporting procedures established by legal acts of the Russian Federation or non-compliance with legal acts of the Russian Federation in the course of financial and business operations.
 - 4.1.2. Confirm reliability and accuracy of data included in the annual report and annual accounting (financial) statements of the Company.
- 4.2. For the purpose of exercising its powers provided for by the applicable legislation of the Russian Federation, the Charter of the Company and these Regulations, the Audit Commission shall have the right to:
 - request from the governing bodies of the Company, heads of subdivisions of the Company, heads of its branches and representative offices any information (documents and materials)

required for conduct inspections/audits;

- request from the President of the Company, members of the Board of Directors and the Management Board of the Company, other executive bodies, heads of organization departments of the Company, heads of its branches and representative offices, materially-responsible persons verbal and written clarifications in respect of questions arising in the course of inspections/audits;
- raise before the governing bodies of the Company the question of using material or disciplinary penalties against employees of the Company, including officers, in case they have been found in breach of the Charter of the Company, internal documents and their job descriptions;
- request the convocation of meetings of the Board of Directors or the extraordinary General Shareholders Meeting of the Company in accordance with the procedure established by the applicable legislation, the Charter of the Company and respective internal documents.

4.3. Duties and rights of members of the Audit Commission

4.3.1. Members of the Audit Commission shall have the following duties:

- to participate in inspections/audits in strict compliance with the resolution of the Audit Commission regarding the audit procedure;
- to observe the requirements of keeping commercial secrets, not disclosing confidential information and insider information which the members of the Audit Commission in performing their duties have access to;
- to record and reflect in documents of the Audit Commission any cases of violating by employees and officers of the Company of regulations and legal acts, the Charter of the Company and internal documents discovered in the course of inspections/audits;
- to act in good faith and reasonably in the interests of the Company when exercising their rights and performing their duties.

4.3.2. Members of the Audit Commission shall have the following rights:

- to request convocation of meetings of the Audit Commission when discovering any cases of violation of the applicable legislation of the Russian Federation, the Charter of the Company and internal documents in the activities of the Company, its bodies and officers;
- to submit to the Audit Commission proposals to conduct extraordinary inspections/audits of business activities of the Company, actions and resolutions of the Company, its governing bodies or officers;
- to express a dissenting opinion on items on agendas of meetings of the Audit Commission, to request that their dissenting opinion be recorded in the minutes of meetings of the Audit Commission and communicated to the Company governing bodies;
- to issue a dissenting opinion in case of disagreement with the Audit Commission opinion/report, and to request it to be attached to the opinion/report of the Audit Commission.

4.4. Liability of Members of the Audit Commission

4.4.1. Members of the Audit Commission shall be liable for:

- any loss, impairment or falsification of any documents or materials received by the Audit Commission;
- disclosure of confidential or insider information, corporate or commercial secrets of the Company;
- conducting inspections/audits of business activities of the Company in a negligent and improper manner, for failure to provide in a timely manner to bodies of the Company opinions/reports of the Audit Commission;
- any other negligent or improper discharge of their duties when exercising the powers of the

Audit Commission.

4.5. REMUNERATION AND COMPENSATION TO MEMBERS OF THE AUDIT COMMISSION

4.5.1. The General Shareholders Meeting of the Company may resolve that remuneration be paid to members of the Audit Commission for performance of their duties and/or that expenses associated with performance of their duties as members of the Audit Commission be reimbursed to them, except for cases when payment of remuneration and/or compensation of expenses to a member of the Audit Commission is forbidden by the applicable legislation of the Russian Federation. Amounts of such remuneration and compensation of expenses and payment procedure thereof shall be determined by a resolution of the General Shareholders Meeting of the Company upon a recommendation of the Board of Directors of the Company.

4.5.2. Payment of remuneration and compensation of expenses to members of the Audit Commission for performance of their duties shall be considered by the General Shareholders Meeting of the Company as a separate agenda item of the General Shareholders Meeting of the Company.

Article 5. Inspections/audits conducted by the Audit Commission

5.1. A regular inspection/audit of business activities carried out by the Company shall be conducted with the purpose of inspecting/auditing the annual performance of the Company.

An extraordinary inspection/audit of business activities carried out by the Company shall be conducted at any time if so resolved or requested by persons authorized to initiate such inspection/audit of business activities pursuant to the applicable legislation of the Russian Federation, the Charter of the Company, and these Regulations.

When conducting an extraordinary inspection/audit of business activities, the Audit Commission may audit both individual business transactions, actions and resolutions by the Company, its governing bodies and officers, and business transactions, actions and resolutions by the Company, its governing bodies and officers for a certain period of time.

5.2. Procedure for requesting an extraordinary inspection/audit of business activities

5.2.1. An extraordinary inspection/audit of business activities carried out by the Company shall be conducted at any time at the initiative of the Audit Commission, based on a resolution of the General Shareholders Meeting of the Company, the Board of Directors of the Company, a request from shareholder/shareholders of the Company holding/jointly holding not less than 10 per cent of voting shares in the Company.

5.2.2. Initiators of an inspection/audit of business activities carried out by the Company shall have the right to withdraw their request at any time prior to the Audit Commission adopting a resolution to conduct an inspection/audit by a written notice thereof to the Audit Commission.

5.2.3. The General Shareholders Meeting of the Company or the Board of Directors of the Company initiating an inspection/audit of business activities shall communicate to the Audit Commission their resolution to conduct/initiate an inspection/audit. The resolution shall be in the form of minutes (copy of the minutes, statement from the minutes) from the respective governing body. The minutes (copy of the minutes, statement from the minutes) shall be submitted to the Chairman of the Audit Commission.

Within 5 business days from the date the Chairman of the Audit Commission receives a respective resolution to conduct/initiate an inspection/audit of business activities, the Audit Commission shall make a decision on conducting an inspection/audit of Company' business activities.

5.2.4. The shareholder (shareholders) initiating an inspection/audit of business activities shall send to the Audit Commission a written request to conduct an inspection/audit which shall contain:

- the name (of a person or corporation) of the shareholder (shareholders) making the request;
- the information about shares held by them (number, category, type);
- the grounds for conducting an inspection/audit.

5.2.5. The request shall be signed by the shareholder or their authorized representative. If the request is signed by such an authorized representative, it shall have attached to it a power of attorney (or a notarized copy thereof) duly issued in compliance with the legislative requirements, or other documents certifying the right of the representative to act on behalf of the shareholder.

5.2.6. If the initiative belongs to shareholders which are legal entities, the signature of the representative of the legal entity acting pursuant to its charter without a power of attorney shall be certified by the seal of the legal entity. If the request is signed by a representative of the legal entity acting on its behalf by a power of attorney, the request shall have attached to it the power of attorney (or a notarized copy thereof) duly issued in compliance with the legislative requirements, and copies of documents certifying the authority of the person issuing the power of attorney.

5.2.7. The shareholder requesting an inspection/audit of business activities whose rights to the shares are registered on a securities account with a depository, shall provide a statement from the securities account to confirm his/her holding the required number of the Company's voting shares as of the date when the request was made.

5.2.8. The request of shareholder (shareholders) initiating an inspection/audit of business activities shall be sent to the Company address by registered mail to the attention of the Chairman of the Audit Commission or shall be delivered to the organization department of the Company in charge of receiving in-coming correspondence.

5.2.9. Within 5 business days from the date of the shareholder/shareholders submitting a request for an extraordinary inspection/audit of business activities, the Audit Commission shall adopt a resolution on conducting an inspection/audit of business activities carried out by the Company or provide a justified refusal to conduct such inspection/audit. The date of the request submission shall be determined by the date of its receipt by the Company.

5.2.10. The Audit Commission may refuse to conduct an inspection/audit of business activities in the following cases:

- persons submitting such request for an inspection/audit of business activities do not have the right to initiate the said inspection/audit;
- the Audit Commission has already audited the facts which were used as a basis for the request to conduct an inspection/audit of business activities and approved a report thereon;
- the request does not comply with the legislation of the Russian Federation, the Charter of the Company, or these Regulations.

5.2.11. The Audit Commission shall inform the shareholder (shareholders) who have filed a request for an inspection/audit of business activities of the refusal to conduct such inspection/audit within 5 business days from the date of the respective resolution by a written notice signed by the Chairman of the Audit Commission or the person authorized to perform his/her duties.

5.3. Time-frame for conducting an inspection/audit of business activities

5.3.1. The Audit Commission shall submit to the Board of Directors a report on a regular inspection/audit of the annual business performance of the Company, including confirmation or repudiation of the reliability and accuracy of the data in the annual report and annual financial

accounts of the Company, not later than 50 days before the date of the General Shareholders Meeting of the Company.

5.3.2. An extraordinary inspection/audit of business activities carried out by the Company requested by a shareholder/shareholders of the Company holding/jointly holding not less than 10 per cent of the voting shares of the Company, shall commence not later than 30 days from the date of receiving by the Company of the shareholders' request to conduct it if the Audit Commission resolved to satisfy such a request.

5.3.3. An extraordinary inspection/audit of business activities carried out by the Company conducted pursuant to a resolution of the General Shareholders Meeting of the Company or of the Board of Directors of the Company, shall commence not later than 30 days from the date of the respective minutes (copy of the minutes, statement from the minutes) of the General Shareholders Meeting of the Company or of the Board of Directors of the Company having been submitted to the Chairman of the Audit Commission.

5.3.4. The Audit Commission of the Company shall have the right to adopt a resolution to conduct an extraordinary inspection/audit of business activities at its own initiative, including on the motion of an Audit Commission member, which shall be considered by the Audit Commission at its meeting within 5 business days from the date of the motion having been made to the Chairman of the Audit Commission.

5.3.5. In case the Audit Commission resolves to conduct an inspection/audit of business activities, the Chairman of the Audit Commission shall organize such an inspection/audit of business activities and proceed with it.

5.3.6. The duration of an extraordinary inspection/audit of business activities, as a general rule, shall not exceed 90 days. The duration of an extraordinary inspection/audit of business activities may be extended based on a justified resolution of the Audit Commission adopted by the majority vote of members of the Audit Commission participating in the meeting of the Audit Commission, but not more than by 60 days.

5.3.7. The formal opinion of the Audit Commission on the findings of an extraordinary inspection/audit of business activities carried out by the Company shall be provided to the Audit Committee of the Board of Directors via the Secretary of the Board of Directors of the Company within 3 business days after completion of the inspection/audit.

Article 6. Meetings of the Audit Commission, procedures for the Audit Commission to adopt resolutions and to interact with the Internal Audit Subdivision of the Company.

6.1. Meetings of the Audit Commission

6.1.1. Organizational issues related to conducting inspections/audits of business activities shall be addressed at meetings of the Audit Commission. The Audit Commission shall meet before commencement of an inspection/audit of business activities, upon its completion to review its findings, and in other cases requiring the joint resolution of the Audit Commission.

6.1.2. The Audit Commission shall only meet "in presentio" for members of the Audit Commission to jointly review agenda items and adopt resolutions on issues put to vote.

6.1.3. The Audit Commission shall be considered quorate if not less than a half of the elected members of the Audit Commission are present except for those members who are no longer serving on the Audit Commission.

6.1.4. Meetings of the Audit Commission held before commencement of an inspection/audit of business activities shall determine:

- all organizational issues related to conducting an inspection/audit of business activities;

- persons in charge of conducting an inspection/audit of business activities.

6.1.5. The following persons who are not members of the Audit Commission may be invited to a meeting of the Audit Commission: members of the Board of Directors, the President, members of the Management Board, officers and heads of organization departments of the Company, including employees of the Internal Audit and Control Division of the Company, experts and consultants, and other persons invited by the Chairman of the Audit Commission.

6.1.6. The Audit Commission and the Audit Committee of the Board of Directors of the Company may have a joint meeting.

6.1.7. Joint meetings of the Audit Commission and the Audit Committee of the Board of Directors of the Company shall be mandatory to review:

- the report of the Audit Commission on findings of the annual inspection/audit of the Company's performance, including confirmation or repudiation of the reliability and accuracy of the data in the annual report and annual financial accounts of the Company;
- information provided by the Audit Commission which does not concern the findings of the annual inspection/audit of the Company's performance.

6.2. Procedure for the Audit Commission to adopt resolutions

6.2.1. Resolutions by the Audit Commission shall be adopted and opinions and reports shall be approved by the majority vote of the members of the Audit Commission participating in the meeting. When voting on issues to be resolved at a meeting of the Audit Commission, each member of the Audit Commission shall have one vote. No member of the Audit Commission may delegate his/her vote to any other person, including another member of the Audit Commission. In the event of a tied vote, the Chairman of the Audit Commission shall have the casting vote.

6.2.2. In case members of the Audit Commission disagree with the resolution of the Audit Commission they shall have the right to request that their dissenting opinion be recorded in the minutes of the meeting and communicated to the governing bodies and/or to shareholders of the Company.

6.2.3. The dissenting opinion of a member of the Audit Commission, who expressed disagreement with the opinion/ report of the Audit Commission shall be attached thereto and be an integral part thereof.

6.3. Procedure for the Audit Commission to interact with the Company's subdivision performing the functions of internal audit

6.3.1. When performing its work, the Audit Commission may take into account the audits conducted by the Company's subdivision performing the functions of internal audit (hereinafter — the "Internal Audit Division").

6.3.2. At the initiative of the Audit Commission, joint meetings of the Audit Commission and the Internal Audit Division may be held to discuss the Audit Commission's work plans, audit findings, actions aimed at eliminating violations and deficiencies in the Company's performance. Joint meetings of the Audit Commission and the Internal Audit Division shall be organized by the Internal Audit Division.

Article 7. Documents of the Audit Commission

7.1. Documents of the Audit Commission shall include:

- Minutes of meetings of the Audit Commission;
- reports of the Audit Commission containing findings of inspections/audits of business activities;
- opinions of the Audit Commission;
- other documents associated with the activities of the Audit Commission.

- 7.2. Documents of the Audit Commission do not require being affixed with the seal of the Company.
- 7.3. Minutes of the meetings of the Audit Commission
- 7.3.1. Minutes of a meeting of the Audit Commission shall be drawn up within three days after the meeting was held.
- 7.3.2. Minutes of a meeting of the Audit Commission shall indicate:
- the official name of the Company;
 - the time and place of the meeting;
 - persons participating in the meeting;
 - the agenda of the meeting;
 - items put to vote, and the voting results on each of them;
 - resolutions adopted;
 - members of the Audit Commission who expressed a dissenting opinion with regard to resolutions on agenda items and the essence of the Audit Commission member's dissenting opinion.
- 7.3.3. Minutes of a meeting of the Audit Commission shall be signed by the Chairman of the Audit Commission.
- 7.4. Reports of the Audit Commission
- 7.4.1. Reports of the Audit Commission on inspections/audits of business activities carried out by the Company shall reflect the findings of such inspections/audits.
- 7.4.2. The inspection/audit report shall indicate:
- the time and place of the inspection/audit of business activities;
 - members of the Audit Commission participating in the inspection/audit of business activities;
 - grounds for conducting the inspection/audit of business activities.
- 7.4.3. The inspection/audit report shall contain a description of key risks, violations and deficiencies in activities of the Company, which were discovered, an analysis of their causes, an assessment of the likelihood of such violations appearing in the future, and recommendations on mitigating the risks.
- 7.4.4. The inspection/audit report shall generally contain the following main sections:
- a short description and analysis of how the Company's activities are organized, including the composition and activities of its governing bodies;
 - a short description and analysis of how the Company's internal control system is performing;
 - analysis of specific features of accounting and planning used by the Company, a financial analysis;
 - analysis of the Company's operations and the procedure of accounting for respective operations;
 - analysis of the Company's key financials and specific features of accounting therefor;
 - analysis of other aspects of the Company's activities (equipment status, information security, tax risks, organization of key documents storage, etc.);
 - description and analysis of the most material risks associated with the Company's activities identified by the Company's control functions, the Company auditor, and external regulatory and supervisory authorities;
 - conclusions and recommendations based on the inspection/audit findings.
- 7.4.5. Reports of the Audit Commission shall be signed by all the members of the Audit Commission who conducted the inspection/audit of business activities.

7.5. Opinions of the Audit Commission

7.5.1. The opinion of the Audit Commission shall indicate:

- the membership of the Audit Commission and the date of its election, regulatory and legislative ground for its activities;
- the inspected/audited period;
- the time and place of forming the opinion of the Audit Commission;
- conclusions with regard to compliance/non-compliance with the legislation, respective regulations and legal acts, the Charter of the Company and internal documents; description of violations of laws, regulations and legislative acts, the Charter of the Company, internal regulations, rules and procedures by employees and officers of the Company;
- requests to provide information (documents and materials) made during the inspection/audit to Company bodies, heads of subdivisions, branches, representative offices, and officers;
- instances of refusal to provide requested information (documents and materials);
- the information about requests of the Audit Commissions for meetings of the Board of Directors and the extraordinary General Shareholders Meeting of the Company to be convened;
- the information about written clarifications provided by the President, members of the Board of Directors, the Management Board, employees, officers of the Company.

7.5.2. If the purpose of the Opinion of the Audit Commission is to confirm the annual report and financial accounts data of the Company, then the Opinion shall contain conclusions about the reliability and accuracy of the data in the annual report and financial accounts of the Company or conclusions about the unreliability or inaccuracy of the data in the said documents. The Opinion of the Audit Commission may contain reservations as to the reliability or accuracy of the data in the annual report and financial accounts of the Company.

7.5.3. In case the Audit Commission does not confirm the reliability and accuracy of the data in the annual report and financial accounts of the Company, fully or partially, the Opinion shall contain a well-grounded judgment as to the reasons for such inability to confirm that.

7.5.4. The Opinion of the Audit Commission shall specify what statements are included in the annual report of the Company and give a short description of the profile of the Company's key performance indicators as per its annual report and respective statements.

7.5.5. The Opinion of the Audit Commission shall be signed by all members of the Audit Commission.

7.6. Other documents

7.6.1. Other documents of the Audit Commission shall not be expected to follow a set format and shall be signed by the Chairman of the Audit Commission.

7.7. Storage of the Audit Commission's documents

7.7.1. The Chairman of the Audit Commission shall assure storage of the following documents:

- documents of the Audit Commission;
- requests for conducting an inspection/audit of business activities;
- written clarifications and written refusals to provide clarifications and information by persons from whom the Audit Commission requested clarifications/information.

7.7.2. Originals of documents subject to mandatory storage by the Audit Commission shall be transferred by the Chairman of the Audit Commission to the Corporate Secretary for storage and an acceptance certificate ("act") to that effect shall be executed.

7.7.3. Via its Corporate Secretary, the Company shall assure to shareholders access to the opinions of the Audit Commission in accordance with the procedure and to the extent stipulated by the legislation of the Russian Federation.

7.7.4. If so requested by a shareholder in writing, the Company shall, for a fee, provide to the

shareholder copies of the opinions of the Audit Commission. The amount of the fee shall be determined by the Company and shall not exceed the amount of expenses incurred in connection with the preparation and mailing of the copies.