

PROPOSAL

for the adoption of amendments and supplements to Regulations on organization and operation of the Supervisory Board of Vietnam Joint Stock Commercial Bank for Industry and Trade

Respectfully to: The General Meeting of Shareholders of VietinBank

Pursuant to the Law on Credit Institutions No. 47/2010/QH12 in 2010

Pursuant to the Charter on organization and operation of VietinBank

Pursuant to the agenda of and contents to be submitted to the Extraordinary General Meeting of Shareholders of VietinBank in 2014 for decisions on matters within the jurisdiction of the General Meeting of Shareholders, the Supervisory Board of VietinBank respectfully submit to the General Meeting of Shareholders for review and approval of the amendments and supplements to the Regulation on organization and operation of the Supervisory Board of the Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank). Specifically as follows:

I. THE NECESSITY FOR AMENDMENTS TO THE REGULATION

The Regulation on organization and operation of the Supervisory Board, which was adopted by the Annual General Meeting of Shareholders, was built on the basis of the Law on Enterprises in 2005, Law on Credit Institutions in 2010 and the provisions of relevant laws, the Charter on organization and operation and regulations on internal governance of VietinBank. The Regulation have set a legal foundation for the Bank's Supervisory Board to perform its functions and assigned tasks effectively. Under this Regulation, during the past years, the Supervisory Board of the Bank has gained remarkable achievement in works, thereby contributing to the sustainable and secured development of the VietinBank.

However, over the recent time, a number of legal documents, pursuant to which the Regulation was prepared, have been replaced, amended and supplemented. To ensure the compliance with the State regulations and to further improve and enhance the quality of internal governance of VietinBank, the Bank's Board of Directors have issued the Decision No. 322/QD-HDQT-NHCT1 on promulgating VietinBank's internal governance regulation - QC.01.11.II - which provided for a number of new regulations on the organization and operation of the Supervisory Board to ensure compliance with provisions of the current law and with provisions on internal governance of VietinBank.

Thus, it's necessary to make amendments and supplements to the Regulation on organization and operation of the Bank Supervisory of VietinBank to ensure the compliance with provisions of the current law and with provisions on internal governance of VietinBank.

II. CONTENTS OF AMENDMENTS AND SUPPLEMENTS TO THE REGULATION

1. Article 4. Relevant documents: Proposed amendment to Point 6 is as follows:

- Item 6. Circular No. 121/2012/TT-BTC dated July 26 2012 by Ministry of Finance providing for corporate governance applicable to public companies

- Item 7. Decision No. 322/2013-QĐ-HĐQT-NHCT1 dated 7 August 2013 by the Board of Directors of Vietnam Joint Stock Commercial Bank for Industry and Trade promulgating Regulation on Internal Governance of VietinBank.

- Item 8. ISO 9001-2008 and other relevant documents

2. Article 7. Nomination and election of member of the Supervisory Board

The nomination of the members of Supervisory Board shall be conducted in accordance with the following principles : Shareholders holding at least 5% of the voting shares for a period of at least 6 consecutive months may accumulate their votes in order to nominate candidates for the Supervisory Board. A shareholder or a group of shareholders who holds less than 10% (ten percent) of the voting shares for at least 6 consecutive months shall be entitled to nominate 1 (one) candidate; who holds from 10% (ten percent) to less than 30% (thirty percent) shall be entitled to nominate 2 (two) candidates; who holds from 30% (thirty percent) to less than 50% (fifty percent) shall be entitled to nominate 3 (three) candidates; who holds from 50% (fifty percent) to less than 65% (sixty five percent) shall be entitled to nominate 4 (four) candidates and who holds from 65% (sixty five percent) or more shall be entitled to nominate the full number of candidates. Where the number of candidates for members of the Supervisory Board after such nomination is not sufficient as required, the incumbent Supervisory Board may either nominate additional candidates or conduct the nomination in accordance with the mechanism regulated by VietinBank. The mechanism for nomination or the method of nomination undertaken by the incumbent Supervisory must be clearly announced and approved by the General Meeting of Shareholders before the nomination is conducted.

3. Amendment to Article 8. Term of office of Supervisory Board:

The term of office of Supervisory Board shall not exceed five (05) years. The term of office of Supervisory Board members shall be the same with that of Supervisory Board and may be re-elected. A member of the Supervisory Board may be re-elected or re-appointed, but shall not hold more than two consecutive terms of office. The term of office of an added or replaced member of the Supervisory Board shall be the remaining term of office of the Supervisory Board. The Supervisory Board of the previous term shall operate until the Supervisory Board of the new term takes over its work.

4. Article 9. Criteria and conditions for members of Supervisory Board: Some proposed amendments are as follow:

- Amendment to Point 3 : To have a university degree or higher specialized in economics, business administration, law, accounting, auditing ; and to have at least 3 (three) years working directly in field of banking, finance, accounting and auditing.

- Supplement to Item 10: Not to be a member or staff of an independent auditing firm who is auditing financial statements of VietinBank.

- Supplement to Point 11 : Members of Supervisory Board in charge must reside in Vietnam during their incumbency.

5. Article 12. Powers and duties of the Supervisory Board: Some proposed amendments are as follow:

- Amendment to Point 1: On behalf of the shareholders, to supervise activities and the compliance with the Law and the Charter on the organization and operation of Vietinbank in the management and administration of the Bank; to be responsible to the Law, the General Meeting of Shareholders for the implementation of its assigned powers and duties. During the course of implementation of its tasks, the Supervisory Board has the right to wield their powers under the provisions of Law and the Charter of VietinBank.

- Amendment to Point 2: To build, promulgate and arrange for the implementation of the Regulation on organization and operation of the Supervisory Board on the basis of the relevant provisions of the Law, the Charter of VietinBank and opinions of the Board of Directors. To

review, on an annual basis, the Regulation for amendment, supplementation (if any) and submit to the General Meeting of Shareholders for approval.

- Amendment to Point 9: To timely sent a written notice to the Board of Directors within forty eight (48) hours upon finding any violations of any member of the Board of Directors, the General Director or managers of VietinBank with respect to the obligations of a manager stipulated in VietinBank's Charter, and the relevant prevailing laws and regulations, and at the same time request the violator to cease the act of violations and to have appropriate measures to overcome the consequences, (if any). If, after seven (07) days from the date of issuance of the above-mentioned notice, the violator has not ceased the act of violations and has no appropriate measures to overcome the consequences, the Supervisory Board shall report directly to the State Securities Commission on this issue.

- Supplement to Item 12: To make proposal on the selection of an independent auditing firm to perform the audit of VietinBank's financial statements.

- Supplement to Point 13: To prepare and make report to the Annual General Meeting of Shareholders on the operation of the Supervisory Board in compliance with the regulations of VietinBank and the provisions of Law.

6. Article 18 Rights to be provided with information confidentiality

- Minutes of the General Meeting of Shareholders/Minutes of vote-checking result in writing must be sent to members of the Supervisory Board within 15 days from the closure date of the meeting/the date of vote-checking.

7. Article 20. Meetings of the Supervisory Board: Some proposed amendments are as follow:

- Amendment of Item 1: The Supervisory Board organizes meeting on both periodical basis and ad-hoc basis. Periodical meeting of the Supervisory Board is organized at least quarterly and is summoned by the Head or the person who temporarily holds the title of Head of the Supervisory Board.

- Amendment of Sub-item 6.1 of Item 6: Every member of the Supervisory Board attending the meeting has the right to vote. Those members who are not able to attend the meeting must send their voting papers to the Supervisory Board prior to the meeting.

- Supplement to Item 7: Head of the Supervisory Board may invite members of the Board of Directors or member of the Board of Management to attend the meeting if necessary.

8. Article 25. Working relationship with the Board of Directors:

- Supplement Sub-item 1.7 into the Item 1: Right after being promulgated, 01 copy of Decision of the Supervisory Board must be sent to the Chairman of the Board of Directors for direction.

- Amendment of Sub-Item 2.6 of Item 2: Provide the Supervisory Board information and documents relating to operation and business situation of VietinBank; as well as other information relating to VietinBank's activities.

9. Article 26. Working relationship with the Board of Management:

- Supplement to Sub-item 1.4 Item 1: Right after being promulgated, 01 copy of Decision of the Supervisory Board must be sent to the General Director for direction.

- Supplement to Sub-item 2.8 Item 2: The Board of Management must report on a monthly basis to the Supervisory Board the settlement results of letters of claim and denunciation, in which clearly state the content and settlement result of each letter of claim and denunciation relating to administration and management activity (including those of branches and subsidiaries) of VietinBank.

As prescribed at Article 59 in Laws on Credit Institutions, all contents of amendments and supplements to Regulation on organization and operation of the Supervisory Board of VietinBank will take effects after being approved by the General Meeting of Shareholders. Thus,

the Supervisory Board of VietinBank hereby respectively submit our proposals for amendments and supplements to the Regulation of organization and operation of the Supervisory Board of VietinBank for consideration and approval by the General Meeting of Shareholder at the event of this Extraordinary General Meeting of Shareholder in 2014.

Thank you very much!

On behalf of. **THE SUPERVISORY BOARD**
HEAD OF THE SUPERVISORY BOARD

TRAN THI LE NGA

**PROPOSED AMENDMENTS AND SUPPLEMENTS TO REGULATION ON ORGANIZATION AND OPERATION
OF THE SUPERVISORY BOARD**

VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE

(This schedule is attached to the Proposal to the General Meeting of Shareholders on 24 July 2014 on the amendments and supplements to Regulation on organization and operation of the Supervisory Board)

ARTICLE	REGULATION IN 2010	PROPOSED AMENDMENTS AND SUPPLEMENTS	RATIONALE FOR THE AMENDMENTS AND SUPPLEMENTS
Article 4	<i>Relevant documents</i>		
Amendment	6. ISO 9001-2008 and other relevant documents	<p>6. Circular No. 121/2012/TT-BTC dated July 26 2012 by Ministry of Finance providing for corporate governance applicable to public companies (hereinafter referred to as Circular No.121)</p> <p>7. Decision No. 322/2013-QĐ-HĐQT-NHCT1 dated August 7 2013 by the Board of Directors of Vietnam Joint Stock Commercial Bank for Industry and Trade promulgating Regulation on Internal Governance of VietinBank (hereinafter referred to as the Decision No. 322) .</p> <p>8. ISO 9001-2008 and other relevant documents</p>	To further concretize a number of relevant documents of material importance which trigger the amendments and supplements to Regulation on organization and operation of the Supervisory Board.
Article 7	<i>Nomination and election of member of the Supervisory Board</i>		
Amendment	The nomination of the members of Supervisory Board shall be conducted in accordance with the following principles: Shareholders may accumulate votes in order to nominate candidates for the Supervisory Board. A shareholder or a group of shareholders who holds at least 5% (five percent) of shares to less	The nomination of the members of Supervisory Board shall be conducted in accordance with the following principles : Shareholders holding at least 5% of the voting shares for a period of at least 6 consecutive months may accumulate their votes in order to nominate candidates for the Supervisory Board. A shareholder or a group of shareholders who holds less than 10% (ten percent) of the voting shares	To be compliant with provisions of Clause 1 and 2, Article 23 Decision No. 322.

	<p>than 10% (ten percent) of shares with voting rights for a period of at least six consecutive months shall be entitled to nominate 1 (one) candidate; who holds from 10% (ten percent) to less than 30% (thirty percent) shall be entitled to nominate 2 (two) candidates; who holds from 30% (thirty percent) to less than 50% (fifty percent) shall be entitled to nominate 3 (three) candidates; who holds from 50% (fifty percent) to less than 65% (sixty five percent) shall be entitled to nominate 4 (four) candidates and who holds from 65% (sixty five percent) or more shall be entitled to nominate the full number of candidates.</p>	<p>for at least 6 consecutive months shall be entitled to nominate 1 (one) candidate; who holds from 10% (ten percent) to less than 30% (thirty percent) shall be entitled to nominate 2 (two) candidates; who holds from 30% (thirty percent) to less than 50% (fifty percent) shall be entitled to nominate 3 (three) candidates; who holds from 50% (fifty percent) to less than 65% (sixty five percent) shall be entitled to nominate 4 (four) candidates and who holds from 65% (sixty five percent) or more shall be entitled to nominate the full number of candidates. Where the number of candidates for members of the Supervisory Board after such nomination is not sufficient as required, the incumbent Supervisory Board may either nominate additional candidates or conduct the nomination in accordance with the mechanism regulated by VietinBank. The mechanism for nomination or the method of nomination undertaken by the incumbent Supervisory must be clearly announced and approved by the General Meeting of Shareholders before the nomination is conducted.</p>	
Article 8	Term of office of the Supervisory Board		
Amendment	<p>The term of office of Supervisory Board members shall not exceed five 05 (five) years; and the Supervisory Board members may be re-elected. A member of the Supervisory Board shall not hold more than two consecutive terms of office as a Supervisory Board member. By the end of the term of office, if the Supervisory Board for the new term has not been elected, the Supervisory Board of the previous term shall continue to perform its tasks and duties until the Supervisory Board of the new term</p>	<p>The term of office of Supervisory Board shall not exceed five 05 (five) years. The term of office of Supervisory Board members shall be the same with that of Supervisory Board and may be re-elected. A member of the Supervisory Board may be re-elected or re-appointed, but shall not hold more than two consecutive terms of office. The term of office of an added or replaced member of the Supervisory Board shall be the remaining term of office of the Supervisory Board. The Supervisory Board of the previous term shall operate until the Supervisory</p>	<p>To be compliant with provisions of Clause 2, Article 21, Decision No. 322.</p>

	takes over its work.	Board of the new term takes over its work.	
Article 9	Criteria and conditions for members of the Supervisory Board		
Amendment	3. To have a university degree or higher specialized in economics, law or the professional field of which he/she shall be in charge of and to have at least 3 (three) years working directly in field of banking, accounting and auditing.	3. To have a university degree or higher specialized in economics, business administration, law, accounting, auditing ; and to have at least 3 (three) years working directly in field of banking, finance, accounting and auditing.	To be in compliant with provisions of Clause 1, Article 22, Decision No. 322
Supplement		10. Not to be a member or staff of an independent auditing firm who is auditing financial statements of VietinBank.	In accordance with Clause 2, Article 22, Decision No. 322.
		11. Members of Supervisory Board in charge must reside in Vietnam during their incumbency.	Point d, Clause 3, Article 50 of the Law on credit institutions in 2010.
Article 12	Powers and duties of the Supervisory Board		
Amendment	<i>1. To supervise activities and the compliance with the Law and the Charter on the organization and operation of Vietinbank in the management and administration of the Bank; to be responsible to the Law, the General Meeting of Shareholders for the implementation of its assigned powers and duties.</i>	1. On behalf of the shareholders, to supervise activities and the compliance with the Law and the Charter on the organization and operation of Vietinbank in the management and administration of the Bank; to be responsible to the Law, the General Meeting of Shareholders for the implementation of its assigned powers and duties. During the course of implementation of its tasks, the Supervisory Board has the right to wield their powers under the provisions of Law and the Charter of VietinBank.	To be consistent with Clause 3 Article 21 Decision No. 322
Amendment	2. To issue internal regulations of the	2. To build, promulgate and arrange for the	To be consistent with Clause 4 Article 21

	Supervisory Board. To review, on an annual basis, internal regulations of the Supervisory Board	implementation of the Regulation on organization and operation of the Supervisory Board on the basis of the relevant provisions of the Law, the Charter of VietinBank and opinions of the Board of Directors. To review, on an annual basis, the Regulation for amendment, supplementation (if any) and submit to the General Meeting of Shareholders for approval.	Decision No. 322
Amendment	<i>9. To timely inform the Board of Directors upon finding any violations of any member of the Board of Directors, the General Director or managers of VietinBank with respect to the obligations of a manager stipulated in VietinBank's Charter, and the relevant prevailing laws and regulations, and at the same time request the violator to cease the act of violations and to have appropriate measures to overcome the consequences, if any.</i>	9. To timely sent a written notice to the Board of Directors within forty eight (48) hours upon finding any violations of any member of the Board of Directors, the General Director or managers of VietinBank with respect to the obligations of a manager stipulated in VietinBank's Charter, and the relevant prevailing laws and regulations, and at the same time request the violator to cease the act of violations and to have appropriate measures to overcome the consequences, (if any). If, after seven (07) days from the date of issuance of the above-mentioned notice, the violator has not ceased the act of violations and has no appropriate measures to overcome the consequences, the Supervisory Board shall report directly to the State Securities Commission on this issue.	To be consistent with Clause 4 Article 21 Circular No. 121
Supplement		<p>12. To make proposal on the selection of an independent auditing firm to perform the audit of VietinBank's financial statements.</p> <p>13. To prepare and make report to the Annual General Meeting of Shareholders on the operation of the Supervisory Board in compliance with the regulations of VietinBank and the provisions of Law.</p>	To be consistent with Clause 5 and Clause 6, Article 21 of Circular No. 121 and Clause 3 Article 10 of Decision No. 322.
Amendment	12. Other powers and duties in accordance with the decisions of the General Meeting of	<i>14. Other powers and duties in accordance with the decisions of the General Meeting of Shareholders,</i>	Rearrange clause order to ensure the logic.

	<i>Shareholders, the provisions of the VietinBank's Charter and the provisions of law.</i>	<i>the provisions of the VietinBank's Charter and the provisions of law.</i>	
Article 18	Rights to be provided with information and information <i>confidentiality</i>		
Supplement		1.5. Minutes of the General Meeting of Shareholders/Minutes of vote-checking result after obtaining opinions of shareholders in writing must be sent to members of the Supervisory Board within 15 days from the closure date of the meeting/the date of vote-checking.	To be consistent with Clause 5, Clause 6 Article 21 of Circular No. 121 and Clause 3 Article 10 of Decision No. 322.
Article 20	Meetings of the Supervisory Board		
Amendment	<i>1. The Supervisory Board organizes meeting on periodical basis or ad-hoc basis. Periodical meeting of the Supervisory Board is organized at least quarterly and is summoned by the Head or the authorized member of the Supervisory Board.</i>	1. The Supervisory Board organizes meeting on both periodical basis and ad-hoc basis. Periodical meeting of the Supervisory Board is organized at least quarterly and is summoned by the Head or the person who temporarily holds the title of Head of the Supervisory Board.	To be consistent with Clause 1 Article 24 Decision No. 322.
Amendment	<i>6.1. Every member of the Supervisory Board attending the meeting has the right to vote. Those members who are not able to attend the meeting can authorize other members in writing to perform their voting right.</i>	6.1. Every member of the Supervisory Board attending the meeting has the right to vote. Those members who are not able to attend the meeting must send their voting papers to the Supervisory Board prior to the meeting.	To be consistent with Clause 4 Article 24 Decision No. 322.
Supplement		7. Head of the Supervisory Board may invite members of the Board of Directors or member of the Board of Management to attend the meeting if necessary.	To be consistent with Clause 5 Article 24 Decision No. 322.
Article 25	Working relationship with the Board of Directors		

Supplement		1.7. Right after being promulgated, 01 copy of Decision of the Supervisory Board must be sent to the Chairman of the Board of Directors for direction.	To suit the actual operational practices
Amendment	<i>2.6. To provide the Supervisory Board information and documents relating to operation and financial situation of VietinBank; letters of claim, denunciation as well as other information relating to VietinBank's activities.</i>	2.6. To provide the Supervisory Board with information and documents relating to operation and financial situation of VietinBank; as well as other information relating to VietinBank's activities.	To suit the functions and duties of the Supervisory Board (Letters of claim and denunciation used to be settled by Compliance Audit Department which reported to the Supervisory Board. However, this department is now under the management authority of the Board of Management.)
Article 26	Working relationship with the Board of Management		
Supplement		1.4. Right after being promulgated, 01 copy of Decision of the Supervisory Board must be sent to the General Director for direction.	To suit the actual operational practices
Supplement		2.8. The Board of Management must report on a monthly basis to the Supervisory Board the settlement results of letters of claim and denunciation, in which clearly state the content and settlement result of each letter of claim and denunciation relating to administration and management activity (including those of branches and subsidiaries) of VietinBank.	To suit the functions and duties of the Supervisory Board (Letters of claim and denunciation used to be settled by Compliance Audit Department which reported to the Supervisory Board. However, this department is now under the management authority of the Board of Management.)
Amendment	<i>2.8. To perform other works at the request of the Supervisory Board.</i>	<i>2.9. To perform other works at the request of the Supervisory Board.</i>	Rearrange clause order to ensure the logic.