

**Tigar**®**TIGAR AD
BOARD OF DIRECTORS****PROPOSED RESOLUTION****Date: 2012-05-16**

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Pursuant to Article 592 (7) of the Companies Law (Official Gazette of the RoS, nos. 36/11 and 99/11) and pursuant to Article 88 (a) (6) of the Articles of Association of the Joint-Stock Company Tigar Pirot (Tigar AD), the Board of Directors of Tigar AD, being the competent body up to the time of alignment with the Companies Law, proposes to the Shareholders' Assembly to pass the following

**RESOLUTION
on the election of the Supervisory Board of Tigar AD**

1. The following individuals are hereby elected to serve on the Supervisory Board of Tigar AD:
 1. **Dragan Nikolić**
 2. **Vladimir Nikolić**
 3. **Gordana Lazarević**
 4. **Tihomir Nenadić**
 5. **Jose Alexandre F. da Costa**
2. The term of office of this Supervisory Board shall be four years.
3. The Supervisory Board shall exercise its rights and perform its duties in accordance with applicable legislation and internal documents of the Company which regulate the status, function, scope, competences, proceedings and decision-making of the Supervisory Board.
4. This Resolution enters into force on the date it is passed.

Explanatory Notes

As part of alignment with the Companies Law (Official Gazette of the RoS, nos. 36/11 and 99/11), Tigar AD, as an open joint-stock company, is required, *inter alia*, to elect new bodies.

Given that in its internal document – the Bylaws – Tigar opted for the bicameral management model, the Supervisory Board is elected to supervise the achievement of the Company's business objectives and, in this regard, to provide oversight of the performance of the Company's executive directors, to provide internal supervision of the Company's operations, and to perform the other duties and tasks which fall within its competence.

The proposed candidates for the Supervisory Board are experienced in performing similar functions as independent and non-executive members of the previous Board of Directors. Their work has been recognized with approval, as they have participated in the making of management decisions which have successfully directed the Company's business operations. This is the main reason for their election to serve on the Supervisory Board during the said period, to ensure a continuation of the Company's business policies which have ensured good operating results.

TIGAR AD Board of Directors**s. Dragan Nikolić**
Chairman