



**TIGAR AD
BOARD OF DIRECTORS**

PROPOSED RESOLUTION

Date: 2012-05-16

Page: 1/1

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 appointment of Tigar AD's independent auditors**

1. Deloitte d.o.o. from Belgrade and EKI Revizija d.o.o. from Belgrade are hereby appointed as independent auditors of Tigar AD and its subsidiaries for the year 2012.
2. The roles and powers of the auditors identified in Article 1 above shall be as conferred by the law which regulates accounting and auditing.
3. This Resolution enters into force on the date it is passed.

Explanatory Notes

Pursuant to the Companies Law, a joint-stock company is required to have an independent auditor who is appointed by the Shareholders' Assembly.

The function, rights and obligations of the independent auditor are defined by accounting and auditing regulations.

The firm Deloitte d.o.o. from Belgrade is a reputable auditing firm that belongs to the "big four" internationally recognized auditing firms, which the Board of Directors of Tigar AD has selected to recommend to audit the Company's FY2012 financial statements, having reviewed several bids for the provision of this service and taking into account the positive opinion in this regard of the Supervisory Board. The selection of Deloitte was also supported by the fact that this auditing firm has been providing auditing services to Tigar for many years, that it is familiar with the business operations of Tigar and its subsidiaries, and that the international reputation of this firm is important to Tigar in its international transactions and as a company listed on the Prime Market of the Belgrade Stock Exchange. Deloitte is also nominated because it is acceptable in any domestic or international high-value transactions.

In accordance with the provisions of the Capital Market Law, the appointment of another auditor is proposed, which is standard international practice. EKI Revizija was founded by the University of Belgrade/Graduate School of Economics and its references include renowned companies.

Approving the recommendation of the Board of Directors, the General Assembly passed this Resolution on the appointment of independent auditors.

TIGAR AD Board of Directors

**s. Dragan Nikolić
Chairman**