

PROPOSAL TO THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

issued by the Advisory Audit Committee
established at the level of CONPET S.A. Board of Directors
with regard to the appointment of a financial auditor and setting the term of a financial audit service agreement

1. ADVISORY AUDIT COMMITTEE

(established based on the Board of Directors Decision no. 16/ 28.11.2013 and maintained based on the Board of Directors Decision no. 15/ 17.12.2015)

2. MEMBERS OF THE ADVISORY AUDIT COMMITTEE:

- Roxana-Elena Gheorghe, Chairman, Independent Non-executive Director
- Darius-Dumitru Mesca, Member, Non-executive Director
- Radu Bugica, Member, Non-executive Director

3. REMARKS CONCERNING THE PERFORMED ACTIVITIES

The Advisory Audit Committee has an advisory role with regard to the company's strategy and policy on internal audit and financial audit.

In exercising its powers, the Audit Committee is submitting to be endorsed by the Board of Directors, its proposals related to the selection, appointment, reappointment and dismissal of the external financial auditor, as well as the terms and conditions for the said auditor remuneration, while the appointments validated by the Board of Directors will be subject to the Ordinary General Meeting of Shareholders' approval.

The executive management has sent to the Audit Committee, a „NOTE on the proposal of financial auditor appointment by CONPET S.A. General Meeting of Shareholders” no. 37.102/19.10.2016, which was reviewed during the meeting held on 25.10.2016.

Based on the said review, the Audit Committee has established the following:

- On 02.11.2016, the Service Contract no. S-CA 395/ 03.11.2014 signed with the financial auditor, KPMG Audit S.R.L. ceased;
- A procurement procedure was organized for **the financial audit services and related services for years 2016, 2017 and 2018** (including services of reviewing the interim financial statements), according to the Internal Procedural Rules of Procurement;

- The Evaluation Commission, appointed pursuant to Decision no. 534/ 22.09.2016 issued by the CEO, has assessed the technical and economic proposals and has designated the winning audit company „BDO AUDIT SRL” Bucharest, for a total fee amounting to EUR 49,700, VAT free, charged on the account of all services specified in the Contract;
- the Contract Term is of 3 years.

4. SUGGESTIONS

To conclude, following the review, we are submitting for the Board of Directors endorsement, the appointment of BDO AUDIT SRL Bucharest as financial auditor of CONPET S.A. for a period of 3 years and we are **asking the Board of Directors to propose to the General Meeting of Shareholders to appoint BDO AUDIT SRL Bucharest as financial auditor of CONPET SA for a period of 3 years.**

Ploiesti,
October 25, 2016

Roxana-Elena Gheorghe _____

Darius-Dumitru Mesca _____

Radu Bugica _____

Subsemnata **Andra Ioana Boianiu**, traducător autorizat cu nr. 2718/2000, certific exactitatea traducerii în limba română cu textul înscris în documentul în limba engleză care a fost vizat de mine înregistrat sub nr 2016/3731/1/3.

Interpret și traducător autorizat
ANDRA IOANA BOIANIU

