

Endorsed,
Board of Directors
President
Alexandru Sandulescu

NOTE

on the dismissal of the financial auditor as a result of the audit contract termination by mutual agreement of the Parties, on the appointment of the new auditor and on the contract minimum duration and the auditor's remuneration

Societatea Nationala Nuclearelectrica S. A. (hereinafter "SNN") concluded on 24.12.2013, following a competitive procedure, the service contract no. 1438 concluded with KPMG Audit SRL, for a duration of 24 months, having the following object:

- Financial audit services for the financial years ended December 31, 2013 and December 31, 2014, limited revision of the consolidated financial statements for the six month period ended 30 June 2014 and services to assist the purchaser in the accounting data restatement process organized based on the Order No. 3055/2009 of the Minister of Public Finances, in accordance with the Order no. 1286/2012 of the Minister of Public Finances.

In compliance with this contract, the auditor conducted the audit of the financial statements on 31.12.2013 and also provided assistance for the SNN's personnel in the accounting data restatement process organized based on the Order no. 3055/2009 of the Minister of Public Finances, in compliance with the Order no. 1286/2012 of the Minister of Public Finances.

On 27.02.2014, the auditor notified SNN of the appointment of KPMG Advisory (China) Ltd as financial advisor of the General China Nuclear Power Corporation ("CGN"), the consulting services targeting the assets related to the Cernavoda NPP's Units 3 and 4 and to those of EnergoNuclear ("EN"), the project company, in which capacity KPMG Advisory (China) Ltd will use them by subcontracting and the personnel and the resources provided by KPMG Advisory SRL.

Through the correspondence between the parties during 27/02/2014 - 11/03/2014, the opportunity that KPMG Audit SRL terminate the contractual relationship with SNN, in order to avoid any potential conflicts of interest, was examined.

In this context, in the agreement signed on 04.06.2014, the parties agreed to suspend the contract No. 1438 until the appointment of a new auditor, on which date the contract will be terminated by mutual agreement.

Following the suspension of the contract No. 1438, SNN SA initiated a new awarding procedure for selecting a new auditor, meaning that, on 04.06.2014, the evaluation commission was appointed by the decision of the Chief Executive Officer. The commission has completed the tender documents and submitted them for validation to ANRMAP on the date of 13/06/2014. On the date of 25/06/2014, ANRMAP rejected the documents, requesting the review of some qualification requirements considered as restrictive. The Evaluation Commission made the requested changes and re-submitted the documents to ANRMAP on the date of 26.06.2014 and, on 30.06.2014, the invitation to tender was published. The date set for the submission of tenders, notified in the invitation, is 14/07/2014.

Taking into account those mentioned above and the following considerations:

- (i) Pursuant to Art. 111, paragraph 2, letter b1 of the Companies Law No 31/1990 in conjunction with the provisions of Article 13, paragraph 2, letter d) of the SNN's Articles of Incorporation, the Ordinary General Meeting of Shareholders appoints the financial auditor and set the minimum duration of the audit contract;
- (ii) The fact that the estimated duration for bid evaluation and winner designation is of approximately 10 days after the submission of tenders, namely starting with the date of 14.07.2014,

We submit for approval to the SNN's Ordinary General Meeting of Shareholders the appointment of the financial auditor and the audit contract duration of 24 months, in accordance with the result of the public procurement procedure organized by SNN. The winning bidder, after the public procurement procedure of the "Inquiry" type, will be announced by adding this information to this Note. The estimated budget for this purchase, as it was published, is of 95.000 euro.

We attach hereto the contract type proposed to bidders within the public procurement procedure.

Daniela Lulache
Chief Executive Officer

Mihai Darie
Chief Financial Officer