

Minute of COFE meeting held on April 19, 2012

COFE held its second regular meeting in 2012 on Thursday April 19, 2012 and considered the following subjects:

1. The status of the clearance of the observation of international audit firms on DFI for the years 2007 until June 30, 2012, and agreed upon the following:
 - Request the audit firm to deliver the report on the remaining ministries that were audited as of June 30, 2012.
 - Hold a meeting with E&Y representatives at 2 O'clock on Saturday April 21, 2012 to discuss the observations and their clearance for the above mentioned years.
2. The status of the clearance of the observation on Kurdistan region, and agreed upon the following:
 - Request the KRG to provide a written response relating to the still valid observation.
 - Discuss the observations with E&Y.
3. The results of the implementation of the Ministry of Oil's plan relating to the comprehensive metering system for the first quarter of 2012 and the results of the implementation in the newly established Central Oil Company.
4. The table of the ongoing lawsuits and the action taken by the foreign courts sent by the Ministry of Justice by its letter dated March 7, 20112.
5. The financial statements of the UNCC for the two years ended on December 31, 2009, COFE members point of view and the

table of the differences in the compensation table due to excess payments made by UNCC.

6. The DFI audit for 2012, and agreed upon making direct invitation to the big four audit firms and posting the announcement on COFE's website.

7. letters issued and received by COFE:

a. The letter from October 9, 2011 addressed to the Ministry of Finance concerning the Iraqi external debts and the ministry's reply on October 32, 2011.

b. The letter from January 9, 2012 addressed to the ministerial committee in charge of the protection of Iraqi funds related to the executive order of the president of the United States of America, and the reply of the Ministry of Foreign Affairs on April 5, 2012.

c. The letter from January 29, 2012 addressed to the US Under Secretary of Defense concerning SIGIR's report, for which no reply was received to date.

d. The letter from February 9, 2012, addressed to the Secretary General of the Council of Ministers related to the meeting between COFE and the UNCC in Baghdad.

e. The letter from February 20, 2012, addressed to the Secretary General of the Council of Ministers related to "US Foreign Accounts Tax Compliance Act"

f. The letter from February 20, 2012, addressed to the Secretary General of the Council of Ministers related to the

reply sent by the Ministry of Oil in relation with the External audit of the DFI as of June 30, 2011.

g. The letters dated January 24, 2012 addressed to the Ministry of Foreign Affairs concerning the mechanism approved to pay the 5% of the compensation fund out of the in – kind payments.