



TSAKOS ENERGY NAVIGATION LIMITED (TEN)

AUDIT COMMITTEE CHARTER

March 2014

I. PURPOSE

The Audit Committee (the "Committee") of Tsakos Energy Navigation Limited (the "Company") is appointed by the Board of Directors (the "Board") of the Company to: (a) assist in the Board's oversight of (i) the quality and integrity of the Company's financial accounting, auditing and systems of internal control related to its financial statements, (ii) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements involving financial and accounting matters, (iii) the independent registered public accounting firm's (the independent auditor") qualifications, performance and independence, (iv) risks that may have a significant impact on the Company's financial statements and (v) the performance of the Company's internal audit function; and (b) prepare an Audit Committee report to be included in the Company's annual Proxy Statement.

II. ORGANIZATION

The Committee shall consist of no fewer than three members who shall be appointed for a term of one year by the Board upon the recommendation of the Nomination and Corporate Governance Committee. Each member of the Committee shall meet the independence and experience requirements of the Rules of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the Commission, in each case, when and to the extent applicable to the Company. All members of the Committee must be financially literate. At least one member of the Committee shall have accounting and financial management expertise, as the Board interprets such qualifications in its business judgment. At least one member of the Committee shall qualify as an "audit committee financial expert" as defined by the Commission. A Committee member shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and the Company discloses such determination in its annual proxy statement. The Board may remove or replace, by a majority vote of the Independent Directors, Committee members without cause. All vacancies in the Committee shall be filled by the Board. The Board may designate one of the members of the Committee as Chairman of the Committee or, if the Board does not so designate a Chairman, the Committee will elect a Chairman. The Company Secretary, or a nominee designated by the Chairman of the Committee, will be the secretary of the Committee.

The Committee shall meet in person at such times and with such frequency as it deems necessary to carry out its duties and responsibilities under this Charter, but not less frequently than three times each year. Notice of such meeting indicating date, time and location, along with an agenda of matters to be discussed, will be provided to each member of the Committee five working days prior to such meeting. The Committee shall meet in separate executive session with management, including the Chief Financial Officer and other key members of financial management, the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons as

members of the Committee deem appropriate. The Committee may request any director, officer or employee (either of Tsakos Energy Navigation Limited (TEN), Tsakos Energy Management Limited (TEM), Tsakos Shipping & Trading SA (TST), Tsakos Columbia Management (TCM), Argosy Insurance Company Limited or AirMania Travel S.A.) or other persons whose advice is sought by the Committee to attend any meeting and provide such information as the Committee requests. All meetings shall be at the call of the Chairman of the Committee, any member of the Committee or the Secretary. A majority of the members of the Committee present in person or by telephone shall constitute a quorum for the transaction of business.

The Committee may, with prior notification to the Chairman of the Board, in its sole discretion and at the Company's expense, retain and terminate legal, accounting or other consultants or advisors it deems necessary in the performance of its duties and without having to seek the approval of the Board. The Company will provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to an independent auditor engaged for purposes of preparing or issuing an audit report or performing other audit, review or attest services, (ii) compensation to any advisor employed by the Committee and (iii) administrative expenses of the Committee necessary or appropriate in carrying out its duties.

III. RESPONSIBILITIES

The Committee will fulfil its responsibilities as required by applicable laws, rules or regulations, and otherwise, as it deems necessary or appropriate. The Committee will:

Oversight of the Independent Auditor

1. Appoint or replace, subject to any required shareholder approval, the independent auditor engaged for the purposes of preparing or issuing an audit report or related work and shall be directly responsible to set the compensation and perform oversight of the work of the independent auditor, including resolution of disagreements between management and the independent auditor regarding financial reporting matters. The independent auditor shall report directly to the Committee. The Company will provide funding, as determined by the Committee, for payment of compensation to the independent auditors.
2. Pre-approve all audit, internal control-related and permitted non-audit services, including the terms thereof, to be performed for the Company by its independent auditor, subject to the *de minimis* exceptions set forth in the Exchange Act. The authority to pre-approve such services may be delegated to one or more Committee members, and such delegate must present his or her decisions to the full Committee at its next meeting.
3. Obtain and review, at least annually, the report by the independent auditor describing: (i) the firm's internal quality control procedures; (ii) any material issues raised by the most recent internal quality control review, or peer review of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to one or more independent audits carried out by the firm and any steps taken to deal with any such issues; and (iii) all relationships between the independent auditor and the Company.

4. Evaluate the independent auditor's qualifications, performance and independence and present its conclusions to the Board. The evaluation should take into account the opinions of management and the Company's internal auditors and should include consideration of whether the auditor's quality controls are adequate and the non-audit services performed by the auditor for the Company are consistent with maintaining the auditor's independence.
5. Review and evaluate the lead partner of the independent auditor and assure the regular rotation of the lead partner as required by law and consider whether there should be regular rotation of the independent auditor.
6. Establish and maintain guidelines and policies for the Company's hiring of employees or former employees of the independent auditor.

Financial Statements and Disclosure Matters

1. Review and discuss with management and the independent auditor the Company's annual audited financial statements, including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report or Form 20-F.
2. Review and discuss the Company's quarterly financial statements and the Company's disclosure in periodic quarterly reports with management and the independent auditors, or delegate this responsibility to a member of the Committee. If delegated to a member of the Committee, such member will, if one or more significant issues are identified, call for a meeting of the Committee to discuss such matters. Absent such issues, such member will report to the full Committee at its next meeting the results of the review.
3. Discuss with management and the independent auditor significant issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles.
4. Review and discuss with the independent auditor any difficulties the independent auditor encountered in the course of the audit work, including any restrictions on the scope of the auditor's activities or access to information, any significant disagreements with management and any additional matters required to be discussed by the Public Company Accounting Oversight Board in its guidance "Communications With Audit Committees." The Committee will discuss any accounting adjustments that were noted or proposed by the independent auditor but not made, any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement team and any management or internal control letter issued, or proposed to be issued, by the independent auditor to the Company.
5. Review and discuss the reports required to be provided by the independent auditor concerning:
 - (i) all critical accounting policies and practices to be used;
 - (ii) all alternative treatments of financial information within U.S. generally accepted accounting principles that have been

discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and (iii) other material written communications between the independent auditor and the management of the Company, such as any management letter or schedule of unadjusted differences.

6. Review and discuss with management and the independent auditor any significant issues with respect to the adequacy of the Company's internal controls, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal controls over financial reporting.
7. Review and discuss with management, the internal auditors and the independent auditor the Company's report on internal control over financial reporting and the independent auditor's attestation of internal control over financial reporting prior to filing the Company's Annual Report or Form 20-F.
8. Review and discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.
9. Review and discuss with management major financial risk exposures and steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management guidelines and policies.
10. Review and discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-US generally accepted accounting principles, as well as financial information and earnings guidance provided to analysts and rating agencies or delegate this responsibility to a member of the Committee. Such press releases will be previously approved by the CEO. Such discussions may be done generally, consisting of discussions of the type of information to be disclosed and the type of presentation to be made. If delegated to a member of the Committee, such member will, if one or more significant issues are identified, call for a meeting of the Committee to discuss such matters. Absent such issues, such member will report to the full Committee at its next meeting the results of the review.
11. Review disclosures made to the Committee by the Company's principal executive officer and principal financial officer during the certification process required by Rule 13a-14 under the Exchange Act about any significant deficiencies in the design or operation of internal control over financial reporting or material weakness identified for the independent auditor and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of the Company's Internal Audit Function

1. Recommend for approval of the Board, if it deems appropriate, that certain internal audit functions be outsourced to a third party service provider other than the Company's independent auditor.

2. Appoint and / or replace the senior internal auditing executive or third party service provider.
3. Review significant reports with respect to the Company's internal audit function and management's response.
4. Discuss with the independent auditor and management the responsibilities, budget and staffing of the internal audit function.
5. Review with the internal audit department any difficulties encountered in the course of its audit work, including any restrictions on the scope of its work or access to required information.
6. Review with the internal audit department the scope of the audit plan and approve the plan prior to implementation.

Compliance Oversight

1. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of the Company, TEM, TST or TCM.
2. Obtain from the independent auditor assurance that, if the independent auditor detects or becomes aware of any illegal act, the Committee is adequately informed, and obtain a report, if required by Section 10A(b) of the Exchange Act, from the independent auditor with respect to such illegal act.
3. Obtain reports from management, the Company's internal auditor and the independent auditor with respect to the Company's and its subsidiaries' compliance with applicable legal requirements and conformity with the Company's Code of Business Conduct and Ethics. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct.
4. Review with management and the independent auditor any correspondence with, or other action by, regulators or government agencies and any employee complaints or reports that raise concerns regarding the Company's financial statements, accounting or auditing matters or compliance with the Company's Code of Business Conduct and Ethics. The Committee shall also meet periodically, and may request to meet separately, with the general counsel and other appropriate legal staff, if engaged, of the Company to review material legal affairs of the Company and the Company's compliance with applicable laws and listing standards.
5. Review and approve related party transactions and any material changes to such related party transactions. After review, the Committee will approve or disapprove such transactions and any material changes to such transactions.

Risk Assessment and Risk Management

1. Articulate and formalize the Company's policy for the oversight and management of business risks.
2. Approve management's overall risk assessment and risk management strategy and ensure that the required actions are appropriately resourced.
3. Review trends on the Company's risk profile, reports on specific risks, particularly major financial risk exposures, and status of the risk management process to monitor and control such exposures.
4. Monitor the implementation of risk management responses and remediation activities to assure that there are appropriate systems in place for identifying and monitoring risks and that they are operating effectively.

Reports and Performance evaluations

1. Make regular reports to the Board.
2. Prepare the Audit Committee report to be included in the Company's annual Proxy Statement.
3. Annually review and assess its own performance and the adequacy of this Charter and recommend any appropriate changes to the Board for approval.

IV. LIMITATION OF COMMITTEE ROLE

While the Committee has the responsibilities and powers set forth in this Charter, the role of the Committee is one of oversight. The members of the Committee are not full time employees of the Company. It is the duty of management and the independent auditor, and not the duty of the Committee, to plan and conduct audits and determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with US generally accepted accounting principles and applicable rules and regulations.