

Convenience Translation

MediGene AG, Martinsried/Munich

Rules of Procedure for the Supervisory Board

The Supervisory Board sets itself the Rules of Procedure below:

§ 1

Duties

1. The Supervisory Board conducts its business as laid down by law, the Articles of Association and the present Rules of Procedure. Any member shall have the same rights and obligations, unless the law or Articles of Association determine otherwise. They are not bound by any orders or instructions, and are bound solely by the welfare of the Company.
2. The Supervisory Board's duties are as laid down by law and the Articles of Association. In particular, the Supervisory Board monitors the management of the Company by the Executive Management Board. Further, the Supervisory Board provides advice to the Executive Management Board and supports the achievement of the Company's goals. The Supervisory Board shall review whether it is acting effectively on a regular basis.

§ 2

Corporate governance guidelines

The Supervisory Agreement should lay down corporate guidelines annually by amicable agreement with the Management Board. All Supervisory Board members shall agree to observe these guidelines.

§ 3

Chairman of Supervisory Board and deputy

1. The Supervisory Board elects a Chairman and deputy from amongst its members. The oldest Supervisory Board member by age will conduct the electoral meeting.
2. Each Supervisory Board member elected will be elected for their term of office. Should the Chairman or deputy leave the Supervisory Board during their term of office, new elections shall be held for the remainder of the leaving member's term of office immediately.
3. The deputy shall represent the Chairman in all cases in which the latter is incapacitated, unless the Articles of Association or these Rules of Procedure provide otherwise. The deputy has the same rights as the Chairman of the Supervisory Board in all cases in which he represents the Chairman.

4. The Chairman of the Supervisory Board should liaise regularly with the Executive Management Board, normally via the Chairman of the Executive Management Board, and discuss the Company's strategy, business development and risk management. If the Executive Management Board informs the Chairman of the Supervisory Board of important events which are of essential importance to assessing the Company's situation and development and its management, the Chairman will inform the Supervisory Board and convene an extraordinary Supervisory Board meeting if need be.

§ 4

Meetings and resolutions

1. The Supervisory Board shall meet at least twice within a calendar half-year according to Section 110 paragraph 3 of the German Stock Corporation Act (AktG) at the Company's offices or another place as stated in the notice of meeting.
2. If a Supervisory Board meeting has to take resolutions, notice of that meeting, announcing the upcoming resolution, and when the meeting is to be held, must be given no less than fourteen days in advance, without prejudice to the provisions of Section 110 paragraph 1 of the German Stock Corporation Act. Notices of meetings must be given in writing, by text (e.g. fax or e-mail) or by telephone to the address last known to the Executive Management Board. In cases of urgency, the Chairman may reduce the notice period and convene meetings orally, by telephone, telex, telegram, fax or e-mail. No particular notice of meeting is required for constituent Supervisory Board meetings (following the Annual General Meeting).
3. Meetings should be held with Supervisory Board members being personally present (presence meetings). This applies in particular to meetings within the meaning of paragraph 1 and meetings to resolve on adopting the annual financial statements. Meetings may also be held by a combination of presence meetings and telephone conferencing, however, if individual members cannot be present personally.
4. Resolutions may be taken outside meetings by voting in writing, by telegram, telephone, telex or using comparable telecommunications methods if the Chairman of the Supervisory Board or, if they are incapacitated, their deputy so instructs and no member objects. The Chairman of the Supervisory Board shall record resolutions taken by telegram, telephone or telex in writing subsequently.
5. Any matters Supervisory Board members raise with the Chairman of the Supervisory Board at least ten days prior to a meeting shall be included on the agenda.
6. Meetings will be chaired by the Chairman of the Supervisory Board or its deputy in his absence.
7. The Supervisory Board is quorate if at least a majority of its members who are required to comprise it under the Articles of Association are present. The Supervisory Board takes resolutions by a simple majority of votes unless the law or Articles of Association provide otherwise. The same applies to elections. The Chairman decides how voting is to be conducted, although it will be conducted by secret ballot if any Supervisory Board member so

requests. If votes are tied, the Chairman, or, if he is incapacitated, its deputy will have a casting vote. These principles also apply to elections. If resolutions are taken as stated in paragraph 4, the provisions above shall apply *mutatis mutandis*.

8. Executive Management Board members will attend Supervisory Board meetings unless the Supervisory Board provides otherwise. Committee meetings may call Executive Management Board members to attend if the Committee concerned so requests.
9. Resolutions may not be taken on any matters on the agenda which are not duly notified under paragraph 2 if any Supervisory Board member present objects. In that event, any Supervisory Board members absent will be allowed an opportunity of objecting to that resolution or casting their vote in writing within such a reasonable period of time as the Supervisory Board Chairman may decide. The resolution will not be binding unless no absent Supervisory Board member objects within that period of time.
10. The Chairman of the Supervisory Board is authorised to act on behalf of the Supervisory Board as required to implement the Supervisory Board's resolutions.

§ 5

Calling experts and informants

Supervisory Board members may request that experts and informants be called to advise on individual items on the agenda.

§ 6

Confidentiality obligations and conflicts of interest

1. Any Supervisory Board member is bound to maintain confidentiality with respect to all confidential information and proprietary information of the Company, in particular operating and commercial secrets, which come to their attention in the course of their duties as Supervisory Board members. This confidentiality obligation shall continue to be in effect after they cease to be Supervisory Board members.
2. No Supervisory Board member shall disclose any information to third parties which comes to their attention in their capacity as Supervisory Board member without obtaining the Supervisory Board Chairman's prior consent.
3. Written reports by the Executive Management Board to the Supervisory Board will be distributed to the Supervisory Board members unless the Supervisory Board decides exceptionally otherwise. All Supervisory Board members are entitled to examine reports by the annual accounts auditors and any and all other reports produced in connection with the Company. Such reports will not be distributed to Supervisory Board members unless the Supervisory Board exceptionally resolves otherwise.
4. Any Supervisory Board member shall disclose any conflicts of interest to the Supervisory Board, particularly those which might arise by reason of any advisory or executive capacity

they hold with customers, suppliers, lenders or other business partners. The Supervisory Board will report to the Annual General Meeting on any conflicts of interest which arose and how they were dealt with.

§ 7

Committees

1. The Supervisory Board may and should form Committees as the Company's specific circumstances require. An Audit Committee should be formed to deal in particular with accounts and risk management issues, the independence of the auditors, issuing audit instructions to auditors, deciding what auditors should focus on and the agreement on audit fees. Besides, the Supervisory Board decides at its due discretion which Committees to set up.
2. Committees will perform the duties assigned them by these Rules of Procedure and specific resolutions of the Supervisory Board as a whole, for and on behalf of the Supervisory Board as a whole. If resolved by the Supervisory Board as a whole, Committee resolutions will replace decisions by the Supervisory Board subject to Section 107 paragraph 3 of the German Stock Corporation Act and will be binding.
3. The Supervisory Board will appoint a member of each Committee as Committee Chairman. Insofar as Committees are set up to deal with directors' service agreements or the preparation of Supervisory Board meetings, the Chairman of the Supervisory Board will also chair those Committees. The Committee Chairman shall report regularly to the Supervisory Board on the work of the Committee.
4. The Committee Chairman may call in Supervisory Board members who are not Committee members on an advisory basis.

§ 8

Convening committees

Committees are convened by their respective Chairmen; any member may apply to the Chairman to call a Committee meeting by providing reasons therefor. Committees shall be convened as often as it appears to be necessary with generally a three business days notice period.

§ 9

Quoracy of Committees

Committees are not quorate unless all members take part in the resolution. Committee resolutions are taken by a simple majority of the votes unless the law or Articles of Association provide otherwise. Resolutions may also be taken in writing, by telex, telephone or telegram unless any member objects to this procedure immediately.

§ 10
Minutes

Supervisory Board meetings and Committee meetings shall be minuted, and minutes shall be signed by the Chairman of the meeting in question. Committee resolutions should be recorded and signed at the meeting concerned and distributed to all Supervisory Board members.

§ 11
Effective Date

The Supervisory Board adopted these Rules of Procedure according to Section 13 paragraph 1 of the Articles of Association at its meeting on 13 October 2008. The Rules of Procedure shall become effective on that same date.

Martinsried/Munich, 13 October 2008

Chairman of the Supervisory Board

Prof. Dr. Ernst-Ludwig Winnacker