

Convenience Translation

Medigene AG, Planegg/Martinsried

Rules of Procedure
for the Executive Management Board

§ 1

Basic duties

The Executive Management Board as a whole and all Executive Management Board members individually shall conduct the business of the Company with the due care of a conscientious manager as required by the law, the Articles of Association, their service agreements and the Rules of Procedure below. The status in law and duties of the Chief Executive Officer, as appointed by the Supervisory Board, are as construed by law and by these Rules of Procedure.

§ 2

Corporate Governance

The Executive Management Board shall set forth the corporate governance guidelines annually together with the Supervisory Board which are to be laid out within the Declaration of Conformity according to Section 161 of the German Stock Corporation Act (AktG) and the Corporate Governance Report including the Statement on Corporate Governance according to Section 289a of the German Commercial Code (HGB). All Executive Management Board members shall be bound by these guidelines.

§ 3

Management

The Executive Management Board shall hold joint and several liability for conducting the business of the Company in accordance with consistent goals, plans and guidelines. Without prejudice to the joint and several liability of the Executive Management Board, each Executive Management Board member shall oversee and conduct the tasks as allocated in the Business Allocation Plan (“*Geschäftsverteilungsplan*”) by placing the interests of the Company as a whole above the interests of said portfolio.

§ 4

Business Allocation Plan

1. The Executive Management Board as a whole shall set forth a portfolio of specific business areas for each Executive Management Board member within a Business Allocation Plan which shall then be annexed to these Rules of Procedure.
2. The Chief Executive Officer shall propose the Business Allocation Plan based on the duties assigned to individual Executive Management Board members regarding their service agreement.

Should any individual Executive Management Board member has any differences of opinion

as to the allocation of tasks, the Chairman of the Supervisory Board shall have the final decision.

§ 5

Disclosure obligations, cooperation and reporting

1. Without prejudice to their respective departmental authority as set forth in the Business Allocation Plan, all Executive Management Board members shall inform each other without undue delay and shall monitor all information and data which is useful or essential to the course of the Company's business in order that they can assist in averting any impending detriment or in making desired improvements or changes as appropriate by convening the Executive Management Board as a whole and informing the Chief Executive Officer.

The Executive Management Board members shall work together collectively in good faith and resolve to keep one another constantly and sufficiently informed about important measures and transactions in their respective business area. Each Executive Management Board member may put a resolution to the Executive Management Board as a whole if their concerns cannot be alleviated by discussing matters with the other Executive Management Board members.

2. The Executive Management Board is required to report to the Supervisory Board according to Section 90 of the German Stock Corporation Act (AktG) which includes reports regarding the planned business strategy and other essential planning issues (financing, investments, human resources), turnover, the situation of the Company and transactions having an essential impact upon the Company's liquidity. As well as the Company's financial position, reports should also include, in particular, the status of significant research and development projects and the progress of significant business development projects.

The Executive Management Board shall through the Chief Executive Officer provide the Supervisory Board with all necessary documents and information required to decide on whether to grant consent to the Executive Management Board's actions and transactions in law.

The Executive Management Board shall produce a business plan for the coming financial year and submit it to the Supervisory Board for approval at least one (1) month prior to the end of each financial year.

3. All Executive Management Board members shall inform each other and the Supervisory Board about any conflicts of interest and potential conflicts of interest with the Company without undue delay.

§ 6

Transactions in law requiring consent

1. Without prejudice to its management competences and obligations, the Executive Management Board shall not engage in any of the transactions below without the Supervisory Board's prior consent:

- Any decisions or actions which fundamentally affect the Company's assets, finance or earnings situation or risk exposure;
- Concluding and terminating significant patent, license, knowledge, partnership and sales agreements and disposing of commercial property

rights which are of essential importance to the Company;

- Making loans to non-associated companies or third parties;
 - Taking up any loans other than current commercial credit facilities;
 - Assuming any capital investment costs of any kind above and beyond the annual budget which the Supervisory Board has approved to the value of (in any individual case and/or in total) over €250,000 (in words: two hundred and fifty thousand Euro) p.a.;
 - All significant transactions with Executive Management Board members and/or individuals or companies close to them personally;
 - Disposing, ordering, conceding or granting charges on the Company's assets, wholly or in part;
 - Furnishing collateral, giving sureties and guarantees and entering into bill liabilities except the usual warranties on the Company's products;
 - Concluding any other contracts which are not included in the annual budget as approved, whereby the Company incurs costs or liabilities in excess of (in any individual case and/or in total) € 250,000 (in words: two hundred and fifty thousand Euro) p.a.;
 - Conceding and terminating any shares in the profits of the Company, in particular sleeping partnerships, profit-sharing transactions in law and bonuses;
 - Annual planning, particularly budget planning for the following financial year at any time;
 - Founding and winding up any company or enterprise, acquiring and disposing of holdings in other companies, concluding, amending and terminating business leases, business management and corporate agreements;
 - Acquisition, disposal or encumbrance of property and equivalent rights; and
 - Appointment and revocation of managing directors of subsidiaries of the Company as well as the conclusion, the amendment and the termination of respective employment agreements.
2. The Supervisory Board may resolve to make other kinds of business subject to its consent.
3. Consent to the transactions set out in this § 6 shall be granted by the entire Supervisory Board, in urgent matters not admitting of any delay in the interests of the Company by the Chairman of the Supervisory Board, or, if he/she is absent or incapacitated, by his/her deputy. This is without prejudice to the Executive Management Board's right and/or obligation to obtain consent from the Annual General Meeting should the above mentioned consent be refused.

§ 7

Coordinating and representative competence of the Chief Executive Officer

1. Notwithstanding § 5, all Executive Management Board members shall provide the Chief Executive Officer with information of all relevant items, major actions and the course of business in their business area at all times and without undue delay. The Chief Executive Officer may additionally demand that individual Executive Management Board members inform him/her of matters in their business area at any time. The Chief Executive Officer may also additionally decide what kinds of business he/she must be informed of before they are conducted. The Chief Executive Officer coordinates departmental transactions with the overall goals and plans of the Company, and engages other Executive Management Board members insofar as their business areas are involved.
2. The Chief Executive Officer shall represent the Company externally, in particular by making statements to the media and capital markets.
3. The Chief Executive Officer represents the Executive Management Board towards the Supervisory Board, obtains the Supervisory Board's consent in the cases provided for in law, by the Articles of Association or these Rules of Procedure or in any cases the Supervisory Board decides, and shall keep the Supervisory Board informed of the Company's situation and the course of business in accordance with reporting obligations required by law.

The Chief Executive Officer shall immediately report to the Chairman of the Supervisory Board, orally or in writing, on all matters which are particularly important to the Company. In performing this duty, the Chief Executive Officer shall be assisted by all members of the Board.

4. The Chief Executive Officer shall coordinate the Executive Management Board members' holiday wishes and, if applicable, corresponding deputizing arrangements. The same applies if an Executive Management Board member falls ill or is otherwise incapacitated.

§ 8

Meetings of the Executive Management Board

1. In principle, the Executive Management Board takes its decisions at regular Executive Management Board meetings called by the Chief Executive Officer. The Chief Executive Officer shall call a meeting immediately for urgent matters or if requested by two Executive Management Board members to do so. Executive Management Board meetings must always be held if the interests of the Company so require. The Chief Executive Officer may arrange for decisions to be taken by round robin (e-mail, fax or by other means of electronic communication).
2. Setting dates for, calling and producing the agenda for Executive Management Board meetings are within the remit of the Chief Executive Officer. Each Executive Management Board member may call for an item to be included on the agenda at their request.
3. The documents required pertaining to items on the agenda shall be delivered to the Chief Executive Officer in sufficient time to enable the Executive Management Board as a whole to diligently prepare. The Chief Executive Officer shall inform the Executive Management Board members of the items on the agenda, enclosing the documents required.
4. The Executive Management Board takes decisions unanimously if possible. If members cannot agree on matters to be decided in exceptional cases, the Chief Executive Officer shall decide whether they should vote or defer the decision. If deferred, a decision must be taken on the item on the agenda at the next Executive Management Board meeting. All decisions, whether or not taken unanimously must be reported in the meeting minutes with a record of

the voting concerned.

5. The Executive Management Board shall not be quorate unless two thirds of its members are present. Representation of an Executive Management Board member is not possible. Votes shall be taken by a simple majority. If a vote is tied, the Chief Executive Officer shall have the casting vote. If the Chief Executive Officer is absent or incapacitated and a vote is tied, the proposal shall be deemed to be rejected.
6. Any matters within the remit of an Executive Management Board member who is not present at a meeting should not be discussed or decided, unless that Executive Management Board member is expected to be absent from the next meeting also and the matter does not admit of delay. The Executive Management Board member in question shall be informed of the decision immediately.
7. Any objections to meeting minutes must be addressed to the Chief Executive Officer by the date of the following Executive Management Board meeting at the latest, or if they are absent (e.g. travelling on business or holiday), within a week of becoming aware of them. The Chief Executive Officer shall then arrange for the meeting minutes to be corrected or amended as necessary.

§ 9

Decision-making authority of the entire Executive Management Board

1. Subject to § 3, the Executive Management Board shall generally decide as a whole on all actions to be taken which have or may have a substantial impact on the Company, its associated companies and/or affiliates.
2. Notwithstanding the foregoing, the Executive Management Board decides as a whole on all matters which are of particular importance or which have or may have an essential impact to the Company, its associated companies and/or affiliates, including but not limited to:
 - a) Matters for which a decision from the Executive Management Board is required by the law, the Articles of Association or these Rules of Procedure;
 - b) The annual and consolidated financial statements of the Company;
 - c) The annual financial statements of each affiliate;
 - d) Matters which require the Supervisory Board's consent;
 - e) Calling the Annual General Meeting and applications and proposals by the Executive Management Board for resolutions by the Annual General Meeting;
 - f) Rules of Procedure and the Business Allocation Plan; and
 - g) Any individual item of expenditure or investment above and beyond the annual budget as approved.
3. The decision-making authority of the Executive Management Board as a whole also extends to matters which an Executive Management Board member presents to the Executive Management Board as a whole for consideration and/or decision.

4. The competent Executive Management Board members shall arrange for measures decided by the Executive Management Board as a whole to be executed under the Chief Executive Officer's supervision. In the exceptional case that a matter has not been assigned to any one Executive Management Board member, this duty shall fall to the Chief Executive Officer.

§ 10
Management Team

The Executive Management Board is entitled to establish a Management Team consisting out of employees of the Company and its affiliates to discuss certain matters and actions in order to directly gather required and useful information from various departments in order to prepare required decisions to be made by the Executive Management Board. The Management Team and its members shall have no decision making authority.

§ 11
Taking on offices and ancillary activities; transactions between the Company and Supervisory Board members

1. Executive Management Board must obtain the Supervisory Board's consent before taking on any ancillary activities, and in particular before taking on a public office, supervisory board position or any similar role in any domestic or foreign company, corporation or institution, except in the course of the controlling obligations incumbent upon a member of the Executive Management Board of a Medigene Group affiliate or as established in their contract of employment.
2. No consent is required insofar as they are bound to assume such offices by law or this involves exercising their rights as citizens.

§ 12
Effective Date

The Executive Management Board adopted these Rules of Procedure according to Section 77 paragraph 2 of the German Stock Corporation Act (AktG) by resolution of

_____ 2017.

Prof. Dr. Dolores Schendel
Chief Executive Officer