

# **ARTICLES OF ASSOCIATION**

## **I. GENERAL**

### **§ 1 Corporate name, Registered Office**

- (1) The company has the corporate name

**„MAN Diesel & Turbo SE“.**

- (2) Its registered office is in Augsburg.

### **§ 2 Object of the Company**

- (1) Object of the company is the development, construction, assembly, sales and service of machines and apparatus of all kinds, especially of Diesel engines of every type and for all applications, including diesel engines for use in ships and power stations, as well as of turbo machines and compressors, comprising the complete range of services, including licensing, connected herewith
- (2) The Company is entitled to do all the business transactions and take all the measures that seem to be necessary or useful for obtaining the object of the Company, in particular to establish branches, to acquire other companies and shareholdings in other companies within the country and abroad.

### **§ 3 Announcements**

Announcements of the Company shall be published in the electronic Federal Gazette unless another form of publication is stipulated by law.

## II. Share Capital and Shares

### § 4

- (1) The share capital amounts to Euro 100.000.000,--and was paid by conversion of MAN B & W Diesel AG registered in Augsburg (Local Court Augsburg, HRB<sup>1</sup> 52). It is divided into 100.000.000 individual share certificates.
- (2) The shares are made out to bearer. The shareholder is not entitled to raise any claim for assertion of his capital share by formal deed.
- (3) Pursuant to the shareholders` resolutions of December 6 and 16, 1985 - Document numbers 1132 and 1226 W/1985 of Dr. Fritz Wust, notary public in Augsburg, - M.A.N. Maschinenfabrik Augsburg-Nürnberg Aktiengesellschaft registered in Augsburg received a share amounting to a nominal value of 60.000.000,-- German marks (nominal capital) in return for a contribution of 60.000.000,-- German marks and an agio of 20.000.000,-- German marks. Part of the contribution (29.887.500,-- German marks) was paid cash, the remaining amount was raised as follows:
  - a) by assignment of all shares in M.A.N. - Wohnungsbau - Gesellschaft mit beschränkter Haftung registered in Augsburg amounting to a total nominal value of 75.000,-- German marks as of the beginning of the current business year of this company. These shares` assumed value of contribution was fixed at 112.500,-- German marks.
  - b) by assignment of a mature, solvent claim of full value for repayment of a loan against the Company amounting to 50.000.000,-- German marks plus claim on interest from July 1, 1985.

The increase of the fully contributed share capital of 60.000.000,-- German marks from 120.000.000,-- German marks to 180.000.000,-- German marks was registered with the Commercial Register of Augsburg on February 27, 1986.

MAN Aktiengesellschaft - being the successor in title of M.A.N. Maschinenfabrik Augsburg-Nürnberg Aktiengesellschaft - holds the share capital of 60.000.000,-- German marks divided into 1.200.000 common shares at a nominal value of 50,-- German marks each, in addition to the remaining share capital, in accordance with the share capital resulting from the above mentioned contribution upon conversion of the Company into a „Aktiengesellschaft“ (public limited company).

### **III. Articles**

#### **A.**

#### **Board of Directors**

##### **§ 5**

#### **Composition**

- (1) The board of directors shall consist of at least two persons. Apart from that, the supervisory board shall fix the number of board members. The board members shall be appointed for a term of office of up to six years. They may be reappointed for a second term of office of up to six years each.
- (2) The supervisory board may commission one of its committees to conclude, alter or cancel employment contracts with board-members.
- (3) The board of directors shall pass its resolutions by a majority of votes. In case of a tie, the chairman of the board of directors, who has to be appointed by the supervisory board, has the casting vote. It is also his duty to chair the board's meetings.

##### **§ 6**

#### **Representation of the Company**

- (1) The Company is represented by two board-members or by one board-member together with an authorised signatory.
- (2) The supervisory board may determine that a single member of the board of directors shall be authorized to act as the sole representative of the Company.

#### **B.**

#### **Supervisory Board**

##### **§ 7**

#### **Number , Election**

- (1) The supervisory board shall consist of the statutory number of members in accordance with the Aktiengesetz (German Stock Corporation Act) combined with the Mitbestimmungsgesetz 1976 (German Workers` Participation Act), the SEBG (SE

Participation Act) and the provisions of an agreement on the employees` participation in the SE in accordance with Section 13 Paragraph (1) SE Participation Act. If the Workers` Participation Act is no longer applicable, the supervisory board shall consist of six members.

- (2) The supervisory board is elected for a five years` term of office each, the year calculated from the completion of a general shareholders` meeting until the completion of the next general shareholders` meeting.
- (3) If a member of the supervisory board appointed by the shareholders should retire prior to the expiry of his term of office, MAN SE shall be entitled to delegate a member to the supervisory board; as a whole, the number of delegated members must not exceed one third of the number of supervisory board members to be elected by the shareholders according to the Articles of Association combined with the law. The statutory term of the delegated supervisory board member shall expire by completion of the shareholders` meeting in which a replacement member is elected, but not later than on expiration of the statutory term of the prematurely retired supervisory board member.
- (4) The shareholders` meeting is entitled to elect substitute members taking the place of supervisory board members appointed by them. These substitute members shall take the place of prematurely retired supervisory board members elected by the shareholders in the order that has been determined by the shareholders` meeting. The statutory term of a replacement member shall expire by completion of the shareholders` meeting following his assumption of office as a substitute member. If the shareholders do not elect any substitute member in the course of their next meeting, the statutory term of the replacement member shall be extended until completion of the following shareholders` meeting. If a substitute member in office retires prematurely from the supervisory board, it shall take its original place in the order of replacement members again. If a supervisory board member appointed by the employees prematurely retires from the supervisory board, the substitute member appointed for such case shall take his place, in compliance with the provisions of the agreement on the employees` participation in the SE according to the SEBG (SE Participation Act).
- (5) The statutory term of a replacement member shall be valid during the remaining term of office of the retired supervisory board member.

## **§ 8 Chairman**

- (1) In the first meeting of its term of office, the supervisory board shall elect a chairman and his deputy from among its members for its term of office. When electing the chairman of the supervisory board, the oldest representative of the shareholders – as to age - in the supervisory board shall take the chair; section 10 paragraph (4) sub-paragraph 2 of these articles applies accordingly.

- (2) If the chairman or the deputy retires during his term of office, the supervisory board has to hold a new election right away.
- (3) The elections referred to under paragraphs (1) and (2) shall supersede other resolutions.

## **§ 9**

### **Standing Orders, Committees**

- (1) The supervisory board may establish standing orders for its own purposes.
- (2) The supervisory board may form committees from among its members and may define their duties and powers by standing orders. If and to the extent permitted by law, even decisive powers of the supervisory board can be transferred to the committees of the supervisory board.
- (3) A committee formed by the supervisory board may solely be chaired by a representative of the shareholders. As for resolutions passed by supervisory board committees, section 10 paragraph (4) of these articles shall be applied.

## **§ 10**

### **Meetings, Resolutions**

- (1) The supervisory board`s meetings shall be convened by the chairman in compliance with a deadline of at least fourteen days. The board-members shall be convened by letter, telefax, e-mail or any other common means of telecommunication. If there is an urgent need for a meeting at the earliest possible time, the chairman is permitted to shorten the statutory deadline for convening the board members adequately.
- (2) As a rule, resolutions of the supervisory board shall be passed in meetings that require the board-members` attendance. It is permitted, however, subject to the chairman`s respective directive, to hold a supervisory board meeting by means of video or telephone conferencing, or to have single board members attend such a meeting by means of video or telephone conferencing and - as the case arises – to pass any resolution or take any vote by means of video or telephone conferencing as well. Off-meeting votes and resolutions may be submitted in writing (by mail, telefax or e-mail) or any other common means of telecommunication, subject to the chairman`s respective directive, and provided that no member of the supervisory board will immediately object to this procedure in writing.
- (3) The supervisory board will have a quorum, if at least half of its members participate in passing the resolution.

- (4) Unless otherwise stipulated by law, resolutions of the supervisory board require a simple majority of votes. In case of a tie, the chairman`s vote shall be decisive. In case of the chairman`s absence, his deputy`s vote shall be decisive (casting vote) provided that this deputy is a representative of the shareholders. If this deputy is an employee representative, his vote shall not be decisive.
- (5) The negotiations and resolutions of the supervisory board have to be written down and signed by the chairman of the meeting.
- (6) The supervisory board is entitled to and resolves to modify the articles of association as far as such modification refers solely to the articles` wording.

## **§ 11 Necessity of Consent**

- (1) The following business transactions require the supervisory board`s prior consent:
  - a) Conclusion of contracts or projects falling under the Law of Reorganizations
  - b) Conclusion of business contracts
- (2) The supervisory board may resolve that its prior consent shall be required for further business transactions or certain measures taken by the management.

## **§ 12 Remuneration**

- (1) Each member of the supervisory board receives an annual compensation amounting to Euro 10.300,00 in addition to the reimbursement of costs arising from the execution of his office. The chairman receives twice the amount.
- (2) Any compensation or reimbursement liable to turnover tax shall be paid plus the amount of turnover tax due, if the latter can be itemized separately on the invoice.

**C.**  
**General Shareholders` Meeting**

**§ 13**  
**Place**

The general shareholders` meetings shall take place at the registered office of the Company, at the registered office of the shareholder MAN SE, or - at the convoking body`s option - at any German Stock Exchange place.

**§ 14**  
**Convocation**

- (1) The shareholders` meeting shall be convened by the board of directors or by the supervisory board.
- (2) The shareholders` meeting has to be announced in good time to ensure that the statutory period for convening a shareholders` meeting will be observed.

**§ 15**  
**Prerequisites for Attendance**

- (1) Only those shareholders who submit their written registration in German or English (Section 126b German Civil Code) prior to expiry of the minimum statutory period preceding the shareholders` meeting are entitled to attend the shareholders` meeting.
- (2) Furthermore, shareholders have to produce evidence of their entitlement to exercise a voting right. Written evidence (Section 126b German Civil Code) of share ownership drawn up in German or English provided by a duly authorized bank managing the shares shall be adequate.
- (3) Evidence of share ownership shall reach the Company in good time to ensure compliance with the statutory time limit for receipt of such evidence.
- (4) Any other prerequisites for attending the shareholders` meeting shall be specified in the convening notice.

## **§ 16**

### **Chair at the Shareholders` Meeting**

- (1) The shareholders` meeting shall be chaired by the chairman of the supervisory board. If he is unable to attend, the shareholders` meeting shall elect a chairman for the meeting. If the shareholders` meeting does not make use hereof, the chairman shall be voted by the shareholders` meeting.
- (2) The chairman of the meeting shall determine the order of items on the agenda as well as the manner of voting.

## **§ 17**

### **Voting rights**

- (1) At the shareholders` meeting, one vote is granted for each individual share unless voting rights are precluded by law or under the articles of association.
- (2) Voting rights can also be exercised by proxy-holders. Unless there are not any different compelling statutory instructions for voting by proxy, its revocation and evidence of proxy vis-à-vis the Company, any voting by proxy, revocation and evidence of proxy vis-à-vis the Company has to be submitted in writing (§ 126b German Civil Code) or in any other electronic way to be specified in the Company`s convening notice.

## **§ 18**

### **Elections**

If the first ballot of an election fails to result in a majority, a second restricted ballot shall take place between the two candidates having received the highest numbers of votes. Should this restricted ballot result in an equal division of votes, the election shall be decided by lot.

## **IV.**

### **Accounting and Appropriation of Profits**

## **§ 19**

### **Business Year**

The business year complies with the calendar year.

## **§ 20**

### **Preparation of the Annual Financial Statements and the Annual Report**

As far as stipulated by law, the board of directors shall prepare the annual financial statements and the annual report for the previous financial year and submit these documents, together with its proposal as to the utilisation of the net earnings, to the supervisory board within the first three months of the financial year.

## **§ 21**

### **Utilisation of the Annual Surplus**

- (1) The amount that has to be allocated to the statutory reserves is prescribed by the Aktiengesetz (German Stock Corporation Act).
- (2) The board of directors and the supervisory board may allocate certain amounts from the annual surplus to other profit reserves as follows:
  - a) up to half of the annual surplus regardless of the other profit reserves` level.
  - b) more than half of the annual surplus as far as the other profit reserves do not exceed half of the share capital and the remaining net earnings do not fall below 4 p.c. of the share capital.

## **§ 22**

### **Adoption of the Annual Financial Statements**

If the supervisory board approves the annual financial statements, they will be adopted.

## **§ 23**

### **Resolutions of the General Shareholders` Meeting on Accounting**

- (1) Every year, within the first five months after the end of the business year, the shareholders` meeting shall resolve on:
  - a) appropriation of the net earnings,
  - b) formal approval of the actions of the board of directors and the supervisory board,
  - c) election of the auditors.

- (2) In exceptional cases provided for by law, the shareholders` meeting shall also resolve on the adoption of the annual financial statements.

## **§ 24**

### **Appropriation of Net Earnings**

- (1) In the resolution on the appropriation of net earnings, the shareholders` meeting may allocate additional amounts to other profit reserves or carry them forward as retained earnings, subject, however, to the provision that profits amounting to no less than 4 p.c. of the share capital must remain for distribution to the shareholders. Such provision does not apply if appropriation to the reserves is necessary from a reasonable commercial point of view, to ensure that the Company will remain viable and sound for a foreseeable period of time.
- (2) The shareholders are entitled to receive the balance sheet profit as far as it is not excluded from distribution by a resolution of the shareholders` meeting passed according to Paragraph (1).

## **§ 25**

### **Dividends for New Shares**

When the share capital is increased, the shareholders` meeting may resolve on a method of profit distribution for new shares that deviates from the stipulations of Section 60 Paragraph (2) German Stock Corporation Act.

## **§26**

### **Expenses for Conversion of the MAN B & W Diesel GmbH**

The Company has to bear the expenses for the conversion amounting to 50.000,00 German Marks.

## **§ 27**

### **Expenses for Formation**

The Company shall bear the cost of registration, the notarial charges, the cost of publication as well as any other law and tax consultant`s fees arising from the conversion to a SE up to a total amount of EUR 100.000,00.

- End of the articles` wording -

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This is to certify that above certified copy is in accordance with the **original document** presented to me today.

Munich, December 13, 2011

*signature*

Dr. Oliver Vossius  
Notary Public

*Seal:* (Dr. Oliver Vossius, Notary Public in Munich)

*End of Certified Translation from German*