

# REGULATIONS OF THE RESTRICTED STOCK LONG-TERM INCENTIVE PLAN – MARCOPOLO S.A.

This Restricted Stock Long-Term Incentive Plan proposed by the Board of Directors on February 12, 2015, and approved by the Stockholders' Meeting on March 26, 2015, is governed by the provisions below and the legislation in force.

## 1. Definitions

When capitalized in this document, the terms below will have the meanings assigned to them as follows, except when otherwise provided for:

Stockholders: natural or juridical persons holding the Company's stock;

Restricted Stock: preferred shares in book-entry form that have been or will be issued by the Company, as well as preferred shares in book-entry form held in treasury and awarded to the Participants, subject to the restrictions on their clearance under the conditions of the Plan and the respective Annual Programs;

Administrators: The Directors and chief officers appointed pursuant to the Articles of Incorporation.

Company: MARCOPOLO S.A.;

Subsidiary: All companies whose capital is or comes to be directly or indirectly controlled by the Company;

Participant: Anyone that is awarded Restricted Stock under the Regulations' conditions and respective annual programs, after having signed the award agreement;

Plan: These regulations of the Restricted Stock Long-Term Incentive Plan;

Vesting Period: The 2 to 5-year period set in the annual programs during which the Stock remains restricted and/or conditioned to the achievement of milestones. The period starts upon the signature of the Award Agreement.

Annual Restricted Stock Program: Represents the conditions and details of the other agreements which, based on the Plan's Regulations, are approved by the Board of Directors for a given year in effect.

Award Agreement: A private document signed by and between the Company and the Participant, and through which the Restricted Stock is awarded to Participants.

## 2. Restricted Stock Long-Term Incentive Plan Goals

The Plan awards Restricted Stock to Participants in order to:

- (a) Make up the senior management's compensation package as a way to remain competitive in the market by attracting and retaining top talent;
- (b) Keep the interests of executives and Stockholders in line;
- (c) Drive product, process, and service improvements by casting our sights on the long term in an enterprising, sustainable manner.

### **3. Management of the Plan and Annual Restricted Stock Programs**

- 3.1 The Plan and Annual Restricted Stock Programs will be managed by the Board of Directors, with assistance from the HR and Ethics Committee and the HR/Corporate Development Executive Office.
- 3.2 Provided the Regulations for the Restricted Stock Plan and the guidelines set by the Company's Stockholders' Meeting are complied with, the Board of Directors will have ample powers to take all the necessary and proper steps to manage the Annual Restricted Stock Programs, including:
- (a) creating and enforcing the general rules related to the award of Restricted Stock, according to the Annual Restricted Stock Program, and clearing up doubts regarding the interpretation of the respective terms;
  - (b) choosing the Participants and authorizing the award of Restricted Stock to them, setting all the conditions for acquiring rights on the Restricted Stock to be awarded, and changing such conditions as necessary or convenient;
  - (c) authorizing the sale of Stock held in treasury to satisfy the award of Restricted Stock under the Plan; and
  - (d) suspending and/or recommending another long-term incentive strategy at any time.
- 3.3 While exercising its powers, the Board of Directors will be subject solely to the limits set by law, the Brazilian Securities and Exchange Commission's regulations, and these Regulations, under which it is clear that the Board of Directors may give different treatments to the Company's administrators and employees, or administrators and employees of other subsidiaries who may be in a similar situation, and the Board of Directors will not be bound by any equality or analogy rule to extend to everyone the conditions the Board may deem applicable to one or some individuals.

### **4. Participants and Targets**

- 4.1 Considering that the Participants may become Company stockholders, which employees of the Company or its subsidiaries and which of the Company's not controlling chief officers appointed pursuant to the Articles of Incorporation will be participating in this Plan, as well as the amount of Restricted Stock to which each one will be entitled, will be freely defined by the Board of Directors following suggestions by the CEO and the HR and Ethics Committee according to the importance and essential nature of the Participants' role, their potential, involvement in strategic projects, and value added by them to the Company, based on the compensation strategy and respective compensation package built on market comparisons.

There will be no need to assign the status of Participant to all categories or even to all members of the same category, but instead different award levels may be assigned to two or more Participants from the same category.

- 4.3 In case people are hired and/or promoted to Plan-eligible positions, restricted stock will be awarded at the ratio of 1/12, according to the number of months worked during the Plan's respective year in effect. For instance, if someone is hired/promoted in June, said person will be entitled to 50% of the restricted stock awarded under the respective Annual Restricted Stock Program for that year.

### **5. Stock Subject to the Plan**

- 5.1 For the purposes of this Plan, the Participants will be awarded preferred stock in book-entry form (PNs), and at the Board of Directors' discretion, the Company may use stock held in treasury or issue new stock, within the limit of the authorized capital. Preferably, the stock allocated to fund the Annual Programs will be repurchased from the market and subject to the law and accounting and tax regulations in force.
- 5.2. Under the provisions in article 171, paragraph 3 of the Brazilian Law of Corporations, Company stockholders will have no preemption rights on the award of stock according to this Plan.

## **6. Restricted Stock Award**

- 6.1 Under the Plan and the Annual Restricted Stock Program for the respective year, Restricted Stock will be awarded upon the signature of Award Agreements by and between the Company and Participants, which agreements must specify the amount of Restricted Stock will be awarded and the terms and conditions for acquiring rights related to the Restricted Stock.
- 6.2 Award Agreements will be individually entered into and the Board of Directors may set different terms and conditions for each Participant. Furthermore, the Board of Directors will in no way be required to follow any equality or analogy rules between the Participants, even those said Participants may be in similar or identical situations.

## **7. Award Calculation**

- 7.1 For award purposes, the amount of restricted stock to be **allocated to each participant needs to be calculated based on the target set, according to** the formula below:

$$\text{Award} = \frac{\text{Current Monthly Salary} \times \text{Target (no. monthly salaries)}}{\text{Average Price of Stock in the 60 trading sessions prior to the award}}$$

- 7.2 To calculate the award, stock will be priced via the weighted average of the Stock's prices in the 60 (sixty) trading sessions at the São Paulo Stock Exchange – BOVESPA, prior to the award date, and to do that the average price of the stock in each trading session will be used.
- 7.3 The amount of restricted stock in each Annual Restricted Stock Program will in no way be increased or decreased but instead will remain the same from the date the Award Agreement is signed until the date the stock is actually transferred to the Participants, provided the applicable conditions are satisfied.

## **8. Restrictions on the Acquisition of Rights to Restricted Stock**

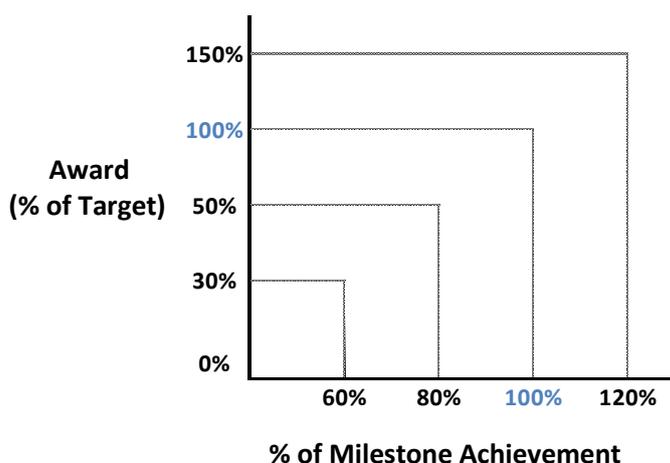
- 8.1 The Board of Directors will set the conditions for the Participants to acquire rights to Restricted Stock. Such conditions and their respective assessment rules must be explained in the Annual Restricted Stock Programs and Individual Award Agreements.
- 8.2 The restrictions will basically comprise the Participant's continued employment and/or achievement of goals and milestones in line with the Stockholders' interests.

- 8.3 Rights to Restricted Stock will be assessed and granted at the end of each Annual Restricted Stock Program's vesting period, which will be at least 2 years and at most 5 years. The results will be assessed, audited, and submitted to the Board of Directors for validation.
- 8.4 While the rights to Restricted Stock are not fully acquired under the terms and conditions set, Participants will not be allowed to pledge, sell, assign, dispose of, or transfer, either directly or indirectly, the Restricted Stock.
- 8.5 The stock acquired will have all the rights pertaining to their type and class ensured, including the right to receive dividends or interest on company capital declared after the date the rights to restricted stock were acquired.
- 8.6 The Participants will have no rights or privileges as Company stockholders, nor will any stock be handed over to the Participants, before the Vesting Period has elapsed and all requirements and rules in the Plan and respective Annual Restricted Stock Programs have been fulfilled.

**9. Award Goals, Milestones and Curve**

- 9.1 In case a milestone is set as a condition for the clearance of the stock at the end of the Vesting Period, the Annual Restricted Stock Program and the Award Agreements must specify the rates, metrics, and respective weight of each milestone.
- 9.2 As a rule, the milestones will be based on the annual budgets and calculated via the average of the calculated and audited results in the respective Annual Restricted Stock Program's period in effect.
- 9.3 According to the ratio at which each milestone is achieved, the target may vary. In case milestones are surpassed, the award may be increased up to the limit of 150%, according to the Award Curve below:

Award Curve:



**10. Employment Termination and its Impacts**

- 10.1 In case a Participant leaves the Company, the Restricted Stock within the Vesting Period will follow the guidelines below, depending on how the exit takes place:

- (a) Termination by the Company, Retirement, Death, or Permanent Disability: the restricted stock will be made available to the Participant within 90 days, prorated to the time worked within the *vesting* Period and according to each Annual Restricted Stock Program's period in effect.
- (b) Resignation: all Restricted Stock will be cancelled.
- (c) Death and permanent disability: the restricted stock will be made available to the Participant's beneficiary/beneficiaries named in a specific document and prorated to the time worked within the Vesting Period, according to each Annual Program's period in effect.

10.2 Exceptional situations will be looked into by the HR and Ethics Committee and submitted to the Board of Directors for validation.

## **11. Miscellaneous Provisions**

- 11.1 No provision in the Restricted Stock Plan will grant any Participants the right to remain as a Company administrator and/or employee, or in any way interfere in the Company's right to terminate an employee's employment contract and/or remove an administrator from office at any time and subject to statutory and contractual conditions.
- 11.2 Any significant changes to laws governing corporations, publicly-traded companies, labor relationships and/or the tax effects of a stock option plan may lead to a full revision of the Plan and/or Annual Program.
- 11.3 Cases not provided for herein will be regulated by the Board of Directors and, when deemed convenient by said Board, the Stockholders' Meeting may be asked for their input.
- 11.4 In the event of a direct or indirect change to the Company's controlling interest, the Plan and Programs already in effect must be followed.
- 11.5 In the event of a consolidation, spinoff with or without the extinction of the person spun off, the Company's merger or change of its business type, as well as in the case of a merger of shares, the Plan and programs already in effect must be followed and the necessary adjustments are to be made to the amount of Restricted Stock, including abiding by the exchange relationships used for the purposes of the operations above.
- 11.6 In the event of changes to the amount, type and class of the Company's stock stemming from a reverse splitting, splitting, bonus shares, as well as in the case stock is converted from one type or class into another, or stock is converted into other securities issued by the Company, the necessary adjustments must be made to the Plan and Programs already in effect, especially regarding the amount of Restricted Stock, so as to prevent distortions and losses for the Company and/or Participants.
- 11.7 The Special Stockholders' Meeting is responsible for approving, and therefore changing, suspending or extinguishing the Plan, as well as for amending the articles of incorporation to define the Board of Directors' power to decide on the issuance of Stock and the conditions under which such issuance may take place. Some of the causes that may lead the Plan's alteration or extinction include factors that severely change the economic backdrop and compromise the Company's financial situation.

- 11.8 The Company and Participants will have the right to resort to the courts to enforce the obligations assumed by the other party under this Plan, according to the applicable provisions in the Brazilian Code of Civil Procedure, especially the provisions contained in articles 461, 632, and following.
- 11.9 Upon decision by the Board of Directors, the Company may impose restrictions on the acquired stock regarding its transfer and also reserve repurchase options and/or preemption rights for the Company in case a Participant wishes to sell said Restricted Stock.

Caxias do Sul, RS, March 26, 2015

Mauro Gilberto Bellini  
Chairman of the Board of Directors

Oscar de Paula Bernardes Neto  
Deputy Chairman of the Board of Directors

Luciano Moises Bado

Maria Leticia de Freitas Costa

Paulo Cesar da Silva Nunes

Odair Lucietto

Manuela Cristina Lemos Marçal – Directors

Carlos Zignani - Secretary