



GENERAL TERMS AND CONDITIONS OF BUSINESS

1 TASKS – AIMS - BENEFITS

In the future a company's solvency will be measured and expressed as the probability of default. Thus, the analysis and assessment of the risk of insolvency of the supplier is a building block in the risk management of every company. The optimized measurement of the economic situation of the supplier to third parties becomes a competitive advantage in addition to the already standard reliability and quality reviews.

With their credit worthiness suppliers not only score with banks and investors: A good credit standing expressed as an internal rating is now considered a competitive advantage in the struggle for contracts and business partners.

The Höher Consulting GmbH® offers, together with their corporate division – Corporate finance - Automotive Suppliers (CfAS)®, suppliers of all industries the possibility to be included in the CfAS Supplier Pool. A previously conducted company-related credit assessment will decide on the admission to the pool.

Advantages of the pool, in addition to the statement of credit to third parties, are the optimization of company-based credit assessment, use of the pool's funding programs at special conditions and additional contracts through inquiring clients.

The object and purpose of the Supplier Pool is to facilitate the search for financially sound, sustainable contracts and business partners.

The CfAS's own supplier database makes supplier research possible in both the domestic market and abroad.

Valuation models by Standard & Poor's IQ Credit Risk Tracker (CRT), FERI industry rating and mathematical valuation models (multivariate analyses) are essential building blocks in the assessment of suppliers for acceptance into the pool. On the basis of extensive databases and high credit risk models, the statement is valid for each company to be audited for acceptance into the pool.

This valid market approach ultimately addresses a customer need: potential business partners, investors and lenders increasingly demand current, verifiable data because this is integral to their insolvency risk management.

The results of the standardized assessment in the pool meet these requirements of the insolvency risk management systems.

2 SIMPLE PROCEDURE FOR ACCEPTANCE

2.1 Registration check

A standardized application form, requesting the relevant company data, can be found on the internet under www.hoeher-consulting.de for those interested in the assessment and the CfAS Supplier Pool. The analysts of Höher Consulting GmbH® then conduct a free check to determine whether the applicant meets the general acceptance criteria of the CfAS-Supplier Pool.

2.1.1 General Acceptance Criteria

. Private and non-stock market listed companies

. Company size incl. SME-assignment (small and medium-sized enterprises) according to the following classification by sales revenues:

Class 1	up to	€ 10 m (min. € 1 m)
Class 2	up to	€ 50 m
Class 3	up to	€250 m
Class 4	up to	€500 m
Class 5	above	€500 m

. Minimum number of employees 10

. Basic plausibility of the balance sheet structures by presentation of the current financial statements.

When these general acceptance criteria have been fulfilled the procedure for acceptance into the CfAS Supplier Pool takes place.

2.2 Acceptance procedure

In the acceptance procedure, a company related credit rating is carried out by the analysts of Höher Consulting GmbH® taking into account the information, submitted documents and financial statements of the applicant company. The prerequisite for this is the company registration sheet, completed and signed by the applicant, for submission of the acceptance procedure (acceptance application form) as an agreement with Höher Consulting GmbH®. The admissions process is subject to a charge.

In order that the results of the standardized credit rating in the pool meet the requirements of bankruptcy risk management systems, the company's credit rating is based inter alia on the use of internationally accepted valuation models –

for the industry rating: FERI industry rating (Feri Euro Rating Services AG)

for the credit rating: Credit Risk Tracker from Standard & Poor's IQ as well as various international standard metric scaled evaluation methods



The probability of default will be calculated based on a time series of financial, business, credit and qualitative information for each applicant company. These calculations will be on the basis of extensive databases and high probability default risk models. Consequently a rating valuation is calculated for each company (rating score), based on model-aggregated quantitative factors. This score determines the acceptance conditions for the CfAS Supplier Pool.

2.2.1 Conditions of Acceptance

After completion of the credit rating in the acceptance process the achievement of a minimum rating score is a condition for inclusion in the CfAS Supplier Pool and simultaneously the exclusion criterion if not achieved:

Rating score: BB(minimum notch BB-)

All companies accepted into the CfAS Supplier Pool thus comply with at least this rating score.

If the applicant company achieves this minimum rating score as a result of the credit rating, the admission process is completed successfully and the company is accepted into the CfAS Supplier Pool.

2.2.2 Warranty and Liability

The results and data content of the whole acceptance procedure, including the recommendation for the classification of the applicant company's future creditworthiness by the analysts of Höher Consulting GmbH®, are communicated and made public to its involved customers only with the consent of the applicant company. This consent of the applicant company shall be deemed granted with the written application for acceptance procedure in Section 2.2.

The calculation of the rating score is not an interactive rating and does not represent an active recommendation to buy, sell or hold securities. The rating score is an independent opinion of the analysts of Höher Consulting GmbH®, exclusively for the company-related creditworthiness of the applicant company. Neither liability nor other warranty claims can be derived from the result of the determination of the rating score and will be ruled out by Höher Consulting GmbH®. All information necessary to determine the rating score is based on the information and documents provided by each applicant company. Further sources of information are used when it can be expected of them that they are reliable. No warranty is given by Höher Consulting GmbH® for the completeness, correctness and regularity of such information and documents.

Höher Consulting GmbH® is liable for damages caused through their minimal negligence, or that of their legal representatives or vicarious agents, only if and insofar as they are based on the violation of such obligations whose fulfillment are essential to the proper execution of the contract in general and on the compliance of which the applicant company may depend.



Moreover, Höher Consulting GmbH® shall only be liable for damages if and to the extent that they are caused intentionally, or by gross negligence, by themselves, their legal representatives or their agents. The liability of Höher Consulting GmbH® will always be limited to those damages which they had reasonably expected. These limitations do not apply to culpable injury to life, body or health, or guarantees. Liability is limited to a maximum of 250,000 euros for a single claim.

A single claim event encompasses the sum of the damage claims made by all those entitled to claim against a single, identifiable and thus separate consistent service provided in a given period. Höher Consulting GmbH® is not obliged to offer a higher liability sum. Höher Consulting GmbH® shall not be liable for the applicant company's improper application or implementation of the services provided or of recommendations contained in working documents. Claims for damages against Höher Consulting GmbH® can only be made within one year after the applicant company became aware of the damage, and of the event giving rise to it, or would have but for gross negligence, but in any event within 5 years after the claim arose. The shortening of the period of limitation shall not apply in cases of gross negligence, willful misconduct or fraud. The right to assert the statute of limitations remains unaffected.

2.2.3 Protection of intellectual property

The applicant company is responsible for ensuring that during the application process reports and documents produced by Höher Consulting GmbH® are used only for the contractually agreed purposes and are not in individual cases reproduced, edited, translated, transferred or distributed without their express permission. In the event that working results are capable of protection by copyright, Höher Consulting GmbH® remains the copyright owner. In such cases the applicant company shall, with the exception of the limitations laid down in sentence one, be granted temporally and geographically unlimited, irrevocable, exclusive and non-transferrable rights to use the working results.

2.3 Option procedures

If it can be seen in advance that the minimum rating score will not be achieved by the applicant company, the necessary optimizations can be designed together with the analysts of Höher Consulting GmbH®, if plausible. The option procedure thus enables the checking process for acceptance into the CfAS Supplier Pool to be completed and the admission itself to take place.

3 POOL MEMBER COMPANIES AND ELIMINATION

The checking process for acceptance into the CfAS Supplier Pool has been successfully completed in accordance with point 2.2. The applicant company will be accepted into the CfAS Supplier Pool.



It receives a written confirmation (LETTER OF CONFIRMATION) in duplicate, with the following information: Company name and location, CfAS-Reg.No. and validity date. The company is from this point in time authorized to:

- include a copy of the acknowledgment in its corporate presentation materials and to publish it
- communicate to third parties its inclusion in the CfAS Supplier Pool
- offer its services to another pool member company at their request (request is made through Höher Consulting GmbH®)
- offer services to enquiring clients, at their request (request is made through Höher Consulting GmbH®)
- offer services to enquiring cooperation partners, at their request (request is made through Höher Consulting GmbH®)
- take advantage of access to the pool's funding programs

The confirmation is valid for a period of 12 months. In this time no automatic monitoring by the analysts of Höher Consulting GmbH® will take place. If the pool member company wishes to remain in the CfAS- Supplier Pool after these 12 months, the acceptance procedure (and only this procedure) has to be repeated.

4 GENERAL INFORMATION

4.1 About Höher Consulting GmbH®

The management consultants of Höher Consulting, located in Wolfen (Saxony Anhalt) and Stuttgart, offer management services in the field of corporate finance/financial management. The company is a member of the Federal Association of German Management Consultants BDU and is subject to the strict work ethics of the association. Under the direction of Susanne Hyna the team of consultants and analysts have specialized in the optimization of the portrayal of the economic situation of companies and the resultant management tasks, within the business area of Corporate Finance - Automotive Suppliers(CfAS).

4.2 Presentation documents

Further general information about the CfAS Supplier Pool is available as a download at www.hoeher-consulting.de :

- CfAS-Customer information
- CfAS-Supplier Pool
- Pool financing programme *Finance-Pooling* „Werkzeuge“
- Pool financing programme **For€nt**
Innovationsfinanzierung®



4.3 Miscellaneous

Only the law of the Federal Republic of Germany is valid for all claims arising from the agreement. Jurisdiction for all disputes is the headquarters of Höher Consulting GmbH[®], Stuttgart. Changes and additions to these conditions or the agreement must be in writing and must be explicitly marked as such.