

Partnership Agreement

of

EAR Elektro-Altgeräte Register Projektgesellschaft bürgerlichen Rechts

Preamble

(A) On the basis of Directive 2002/96/EC of the European Parliament and the Council of 27 January 2003 concerning waste electrical and electronic equipment (referred to hereinafter as "the WEEE Directive"), from 13 August 2005 in Germany the manufacturers and distributors of electrical and electronic equipment (referred to together as "the Industry") will be bound to take back and realize waste electrical and electronic equipment.

(B) In April 2003 the Federal Minister for the Environment, Nature Conservation and Reactor Safety published a White Paper in preparation for the implementation of the WEEE Directive into national law. This paper calls on the Industry to established a unit organised under private law and financed by the Industry (referred to hereinafter as "the Joint Body"). As an invested body, the Joint Body has to ensure, on the basis of the German regulations implementing the WEEE Directive (referred to hereinafter as "the ElektroV"), that all manufacturers, importers and first marketers who are bound to take back waste electrical and electronic equipment meet their obligations under the ElektroV. To this end the Joint Body must ascertain the corresponding obligations of each of these enterprises, monitor their fulfilment and enforce them when appropriate. The Joint Body will elaborate the necessary rules on the basis of the ElektroV.

(C) With the formation of the EAR Elektro-Altgeräte Register Projektgesellschaft bürgerlichen Rechts (referred to hereinafter as "the Partnership"), the Industry is responding to the requirements of the White Paper. The Partnership is to prepare for the establishment of the Joint Body and its work. The structure and the efficient operation of the Joint Body can only success if the Joint Body is the central agency for monitoring and controlling the return of waste equipment and is invested with the corresponding sovereign powers. The work of the Partnership stands under this political and parliamentary proviso.

Now, therefore, the parties agree as follows:

§ 1 Establishment of the Partnership / admission of further partners

(1) ZVEI-Services GmbH, Frankfurt am Main (referred to hereinafter as "ZVEI"), biktom Servicegesellschaft mbH, Berlin (referred to hereinafter as "Bitkom") and the undersigned further associations and enterprises (referred to together with ZVEI and Bitkom as "the Founding Partners") are hereby establishing a partnership under civil law.

(2) The Partnership is open for further enterprises and associations of the Industry. Enterprises may become partners if they, as manufacturers, importers or first marketers

with a duty to take back waste electrical and electronic equipment within the meaning of the WEEE Directive, will be affected by the implementation into national law in Germany of the WEEE Directive (referred to hereinafter as "Affected Companies") or are affiliated undertakings within the meaning of § 15 AktG¹ of an Affected Company. Associations may become partners if their members include Affected Companies (referred to hereinafter as "Affected Associations").

(3) Affected Companies or Associations shall become partners on application. Application must be made to the management of the Partnership and should specify the segment or segments (within the meaning of § 6 of this Partnership Agreement) to which the applicant belongs. The application must be accompanied by suitable documentary evidence that the applicant is affected within the meaning of Para. (2) above. If the management is of the opinion that the applicant is to be assigned to segments other than those stated in the application, the Supervisory Board shall decide on the relevant segment. The management shall submit the application to the next meeting of partners for a decision, where appropriate after the Supervisory Board has given its decision and subject to a financing commitment to be made by the applicant in accordance with § 17 Para. (2) of this Partnership Agreement. The applicant shall become a partner at the end of the meeting of partners deciding on the application unless the meeting of partners rejects admission as a partner by a majority of at least three quarters of the votes cast by the segment representatives (within the meaning of § 6 Para. (4) of this Partnership Agreement).

§ 2 Name

The Partnership shall have the name

"EAR Elektro-Altgeräte Register Projektgesellschaft bürgerlichen Rechts".

§ 3 Object

- (1) The object of the Partnership is
 - to prepare for the establishment of the Joint Body and to design its organization and structure (referred to hereinafter as "the Project"), and
 - to conduct all the acts and to conclude all the transactions necessary in connection with the Project.
- (2) The Partnership shall not have any lobbying functions
- (3) The Partnership is a non-profit organisation.

§ 4 Duration of the Partnership

¹ AktG: German Company Law

(1) The Partnership shall commence on 2 June 2003 and shall end twelve months after establishment of the Joint Body, but no later than on 13 August 2006. The meeting of partners may, however, decide the continuation of the Partnership beyond this date by the adoption of a resolution requiring a majority of at least three quarters of the votes cast by the segment representatives (within the meaning of § 6 Para. (4) of this Partnership Agreement).

(2) The meeting of partners may dissolve the Partnership at any time by unanimous resolution of all partners. In the following two cases, however, a resolution on dissolution shall require only a majority of three quarters of the votes cast by the segment representatives (within the meaning of § 6 Para. (4) of this Partnership Agreement) in a meeting:

- (i) At least 75% of the financing contribution under § 17 Paras. (2) to (4) of this Partnership Agreement is not paid by 31 July 2003, and also not at the time the resolution is adopted;
- (ii) the ElektroV does not contain the preconditions laid down in the Preamble (C) for the Joint Body or the object of the Partnership cannot be achieved for other reasons.

The legal consequences of dissolution shall be governed by § 22 of this Partnership Agreement.

(3) A partner may only give extraordinary notice of termination of this Partnership Agreement. Notice shall be given by registered letter (“*Einschreiben*”) to the management of the Partnership. Termination shall not lead to dissolution of the Partnership, but instead the withdrawal of the terminating partner from the Partnership. The legal consequences of termination shall be governed by § 21 of this Partnership Agreement.

§ 5 Financial year

Financial year of the Partnership shall be the calendar year. The first fiscal year shall end on the 31st December of the year the Partnership commenced.

§ 6 Partners and segments

(1) The Partners shall exercise their partnership rights organised in segments as provided for in this Partnership Agreement. The segments represent the sectors which are affected by the duties of taking back imposed by the WEEE Directive. The voting weights of the segments shall be determined according to the expected costs accruing to the respective segments of taking back and disposing of waste electrical equipment as stipulated by the WEEE Directive. The Founding Partners measure this cost apportionment as follows:

- Large household appliances (inc. domestic heating): 42 %
- Small domestic appliances: 7 %
- IT and telecommunications equipment: 26 %

- Consumer electronics: 12 %
- Lamps, light fittings: 5 %
- Power tools: 8 %
- Miscellaneous: 0 %

(2) Each partner is to be assigned to one or more of the above seven segments in accordance with § 1 Para. (3). If a partner is assigned to the "Miscellaneous" segment, the meeting of partners deciding on its admission shall also decide on the cost apportionment to be assigned to this segment and the resulting voting weight. This resolution of the meeting of partners shall require a majority of three quarters of the votes cast by the segment representatives (within the meaning of Para. (4) below) in the meeting. The cost apportionments and voting weights of the other segments shall reduce pro rata in this case.

(3) Bitkom is assigned to the "IT and telecommunications equipment" segment and ZVEI to all other segments (excluding "Miscellaneous"). Associations are otherwise to be assigned to the segment or segments in which their members who are Affected Companies are active. Undertakings which manufacture or distribute equipment from a variety of segments are to be assigned to all these segments unless the activity in a segment is only of secondary importance.

(4) The members of the respective segments are responsible for the making of decisions within their segments. Before a meeting of partners each segment is to (i) elect a segment representative who will exercise the voting right of the members of the segment in the meeting of partners on behalf of the members and (ii) give the segment representative binding instructions for voting in the meeting of partners.

§ 7 Meeting of partners / duties

(1) The partners shall exercise their partnership rights in the meeting of partners. The meetings of partners are intended to provide comprehensive information and advice for the partners with regard to the development of the Project. It is also the duty of the meeting of partners to decide on:

- the discharge of the Supervisory Board;
- the change of the voting weights on the recommendation of the Supervisory Board;
- the termination of the Partnership before its term has expired or the extension of the term of the Partnership;
- the rejection of the admission of new partners;
- the amendment of this Partnership Agreement; and
- the matters bindingly reserved to the meeting of partners.

(2) The meeting of partners may assume duties of the Supervisory Board by unanimous resolution.

§ 8 Meeting of partners / resolutions

(1) The partners shall exercise their voting rights in the meeting of partners through the respective segment representatives. In meetings of partners each segment representative

shall have the number of votes corresponding to the percentage share of his segment in the overall costs according to § 6 Para. (1) of this Partnership Agreement (modified where appropriate according to § 6 Para. (2) or § 8 Para. (2) of this Partnership Agreement). The voting right of a segment representative shall, however, be suspended from 31 July 2003 if and for as long as the financing contributions (within the meaning of § 17 Para. (3) of this Partnership Agreement) promised by the Affected Companies of the segment he represents do not amount at least to three quarters of the sum that would apply to this segment according to budgeted overall costs of the Partnership totalling € 5.5 million in application of the cost apportionment provided for in § 6 Para. (1) of this Partnership Agreement. The voting right of the segment representative shall not nevertheless be suspended in respect of the matters for resolution designated in § 7 Para. (1) Point 2 ("the change of the voting weights on the recommendation of the Supervisory Board") and Point 5 ("the amendment of the Partnership Agreement") of this Partnership Agreement, nor in respect of the matters for resolution which require unanimous approval under the terms of this Partnership Agreement.

(2) The Supervisory Board shall examine the cost apportionment under § 6 Para. (1) of this Partnership Agreement (modified where appropriate according to § 6 Para. (2) of this Partnership Agreement) and the resulting voting weights of the segment representatives under § 8 (1) of this Partnership Agreement if reliable and collected – i.e. not estimated – data is available for all segments, e.g. through the corresponding reports of the companies under obligation. The voting weights shall then be modified in accordance with this data on the proposal of the Supervisory Board by resolution of the meeting of partners, with effect for future meetings of partners.

(3) The meeting of partners shall be quorate if at least 55 % of the voting rights are represented by segment representatives or a universal meeting under the terms of Para. (6) below takes place.

(4) Unless otherwise determined in this Partnership Agreement, the meeting of partners shall adopt resolutions by simple majority of the votes cast by the segment representatives. The following matters for resolution shall require the consent of at least three quarters of the votes cast by the segment representatives in the meeting of partners:

- dissolution of the Partnership without the object having been achieved;
- rejection of the admission of new partners;
- modification of the rules on the determination of voting weights;
- other amendments to this Partnership Agreement.

Amendments to this Partnership Agreement which impose additional contributions on a partner or which limit the special rights of a partner in a way not provided for in this Partnership Agreement shall require the consent of the partner.

(5) The votes for a segment may be cast only in one block. If a partner represents several segments, he shall vote separately for each segment in accordance with the instructions of this segment. If no instructions have been given, the segment representative shall vote as he sees fit.

(6) If all partners are present or represented in a meeting of partners (universal meeting), resolutions may be adopted by the partners instead of by the segment representatives if a

partner so requests and all partners consent thereto. The universal meeting may decide on all matters for resolution which are assigned to the meeting of partners under this Partnership Agreement, i.e. also on matters for resolution which, according to this Partnership Agreement, require a qualified majority of the votes cast by the segment representatives. Resolutions of the universal meeting may only be adopted unanimously. Each partner shall have one vote, regardless of the segment to which he belongs and regardless of whether the financing contribution of his segment has been paid to the extent determined in § 8 Para. (1) of this Partnership Agreement.

§ 9 Meeting of partners / conduct

(1) Meetings of partners shall take place every six months. It shall be convened by the chairman of the Supervisory Board with a notice period of at least 7 days by letter, fax or e-mail, detailing the agenda and the place and time of the meeting. The notice period shall commence on dispatch of the invitation in the case of convening by fax or e-mail, and otherwise 2 days after its dispatch. The day of the meeting shall not be considered in calculation of the notice period.

(2) Extraordinary meetings of partners shall take place as required. An extraordinary meeting of partners shall be convened if a third of the partners so demand.

(3) The chairman of the Supervisory Board shall prepare for and chair the meetings of partners and shall see to the implementation of its resolutions. Should he be prevented from doing so, the vice-chairman of the Supervisory Board shall act in his place.

(4) The segment representatives shall prove their power of representation to the chairman of the meeting before or at the start of a meeting of partners by submitting a record of the segment decision on their appointment. Until such identity is proved, ZVEI and Bitkom shall be regarded as their segment representatives as provided for under § 6 Para. (3) of this Partnership Agreement.

(5) The chairman shall, in consultation with the management, establish at the start of a meeting of partners whether the voting right of a segment representative is suspended in accordance with § 8 Para. (1) of this Partnership Agreement.

(6) A partner may be represented by another partner, even in his capacity as segment representative as the case arises. The authority to represent must be demonstrated before a resolution is adopted by the submission of a written proxy.

(7) The resolutions of the meeting of partners shall be documented. The minutes shall record the determinations to be made by the chairman in accordance with Paras. (4) and (5).

(8) Resolutions of the meeting of partners may also be adopted outside meetings by the obtaining of written or electronically transmitted declarations (fax or e-mail) unless a partner objects to this procedure within a period of time to be determined by the chairman of the Supervisory Board.

(9) The managing director shall take part in the meetings of partners.

(10) The chairman of the Supervisory Board shall have an advisory role in the meetings of partners.

§ 10 Supervisory Board

(1) The Supervisory Board shall advise and monitor the management. In addition to the duties expressly mentioned in this Partnership Agreement, it shall decide in all matters of the Partnership which are not assigned to the management, the partners, the meeting of partners, the segments, the segment representatives or the Technical Advisory Board under the terms of this Partnership Agreement.

(2) The Supervisory Board is to have nine ordinary members. With the exception of the members to be appointed on the basis of Paras. (4) and (6) below, only persons who are active in a managerial capacity in an Affected Company or in an undertaking affiliated to an Affected Company within the meaning of § 15 AktG, i.e. is a member of its management institution or a fully authorised representative or is otherwise fully authorised to exercise management, may be a member of the Supervisory Board. A member of the Supervisory Board who loses this managerial capacity should be dismissed in accordance with Para. (3) below.

(3) Seven members of the Supervisory Board shall be appointed and dismissed by the following segments of the meeting of partners as follows:

- Large household appliances, small domestic appliances and domestic heating: 2
- IT and telecommunications equipment: 2
- Consumer electronics: 1
- Lamps, light fittings: 1
- Power tools: 1

Appointment or dismissal shall in each case be made by written declaration of the respective segment representative to the chairman of the Supervisory Board (or the chairman of the first Supervisory Board in accordance with § 11 of this Partnership Agreement) or his representative. The two segment representatives of the large household appliances, small domestic appliances and domestic heating segments may only appoint or dismiss members of the Supervisory Board by joint declaration. The appointment or dismissal of a member of the Supervisory Board by a segment representative shall further presuppose that the financing contribution (within the meaning of § 17 Para. (3) of this Partnership Agreement) promised by the Affected Companies of the segment of the representative concerned amounts to the level stated in § 8 Para. (1) Sentence 3 of this Partnership Agreement at the time of the declaration.

(4) ZVEI and Bitkom shall additionally each appoint one ordinary member of the Supervisory Board by written declaration to the chairman of the Supervisory Board or his representative. The member appointed by ZVEI must be a member of the governing body of the Zentralverband Elektrotechnik- und Elektroindustrie e.V.² (referred to hereinafter as "ZVEI e.V.") and the member appointed by Bitkom must be a member of the governing

² Central Association for Electrical and Electronic Engineering

body of the Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V.³ (referred to hereinafter as "BITKOM e.V.").

(5) A representative shall be appointed for each ordinary member of the Supervisory Board. The members appointed by ZVEI and Bitkom may be represented by another member of the governing body of ZVEI e.V. and BITKOM e.V. respectively.

(6) In addition to the ordinary members of the Supervisory Board, the partners ZVEI and Bitkom shall each appoint one member of the management of ZVEI e.V. and BITKOM e.V. respectively as extraordinary members of the Supervisory Board. The extraordinary members shall have no voting right.

(7) The Supervisory Board shall appoint a chairman and a vice-chairman from among its number. It shall establish rules of procedure for itself.

(8) The members of the Supervisory Board shall be bound to consider the overall interests of the project organisation.

(9) The Supervisory Board shall invite the chairman of the Technical Advisory Board to attend its meetings to report on his work.

§ 11 First Supervisory Board

(1) Until the appointment of members of the Supervisory Board in accordance with the provisions of § 10 of this Partnership Agreement, the Supervisory Board of the Partnership shall consist of the persons named in Annex A to this Partnership Agreement and assigned to the respective segments (also referred to in this Partnership Agreement as the first Supervisory Board).

(2) Unless otherwise regulated in § 11, the provisions of this Partnership Agreement relating to the Supervisory Board shall apply analogously for the first Supervisory Board.

§ 12 Meeting of the Supervisory Board, adoption of resolutions

(1) Resolutions of the Supervisory Board shall be adopted in meetings. Resolutions of the Supervisory Board may also be adopted outside meetings by the obtaining of written or electronically transmitted declarations (fax or e-mail) unless a member objects to this procedure within a period of time to be determined by the chairman.

(2) The meetings of the Supervisory Board shall be prepared and conducted by the chairman.

(3) An absent member of the Supervisory Board may authorise another member participating in the adoption of a resolution to exercise his voting right.

³ Federal Association for Information Management, Telecommunications and New Media

(4) Extraordinary meetings of the Supervisory Board shall take place as required. An extraordinary meeting of the Supervisory Board shall be convened if a third of its members so demand.

(5) Every ordinary member of the Supervisory Board shall have one vote. The Supervisory Board shall be quorate if at least five ordinary members are appointed and at least half of the appointed members entitled to vote are present or represented. Resolutions shall be adopted by simple majority of the votes cast. The members shall, at the petition of an ordinary member of the Supervisory Board, reach its decisions according to the voting weight of the segment which appointed the respective members; in this case the members appointed by ZVEI and Bitkom shall have no voting right.

(6) The following matters for resolution shall require a majority of at least three quarters of the votes cast on the resolution:

- the appointment of a new managing director or the dismissal of the current managing director;
- the approval of the investment and financial plan and amendments to the plan initially approved by the Supervisory Board which exceed more than € 0.5 million in volume;
- fundamental changes to the business strategy, e.g. which substantially change the burdens of the participating enterprises or the role of the joint venture.

§ 13 Management and representation

(1) Management of the business of the Partnership and representation of the Partnership shall be performed by a managing director (also referred to in this Partnership Agreement as "the Management") to be appointed and dismissed by the Supervisory Board. The managing director shall be exempt from the restrictions of § 181 BGB. The managing director should not be a partner. However, the meeting of partners may, by unanimous resolution, (i) instruct the Supervisory Board to appoint a partner as managing director or (ii) appoint a managing director itself.

(2) The Management shall lead the project work. On formation of the Joint Body, the Management should co-ordinate its work with the Joint Body.

(3) In contracts with any third party, the Management should reach an agreement on a limitation of liability to the assets of the Partnership. This will not include cash purchases and transactions of no more than € 10,000 in volume in the individual case.

§ 14 Business requiring approval

The managing director shall require the prior approval of the Supervisory Board for:

- the determination and modification of the business strategy;
- the determination or modification of the financial and investment plan and measures which deviate from the defined financial and investment plan;

- the utilisation or granting of loans not provided for in the defined financial and investment plan;
- the assumption of sureties, guarantees or other liabilities for third parties;
- the acquisition, sale or encumbrance of land or similar rights;
- the formation, substantive amendments to or termination of contracts which provide for a term of more than one year or which establish obligations of the Partnership of more than € 100,000 per annum;
- the institution of proceedings before state authorities, courts or arbitral tribunals with a value in dispute of more than € 50,000 or the conclusion of settlements in such proceedings;
- contracts having a volume of more than € 10,000 and which do not provide for a limitation of liability to the assets of the Partnership;
- other transactions or measures which the Supervisory Board has declared as requiring its consent.

§ 15 Technical Advisory Board

(1) The segments of the meeting of partners shall appoint a Technical Advisory Board which shall offer advice to the partners and report within the scope of the meetings of partners and of the Supervisory Board. Each segment may send up to two members to the Technical Advisory Board. The Technical Advisory Board should contain a representative of at least one Affected Company per product category of the WEEE Directive; the number shall be limited to 12 members (14 members should a partner be allocated to the "Miscellaneous" segment). The members shall be selected in such a way that continuous work is ensured. A manufacturer can represent only one product category, even if it brings products from several categories on the market.

(2) The Technical Advisory Board shall elect a chairman and a vice-chairman from among its number. The chairman shall prepare and conduct the meetings of the Technical Advisory Board.

(3) The Technical Advisory Board will be informed regularly by the managing director of the status of the project work.

(4) The Technical Advisory Board shall ensure that the represented segments are informed of the results of its work.

§ 16 Disposition of partnership shares

(1) A partner may – subject to Para. (2) below – only dispose of its partnership shares with the consent of all partners.

(2) A disposition of partnership shares to an undertaking affiliated with a partner within the meaning of § 15 AktG shall not require the consent of the remaining partners.

§ 17 Contributions and financing

(1) Each partner shall pay a contribution amounting to € 5,000. The contribution of the Founding Partners shall be paid within five bank working days of the establishment of the account of the Partnership and communication of the account details by the Management. New partners must pay the contribution within five bank working days of their admission to the Partnership.

(2) Every partner – with the exception of ZVEI, Bitkom and Affected Associations – shall furthermore be bound to grant the Partnership a loan to be paid out at the request of the Management. The loan sum applicable to the individual partner is to be determined by the degree to which the partner is affected (within the meaning of § 1 Para. (2) of this Partnership Agreement) and the financing responsibility (within the meaning of Para. (4) below) of the segment or segments to which the partner belongs. The loan sum shall be determined by the representative or representatives of the segment or segments to which the partner belongs. The Management shall discover this sum from the segment representative or representatives upon receipt of an application for admission pursuant to § 1 Para. (3) of this Partnership Agreement and shall immediately inform the enterprise applying for admission thereof. The Management should only present an application for admission to the meeting of partners for a decision if the enterprise applying for admission has given a binding undertaking, by the start of the meeting of partners deciding on its admission, that it will grant the loan in the amount communicated to it. The loans shall be subject to interest at 3 % p.a. Payment of the interest and repayment of the loan should be effected equally for all partners. However, the Partnership shall only be bound to effect payments on interest incurred and to repay the loan to the extent it receives funds from the Joint Body for that purpose. If the Partnership ends before the Joint Body has been established, the loan and the interest incurred shall be settled equally from the liquidation surplus of the Partnership before other sums are distributed to partners. To the extent the liquidation surplus is not sufficient for that purpose, the partners hereby waive repayment of the loan and outstanding interest payments. The partners further undertake only to pursue the Partnership, and not the other partners as well, for payment of the interest or repayment. The Management should accept other forms of financing of equal value in place of a loan, in particular absolute guarantees, in which the right of recourse of the guarantor is subject to the same restrictions as the right of a lender to interest and repayment under the above provisions.

(3) The partners assume that any other financing of the Partnership will be secured by loans or other contributions, particularly of Affected Companies, regardless of whether or not these enterprises are partners. Contributions of non-partners which are subject to the conditions to which partners' loans or other financing forms of equal value are subject in accordance with Para. (2) above (such contributions together with the loans and other financing forms of equal value of partners are also referred to in this Partnership Agreement as "Financing Contributions") shall be imputed to the financing portion of a segment in accordance with Para. (4) below insofar as they are to be assigned. The assignment of the Financing Contributions of non-partners to the segments shall be effected by the Management. The last sentence of Para. (2) above shall apply analogously.

(4) The Financing Contributions should at least reach the sum that the Supervisory Board has budgeted for in its first meeting as the total costs of the Partnership. The Financing Contributions should be committed and paid according to demand by the

Affected Companies of all segments in accordance with the voting weight in the meeting of partners of the segment to which these enterprises belong. The segment representatives should strive to the best of their ability to ensure that the portion of the Financing Contribution applicable to their segment is paid.

§ 18 Remuneration

- (1) The members of the Supervisory Board and of the Technical Advisory Board and the segment representatives shall not receive any remuneration for their activity.
- (2) The Management shall receive a commercial remuneration to be negotiated between the Supervisory Board and the managing director.

§ 19 Profit and loss

The partners shall participate in the profit and loss of the Partnership in the ratio of the payments they have effected as Financing Contributions to the total payments made by partners as Financing Contributions.

§ 20 Exclusion of a partner

- (1) A partner may be excluded from the Partnership for good cause. This shall in particular be the case if this partner has through intent or gross negligence breached a substantive obligation under the Partnership Agreement or if the fulfilment of any such obligation has become impossible. The same shall apply if insolvency proceedings have been instituted on the assets of a partner. The insolvency of a partner shall therefore not lead to the dissolution of the Partnership.
- (2) Exclusion shall be by unanimous resolution of the partners. The partner in whose person good cause exists shall have no voting right in the resolution. The partner concerned shall withdraw from the Partnership upon adoption of this resolution. The Partnership shall be continued by the remaining partners.
- (3) Should a creditor of a partner seize the latter's partnership share, the partner concerned shall withdraw from the Partnership at the end of the second month after issuance of the order of attachment if the order of attachment is not cancelled within this two-month period; the Partnership shall be continued by the remaining partners.

§ 21 Settlement upon the withdrawal of a partner

The contributions paid by a withdrawing partner shall remain with the Partnership. The loan and Financing Contributions granted by the withdrawing partner shall be repaid as provided for under the respective terms and conditions. The withdrawing partner shall furthermore have no claim to participation in the assets of the Partnership.

§ 22 Settlement upon the termination of the Partnership

- (1) On dissolution of the Partnership, liabilities shall be paid and the assets distributed among the partners.
- (2) For the termination of pending transactions, the necessary entering into of new transactions and the maintenance and administration of the assets of the Partnership, the Partnership shall be deemed as continuing to exist if the purpose of the settlement so requires. The authority of the managing director to manage and represent shall to this extent continue beyond the dissolution of the Partnership.

§ 23 Final clauses

- (1) All disputes arising from this Partnership Agreement between the Partnership and the partners and between the partners themselves shall be finally decided in accordance with the Rules of Arbitration of the Deutsche Institution für Schiedsgerichtsbarkeit e.V.⁴ (DIS) to the exclusion of due legal process.
- (2) Amendments and additions to the Partnership Agreement must be made in writing (§ 126 BGB⁵). This shall also apply for cancellation of the requirement for written form. § 126a BGB shall not apply.
- (3) Should a provision of the Partnership Agreement be or become wholly or partially invalid, this shall not affect the validity of the Partnership Agreement and of its remaining provisions. The partners undertake to replace in the invalid provision with an economically sensible arrangement coming as close as possible to the economic purpose of the invalid provision such that the partners would have chosen it had they been aware of the invalidity or ineffectiveness. This procedure shall also be applied if the Partnership Agreement should contain a loophole requiring regulation.

⁴ German Institute of Arbitration

⁵ BGB: German Civil Code