

MANAGEMENT SUMMARY

LCM Legal

LCM Legal supports legal, revision and contract controlling departments in particular; with additional functions beyond those offered by the LCM Standard.

LCM Legal improves a company's information and documentation obligations and, as such, its internal control system. Internal control objectives are achieved efficiently with LCM Legal in the following areas:

- Compliance with laws and regulations
- Safeguarding of business assets
- Prevention, reduction and disclosure of errors and irregularities
- Ensuring reliability and integrity of accountancy
- Timely and reliable financial reporting

- Audit capacity through contractual relationships
- Prevention of confidential information and documents with a reliable history tracing

In order for financial reporting to comply with the Sarbanes Oxley Act (SOX), the application of a generally-recognized framework is required for the assessment of internal controls.

LCM Legal offers valuable support in the use of standardized procedures in the areas of risk assessment, and monitoring and control activities. The implications of SOX for capital markets, not only in the USA, are such that these applications must be considered in information and communication systems.

Functionalities LCM Legal

Contract Creation

One component of LCM Legal is designed to centrally direct and manage contract design and contract format. A qualitative improvement of contract preparation and an increase in the efficiency of the process are achieved with this feature.

Contract Checklist (Compliance Checklist)

In order for financial reporting to comply with SOX, the application of a generally-recognized framework is required for the assessment of internal controls. Standardized procedures, as incorporated in the contract checklist, can be used for the control of contract risk. LCM offers support for SOX 404 guidelines by making a revision-secure checklist available to users, for example, for contract preparation and contract authorization. This checklist can be defined in accordance with internal compliance guidelines and SOX guidelines.

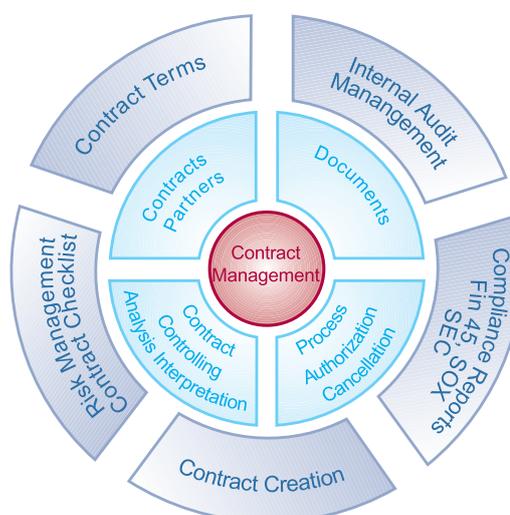
Contract Clauses

The filing of contract clauses to be tested or documented takes place directly in the LCM system. The contract content that must be documented according to company guidelines can be defined. This includes in particular clauses for:

- Contractual Liability
- Contractual Obligation
- Contractual Warranty

Compliance Reports

With the LCM Legal supplement, LCM Contract Controlling, you receive relevant standard reports, such as the Fin 45 Report. The requirements of the U.S. Securities and Exchange.



Compliance Processes

With LCM you have a tool that automates the processes of contract preparation, contract finalization, and contract management, as well as some areas of risk management. In particular, processes such as contract authorization, contract cancellation and contract checking are incorporated specifically in LCM according to contract type and are then available for use in accordance with the rights of each individual user.

Internal Audit

The internal audit is an integral component of the overall risk-monitoring of a company. An analysis of the operative and financial processes contributes significantly to intact corporate governance. LCM Legal assists in the preparation of specialized compliance reports. Based on these reports opportunities and risks can be accessed at any time in a transparent and comprehensible manner.

When confidential documents and information are exchanged and edited, e.g. in negotiating a contract, they are protected by revision-secure tracking of changes. All processes and transactions in the data space and at the work place are recorded, including read accesses to documents and reports.

LCM Legal supports legal, revision and contract controlling departments in particular in contract creation, management and verification of contracts through contract checklists and contract clauses. More information you can find in the white paper LCM Legal.

LCM Legal offers for legal, revision and controlling departments the customised complement for their contract management. With LCM Legal they have their specific contracts and contracts processes under control.

Product Suite LCM

The Product Suite LCM is a modularly designed solution for information, risk and contract management. In addition to the general functions for contract archiving, contract administration and contract control, the Product Suite LCM includes the additional functions for

organizational areas legal, purchase, real estate and corporate services. LCM offers fast amortization through the increase of efficiency for business processes, contributes to the audit capabilities of the company and adheres to compliance and corporate governance obligations.

The Quality Group (TQG)

The Quality Group stands for information and risk management through a integrated contract and risk management system with standardized controlling and reporting functions, operational excellence through the increase of transparency and efficiency for critical business processes and corporate compliance through adherence to legal obligations towards public authorities and shareholders.

The Quality Group is currently represented with four locations in Germany as well as in Europe and the USA by partners. TQG gains its

expertise from over 400 customer projects and 300 software installations.

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