

# DECLARATION OF COMPLIANCE

## **DECLARATION PURSUANT TO § 161 OF THE GERMAN STOCK CORPORATION ACT ON COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ITS VERSION DATED JUNE 14, 2007, RESPECTIVELY AS OF ITS VALIDITY IN ITS VERSION DATED JUNE 6, 2008, AT QSC AG**

Since its formation, QSC AG has been committed to good corporate governance and has viewed transparency and value-driven management as essential. Consequently, the company implements nearly all recommendations set forth in the German Corporate Governance Code and adheres to them in its daily work. Since submittal of its last Declaration of Compliance, the company has complied and continues to comply with the recommendations of the Government Commission "German Corporate Governance Code" in its version dated June 14, 2007, respectively as of its validity in its version dated June 6, 2008, with the following exceptions:

1. the recommendation to send notification of the convening of the General Meeting together with the convention documents to all domestic and foreign financial services providers, shareholders and shareholders' associations by electronic means if the approval requirements are fulfilled  
(Item 2.3.2 of the Code)
2. the recommendation that, based on the respective proposal of the committee dealing with the contracts of the Management Board members, the plenum of the Supervisory Board shall resolve upon the compensation system of the Management Board members including the material elements of the contracts and shall review it on a regular basis  
(Item 4.2.2, Paragraph 1 of the Code in its version dated June 6, 2008)
3. the recommendation that demanding, relevant comparison parameters shall be stipulated for stock options and comparable instruments for members of the Management Board  
(Item 4.2.3, Paragraph 3, Sentence 2, of the Code)
4. the recommendation that a possibility of limitation (cap) for extraordinary, unforeseen developments shall be agreed for stock options and comparable instruments for members of the Management Board  
(Item 4.2.3, Paragraph 3, Sentence 4, of the Code)
5. the recommendation when concluding contracts with members of the Management Board to mind that payments to a member of the Management Board in case of the premature termination of such Board members' contract for other reasons than material breach shall not exceed two annual payments (including benefits) and shall not exceed the sum of the salary which would have been paid in case the contract would not have been terminated prematurely  
(Item 4.2.3, Paragraph 4 of the Code in its version dated June 6, 2008)
6. the recommendation that the company shall publish information relating to the value of stock options for members of the Management Board in a compensation report  
(Item 4.2.5, Paragraph 2 of the Code)
7. the recommendation to take into account the performance of the company, as well as chair and membership positions on committees, in connection with compensation of the members of the Supervisory Board  
(Item 5.4.6, Paragraph 2 of the Code)
8. QSC will follow the recommendation to publicize interim reports within 45 days in 2009  
(Item 7.1.2 of the Code)

QSC's corporate governance principles are regularly reviewed by the Management und Supervisory Boards. The company will promptly publish any future changes thereto with respect to conformity with the German Corporate Governance Code on its website.

Cologne, December 11, 2008

For the Management Board  
Dr. Bernd Schlobohm

For the Supervisory Board  
Herbert Brenke