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Agreement related to the information and consultation of the employees of Daimler-Benz and its group of affiliated companies throughout Europe.

ARTICLE 1: GOALS AND OBJECTIVES OF THE AGREEMENT

The goal of this agreement is for the employees, both male and female in this case, of the enterprise Daimler Benz, which is part of the European Union and part of the European business community, to be informed and consulted through this agreement. This European-wide information and exchange of viewpoints between the central management and employees is a two-way understanding designed to promote cooperation and integration. The economic and social aspects of a common and joint relationship are important parts of a future-oriented corporate policy.

To this purpose, the overall business enterprise of Daimler Benz has closed an agreement which is related in Article 13, 94/45 of the European Union which was signed on the 22nd of March, 1994 for all employees of the umbrella company or overall enterprise of Daimler Benz which is part of the European Union and the European business economy. The employees in the United Kingdom are also part of this agreement.

ARTICLE 2: THE PROCESS

The information and consultation of the employees will be successful in two ways:

- (a) through the establishment of a European Work Council (this is pointed out through 12), and
- (b) through the distribution of the minutes from the meetings of the European Work Council to the management of the entire business enterprise and also to those that were not present at the European Work Council meeting.

Another area this will be disseminated to is, at the management request, to the employees and the employees who are elected representatives on the supervisory board as a basis for the decentralization of this information and also future consultation.

ARTICLE 3: THE COMPOSITION OF THE EUROPEAN WORK COUNCIL

The European Work Council will have altogether 30 members. Outside of Germany, the members of the business enterprise council will be composed of members of the business council who must also be members of the EUROPEAN WORK COUNCIL. At least ten members will be foreigners and the membership will follow particular rules and regulations. These are as follows:

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If there are over 500-1,500 workers in a country, there will be one deputy or alternate.

If there are 1,500-3,000 workers or employees in a particular country, there will be 2 deputies or alternates

If there are over 3,000-4,500 employees in a country, there will be 3 deputies or alternates

If there are over 4,500 employees in a country, there will be, as in the current number of 3,000 employees, the same ratio. There will be only one additional alternate member. This will be calculated, for the number of deputies or alternates in a country, will be based on the number of employees in the largest of the foreign operations of the Daimler Benz group with more than 250 employees distributed in a particular country.

ARTICLE 4: APPOINTMENT OF THE EMPLOYEE ELECTED REPRESENTATIVES ON THE SUPERVISORY BOARD FROM OUTSIDE OF GERMANY

The members of the Committee will be selected from the respective nations where there are already in existence employee elected representatives on the supervisory board. This can only be undertaken where the employees are already within the Daimler Benz group. If there is a country without an elected representative group on the supervisory board, then the naming to the Committee follows the national practices in agreement with those parties who originally were the contracting parties who signed this particular agreement. So far as a base for the legal rules, those of a district or region will come into effect and these can be dispatched or take place in the event of a disagreement. At that point, the management needs to be informed. At the same time, a substitute member of the Committee can be named and then promoted to the membership if a member of the European Work Council is either cut out or in some way prevented from participating.

ARTICLE 5: CHANGES TO THE EUROPEAN WORK COUNCIL

If there are changes during the time of duty on the European Work Council or if the company structure increases the number of employees, accordingly the European Work Council will also increase the number of members to a maximum of 34. This is based on the regulation described in Article 3. Again referring back to the first agreement listed on page 1. Before the beginning of the time of office, there will be a discussion between the European Work Council and the management regarding the size and the method of putting together of the Committee which was just newly negotiated and this will be done according to the regulations in Article 3 of the membership number 30.

ARTICLE 6: LENGTH OF THE MANDATE AND RESPONSIBILITIES OF THE MEMBERSHIP ON THE COMMITTEE

The length of service of members on the European Work Council will be four years. The length of service on the Committee, which is four years, will change on the national representative Committee. If that particular thing changes, then the term of the member of the European Work Council will also change, and the other instance where this could happen is if the employment relationship changes, therefore the time of duty on the European Work Council will also change. All foreign companies that are part of the member states of the European Union will be informed who out of these members will be there and which of the states will be present at the meeting are members of the European Work Council of Daimler Benz itself and how this membership was arrived at.

The current members of the European Work Council are all part of cross-border companies and this is important for the EUROPEAN WORK COUNCIL to be competent since primarily it is the spokesperson for the decentralization of information to the employee elected representative on the supervisory board and also to the foreign companies in the same member state.

ARTICLE 7: THE ORDER OF BUSINESS

The European Work Council will elect a Chairperson and up to three deputies or substitutes. The European Work Council has a quorum when the majority of its members are present and it makes resolutions with the majority of its members present. It applies or validates an evaluative voice corresponding to the current members who act on behalf of the employees.

ARTICLE 8: THE PRINCIPLES OF COOPERATION

The management and the European Work Council will work in a trusting and confident manner for the well-being of the Daimler Benz group and the employees representatives together. The members of the European Work Council are basically asked to undertake a confidentiality agreement (which is listed as ISD § 39 EBRG and this is a binding confidentiality. So far as information explicitly indicated as being confidential, this is in effect after the expiration of someone else term from the Committee. This is described in paragraph 131 of Section 3.5 which is the understanding again of confidentiality. The obligation to keep in confidence is in effect for guests (this is point number 9) for experts, and this could be outside consultant experts (point number 12), interpreters and translators (this is point number 9).

ARTICLE 9: MEETINGS OF THE EUROPEAN WORK COUNCIL WITH THE MANAGEMENT

The European Work Council states in its regulations or by-laws that once a year it will have a meeting and a discussion together. At this meeting the management will inform the members of the European Work Council about the items or points which are cited in Article 15 which are part of the topics relevant to items concerning cross-border business. The Chairperson will invite members during the meetings of the European Work Council. The date will be voted upon or selected that once during a business year there will be reporting, as much as possible. The location, time and agenda will be agreed upon with the management. After prior consultation with the management (this is the central management of the company), guests may be invited to the meeting. Meetings will be conducted in German, as much as possible; otherwise, they will be translated into other European languages.

ARTICLE 10: THE SELECT COMMITTEE

The Chairperson of the European Work Council and his or her deputies will form the Select Committee of the European Work Council. The Select Committee will prepare the minutes and the other material for the meeting and bring it at that time.

Between meetings of the European Work Council, the Select Committee will act as the interlocutor for the central management and this will relate also with the cross-border European business concerns as well. At the initiative of the Chairperson, the European Work Council will meet with the Select Committee to establish the meeting agenda for the European Work Council. This is according to point 9, section 1. There will also be joint meeting when unusual circumstances arise and if there are issues which have considerable consequences or repercussions on employees in crossborder businesses.

ARTICLE 11: THE COMMITTEES

If and when the need arises, an agreement with the central management of the company at the level of the business sector, there could be a Select Committee meeting with a maximum of six members (this is permitted under point 9, section 3) and this Select Committee could be set up under this particular point 9 and it would be considered valid in accordance with those regulations.

Under unusual circumstances, the considerable cross-border consequences, as they relate to the interest of the employees, can be discussed and, if necessary, there could be the establishment following an agreement of those who attended the meeting to establish an ad hoc Committee. At the meetings, the employee-elected representative to the supervisory board should participate in the business enterprise. It is important that both sides see the possibility of a putting-together of this ad hoc Committee, should that be desirable.

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ARTICLE 12: EXPERTS OR OUTSIDE EXPERTS

The European Economic Council and the overall Committee can, within the context of their work (this is permitted under point 9-11) retain experts of their choice. Insofar as this is in accordance with the regulation and fulfills their responsibility, the responsibility of the cost rests with Daimler Benz and is restricted or confined to an outside expert's costs.

ARTICLE 13: FUTURE DEVELOPMENT OF THE INFORMATION COMMITTEE TO FOSTER INTERNATIONAL COOPERATION

With cross-border cooperation within the Daimler Benz group with other, the Committee is permitted to consult with other employees in order to disseminate the information throughout the cross-border companies and also to encourage consultation through a Committee. Only those employees who are involved in the essential or the fundamental realization of the goal of cooperation will be participating. Details included in this are the unit cost and the current agreements which have been settled upon. As far as such information committees are formed, these are part of the business partnership not represented in the European Work Council of the Daimler Benz group.

ARTICLE 14: DECENTRALIZED INFORMATION AND CONSULTATION

The employees and the employee-elected representatives on the supervisory board will also take into account foreign operations and those operations which have no members dispatched to the European Work Council. Therefore, it is important to include them with regard to the dissemination of information and the contents of the meetings will need to be disseminated through current procedures listed under point 9 as well. To this goal, the contents of the discussions of the European Work Council with the management will also be put down in writing, in effect creating meeting minutes, and these will also be disseminated to the current representatives and to the management. This is an important part of the distribution of information and the translation of the minutes for the employee-elected representatives to the supervisory board who will also inform and further consult. In the event that there is no employee-elected representative to the supervisory board, then the employees will be informed and consulted directly on the basis of the minutes from the meeting. The members of the European Work Council will inform the employee-elected representative to the supervisory board and the employees of the enterprise that is the company enterprise unit from which they were dispatched or for which they are the representatives. Employee-elected representatives to the supervisory group and members of the European Work Council will have an understanding

about the cross-border questions and that will be part of the current understanding with the management or the individual members of the European Work Council itself. The current management will lead proposals and retrospective reports on the consultation and the further discussion with the management and the Committee of the European Work Council.

ARTICLE 15: INFORMATION AND CONSULTATION

The information and consultation covers the development of the business conditions and the different perspectives and viewpoints of the Daimler Benz group.

To this belongs the following subjects insofar as they have cross-border implications:

- the structure of the group;
- the economic and financial situation of the group;
- the anticipated development of the business,
- its production and market situation;
- the business situation and the outcome and production of future development which is anticipated of the company;
- its investments; its fundamental changes within the organization itself; its development of new work; its encouragement of production;
- the merger and size reductions or closures of business enterprise; and/or important parts of the company that affect its function such as
- mass dismissals
- or further abnormal circumstances which have considerable effects on the interests of the employees will also be considered.

ARTICLE 16: RELATIONSHIP TO THE NATIONAL EMPLOYEE-ELECTED REPRESENTATIVES OF THE SUPERVISORY BOARD

The rights and duties or roles and responsibilities of the national employee-elected representatives of the supervisory board will remain untouched through this agreement.

ARTICLE 17: SUPPORT FOR THE EMPLOYEE-ELECTED REPRESENTATIVES OF THE SUPERVISORY BOARD

The employees elected to the supervisory board will serve their mandate on the European Work Council. Work time which is lost due to attendance and participation in the meetings will be reimbursed. At the discharge of duties and responsibilities, the same protection will apply to the employee-elected representatives on the supervisory board following the rights and rules of the country in which the employees are located.

ARTICLE 18: EXPENSES

The necessary or required expenses of the European Work Council, its committees and the smaller committees will be carried or covered by Daimler Benz. Travel and overnight expenses, as well as compensation for the loss of earnings of the workers and members of the European Work Council, the committees and those who stand in as deputies or substitutes, will be reimbursed in accordance with the currently-valid company regulations.

ARTICLE 19: CHANGES AND ADDITIONS

The settlements completed in this agreement can with the European Work Council be amplified, amended or preserved when adjustments to the legal, actual or further design/development are necessary.

If a settlement of this agreement is not in accordance with the current and valid law and is therefore ineffective, the remaining regulations should be retained. Legally ineffective regulations will be replaced with the European Work Council through concurring legislative rules which are aimed at negotiating (a goal) at the next opportunity.

ARTICLE 20: CONCLUDING REGULATIONS

The agreement which came into effect the 20th of September, 1996, is part of the European Work Council from which the management, with notice of six months to the year end could give notice, or at the earliest however after the passage of six months cannot give notice. The agreement is valid and in effect for an indefinite period. The choice of procedure, according to points 3 and 4, can be prepared prior to the 20th of September and that is the time it was introduced and it was considered complete.

In the event of questions of an interpretive nature, the German text will be binding. This is according to the laws of the Federal Republic of Germany. In the place of jurisdiction for contesting parts of this agreement, the location's regulations will be those of the headquarters of Daimler Benz AG.

Stuttgart-Möhringen, 25th of July, 1996
Daimler Benz AG.

Konzernbetriebsrat : Feuerstein Hilbrink

Konzernleitung : Schrempp Dr. Gentz

Signed on behalf of the European Work Council following its constituting meeting, it was also signed by the Select Committee (Präsidium) of the European Work Council.

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To Art 1:

When another country joins the E.U. or the social protocol of the Maastricht Treaty, then this country will be included in the scope of this agreement by the latest at the time of joining (the E.U.).

To Art 3:

The central management accepts that with the putting together of the European Work Council the countries with less than 500 employees need to be taken into account, in case the number of members falls below 30. In this case, they will join with the dispatch of representatives (deputies) in foreign operations with more than 150 employees.

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To Art 5:

If a member of the European Work Council leaves the Committee and if following a change in the Company structure or a lower number of employees with a calculation according to point #3, there are no new representatives (deputies) then the number of members in the European Work Council can decrease.

To Art 14

“Business Enterprise” is a summary of different enterprises which on grounds of participating interest or through common industrial leadership (or direction) appear as one unit, and therefore have common employee elected representatives on the Supervisory Board Committee or with application of German Law would have (for example, Corporate Work Council).

In case problems of interpretation regarding the definition of “employee elected representative on the Supervisory Board” arise, a conjoint clarification between the contracting parties will be produced. After consultation with Central Management, the Minutes can also be passed on to the employee elected representatives to the Supervisory Board of enterprises in the Daimler-Benz Group and then passed on within the E.U. associated countries.

To Art 20

Central Management and the Corporate Works Council are in agreement in that the information and consultation with employees within the E.U. and the European business sphere is a big challenge. For this reason, Central Management and the European Works Council will mutually analyze and evaluate after 2 years the experience to date and should the occasion arise, they will discuss changes and additions (or amendments) to the agreement.

Stuttgart-Möhringen, 25th of July, 1996
Konzernbetriebsrat : Feuerstein Hilbrink

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