



### **Individual agreement on the validity of comprehensive retention of title rights**

1. HKS GmbH industrieller Hersteller von Kompensatoren und Schläuchen is hereinafter referred to as HKS.
2. In the following, a purchased item is understood to mean all goods and services delivered to the contractual partner by HKS under the business relationship between HKS and the contractual partner in the context of supply contracts.
3. HKS reserves ownership of the purchased item until all payments have been received. If the contractual partner behaves contrary to the contract, especially in the event of late payment, HKS is entitled to repossess the purchased item. Any repossession of the purchased item constitutes the withdrawal of HKS from the contract. HKS is entitled to dispose of the goods after their repossession and the proceeds of sale shall be deducted from the contractual partner's liabilities minus reasonable realisation costs.
4. The contractual partner shall handle the purchased item with care and shall, in particular, insure it at its replacement value at their own expense against damage by fire, water and theft. If maintenance and inspection work has to be performed, the contractual partner shall do this in a timely manner and at their own expense.
5. In the event of seizures or other interventions by third parties, the contractual partner must immediately notify HKS in writing so that HKS can bring an action in accordance with § 771 ZPO (Code of Civil Procedure). To the extent that the third party is not in a position to reimburse HKS for any of the court or out-of-court costs incurred in connection with a lawsuit pursuant to § 771 ZPO, the contractual partner shall be liable for any loss incurred by HKS.
6. The contractual partner is entitled to sell the purchased item within the course of normal business but shall, however, immediately assign to HKS all receivables to the amount of the sum invoiced (including VAT) that arise from their further sale to a customer or third party irrespective of whether the purchased item was resold without or after processing. The contractual partner remains authorised to collect this claim even after the assignment. The authority of HKS to collect the claim remains unaffected by this. HKS commits to refrain from collecting the claim as long as the contractual partner meets their payment obligations from the collected proceeds, has not caused any delay of payment and, in particular, there is no application for opening settlement or insolvency proceedings and there is no bankruptcy in effect. Should this, however, be the case, HKS may demand that the contractual partner disclose to HKS all information requested regarding the assigned claims and their debtors, provide all the information required for collection, surrender the related documentation and inform the debtors (third parties) of the assignment.
7. The processing or transformation of the purchased item by the contractual partner is always carried out for HKS. If the purchased item is processed with other objects that do not belong to HKS, HKS shall be co-owners of the new object at the ratio of the purchased item's value at the time of processing (final invoiced amount, including VAT) relative to the other processed items. The same provisions that apply to the delivered purchased item items under reservation shall also apply to the object created by the processing.



8. If the purchased item is inseparably mixed with other objects that do not belong to HKS, HKS shall be co-owners of the new object at the ratio of the purchased item's value at the time of mixing (final invoiced amount including VAT) relative to the other mixed items. If the mixing takes place in such a way that the item of the contractual partner must be regarded as the main item, it shall be agreed upon that the contractual partner shall transfer proportionate co-ownership to HKS. The contractual partner shall ensure the resulting sole ownership or joint ownership by HKS.
9. In order to secure its payables to HKS, the contractual partner shall also assign to HKS any receivables from third parties that may be due to them when the purchased item is combined with a piece of real estate.
10. HKS undertakes to release the collateral to which HKS is entitled at the request of the contractual partner insofar as the realisable value of the collateral exceeds the claims to be secured by more than 10%. HKS is responsible for selecting the securities to be released.

The contractual partner confirms to HKS the granting of the comprehensive retention rights (simple, extended and enhanced retention of title) for all orders from the business relationship, which have been agreed upon individually.

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(Place, date)

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(Company name of contractual partner)

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(Contractual partner: stamp, signature)