

Retention of Title

The following retention of title serves to secure all existing and future claims of HVL GmbH (hereinafter referred to as HVL) against the purchaser from the existing supply relationship between HVL and the purchaser for goods of HVL, including all balance claims from a current account relationship limited to the supply relationship.

- (1) The goods delivered by HVL to the purchaser shall remain the property of HVL until all secured claims have been paid in full. The goods as well as the goods which replace them in accordance with the following provisions and which are covered by the retention of title are hereinafter referred to as 'reserved goods'.
- (2) The purchaser must treat the reserved goods carefully, insure them adequately at its own expense and, if maintenance and inspection work becomes necessary, carry these out in good time at its own expense.
- (3) The purchaser shall be entitled to process and sell the reserved goods in the normal course of business. Pledges and security transfers are not permitted.
- (4) If the reserved goods are processed by the purchaser, it is agreed that the processing shall take place on behalf of and on the account of HVL as the manufacturer and that HVL shall directly acquire the ownership or – if the processing takes place using materials of several owners or the value of the processed object is higher than the value of the reserved goods – co-ownership of the newly created object in the ratio of the value of the reserved goods to the value of the newly created object. In the event that no such acquisition of ownership should occur at HVL, the purchaser shall now already transfer its future ownership or – in the above-mentioned relationship – co-ownership of the newly created item to HVL for security purposes. If the reserved goods are combined or inseparably mixed with other object(s) to form a single object and one of the objects is to be regarded as the main object, so that HVL or the purchaser acquires sole ownership, the party to which the main object belongs shall transfer to the other party a pro rata share of co-ownership of the uniform object in the relationship referred to in clause 1.
- (5) In the event of the resale of the reserved goods, the purchaser shall now already assign to HVL the resulting claim against the acquirer – in the case of co-ownership by HVL of the reserved goods pro rata according to the co-ownership share. The same shall apply to other claims that replace the reserved goods or otherwise arise in respect of the reserved goods, such as insurance claims. HVL hereby revocably authorises the purchaser to collect the claims assigned to HVL in its own name.

- (6) If third parties access the reserved goods, in particular in the case of distraint, the purchaser shall immediately inform them of the ownership of HVL and inform HVL thereof immediately in text form in order to enable HVL to enforce its property rights. If the third party is not able to reimburse HVL for the judicial or extra-judicial costs incurred in this connection, the purchaser shall be liable to HVL for these.
- (7) At the express request of the purchaser, HVL will release the reserved goods, as well as the goods or claims that replace them, if their value exceeds the amount of the secured claims by more than 20%. HVL may select the collateral to be released.
- (8) If HVL withdraws from the contract in the event of a breach of contract by the purchaser, HVL shall be entitled to demand the return of the reserved goods at the purchaser's expense. HVL may realise the retained reserved goods. The proceeds of the realisation shall be offset against liabilities of the purchaser after HVL has previously deducted a reasonable amount for the realization costs.