General Terms of Purchase of Herding GmbH Filtertechnik

1. Scope of validity

1.1. These Terms of Purchase apply exclusively to all companies within the meaning of Section 14 BGB (German Civil Code). Hereinafter, these are referred to as the Supplier.

1.2. These Terms of Purchase apply for all contracts which are subject to purchasing regulations under the Civil Code and the Commercial Code. If agreements are made in writing outside these terms, these are considered as supplementary.

1.3. These Terms of Purchase apply even if no explicit reference is made to their applicability in subsequent transactions.

1.4. Differing agreements and ancillary agreements require the written form to be valid. This also applies to amendment of this written form requirement clause.

1.5. In addition to these General Terms and Conditions of Purchase, the current Supplier Code of Conduct of Herding GmbH Filtertechnik applies.
(www.herding.com/en/compliance)

2. General Terms and Conditions of the suppliers

2.1. Our Terms of Purchase apply exclusively; other terms and conditions of the suppliers do not apply, even if we do not expressly object to them. Applicability of other terms and conditions requires our express written consent. Neither omitted objection nor payment for or acceptance of the goods do not constitute the acknowledgement of third-party general terms and conditions.

3. Supplier offers

3.1 If the respective offer of the supplier has been preceded with a request on our part, this must be referred to in the offer. The compliance with the specifications from our request must be confirmed in the offer. Deviations from our request must be indicated. If no explicit reference is made to our request, therein contained specifications shall be considered as tacitly accepted.

3.2 Unless agreed otherwise, the supplier offers must be free of charge and non-binding for us.

4. Order and order confirmation

4.1. Only written orders for goods and services are binding (including Fax and E-Mail). This also applies for order extensions, supplements and amendments.

4.2. Unless agreed otherwise, the orders are confirmed by the signature on a copy of our written order. The confirmation must be made within 3 working days after sending the order. We are entitled to cancel the order if we do not receive an order confirmation after the expiry of 5 working days.

5. Delivery deadlines

5.1. The delivery deadlines and place of performance specified in the order are binding. Unless expressly agreed otherwise in writing, the delivery periods start with the date on which the order was placed. Decisive for the compliance with the service deadlines is the arrival or provision of services on the agreed location.

5.2. The supplier shall inform us immediately and state the reasons in case of delay or failure to deliver. This also applies in case a delay or failure to deliver is imminent.

5.3. In case of delay in delivery we are entitled, subject to a reasonable grace period, to withdraw from the contract in whole or in part and/or claim for compensation.

5.4. In the event of claim for compensation, the supplier is entitled to demonstrate that it is not responsible for the delay.

5.5. If the supplier is in default of delivery, we shall be entitled to demand a contractual penalty of 0.2% of the net order value per commenced working day, max. 5% of the net order value, and/or withdraw from the contract. Other statutory claims, in particular compensation claims, taking into account the contractual penalty, remain reserved. The contractual penalties are considered forfeited only if the supplier demonstrates that there are no damages or significantly lower damages have been incurred. In the latter case, we may demand the compensation for actually incurred damages.

6. Liability

6.1. The supplier ensures that its service/deliveries correspond to agreed specifications. To ensure the quality, the supplier must perform an adequate quality inspection prior to delivery. At our request, the procedure and the results of the quality inspection must be documented in writing. Furthermore, the supplier ensures that its delivery/service comply with applicable statutory provisions and the regulations of the authorities, trade associations and professional associations. The supplier guarantees that all statutory specifications are complied with when transporting hazardous goods.

6.2. The Supplier warrants that all delivered products, substances, mixtures, components, articles and packaging comply with the applicable legal and regulatory requirements. This includes, in particular, the requirements of the REACH Regulation, the RoHS Directive, the POP Regulation and applicable restrictions or prohibitions regarding PFAS and other regulated substances. The Supplier shall immediately inform Herding of any substances contained in the products that are subject to declaration requirements.

6.3. The supplier warrants that the products supplied comply with all relevant safety, environmental and conformity requirements.

6.4. Our goods receipt inspection is restricted to obvious defects and discrepancies. If a defect is detected, the complaint is considered to be timely if made within 10 working days.

6.5. Under no circumstances do the payments for complained deliveries and services constitute a waiver of the right to complain.

6.6. Complained deliveries must be collected from us at the expense of the supplier. We reserve the right to store complained deliveries on site or externally at the expense and risk of the supplier.

6.7. To the extent that nothing to the contrary or supplementary is provided for in this Terms of Purchase statutory claims due to breach of obligations apply.

6.8. In the event of inadequate performance, the supplier shall also be liable for damages we have incurred in the ordinary course of business upon processing of the goods due to undetected defects in goods delivered.

6.9. Furthermore, the statutory deadlines for limitation periods for defect claims apply.

6.10. The supplier agrees to maintain a product liability insurance with a coverage of min. € 2.5 million per personal injury or property damage for the duration of the contractual relationship, inclusive guarantee and limitation period. The supplier must prove this to us upon request; lower coverages must be agreed with us in individual cases. This does not affect additional compensation claims.

6.11. If a delivery or service is defective, the supplier shall bear, in addition to the costs of supplementary performance, the expenses we incur in remedying the defect and its consequences. These include, in particular, the removal of the defective item and installation of the repaired or replacement item, service and assembly call-outs at our premises, at our customers' premises or at the end customer's premises, the inspection and rework of the affected quantities delivered, as well as transport and disposal costs.

6.12. We shall remedy the defect promptly, with due regard to the proportionality of effort and costs. Wherever this is possible without compromising operational safety, production or deadlines, the necessary measures shall be combined with call-outs that are already scheduled.

6.13. We shall invoice work performed by us at the rates we charge third parties for comparable services. The supplier shall be entitled to prove that individual services were not necessary or that the costs charged were excessive.

7. Invoicing and payment

7.1. Invoices must be submitted separately for each order. Collective invoices must be agreed separately. All invoices must be sent to the following address:

Herding GmbH Filtertechnik, August-Borsig-Straße 3, 92224 Amberg.

7.2. The payment is made upon receipt of a proper invoice and acceptance of defect-free goods within 14 days with 3% discount or net within 30 days.

8. Transport and packaging

8.1. Delivery is made at the expense of the supplier free of charge at the place of receipt specified by us. If it has been expressly agreed that we bear the freight costs, the supplier shall select the type of transport specified by us, otherwise the type of transport and delivery least expensive for us.

8.2. The risk is transferred upon acceptance through our place of receipt.

8.3. The packaging is included in the agreed purchase price. If exceptionally agreed otherwise, the supplier shall separately charge for the packaging at cost-price and, in this case the supplier shall choose, to the extent reasonable, the packaging specified by us. In this case, the supplier ensures that the packaging protects the goods against damages.

8.4. Partial deliveries by the supplier are permissible only if expressly agreed with us upon ordering or subsequently.

8.5. The supplier undertakes to comply with the applicable requirements of European and national packaging regulations, in particular the Packaging and Packaging Waste Regulation (PPWR).
Packaging must be reduced to the necessary minimum and designed to be recyclable or reusable wherever possible. Upon request, the Supplier must provide packaging data, information on compliance with specified substance restrictions (PFAS, heavy metals), and details regarding material composition, recycled content, and recyclability.

9. Retention of title

9.1. Since the goods we order pass into our products through handling or processing and as a result any retention of title is expired, all deliveries to us must be made free of such reservations and third-party rights (such as liens, other creditor rights from assignment of claims or transfer of security or other credit security, disposal of claims, lease purchase, lease-purchase agreement, etc.). Therefore, retention of title of the suppliers is expressly not acknowledged by us.

10. Force majeure

10.1. Force majeure, labour disputes, non-culpable disruption of operations, official measures and other comparable events we are unable to prevent and which are not caused by negligence on our part entitles us - without prejudice to other rights - to withdraw from the contract in whole or in part, unless they are of insignificant duration and lead to significant reduction in our requirements.

11. Confidentiality

11.1. The supplier is obligated to treat our orders and all associated commercial and technical details as business secrets. If a separate confidentiality agreement is concluded with the supplier, the latter's regulations take precedence, unless agreed otherwise. All documents handed over to the supplier for production of orders remain our property. Documents prepared by the supplier based on our specifications also become our property with the payment for the respective order and may not be duplicated or made accessible to third parties by the supplier. The documents must be immediately returned to us at our first request. This confidentiality obligation must be passed on to all legal representatives, employees and other third-parties used by the supplier to fulfil its obligations under our order.

12. Storage/Ownership

12.1. Materials we provide to the supplier remain our property. They must be stored separately according to labels and may be used only for our orders. The supplier is liable for impairment and loss of these materials. The processing or conversion by the supplier is made for us. All costs for items stored for us and stored provided materials is included in the purchase price.

13. Industrial property rights

13.1. The supplier is liable for the violation of industrial property rights arising from the contractual use of the delivered goods. If claims are asserted against us by a third party in respect of delivery/service of the suppliers due to alleged violation of industrial property rights and/or due to the violation of retention of title or other material rights to the items of delivery/service, the supplier is obligated to hold us harmless and indemnify us against these third-party claims (including reasonable legal prosecution and legal defence costs, expenses, fees, taxes, etc. as well as adequate advance payments) at our first request.

14. Documentation

14.1. Invoices, delivery notes and packing slip of the supplier must be enclosed with every delivery in a simple form. This document must contain the following:

- Order number and item number
- Quantity and quantity unit
- Gross, net and, if applicable, invoiced weight
- Item designation with our item number
- if agreed, factory certificates and certificates of analysis
- in addition, in case of delivery of hazardous goods, a safety data sheet according to EU Directives 91/155/EU and 1999/45/EU and the currently applicable adaptation guidelines as well as a data sheet in accordance with hazardous substances regulation together with the specific instructions with regards handling and storage.

14.2. If required under the law and regulations and/or agreed, certificates and documentation must be included in the scope of delivery free of charge. We reserve the right to pay for the invoices only after the receipt of the relevant document.

Please send the manual for the delivered product in German and English per link or by email to: doku@herding.de

The delivered manual must always correspond to the state-of-the-technology (laws, ordinances, guidelines, regulations, standards). The manual must consist of only one single PDF document. This one PDF file must contain all the documents.

If the manual has been requested in several languages, a separate PDF document must be provided for each language. The file designation of the manual must consist of our order number and our item number.

The manual must be available as PDF document upon arrival of your order confirmation, at the latest by the arrival of goods. The manual is a mandatory and required part of the ordered goods and is also passed on to our customers as part of our delivery obligations.

15. Other obligations of the supplier

15.1. The supplier is obligated to comply with all applicable statutory regulations and rules with regards accident prevention, employee and environmental protection during manufacturing.

15.2. The supplier undertakes to employ its employees according to currently applicable regulations of the Minimum Wage Act, in particular to pay them the minimum wage provided for in the Minimum Wage Act. If the supplier engages a subcontractor for fulfilling its contractual obligations, it agrees to also obligate them to compliance with Minimum Wage Act and provide proof thereof.

15.3. The supplier hereby confirms that it does not employ persons under the age of fifteen (15) or, in case of hazardous works, no persons under the age of eighteen (18) for the production of goods or provision of services (hereinafter referred to as “Child labour”). The supplier determines to a reasonable extent whether its suppliers use child labour in the manufacturing of goods or provision of services and after appropriate investigation confirms that to its knowledge none of its suppliers of goods and services use child labour. The Supplier hereby confirms that all personnel employed by the Supplier, now or in the future, for the manufacture and delivery of goods or provision of services do so voluntarily. The Supplier further confirms that neither it nor its suppliers knowingly use, or will knowingly use, forced labor.

15.4. The supplier hereby confirms that it does not use any illegal practices, such as financial donations or other gifts to our employees or their family members and shall not use such practices in the future in order to receive orders from us in return. In addition, the supplier agrees that if we determine that a violation has taken place, we shall inform the supplier accordingly and we are entitled to terminate the present contract without notice and that such termination is made for good cause. The supplier shall indemnify us for all liabilities resulting from the infringement of this provision on the part of the supplier and hold us harmless in this regard.

15.5. The supplier is aware that we exercise a high standard of care in protecting the environment. The supplier hereby confirms that it at least complies with environmental protection laws of the country in which it operates and in which the goods are manufactured or handled. In addition, the supplier agrees that if we determine that a violation of the law has taken place, we shall inform the supplier accordingly and we are entitled to terminate the present contract without notice and that such termination is made for good cause. The supplier shall indemnify us for all liabilities resulting from the infringement of this provision on the part of the supplier and hold us harmless in this regard.

15.6. The supplier agrees to comply with the currently valid Herding Supplier Code of Conduct. The current version of the Supplier Code of Conduct is available on the Herding GmbH Filtertechnik website.
The supplier must ensure that the requirements contained therein are also complied with by its upstream suppliers, subcontractors, and other agents, and that these requirements are passed on throughout the supply chain.
Upon Herding’s request, the Supplier must provide appropriate evidence of compliance with the requirements of the Supplier Code of Conduct.
Repeated or serious violations of the Supplier Code of Conduct constitute a breach of contract and entitle Herding to terminate the contractual relationship for good cause after a reasonable period of notice.

15.7. Herding is entitled to verify compliance with contractual requirements and legal obligations through self-reports, document reviews, or audits.

15.8. The supplier is aware that these confirmations and obligations are an integral part of the contract in accordance with Section 15 of this contract. The supplier indemnifies us for all liabilities resulting from the infringement of this provision on the part of the supplier or one of its suppliers with regards the goods or services used in the supply chain and holds us harmless in this regard. In addition, the supplier agrees that if we determine that a violation of this provision has taken place, we shall inform the supplier accordingly and that the supplier shall rectify this violation without delay. If we determine that the supplier has not rectified the violation, we shall be entitled to terminate this contract without notice.