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1.0 Change History

Revision	Date	Change Details	Who Changed
A	8/31/2018	Initial Release	Mike Cavinder
B	5/13/2021	Payment Terms from NET45 to NET60	Riley Hohman
C	2/17/2026	Added Sustainable Sourcing Reference	Mike Cavinder

2.0 Purpose

The purpose of this procedure is to define Core Molding Technologies Purchase Order Terms and Conditions

3.0 Scope

This procedure applies to all departments of the CMT facilities.

4.0 Reference Documents

10125	Supplier Quality Requirements
10113-001	Sustainable Sourcing

5.0 Quality Records required by this procedure

Record	Owner	Storage Location	Length of Storage	Index Method	Disposition

6.0 Process

CMT Purchase Order Terms and Conditions

1. ORDER ACCEPTANCE

(A) ALL CORE MOLDING TECHNOLOGIES, INC. AND ITS WHOLLY OWNED SUBSIDIARIES ("CMT") PURCHASE ORDERS ("PO(s)") ARE LIMITED TO THE TERMS AND CONDITIONS CONTAINED ON THE TRANSMITTED PO AND THIS SET OF TERMS AND CONDITIONS. ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY SELLER IN ANY QUOTATION, ACKNOWLEDGEMENT, OR ANY OTHER DOCUMENT, ARE DEEMED TO BE MATERIAL ALTERATIONS AND OBJECTION IS HEREBY GIVEN. ANY PROPOSED TERMS SHALL BE VOID AND THE TERMS CONTAINED WITHIN THE CMT TERMS AND CONDITIONS AND THE TRANSMITTED PO, SHALL CONSTITUTE THE COMPLETE AND EXCLUSIVE STATEMENT OF THE TERMS AND CONDITIONS OF THE CONTRACT BETWEEN THE PARTIES.

(B) If a purchase order has been issued by CMT in response to a Seller's quote, and if any of the terms contained within are in addition to or different from any terms of Seller's quote, then the issuance of the order by CMT shall constitute an acceptance of Seller's quote subject to the express condition that Seller agrees to the additional and/or different terms listed within CMT's Terms and Conditions unless otherwise specifically stated on CMT's PO.

(C) Unless otherwise stated on the purchase order, the period allowed for payment of Seller's invoices will begin with the receipt of a correct invoice or the date of the receipt of the material, whichever is later. Payment for each invoice will be net 60 days upon completion of the criteria previously listed, unless otherwise specified. Seller shall not be entitled to assess late interest

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payments or terminate this agreement unless seller first gives CMT written notice of the failure and five (5) days in which to cure such default.

2. ENTIRE AGREEMENT

CMT PO's constitute the entire agreement between the parties and is limited to the provisions contained within. No amendments or modifications to its provisions will be binding upon CMT unless in writing and signed by an authorized representative of CMT's Purchasing Department.

3. SOURCING LIMITATIONS

Unless CMT's order for goods to be delivered hereunder specifically provides that Seller shall produce one hundred percent (100%) of CMT's requirements for the goods, CMT shall have the right to obtain a portion of such goods from another third party source or from CMT's internal sources.

4. PRICE

(A) The price(s) detailed on CMT's purchase order are firm. Unless otherwise provided on the PO, these prices include all costs for packing, insuring, and transporting the goods ordered to the CMT facility referenced on the PO. CMT shall not be liable for any taxes or governmental charges or fees with respect to this order other than those which Seller is required by law to collect from CMT. All required taxes and fees shall be stated separately on Seller's invoice.

(B) Seller agrees to extend any price reductions necessary to give CMT the lowest and most favorable prices and terms offered or given by Seller to other purchasers of the goods and services described in the Purchase Order.

(C) Purchase Order pricing will not increase on parts and or services for the life (life of the product shall be defined as both production and service) of the product. Furthermore, the CMT may terminate this agreement at any time, without cause, by giving 30 days written notice.

(D) CMT will not pay sales tax directly to the seller. CMT will remit directly to the state of Ohio or South Carolina, depending on CMT location, due to its direct pay status with each of these states. A copy of CMT's State Sales Tax Exemption Certificate is available upon request.

5. INVOICES

All invoices and /or advanced shipping notices ("ASN") for material shipped pursuant to this order must reference the order number, amendment, or release number, CMT's part number, Seller's part number where applicable, quantity of pieces in shipment, number of cartons or containers, Seller's name, and bill of lading number, before any payment will be made for material by CMT. CMT reserves the right to return all invoices or related documents submitted incorrectly.

6. DELIVERY

TIME IS OF THE ESSENCE OF THIS ORDER. If delivery is not made at the time specified on the PO, CMT reserves the right to cancel the entire order or that part of the order not timely delivered, and to purchase elsewhere and hold Seller liable for all costs and damages incurred by CMT, including any and all liquidated damages and consequential damages suffered by CMT, regardless of whether or not Seller knew or had reason to know of the nature or amount of such consequential damages. Seller shall not make any material commitment or production arrangement in excess of the amounts, or in advance of the time necessary to meet CMT's delivery schedule for goods or services covered by this order. Any excess commitments or arrangements shall be made at Seller's own risk. CMT shall not be liable for goods shipped in advance of, or in excess of, scheduled deliveries.

7. SHIPPING

(A) Seller agrees (i) to properly pack, mark and ship goods in accordance with the requirements of CMT and the involved carrier in a manner to secure the lowest transportation cost; (ii) to route shipment in accordance with CMT's instructions; (iii) to make no charge for handling, packaging, storage, transportation (including duties, taxes, fees, etc.) or drayage of goods unless otherwise stated in this order; (iv) to provide with each shipment papers showing the order number, amendment or release number, CMT's part number, Seller's part number where applicable, quantity of pieces in shipment, number of cartons or containers in shipment, Seller's name and the bill of lading

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number; and (v) to promptly forward the original bill of lading or other shipment receipt for each shipment in accordance with CMT's instructions and carrier requirements. The marks on each package and identification of the goods on packing slips, bills of lading and invoices shall be sufficient to enable CMT to easily identify the goods purchased.

(B) For goods that may contain potentially hazardous and/or restricted materials, if requested by CMT, Seller shall promptly furnish CMT in whatever form and detail CMT requests (i) a list of all potentially hazardous ingredients in the goods, (ii) the quantity of one or more such ingredients, and (iii) information concerning any changes in or additions to such ingredients. Before shipping the goods, Seller agrees to furnish to CMT sufficient warning and notice in writing (including appropriate labels on the goods, containers and packing) of any hazardous material that is an ingredient or part of any of the goods, together with such special handling instructions necessary to advise the involved carriers, CMT, and their respective employees how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the goods, containers and packing shipped to CMT.

8. EXCUSABLE DELAY

(A) Subject to the provisions of subsection B below, Neither CMT nor Seller shall be liable for a failure to perform that arises from causes or events beyond its reasonable control and without its fault or negligence, provided, however, that the party claiming the excusable delay (excusable delay shall be defined as an unexpected event that can be classified as a "force majeure"; strikes and other labor related events, and inability to obtain parts or raw materials necessary to make the goods, whether or not now due to the failure to perform or breach of contract by a supplier of Seller, are specifically excluded from inclusion in this clause) must provide prompt notice of the delay after the event causing the delay has occurred. During the period of excusable delay or failure to perform by Seller, CMT at its option may purchase goods from other sources and reduce this order by such quantities without liability to Seller.

(B) Seller shall take all actions deemed reasonably necessary by Seller to ensure that in the event of a labor disruption, strike or worker slowdown, an uninterrupted supply of goods will be available to CMT in an area that will not be affected by any such disruption for a period of at least thirty (30) days. If upon request of CMT, Seller fails to provide within ten (10) days (or such shorter period as CMT requires) adequate assurances that any excusable delay will not exceed thirty (30) days or if any excusable delay lasts longer than thirty (30) days, CMT may terminate this order without liability.

9. PREMIUM SHIPMENTS

Premium shipping expenses and/or other related expenses necessary to meet delivery schedules shall be Seller's sole responsibility.

10. RISK OF LOSS

Notwithstanding any agreement concerning payment of freight expenses, delivery shall not have occurred and the risk of loss shall not have shifted to CMT until the goods or tooling or equipment have been delivered to CMT's applicable facility and have been accepted at that facility.

11. BAILED PROPERTY

(A) All supplies, materials, molds, machinery, equipment, patterns, tools, dies, jigs, fixtures, blueprints, designs, specifications, drawings, photographic negatives and positives, art work, copy layout, consigned material for production or repair and other items furnished by CMT, either directly or indirectly to Seller to perform this order, or for which Seller has been reimbursed by CMT (collectively, "Bailed Property"), shall be and remain the property of CMT and be held by Seller on a bailment basis. Seller shall bear the risk of loss of and damage to the Bailed Property and Seller at its own expense shall keep such Bailed Property insured for the benefit of CMT. The Bailed Property shall at all times be properly housed and maintained by Seller; shall not be used by Seller for any purpose other than the performance of this order; shall be conspicuously marked by Seller to identify it as the property of CMT; shall not be commingled with the property of Seller or with that of a third person and shall not be moved from Seller's premises without CMT's prior written approval. Seller, at its expense, shall maintain, repair and refurbish Bailed Property in first class condition. All replacement parts,

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additions, improvements and accessories for such Bailed Property shall automatically become CMT's property upon their incorporation into or attachment to the Bailed Property.

(B) Seller agrees that CMT has the right, at any time, with or without reason and without payment of any kind to retake possession of or request return of any or all Bailed Property. Upon the request of CMT, the Bailed Property shall be immediately released to CMT or delivered to CMT by Seller, either (i) F.O.B. transport equipment at Seller's plant, properly packaged and marked in accordance with the requirements of the carrier selected by CMT to transport such property, or (ii) to any location designated by CMT, in which event CMT shall pay Seller the reasonable cost of delivering such Bailed Property to such location. CMT shall have the right to enter onto Seller's premises at all reasonable times to inspect the Bailed Property and Seller's records with respect thereto. When permitted by law, Seller waives any lien or other rights that Seller might otherwise have on any of the Bailed Property for work performed on such property or otherwise.

(C) Seller acknowledges and agrees that (i) Seller has inspected the Bailed Property and is satisfied that the Bailed Property is suitable and fit for its purposes, and (ii) CMT HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY OR REPRESENTATION WHATSOEVER, EITHER EXPRESS OR IMPLIED AS TO THE FITNESS, CONDITION, MERCHANTABILITY, DESIGN OR OPERATION OF THE BAILED PROPERTY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. CMT will not be liable to seller for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, by the Bailed Property, including, without limitation, the use or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or for any loss of business whatsoever or howsoever caused, including, without limitation any loss of anticipatory damages, profits or any other indirect, special or consequential damages.

12. PREVENTIVE MAINTENANCE

(A) Seller agrees to provide CMT with a complete and comprehensive preventive maintenance plan for equipment which also includes proper machine safeguarding systems prior to final acceptance at CMT's facility. The preventive maintenance plan shall include, but not be limited to, one complete set of maintenance and operating manuals for all equipment and systems purchased by CMT (including one in a foreign language, if required by CMT), as well as a detailed bill of material.

(B) Seller agrees to escrow a complete copy of the source codes for any software incorporated in the equipment purchased hereunder pursuant to an escrow agreement with a third party mutually acceptable to CMT and Seller to be accessed by CMT in the event of (i) a filing of voluntary or involuntary petition to have Seller declared bankrupt; (ii) the appointment of a receiver or trustee for Seller; (iii) the execution by Seller of an assignment for the benefit of creditors; (iv) insolvency of the Seller; or (v) the Seller's inability to promptly provide CMT with adequate and reasonable assurance of timely performance; provided, however, that in the case of any involuntary petition or appointment referenced in sub-paragraphs (i) and (ii) above if the same is not vacated or nullified within fifteen (15) days of such event.

13. INSPECTION AND ACCEPTANCE

All goods and services purchased by CMT shall be subject to inspection and acceptance by CMT after delivery notwithstanding any payment. All CMT purchased goods and services are subject to procedures as detailed in the Nonconforming Material section of the CMT Supplier Quality Requirements Manual. Seller shall be liable to CMT for any special, incidental or consequential damages of any nature that arise from the performance of this contract or from the breach of any express or implied warranties, including, but not limited to, lost profit, overhead, increased operating costs, loss of use, loss of production, promotional or manufacturing expenses, loss of customers or business goodwill, labor, tear down, de-installation, re-installation, subcontract expenses, or claims of CMT's customers.

14. PRODUCTION PART APPROVAL REQUIREMENTS

With respect to orders for production parts, Seller agrees to meet the full requirements identified in the CMT Specific Requirements (PPAP) section of the CMT Supplier Quality Requirements Manual.

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15. INSPECTION OF SELLER'S FACILITIES

CMT shall have the right to enter Seller's facility at reasonable times to inspect the facility, goods, materials and any property of CMT covered by this order. CMT's inspection of the goods, whether during manufacture, prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work-in-process or finished goods.

16. WARRANTY

(A) Seller warrants that all goods and services furnished to CMT: (i) will fully conform with the specifications, drawings, samples or other descriptions set forth or referred to on the PO and in the CMT Supplier Quality Requirements Manual, (ii) will be new, merchantable, and fit for the use intended by CMT, (iii) will be free from defects in material, workmanship, and manufacture. Seller's warranty on one time buy services and goods shall be effective for a period of (1) one year from the date of acceptance by CMT, unless otherwise agreed upon. Seller's warranty on purchased parts for manufacturing product shall be effective for a period of (3) years from the date of acceptance by CMT. Seller's warranty will apply to CMT, its customers and users of its products.

(B) In addition to other rights available at law, CMT may, at its option, return to seller, for full credit, any goods that do not meet the warranties specified above or require correction or replacement of such goods or services, all at Seller's risk and expense. Packing, and shipping shall be at Seller's cost.

(C) Seller warrants that it will, whenever possible, use commercially available parts of the highest industry quality, and will supply a detailed bill of materials listing all parts, Seller further agrees that it will comply with all specific product sourcing directions of CMT.

17. CHANGES

CMT reserves the right at any time to direct changes, or cause Seller to make changes, to the design (including drawings and specifications) processing, methods of packing and shipping and the date or place of delivery of the goods covered by this order or to otherwise change the scope of the work covered by this order including work with respect to such matters as inspection, testing or quality control, and Seller agrees to promptly make such changes. Seller shall not make any change in this order without the written approval of CMT's Purchasing Department or as otherwise specified. Any such changes shall be deemed not to affect the time for performance or cost unless Seller notifies CMT's Purchasing Department within ten (10) days of receipt by Seller of notice of any change order. Seller shall consider and advise CMT of the impact of a design change on the system in which the product covered by this order is used. Nothing in this Section shall excuse Seller from proceeding with the order as changed.

Without CMT's prior written approval, Seller shall not change (i) any third party to Seller of services, raw materials or goods used by Seller in connection with its performance under this order, (ii) the facility from which Seller or such supplier operates, or (iii) the nature, type or quality of any services, raw materials or goods used by Seller or its suppliers in connection with this order.

18. INTELLECTUAL PROPERTY INDEMNITY

Seller warrants that the goods purchased under the PO, (including manufacture, sale, and use of such goods), do not infringe any third party patent, copyright, trademark, trade secret, or other proprietary right ("Intellectual Property"). Seller agrees to defend, indemnify, and hold harmless CMT, its employees, agents, distributors, dealers, affiliates, customers and users from all liabilities, obligations, costs, and expenses (including attorneys' fees and costs), claims or demands for actual or alleged infringement of any Intellectual Property arising from the purchase, use or sale of goods required by the order.

19. INDEMNIFICATION

(A) Seller agrees to defend, indemnify and hold harmless CMT and its employees, agents, distributors, dealers, affiliates, customers, and users from all liabilities, obligations, damages (including special, consequential, punitive and exemplary damages), costs and expenses (including attorneys' fees and costs) incurred by CMT as a result of all claims, demands, actions, or judgments

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(including those related to personal injury or death, or damages to property) arising out of or in connection with Seller's performance of this order. Seller shall carry and maintain insurance coverage satisfactory to CMT to cover the above, and upon CMT's request, shall furnish CMT with evidence of such insurance in a form satisfactory to CMT. Such indemnity shall apply whether an indemnitee is claimed to be passively, concurrently, or actively negligent and regardless whether liability without fault is imposed on one of the indemnitees.

(B) If Seller performs any work on CMT's premises or utilizes the property of CMT, whether on or off CMT's premises, Seller shall indemnify and hold CMT, its directors, officers and employees harmless from and against any liabilities, claims, demands or expenses (including attorneys' fees and costs) for damages to the property of or injuries (including death) to CMT, its employees or any other person arising from or in connection with Seller's performance of work or use of Purchaser's property except to the extent of any such liability, claim or demand arising out of the sole negligence of CMT.

20. TERMINATION WITHOUT CAUSE

(A) CMT may terminate this order, in whole or in part, at any time with or without cause upon written notice to seller. Upon receipt of this notice, the Seller shall stop work immediately and terminate all orders and sub-contracts that pertain to this termination.

(B) Upon receipt of termination pursuant to this Section, Seller, unless otherwise directed in writing by CMT, shall (i) terminate immediately all work under this order; (ii) transfer title and deliver to CMT the finished work, the work-in-process, and the parts and materials which Seller produced or acquired in accordance with this order and which Seller cannot use in producing goods for itself or for others; (iii) settle all claims by subcontractors approved by CMT hereunder, if any, for reasonable actual costs that are rendered unrecoverable by such termination; (iv) take actions reasonably necessary to protect property in Seller's possession in which CMT has an interest and (v) upon CMT's request, cooperate with CMT in effecting the resourcing of Seller's goods and/or services covered by this order to a different supplier designated by CMT.

(C) Upon termination by CMT under this Section, CMT shall pay to Seller purchase order price for finished good and a pro rata price for any work in process which falls within the guaranteed parts time frame as defined by this project, not to exceed 60 days. This is regardless of whatever commitments said supplier may have made for their raw material.

21. INSOLVENCY

CMT may immediately terminate this order without liability to Seller in the event of the happening of any of the following or any other similar or comparable event: (i) insolvency of Seller; (ii) filing of voluntary petition in bankruptcy by Seller; (iii) filing of an involuntary petition in bankruptcy against Seller; (iv) appointment of a receiver or trustee for Seller; (v) or execution of an assignment for the benefit of creditors of Seller, provided that such petition, appointment or assignment if made or filed involuntarily against Seller is not vacated or nullified within fifteen (15) days of such event.

22. CANCELLATION FOR DEFAULT

(A) CMT may cancel this order immediately, in whole or in part, in the event Seller breaches any term or condition of this order, and / or fails to meet the on-time delivery for the product or service specified on the PO. Seller shall continue to supply any portion of this order not cancelled.

(B) If such cancellation should occur, at CMT's request, Seller will transfer title to, and deliver to CMT: (i) any completed goods; (ii) any partially completed items and (iii) all unique materials and tooling. Prices for partially completed goods and unique materials and tooling accepted shall be negotiated; however, in no event shall such prices exceed the previously established order price for these goods.

23. TRADEMARK AND TRADE NAME INFRINGEMENT

Seller agrees, at Seller's expenses, to remove, to CMT's complete satisfaction, CMT's corporate name and / or CMT's customer's corporate name, trademarks, patent numbers, and all other references to CMT from all goods rejected or cancelled by CMT, or purchased or produced by Seller in excess of Quantities specified by CMT, whether these goods are completed or partially completed, delivered,

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tendered for deliver, or undelivered, prior to disposition of such goods to parties other than CMT, or to destroy such goods. Seller acknowledges that any sale of goods bearing CMT's trade name and / or CMT's customer's trade name, and / or trademark, to other than CMT is an infringement of CMT's and / or CMT's customer's proprietary rights in its trade name and / or trademarks and is an attempt by Seller to "pass off" the goods of others as the goods of CMT and / or CMT's customer's.

24. CONFIDENTIAL INFORMATION

All information furnished or disclosed to Seller by CMT in connection with this order, which is identified as "Confidential" or "Proprietary", is received with the understanding that it shall remain the property of CMT and shall not be disclosed to any third party without written consent from an authorized representative of CMT. Seller shall not use any such information for any purpose other than to perform the order. Seller will return (upon demand), all confidential information to CMT upon completion by Seller of its obligations. These obligations will continue to be a requirement for the seller in the event of termination or expiration of contract.

25. INVENTIONS AND PROPRIETARY RIGHTS

(A) If CMT furnished or supplied Seller with any designs, drawings, specifications, blueprints or other materials which contain proprietary information, Seller shall not disclose or use for the benefit of Seller or others such designs, drawings, specifications, blueprints or other material including any copies thereof, except with the written approval of CMT.

(B) Seller agrees: (i) to defend, hold harmless and indemnify CMT and its customers against all claims, demands, losses, suits, damages, liability and expenses (including attorneys' fees and costs) arising out of any suit, claim or action for actual or alleged direction or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, copyright or industrial design right or other proprietary right by reason of the manufacture, use or sale of the goods or services ordered, including infringement arising out of compliance with specifications furnished by CMT or for actual or alleged misuse or misappropriation of a trade secret resulting directly or indirectly from Seller's actions; (ii) to waive any claim against CMT and its customers, including any hold-harmless or similar claim, in any way related to a claim asserted against Seller or CMT for infringement of any patent, trademark, copyright or industrial design right or other proprietary right, including claims arising out of compliance with specifications furnished by CMT; and (iii) to grant to CMT a worldwide, nonexclusive royalty-free, paid-up irrevocable license with the right to grant sublicenses to affiliates, to repair and have repaired, to reconstruct and have reconstructed, to make or have made the goods ordered hereunder. Seller hereby assigns to CMT all right, title and interest in and to all inventions, trademarks, copyrights, industrial design rights and other proprietary rights in any material created for and paid for by CMT under this order. Technical information and data furnished to CMT in connection with this order are disclosed on a non-confidential basis.

(C) All copyrightable works of original authorship (including but not limited to computer programs, technical specifications, documentation and manuals), ideas, inventions, (whether patentable, patented or not), know-how, processes, compilations of information, trademarks and other intellectual property (collectively, "Deliverables") shall be original to Seller and shall not incorporate any intellectual property rights (including copyright, patent, trade secret, mask work, or trademark rights) of any third party.

(D) All Deliverables which are created in the course of performing this order (separately or as part of any products), and all intellectual property rights in Deliverables, are owned by CMT and not by Seller. Seller agrees that all works of original authorship created by Seller in connection with this Agreement are "works made for hire" as that term is used in connection with the U.S. Copyright Act. To the extent that, by operation of law, Seller owns any intellectual property rights in the Deliverables, Seller hereby assigns to CMT all rights, title and interest, including copyrights and patent rights, in such Deliverables.

(E) Seller grants to CMT an irrevocable, nonexclusive, worldwide license with the right to grant sublicenses to affiliates to any technical information, know-how, copyrights and patents owned or controlled by Seller or its affiliates reasonably necessary for CMT to make, have made, use and sell any goods provided by Seller under this order. The license shall be effective from the first delivery of goods under this order. For a period of two (2) model years from Seller's first delivery of goods under

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this order, CMT shall pay to Seller a “reasonable royalty” for such license, which is acknowledged by Seller to be included in the price paid by CMT to Seller for the goods. In the event CMT sources the goods from a party other than Seller, CMT shall pay Seller a “reasonable royalty” for a period of two (2) model years from the date of Seller’s first delivery of goods and thereafter, CMT’s license shall be royalty free, fully paid up, permanent and irrevocable.

(F) Seller shall ensure that any subcontractors to Seller shall have contracts with Seller in writing consistent with the terms of this section.

26. FINANCIAL AND OPERATION CONDITION OF SELLER

Seller will permit CMT and its representatives to review Seller’s books and records concerning compliance with this order and Seller’s overall financial condition. Seller agrees that if Seller experiences any delivery or operational problems, CMT may, but is not required to, designate a representative to be present in Seller’s applicable facility to observe Seller’s operations. Seller agrees that if CMT provides to Seller any accommodations (financial or other) that are necessary for Seller to fulfill its obligations under this order, Seller will reimburse CMT for all costs, including attorneys’ and other professionals’ fees, incurred by CMT in connection with such accommodation and will grant access to CMT to use Seller’s premises, machinery, equipment and other property necessary for the production of goods covered by this order under access agreement.

27. ASSIGNMENT AND SUBCONTRACTING

Seller shall not subcontract any of its duties under this order without CMT’s prior written approval. CMT or CMT’s representative shall be afforded the right to verify at any subcontractor’s premises and Seller’s premises that subcontracted product conforms to specified requirements. Such verification shall not be used by Seller as evidence of effective control by CMT of quality by subcontractor. Verification by CMT shall not absolve Seller of the responsibility to provide acceptable product nor shall it preclude subsequent rejection by CMT. Notwithstanding the foregoing, Seller remains fully liable for any work subcontracted.

If CMT approves Seller’s subcontracting of any of the work under this order, Seller will ensure that the subcontractor agrees to be bound by the terms and conditions of this order.

28. COMPLIANCE WITH LAWS

Seller guarantees that all goods delivered under the terms of the order, will be produced, packaged, labeled, and shipped in compliance with all applicable laws. Seller agrees to comply with all Federal, State, County, and Municipal laws, rules, codes, executive orders and regulations applicable to provide all materials and services detailed in the order. Seller agrees to hold harmless CMT and its employees, agents, affiliates, customers, and users from any liability arising from Seller’s inability or failure to comply with these laws.

29. NAFTA

Suppliers must provide NAFTA (North American Free Trade Agreement) Certificate of Origins to CMT Purchasing on an annual basis. Suppliers shall provide additional NAFTA forms, upon written request of an authorized CMT Purchasing representative. In the event that supplied NAFTA documentation is incorrect and / or fraudulent resulting in penalties and / or fines, whether incurred by CMT and / or its customers, the supplier responsible for the documentation shall be held liable for any such penalties and / or fines.

30. GOVERNING LAW

CMT orders shall be interpreted in accordance with and governed by the laws of the State of Ohio, excluding its conflict of law rules. Any litigation arising out of this order shall be brought in the state or federal courts located in Franklin County, Ohio, and the parties consent to the jurisdiction over them by such courts. Any legal action with respect to any transaction must be commenced within one (1) year after the cause of action has arisen.

31. HEALTH, SAFETY AND ENVIRONMENTAL

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Seller warrants goods, when delivered, will conform to all federal and state safety and health requirements. Seller agrees to supply CMT with current Materials Safety Data Sheet (MSDS) for any material subject to OSHA's Hazardous Communication Standard.

Whenever a supplier's or contractor's representative(s) enters a CMT facility, the supplier's or contractor's representative(s) must follow all the health, safety and environmental rules applicable to the CMT facility that is visited. Any CMT supplier or contractor may request and be provided a copy of CMT's Environmental Awareness form and Contractor Safety Rules form. Under no circumstance may a supplier or contractor bring any chemical, substance or compound onto CMT grounds or into a CMT facility without explicit and advance authorization from the facility's Purchasing Department.

32. RIGHTS AND REMEDIES

All rights and remedies of CMT specifically set forth in this order shall be in addition to any other or further rights and remedies provided by law or in equity. Failure of CMT to insist upon strict performance of any term or condition of this order shall not be deemed to be a waiver of CMT's rights and remedies.

33. ADVERTISING

Seller shall not refer to CMT in advertising or public releases without CMT's prior written approval.

35. SETOFFS

In addition to any right of setoff or recoupment provided by law, all amounts due to Seller, or its subsidiaries or affiliates shall be considered net of indebtedness or obligations of Seller, or its subsidiaries or affiliates to CMT or its subsidiaries or affiliates, and CMT or its subsidiaries or affiliates may setoff against or recoup from any amounts due or to be come due from Seller, or its subsidiaries or affiliates to CMT or its subsidiaries or affiliates however and whenever arising.

An "affiliate" of a party means any other company which controls, is controlled by, or is under common control with such party. For purposes of this definition, the term "control" means the ownership, directly or indirectly, of twenty percent (20%) or more of the capital or equity of a company or the ability, by voting securities, contract or otherwise to elect a majority of the board of directors or other governing body of such company.

If an obligation of Seller or its subsidiaries or affiliates to CMT is disputed, contingent or unliquidated, Purchaser may defer payment of the amount due until such obligation is resolved.

36. BLANKET PO VENDOR SCHEDULES

(A) CMT's estimated 12-month usage for a purchased part used directly in manufacturing shall be available to Suppliers upon written request. CMT currently intends to, but does not guarantee, that it will purchase such estimated usage quantities. CMT's failure to purchase its estimated usage and quantities shall not create any liability for CMT, and Seller is not entitled to any bill-backs or price adjustments if CMT's actual order levels are below the estimated levels.

(B) CMT Supplier Vendor Schedules are sent out during the first business week of every month and updated as needed. The first 8 weeks of each forecast shall be considered firm; the second 8 weeks show forecast figures which are not firm orders, and are to be used by Seller for planning purposes only and shall not infer any liability to CMT.

37. TOOLING PAYMENT TERMS

The following terms shall apply for tooling payments on all programs unless otherwise stated on the RFQ, and/or CMT purchase order. All payment terms are net 45 days after receipt, and approval of invoice. If there are any questions on payment terms, the supplier shall ask for clarification at the time of quoting.

(A) 30% of original cost at approval of CMT purchase order, (start of project).

(B) 30% of original cost at 50% of project. CMT Tooling Engineering, Program Manager and Advanced Planning Manager must approve seller's invoice.

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(C) 20% of original cost at successful completion of Equipment Run-At-Rate at CMT (or first trial run if part is purchased part). CMT Tooling Engineering, Program Manager, and Advanced Planning Manager must approve seller's invoice.

(D) 20% of original cost after successful completion of 100% PPAP approved by CMT's customer. CMT Tooling Engineering, Program Manager and Advanced Planning Manager must approve seller's invoice.

If 100% PPAP is not approved after 90 days from customer's launch date, and there is no fault of the Seller, payment may be considered for approval.

38. TERMS & CONDITIONS MODIFICATION

(A) The aforementioned Terms and Conditions may be modified as necessary without notification of Suppliers subject to said Terms & Conditions.

(B) It shall be the responsibility of Suppliers doing business with CMT, Inc. to periodically check the posted web site for any modifications to the Terms & Conditions.

39. Our Commitment to Human Rights

We pride ourselves on our commitment to the protection of Human Rights. We do not knowingly associate or do business with any individual or company that participates in any of the following: exploitation of children or child labor, physical punishment, forced, involuntary or compulsory labor, unlawful discrimination and human trafficking. Consequently, we choose business partners dedicated to the health and safety of their workers and who abide by these same core principles. We obey all local laws regarding minimum employment age and will not employ anyone under the age of 18 in our manufacturing facilities.

40. All suppliers to Core Molding Technologies are expected to be in compliance with the CMT Sustainable Sourcing policy stated in CMT document 10113-001. If needed, please contact CMT to request CMT document 10113-001.