3M GOVERNMENT MARKETS TERMS AND CONDITIONS OF SALE (3/20/14)
APPLICABLE TO PRODUCTS AND SERVICES ORDERED BY PRIME CONTRACTORS OR RESELLERS THROUGH 3M GOVERNMENT MARKETS

The following Terms and Conditions apply to the sale of products and furnishing of services by 3M Government Markets and Buyer, by ordering products and services subject to this quotation, the Buyer agrees to be bound and comply with these Terms and Conditions.

1. Definitions. The following definitions apply unless otherwise specifically stated:

a) "Buyer" – The customer/purchaser identified in the quotation to which these Terms and Conditions are attached or referenced.
b) "Seller" – 3M Company (3M"), "3M Government Markets", a Delaware corporation with its principal place of business at 3M Center, St. Paul, Minnesota 55144.
c) "Quotation" – The written quotation provided by 3M to Buyer relating to the sale of products and/or furnishing of services and to which these Terms and Conditions are attached.
d) "Terms and Conditions" – These General Terms and Conditions of Sale Applicable to Orders for Products and Services of 3M Government Markets and as may be amended from time to time in writing.
e) "Order" – A purchase order or a blanket purchase order with releases or similar instrument by which Buyer may place orders for products and services under the Quotation with Seller.
f) "Party" and/or "Parties" – Buyer and/or Seller as appropriate in the context in which the word is used.

2. Ordering. For the convenience of Buyer, Buyer may place orders for products and services under the Quotation with a purchase order or a blanket purchase order with releases against such purchase order or similar instrument. Acceptance of any Orders placed by Buyer, either by written acknowledgement or by shipment of product or performance of services, does not constitute acceptance by Seller of any of the terms and conditions of such Orders, except as to identification and quantity of products or services involved. Seller's acceptance of any Orders and the sale of products and services are limited to the quotation and these Terms and Conditions and any other material terms or conditions from the Buyer are expressly rejected.

3. Pricing. Pricing is as provided in the Quotation. Pricing quoted is for the total quantity and release dates provided in the Quotation. Any changes in quantity or release dates may result in a change in pricing. Pricing does not include applicable federal, state, and local taxes and duties, if any. Pricing is for standard packaging and labeling only for ordinary ground transportation unless specified otherwise in the quotation. Additional charges may apply for air shipments, special packaging, government required labeling or RFID tagging. No other price warranty or guarantee is made, regardless of any terms and conditions requested by the Buyer or on Buyer's purchase documents.

4. Terms of Payment. Net 30 days from date of 3M invoice, unless otherwise stated in writing by 3M.

5. Disclaimer of Warranty, Limited Remedy, and Important Notice. 3M MAKES NO WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTY ARISING OUT OF A COURSE OF DEALING, CUSTOM, OR USAGE OF TRADE. If the 3M product is proved to be defective, THE EXCLUSIVE REMEDY, AT 3M'S OPTION, SHALL BE TO REFUND THE PURCHASE PRICE OF OR TO REPAIR OR REPLACE THE DEFECTIVE 3M PRODUCT. User is responsible for determining whether the 3M product is fit for a particular purpose and suitable for the user's method of application. Please remember that many factors can affect the use and performance of a 3M product in a particular application. The materials to be bonded with the product, the surface preparation of those materials, the product selected for use, the conditions in which the product is used, and the time and environmental conditions in which the product is expected to perform are among the many factors that can affect the use and performance of a 3M product. Given the variety of factors that can affect the use and performance of a 3M product, some of which are uniquely within the user's knowledge and control, it is essential that the user evaluate the 3M product to determine whether it is fit for a particular purpose and suitable for the user's method of application.

6. Limitation of Liability. Except where prohibited by law, SELLER SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE TO BUYER FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, REVENUE, BUSINESS, OPPORTUNITY, OR GOODWILL) RESULTING FROM OR IN ANY WAY RELATED TO SELLER'S PRODUCTS OR SERVICES. This limitation of liability applies regardless of the legal or equitable theory under which such losses or damages are sought including breach of contract, breach of warranty, negligence, strict liability, or any other legal or equitable

theory. This limitation of liability does not apply to claims for personal injury by a third party or direct damages due to breach of a material obligation of the Quotation.

7. Order Changes and Cancellation. Make To Order (MTO) and Non-Standard items are non-cancelable and non-returnable. They can only be cancelled if they have not yet been processed by the Customer Service Representative. Stocked products can be cancelled up until the day they are expected to ship.

8. Returned Goods Policy. Returns are subject to Seller's then current Returned Goods Policy. In all instances, authorization must be received from your 3M Government Markets customer service representative before any returns will be accepted.

9. Compliance with Laws. Seller agrees that in performance of the Order it will comply with all applicable federal, state, and local laws and ordinances.

10. Excusable Delays. Seller shall not be liable for its failure to perform if performance is prevented, restricted, or interfered with by reason of fire or earthquake or other casualty or accident; inability to procure materials, power, or supplies; or war or other violence; any law, order, proclamation, regulation, ordinance, demand, or requirement of any government agency, court or intergovernmental body; or any other act or condition whatsoever beyond the reasonable control of Seller. Seller, when so affected and upon giving notice to Buyer, shall be excused from such performance to the extent of such prevention, restriction or interference; provide that Seller shall use its reasonable efforts to avoid or remove such causes of nonperformance and shall continue performance with the utmost dispatch whenever such causes are removed.

11. Not a Requirements Contract. Seller will use commercially reasonable efforts to fill Orders properly placed and accepted. The Quotation, however, is not a requirements contract. In the unlikely event of back-order or other limited supply of a product, Seller will make the product available in a manner it determines to be equitable under the circumstances.

12. U.S. Government Agency Contracts. For Orders which reference a United States Government agency prime contract number, the following additional terms and conditions apply:

a. 3M primarily sells commercial items as defined in FAR 2.101. For Orders which reference a U.S. Government agency prime contract number, or are otherwise identified as a U.S. Government subcontract, the following clauses as in effect on the date of the Order are hereby incorporated by reference in these Terms and Conditions only to the extent that they are applicable based on their FAR or DFARS prescription:

I. The clauses in FAR 52.212-5(e) when the Buyer's government contract is for commercial items/services or in FAR 52.244-6 when the Buyer's government contract is for noncommercial items/services.

Additionally, when the Buyer's government contract is with the Department of Defense:

II. The clauses required to be flowed down to subcontracts for commercial items per DFARS 252.244-7000, except for DFARS 252.225-7009 - Restriction of Acquisition of Certain Articles Containing Specialty Metals, DFARS 252.227-7013 - Rights in Technical Data--Noncommercial Items and DFARS 252.227-7015 - Technical Data--Commercial Items which must be separately negotiated if applicable.

b. All other U.S. Government agency contract provisions are rejected. Acceptance of additional government contract provisions, including country of origin provisions, must be explicitly agreed upon in writing by the 3M Government Contract Administrator. Acceptance of any order placed by Buyer does not constitute acceptance by 3M of any other government contract provision listed on purchase order documents or Buyer terms and conditions. 3M rejects any Buyer provision pertaining to most favored customer pricing. 3M requires its suppliers to provide goods that conform to all design, performance and production requirements, do not infringe on a third party's intellectual property rights, are new, authentic, and not counterfeit, and comply with all applicable laws and regulations. Therefore, 3M specifically rejects any customer counterfeit terms and conditions. Except for technical data accompanying a product such as instruction manuals, technical data is not normally a deliverable for 3M. Technical data provisions must be separately negotiated.

c. 3M is a large business under FAR Part 19 and the rules of the Small Business Administration. Buyer warrants that in supplying 3M products in response to any government contract solicitation that has been set-aside for small business, Buyer will comply with FAR Part 19 (or similar state or local government small business requirements) and the Nonmanufacturer Rule, including, without limitation, ensuring that any necessary waiver has been approved in accordance with 13 CFR §121.1204.

d. Termination for Buyer's Convenience. (This section 12.b replaces section 7 above.) If buyer's prime contract is terminated by the Government or is so changed by the Government as to necessitate termination of the Order, Buyer shall have the right to terminate the Order or any part thereof for its convenience by written notice to Seller. Buyer shall terminate by delivering to Seller a notice of termination specifying the extent of termination and the effective date. In the event of such termination, Seller shall immediately stop all work and shall immediately cause any and all of its suppliers and subcontractors to cease work. Seller shall be paid a percentage of the Order price reflecting the percentage of the work performed prior to effective date of termination, plus reasonable charges Seller can demonstrate to the satisfaction of Buyer using Seller's standard record keeping system, that have resulted from termination. If the termination of the Order is partial, Buyer and Seller shall negotiate an equitable adjustment to the price of the continuing part of the Order. Seller shall not be required to comply with the Government cost accounting standards or Government contract cost principles. This provision does not give Buyer or the Government any right to audit Seller's records. Seller shall not be paid for any work performed or costs incurred, which reasonably could have been avoided.

13. Waiver. Any failure or delay by either Party in exercising any right or remedy provided by or relation to the Quotation or these Terms and Conditions in one or more instances does not constitute a waiver and shall not prohibit a Party from exercising such right or remedy at a later time or from exercising any other right or remedy available.

14. Severability. If any provision of the Quotation or these Terms and Conditions shall, for any reason, be held invalid, illegal, or unenforceable by a court or tribunal of competent jurisdiction, such provision shall be deemed severable and such invalidity, illegality, or unenforceability shall not affect any other provision of the Quotation or these Terms and Conditions which shall be enforced in accordance with the intent of this Agreement.

15. Assignment. Buyer shall not assign, transfer, or delegate any of its rights, duties, interests, or obligations under the quotation without the prior written consent of Seller. Seller expressly reserves the right to terminate the Quotation on: (a) the sale of all or substantially all the assets of Buyer or (b) the sale or transfer of the entire business or substantially all the stock of Buyer. Any such assignment, transfer, or delegation without Seller's prior written consent shall be void and cause for termination of the Quotation.

16. Dispute Resolution and Choice of Forum. The Parties agree to resolve any questions, claims, or disputes arising from or relating to the Quotation or products or services sold under the Quotation by the following sequence of dispute resolution methods. Except as otherwise provided in subsection (c) below, these methods are exclusive and shall be fully exhausted before the commencement of any litigation.

a) Negotiation and Mediation. The Parties shall attempt in good faith to resolve any such questions, claims, or disputes promptly by negotiations between executives who have authority to settle the matter within a reasonable time of a Party's written request for a meeting, which shall include a detailed written explanation of the question, claim, or dispute and a proposed resolution. Such negotiations shall be held at a mutually acceptable time and location, and as often thereafter as the Parties deem reasonably necessary to exchange information and to attempt to resolve the matter. If the question, claim, or dispute has not been resolved by negotiation, then the Parties shall attempt to resolve the matter by non-binding mediation. Such mediation shall be conducted at a mutually acceptable time and location using a neutral mediator having experience with the industry in accordance with the rules of The Center for Public Resources. All negotiations and mediation pursuant to this subsection are confidential and shall be treated as compromise and settlement negotiations for purposes of Federal or State Rules of Evidence or other applicable rules of evidence.

b) Litigation. If the Parties cannot resolve the question, claim, or dispute as provided in subsection (a) above, then, as a last resort, either Party may commence litigation; provided, however, that any lawsuit filed by Buyer against Seller shall be commenced in a federal or state court of competent jurisdiction in Ramsey County, Minnesota and any lawsuit filed by Seller against Buyer shall be commenced in a federal or state court of competent jurisdiction for the county and state of Buyer's principal place of business as stated in the Quotation. EACH PARTY IRREVOCABLY WAIVES ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY QUESTIONS, CLAIMS, DISPUTES, OR LITIGATION ARISING FROM OR RELATING TO THE QUOTATION OR PRODUCTS OR SERVICES SOLD UNDER THE QUOTATION.

c) Equitable Relief. Nothing in this Section 16 shall preclude either Party from taking any action necessary to prevent immediate and irreparable harm to it.

17. Changes. Changes in the Quotation and the Terms and Conditions can only be made by the written agreement of authorized representatives of the Parties. No part of the Quotation and the Terms and Conditions may be amended, modified, supplemented, or waived in any manner whatsoever (including course of dealing or of performance or usage of trade) except as mutually agreed upon in writing signed by authorized representatives of the Parties.

19. Complete Agreement. The Quotation and these Terms and Conditions constitute the entire agreement between the Parties and supersede and terminate any and all prior agreements and understandings, whether written or oral, between the Parties with respect to the subject matter of the Quotation. Each Party agrees that it has not relied on any representation, warranty, or provision not expressly stated in the Quotation and the Terms and Conditions and that no oral statement has been made to either Party in any way tends to waive any of the terms of the Quotation or the Terms and Conditions. The Quotation and Terms and Conditions are intended by the Parties to be the final, complete, and exclusive statement of all terms and conditions. If Buyer places subsequent orders for the same product and price based on this quotation, these Terms and Conditions apply to the subsequent orders, even if the original quote is not referenced.