

PURCHASE ORDER TERMS AND CONDITION

- 1. Delivery and Acceptance.** Time of delivery is of the essence of this contract. Buyer reserves the right to refuse any goods and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or quantity ordered. Acceptance or any part of the order shall not bind Buyer to accept future shipments nor deprive it of the right to return goods already accepted.
- 2. Risk or Loss.** Delivery shall not be deemed to be complete until goods have been actually received and accepted by Buyer. Seller shall give prompt notice to Buyer whenever delivery is likely to be delayed.
- 3. Defects.** By accepting this order Seller acknowledges that the goods covered by this order are satisfactory for the purpose of manufacturing as intended by Buyer, if disclosed and that any defect in such goods may occasion special damages to the Buyer.
- 4. Conforming Goods.** Acceptance of all or any part of the goods shall not be deemed to be a waiver of Buyer's right either to cancel or to return all or any portion of the goods because of failure to conform to order or by reason of defects, latent or patent, or other breach of warranty, or to make any claim for damages, including manufacturing costs and loss of profits or other special damages occasioned by the Buyer. Such rights shall be in addition to any other remedies provided by law.
- 5. Carriage and Delivery Instructions.** All goods being purchased shall be delivered FRANCO to specified delivery address at Seller's sole expense and risk. All goods supplied under the Purchase Order must be delivered carriage paid unless otherwise stipulated in the Purchase Order. Packages are to be clearly marked with the Purchase Order number and any other marking requested by Buyer. A packing note is to be enclosed with each package and a delivery advice note is to accompany the goods.
- 6. Provision of Service.** Seller is an independent contractor and not an employee or agent of Buyer. Seller shall at its own expense provide all labor, materials, permits, equipment, and whatever else may be required to fulfill this terms and conditions.
- 7. Price and Payment.** Price are firm and not subject to escalation and shall include all corporate and any other applicable taxes (excluding VAT or PPN which shall be separately identified by valid *Faktur Pajak*), insurance cost, delivery charges, and customs dues. Seller shall submit the Invoice only after the goods have been delivered and/or the services completed and accepted by Buyer. Each of such Invoice must be accomplished by all supporting documentation signed by Buyer's authorized personnel and valid *Faktur Pajak*. Buyer shall pay such completed Invoice with required supporting document(s) within term stipulated in Contract or Purchase Order. Invoice to be specified with proper bank account number. Incomplete Invoice shall be returned to Seller.
- 8. Safety.** Seller shall be responsible for the safety of all persons engaged on the work and all persons who may be affected by activities of Seller and shall comply with all Buyer's safety regulations and procedures and with applicable safety legislation.
- 9. Audit.** The seller shall maintain true and correct set of records pertaining the goods and services for a period of not less than 24 (twenty-four) months after the final payment and shall allow Buyer to access and audit such records upon reasonable request.
- 10. Assignment and Subcontracting.** Seller shall not assign or subcontract any part of the Contract or Purchase Order without prior written approval of Buyer.
- 11. Taxes.**

- a. Seller shall pay all taxes assessed against it in connection with the performance of this Purchase Order and agrees to indemnify and hold Buyer harmless against any and all claims or liability for any taxes, including but not limited to PPH, Goods and Service Tax (PPN or VAT), withholding, income, excess profits, corporate, dividend, and other taxes and any fines, penalties, and interest thereon assessed.
- b. Buyer may, without liability to Seller, withhold any taxes from payments made by Buyer to Seller pursuant to this Purchase Order, to the extent that such withholding may be required by the country of operations or any political sub-division thereof or by the government of any other country. Buyer shall provide Seller with the original receipts from the appropriate authorities with respect to all withholdings.
- c. If any Value Added Tax (VAT) is imposed on any goods or services supplied under this Purchase Order by the relevant Indonesian authorities, 3M shall pay for the VAT under each invoice in the event that the Seller has complied with the following:
 - (i) The Seller is duly registered by the relevant Indonesian authorities to collect such VAT;
 - (ii) The appropriate VAT for each invoice is included under the relevant invoice at the time of the issuance of the invoice; and
 - (iii) All invoices provided by the Seller to 3M to comply with the relevant Tax laws (including Law No.42 of 2009) enforced by the Indonesian authorities

The Seller hereby agrees that no VAT amount shall be due and payable by 3M unless the Seller has complied with the provisions of this Clause. The parties agree to use reasonable efforts to do anything required by the relevant Tax law to enable or assist the other party to claim or verify any input tax credit, set off, rebate or refund in respect of any VAT paid or payable in connection with goods or services supplied under this Purchase Order.

- 12. Patent Infringement.** Seller agrees to indemnify Buyer and hold it harmless from and against all liability, loss, damage and expense, including reasonable counsel fees resulting from any actual or claimed trademark, patent or copyright infringement, or any litigation based thereon, with respect to any part of the goods covered by this order, and such obligation shall survive acceptance of the goods and payment therefore by the Buyer.
- 13. Warranty.** Seller expressly warrants that the goods covered by this order are of merchantable quality and satisfactory and safe for consumer use. Acceptance of this order shall constitute an agreement upon Seller's part to indemnify and hold the Buyer harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by Buyer by reason of the failure of the goods to conform to such warranties. Such indemnify shall be in addition to any other remedies provided by law.
- 14. Packing.** All goods, wrappers and containers must bear markings and labels required by applicable state laws and regulations for the protection and safety of persons and property and Seller warrants that prices include all charges for packing, crating and transportation to Buyer's vicinity. Damage to goods caused by poor quality packing shall be for account of Seller.
- 15. Regulatory Compliance.** Unless expressly agreed in writing, Seller shall be responsible for obtaining any Import/Export License from the relevant Government Authority(ies) (if required), and complying with all regulations governing the admission/export of the items into the country of destination and for payment of all customs duties, port dues, and other charges and taxes. For the avoidance of doubt, it is also the responsibility of the Seller to obtain the relevant Export License where the goods are purchased by the Buyer for export purposes and the Buyer reserves the right to cancel the order in the event any Export License is not obtained (where required) for goods purchased from the Seller for export by the Buyer or due to circumstances beyond the Buyer's control.
- 16. Data.** Seller shall not use or disclose any data, designs, or other information belonging to or supplied by or on behalf of Buyer, except in the performance of this or other orders for Buyer. Upon Buyer's request such

data, designs, or other information and any copies there of shall be returned to Buyer. Where Buyer's data, designs, or other information are furnished to Seller's suppliers for procurement of supplies by Seller for use in the performance of Buyer's orders, Seller shall insert the substance of this provision in its orders. All design, drawings, specifications, and information which may be supplied in connection with the Purchase Order are confidential and shall only be used for the purpose of fulfilling or carrying out the requirements to the Purchase Order.

- 17. Labor Disputes.** Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this order, Seller shall immediately give notice thereof to Buyer.
- 18. Chemical Substances.** Seller shall warrant that all chemical substances constituting or contained in the product(s) sold to the Buyer under this purchase order are included on the list of chemical substances compiled and published by the Ministry of the Environment under the Poisons Act
- 19. Entire Agreement.** This Purchase Order contains the entire agreement of the parties. It shall be governed and interpreted in all respects in accordance with the laws of the Republic Indonesia. It may not be modified or terminated orally, and no claimed modification, termination or waiver shall be binding on Buyer unless in writing signed by a duly authorized representative of Buyer. No modification or waiver shall be deemed effected by Seller's acknowledgement or confirmation containing other or different terms. All title to clauses contained in this order are for identification only and shall not be construed as being a substantive part of the agreement. Buyer shall have the right to terminate or cancel all or any part of this Terms and Conditions at any time with effect from date specified in the written notice. In full settlement, Buyer shall pay Seller for price of all goods and/or services properly supplied to the date of termination or cancelation. Seller shall attempt to mitigate all costs and damages resulting from such termination/cancelation on a best efforts basis.
- 20. Ownership.** *3M will provide information, to Seller to assist in providing Services. They are referred to as "3M Information" and belong to 3M. Information, databases, or materials conceived of by Seller specifically for 3M in connection with performing the Services also belong to 3M. They are referred to as "Deliverables". Information, databases, or materials originally developed by Seller or its agents belong to Seller. They are referred to as "Seller Materials". Materials, information, equipment or databases provided by 3M to assist Seller in performing Services belong to 3M and are referred to as "3M Materials". 3M owns the Deliverables. Seller must assign to 3M all of its rights to the Deliverables, including patent, copyright, industrial design, trademark, layout design of integrated circuit, trade secret, and moral rights.*
- 21. Compliance with laws and policies.**
- a. *Compliance. Seller represents, warrants and covenants that Seller and its affiliates, owners, officers, directors, employees, agents, subcontractors, consultants, and representatives will perform all of Seller's obligations under this Purchase Order in compliance with all: (a) national country, local, state, and international statutes, rulings, regulations, ordinances, and governmental directives, including, without limitation, those pertaining to anticorruption (example: U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and applicable EU, OECD and Council of Europe anti-bribery rules), competition, regulation of trade, the environment, transportation, safety, health, and employment (collectively referred to as "Laws") that apply to 3M, Seller, either party's business, and the 3M products and/or services to which this Purchase Order relate; and (b) standards of business conduct ("Policies") that are consistent with 3M's Business Conduct Policies located at www.3m.com/businessconduct ("3M Policies"). If Seller or relevant other entity does not have Policies that are consistent with 3M Policies, then all references in this Article to "Policies" will mean "3M Policies"*
 - b. *Anti-Bribery.*
 - (i) **Prohibited Payment.** *Seller represents, warrants and covenants that Seller and its affiliates, owners, officers, directors, employees, and Agents have not made, and will not make or offer to make, any loan, gift, donation or payment, or transfer of any other thing of*

value (collectively referred to as a “**Prohibited Payment**”) in connection with this Purchase Order or any other business transaction involving 3M, either directly or indirectly, to: (a) or for the benefit of a “Government Official” (as defined below); (b) any family member of a Government Official; (c) any officer, director, employee or representative of 3M, an anticipated or current 3M customer, or any affiliate of either, for that person’s personal benefit; or (d) any other person or entity if the Prohibited Payment’s purpose is to influence a decision or action related to this Purchase Order or to the purchase, prescription, or use of a 3M product or 3M service.

- (ii) **Government Official.** “Government Official” means: (a) any employee or officer of a government, including, without limitation, any federal, regional or local department, agency or instrumentality of a government, or an enterprise owned or controlled, even in part, by a government; (b) any official or employee of a political party; (c) any official or employee of a public international organization (such as the World Bank or United Nations); (d) any person acting in an official capacity for, or on behalf of, any entity identified in subparts (a) (b) and (c); and (e) any candidate for political office. Seller represents, warrants, and covenants that: (i) no owner, partner, officer, director, employee, agent or representative of Seller or of any Seller affiliate is now a Government Official or will become a Government Official during this Purchase Order’s term; and (ii) no family member of any of those individuals is now a Government Official or will become a Government Official during this Purchase Order’s term.
- (iii) **Business Entertainment & Gifts.** The Parties intend that no Prohibited Payment will be made with the purpose or effect of public or commercial bribery, acceptance of, or acquiescence in, extortion, kickbacks or other unlawful or improper means of obtaining, directing or retaining business.
- (iv) **Seller Agents.** Seller may use an Agent only with 3M’s prior written consent, which will be conditioned, among other things, on Seller’s assistance in conducting 3M’s due diligence/integrity assessment to verify the proposed Agent’s identity, qualifications, ethical nature, compensation to be paid, services to be performed, and other relevant information. If 3M consents to use of an Agent, Seller will obtain Agent’s written agreement to: (a) comply with the same obligations as are stated in this Article; and (b) specifically grant 3M the audit rights stated above.
- (v) **Seller Records.** Seller will maintain Records that accurately, fairly, and in reasonable detail, reflect all transactions and disposition of funds under this Purchase Order for the audit time period stated above. Seller will maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions and disposition of funds are properly recorded and authorized.

C. General Obligations

- a.i) **Ongoing Obligations.** Seller covenants that: (a) all representations and warranties in this Article will remain true and accurate during this Purchase Order’s term; and (b) Seller will immediately notify 3M if there is any change in Seller’s control or ownership.
- a.ii) **Disclosure, Parties’ Relationship.** 3M may disclose this Purchase Order’s existence and terms at any time to a third party that 3M’s office of general counsel determines has a legitimate need to know that information. The Parties’ relationship is that of independent contractors. Seller is not a 3M employee, agent, partner or joint venture. Seller has no right or authority to act for, or bind, 3M, including any authority to create a 3M obligation, responsibility or liability.
- a.iii) **Seller will perform all of its obligations under this Purchase Order in compliance with all laws applicable to Seller and its business, including, without limitation, those pertaining to environmental, hazardous waste disposal, transportation, employee safety and health, labor matters, and employment practices. Seller will maintain environmental, health and safety, transportation, ethics, human resources and labor programs and management systems that are consistent with 3M Supplier Responsibility Code regarding EHS, Transportation, Labor/Human Resources, Ethics, Management Systems and Supplied**

Materials available at <http://multimedia.3m.com/mws/media/12045670/3m-supplier-responsibility-code.pdf>. Seller will not provide products or services to 3M that use labor: (a) resulting from mental or physical coercion, physical punishment, slavery, human trafficking or other oppressive labor conditions; and (b) from workers younger than 16 years of age, if local law permits, or employees younger than 18. In addition, Seller will only use workers between 16 and 18 years of age to perform Seller's obligations under this Purchase Order if Seller implements and maintains any additional working conditions needed to adequately protect their safety and health.

- 22.** *This Purchase Order is provided in Bahasa Indonesia and English language that in event of any discrepancy between them, Bahasa Indonesia version shall prevail.*