



## TERMS & CONDITIONS for GOODS OR SERVICES SUPPLIED TO 3M

### 1. General

- 1.1 The following terms and conditions (“**PO Terms**”) together with specific conditions specified in a purchase order (“**PO**”), specifications or technical descriptions of products or services, other similar descriptive materials or other related documents (if any) are incorporated as the entire agreement (“**Contract**”) between 3M (Thailand) Limited/3M Innovation Thailand Limited (altogether, “**3M**”) and the entity whose name appear on in front of the PO (“**Supplier**”). If there is any inconsistency between these PO Terms and any other document or form of communication between Supplier and 3M, these PO Terms shall prevail unless expressly otherwise agreed in writing by both parties.
- 1.2 Supplier shall be deemed to have agreed to supply the goods or services under the PO placed by 3M on the earlier of: (a) Supplier issuing written acceptance/responding through email of it; or (b) any act by Supplier being consistent with fulfilling the PO. In the event that Supplier has no response to 3M within 2 days after the date of the PO, it is regarded as Supplier accepts such the PO automatically.
- 1.3 3M may make changes to the PO including to specifications or technical descriptions of the products or services, other similar descriptive materials or other requirements, place of delivery, by giving written notice to Supplier. The parties shall then agree on an equitable adjustment in the price or date of delivery (if necessary).
- 1.4 Supplier agrees not to sell the goods or services made specifically to 3M’s specifications or technical product descriptions to any person within 3M’s prior written consent.
- 1.5 Supplier agrees to comply with 3M Supplier Responsibility Code available at <http://multimedia.3m.com/mws/media/12045670/3m-supplier-responsibility-code.pdf>, the Code of Conduct available at [https://www.3m.com/3M/en\\_US/ethics-compliance/code/](https://www.3m.com/3M/en_US/ethics-compliance/code/) and other policies announced by 3M from time to time (if any).

### 2. Price & Payment

- 2.1 The price of the goods or services is as stated in the PO. Unless otherwise specified in the PO, the price shall be inclusive of all charges for packing, packaging, transportation, insurance and delivery of the goods and/or the services to 3M.
- 2.2 All invoices of the goods or services issued by Supplier must bear 3M’s PO number. 3M shall make a payment under the invoice within a period agreed between the parties from its receipt of the correct and complete sets of invoice and related documents.

### 3. Pre-Delivery Inspection

- 3.1 3M has the right to inspect any materials and process for manufacturing the goods or performing the services and to test any samples, the goods services, before their delivery to 3M.
- 3.2 If a result of the inspection or test shows that the goods or services are not in accordance with the PO Terms, 3M shall have the right, without prejudice to any other remedies available to it (including the right of rejection under Clause 6. below), to cancel the PO without any liability whatsoever to Supplier.

### 4. Quality of Materials and Workmanship

- 4.1 Without prejudice to any other rights 3M may have, Supplier warrants to 3M that:
  - (a) the goods are conform with the PO Terms, be properly packed and secured, ready for use, in good working order and free from defects in material, workmanship and design, of satisfactory quality and fit for the purpose for which they are required, comply with applicable industrial standards, laws and regulations relating to the manufacture and sale of the goods, documentation provided by Supplier provide an accurate guide to use and maintenance of the goods and accurately reflect the functionality of such goods; and
  - (b) the services are performed by appropriately qualified and trained personnel with all due care and diligence to the highest standard of quality prevailing in the industry at the time of performance and be of satisfactory quality and fit for the purpose for which they are required.
- 4.2 Such goods and services or the use of the goods or services by 3M do not infringe upon any intellectual property, trade secret or other proprietary right of any third party.



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### 5. Delivery & Default

- 5.1 Supplier shall deliver the goods or services to 3M at the time and place and in the manner specified in the PO. Unless otherwise agreed, the delivery of goods or services shall make a reference to the PO's number, full particulars of the goods or services and any instructions or other information required to enable 3M to inspect and accept the goods and the services. If no delivery time is specified in the PO, the goods or services shall be delivered during 3M's normal business hours.
- 5.2 All goods delivered by Supplier to 3M shall be stillaged, palletized or packed to 3M's requirements without additional charge.
- 5.3 Hazardous goods must be marked by Supplier with international damage symbol(s) and display the name of the material in English together with being labelled in accordance with the Globally Harmonized System of Classification and Labelling of Chemicals. Transport and other documents must include a declaration of the hazard and name of the material in English. Goods must be accompanied by emergency information in English in the form of written instructions, labels and markings. All information which is held by or reasonably available to Supplier regarding any potential hazards known or believed to exist in the transport, handling or use of the goods supplied shall be promptly communicated to 3M.
- 5.4 If a delivery is not made by the date indicated in the PO, 3M may, in addition to its other rights, cancel the PO, may obtain such goods or services elsewhere. Supplier shall be liable to 3M for all expenses, losses and costs incurred by 3M.
- 5.5 If the services are not performed or the goods and/or deliverables of the services are not delivered in accordance with the PO Terms, 3M shall have the right, without prejudice to any other remedies available to it including the right of rejection under Clause 6. below, to terminate the PO by written notice.

### 6. Acceptance of Goods or Services

- 6.1 3M shall not be deemed to have accepted any goods or deliverables of the services supplied by Supplier until it has inspected them and notified Supplier that they are complete and in accordance with Clause 4.1 above. For avoidance of doubt, acceptance of goods or services will not be deemed as 3M waiving any rights or remedies for any breach of the PO Terms by Supplier or for any defect of the goods or deliverables or the services.
- 6.2 A receipt of the goods or deliverables of the services, an inspection or non-inspection of or payment for the goods or services, will not constitute acceptance of the goods or services by 3M.
- 6.3 Without prejudice to any of its other rights of 3M, 3M may reject any goods or deliverables of the services which on inspection, do not conform with Clause 4.1 above.
- (a) Unless otherwise agreed between the parties, Supplier shall, at its own expense and risk, remove from 3M all rejected goods or deliverables of the Services within the next working days from receipt of rejection notification from 3M. If Supplier fails to remove them, 3M may return them to Supplier at Supplier's expenses.
- (b) 3M may require Supplier to correct or replace the goods or deliverables of the services without charge, or require a reduction in price which is equitable under the circumstances, within the time being given by 3M. If Supplier is unable to or refuses to, 3M may terminate the PO in whole or in part without any liability whatsoever.

### 7. Passing of Risk and Title

- 7.1 Title and risks shall remain with Supplier until the goods or deliverables of the services under the PO are received and accepted by 3M at the destination specified in the PO. 3M shall acquire good and marketable title to all the goods and deliverables of the services supplied under the PO, free and clear of all liens, claims or encumbrances.

### 8. Confidentiality and Intellectual Property

- 8.1 Except with the prior consent in writing of 3M, Supplier shall not disclose the PO Terms to any person other than its employees, agents and contractors (altogether "**Supplier Personnel**") who need to know such information for the purposes of carrying out the obligations under the PO. Supplier Personnel shall not disclose the PO and the PO Terms to any third party without the prior written consent of 3M.



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- 8.2 Supplier shall not, without first obtaining a prior written consent of 3M, advertise or publish the fact that Supplier has contracted to supply to 3M the goods and/or services under the Contract.
- 8.3 Supplier assigns to 3M with full title guarantee all intellectual property rights: (i) arising out of the provision of the services (including any deliverables); and (ii) in or relating to any goods that Supplier has designed or otherwise developed for 3M. Supplier shall promptly execute all documents and do all such things as are necessary to give effect to this obligation of Supplier.

**9. Warranty**

- 9.1 Unless otherwise agreed between the parties, Supplier agrees to perform the following, at its own expense and as soon as reasonably practical, in case of any defect of goods or deliverables of the services without prejudice to any other remedies of 3M:

Occurrence of Defect	Action from Supplier as required by 3M
<p>A defect of the goods or deliverables of the services occurs within any of the following period:</p> <ul style="list-style-type: none"> <li>(a) 12 (twelve) months from 3M's use of such goods or deliverables of the service; or</li> <li>(b) 18 (eighteen) months from 3M's acceptance of a delivery of such goods or deliverables of the services from Supplier,</li> </ul> <p>whichever occurs first.</p> <p>"Defect" means a defective design, inadequate or faulty materials or workmanship, Supplier's erroneous instructions as to use or any other breach by Supplier of any provision of the PO Terms, including Supplier's warranty, express or implied.</p>	<p>Repair, replacement or money refund.</p>
<p>Any services that have been performed defectively within 12 (twelve) months of the date of their performance</p>	<p>Re-performance or money refund.</p>

- 9.2 Unless otherwise agreed between the parties, the repairs, replacement and/or re-performance required above shall be subjected to Supplier's obligations under Clause 9.1 for a period of 12 (twelve) months from the date of such acceptance by Supplier.

**10. Indemnity**

- 10.1 Supplier shall indemnify 3M against all actions, suits, claims, demands, costs, fines, charges, damages, losses and expenses (including attorneys' fees) suffered or incurred by 3M and/or for which it may be liable to any person due to, arising from or in connection with: (i) any defective or non-conforming good or deliverables of the services including any defect in workmanship, materials or design of the goods or deliverables of the services or their packaging; (ii) a negligent or willful act or omission of Supplier or Supplier Personnel in supplying, delivering and installing the goods or performing the services; (iii) any breach of any provision of the PO Terms by Supplier; (iv) any infringement or alleged infringement of any intellectual property right for or relating to the goods or the services; (v) any claim against 3M arising out of an incorrect description of the goods or deliverables of the services by Supplier; (vi) any leak or spill of any materials, substances or chemicals of the goods while being transported or delivered to 3M or while on 3M's premises without any fault of 3M's personnel; and (vii) any alleged or actual, direct or contributory infringement or misappropriation of any intellectual property, trade secret or other proprietary right of any person arising from the purchase, use or sale of the goods or deliverables of the services provided by Supplier.

**11. Cancellation of PO**



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- 11.1 3M may, for its convenience at any time, cancel a PO prior to dispatch of the goods or deliverables of the services by providing a written notice to Supplier.
- 11.2 Upon occurrence of any of the following events, a party not being responsible for such event may terminate the PO by giving a written notice to the other party.
- (a) A party is in breach of its material obligations under the PO Terms. Example of “material obligations” include a situation where the goods or the services are not in accordance with the Contract.
  - (b) A party disposes of its assets in whole or in substantial part, or takes any action leading to dissolution or liquidation, or ceases to operate its business in whole or substantial part.
  - (c) A governmental entity takes any action to appropriate, confiscate, foreclose or take over assets of a party in whole or in substantial part, or takes any action leading to change of control or to restrict business operation of a party, which may have material adverse effect upon ability to perform its obligations under the PO Terms.
  - (d) A court orders to place a party under receivership or any person files a petition for business reorganization of such party under the bankruptcy law which may have material adverse effect upon ability to perform its obligations under the PO Terms.
- 11.2 Cancellation of the PO shall not prejudice the rights or remedies of the parties may have before such cancellation. In case of cancellation due to an event for which Supplier is responsible, 3M may claim for any damages that arise or may arise from such event, including expense incurred by 3M for hiring any person to supply the goods or services under the PO.

### 12. Force Majeure

- 12.1 Neither party shall be liable for failure or delay in performance due to cause(s) beyond its reasonable control and without fault or negligence on its part. The party claiming such cause(s) shall notify the other party in writing as promptly as possible after such party becoming aware of the occurrence of such cause(s), and shall take reasonable efforts to remove the cause of its inability to perform or its delay in performance. Notwithstanding the foregoing, if any such failure or delay threatens to impair Supplier's ability to meet delivery requirements for the goods or deliverables of the services which may cause damage to 3M, 3M shall have the right at its option, without any liability to Supplier, to cancel all or part of the PO so affected.
- 12.2 Causes beyond reasonable control shall include, without limitation, natural disaster, fire, flood, unusually severe weather, war, riot, government action, political unrest, strike or other labour trouble, or epidemic.
- 12.3 If 3M is unable to receive a delivery of goods or deliverables of the services under the PO due to the occurrence of the cause above, 3M may instruct Supplier to defer the delivery of goods or deliverables of the services under the PO. Supplier shall hold such goods or deliverables of the services at the direction of 3M and shall deliver them when the cause has been removed. 3M shall be responsible only for Supplier's direct actual additional costs in holding the goods or deliverables of the services delaying performance of the services under the PO at 3M's request.

### 13. Anti-Bribery

- 13.1 Supplier must comply fully at all times with Thai laws and international anti-bribery rules, including, without limitation, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and applicable EU, OECD and Council of Europe anti-bribery rules.
- 13.2 Supplier represents and warrants that neither it nor any of its personnel, including its officers, directors, employees, agents and representatives, has made or will make or will cause anyone to make any “Prohibited Payments,” as defined below, to (i) a “Government official or employee,” as defined below, or (ii) a “Customer official or employee”, as defined below, in connection with its business dealings with 3M for the purpose of obtaining or retaining business or to otherwise induce any Government or Customer official or employee to take or forego any action in connection with any activities of Supplier or 3M relating to the PO.
- 13.3 For purposes of these PO Terms and Supplier's representation above:
- (a) “**Prohibited Payments**” include any offer, gift or payment, or authorization of an offer, gift or payment, of any money or thing of value to or for the benefit of any government official or employee but do not



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include modest business entertainment or gifts that are usual in the ordinary course of business and are made without any intent to influence a business decision.

- (b) **“Government official or employee”** includes any official or employee of any government (or of any department, agency or state-owned instrumentality such as an airport, telecommunications or other utility company that is either in whole or in part controlled by a government) of any country or subdivision thereof, or any official or employee of a public international organization, or any person acting in an official capacity on behalf of such government, instrumentality or public international organization, or any political party or official thereof, or any candidate for political office.
- (c) **“Customer official or employee”** includes any official or employee of any existing or prospective customer, as well as any agent or other person acting on behalf of any existing or prospective customer.

### 14. Compliance with Laws and Goods’ Content

- 14.1 Supplier agrees to comply with the applicable laws and regulations, and to furnish a certificate of compliance if so requested. Upon agreement between 3M and Supplier for Supplier to procure insurance for the goods and services, Supplier shall furnish to 3M evidence of such insurance.
- 14.2 Supplier shall not supply to 3M the goods or the services that use labor: (i) resulting from mental or physical coercion, physical punishment, slavery, human trafficking or other oppressive labor conditions; and (ii) from workers younger than 16 years of age if local laws permit employees younger than 18. In addition, Supplier shall use workers between 16 and 18 years of age to perform Supplier’s obligations under the PO only if Supplier implements and maintains any additional working conditions needed to adequately protect their safety and health as required by local laws.
- 14.3 If any goods is regarded as “dangerous goods” or goods that requires a safety data sheet (“**SDS**”), Supplier shall deliver the complete up-to-date SDS to 3M within a period specified by 3M and if there is any amendment to such SDS, Supplier shall provide the latest version to 3M immediately. Supplier warrants that each goods is in compliance with, or exempt from, all applicable chemical control Laws (“**Chemical Control Laws**”), including, without limitation, the United States Toxic Substances Control Act as “TSCA” and any other Chemical Control Law(s) referenced in a PO. Supplier will promptly inform 3M in writing of any change in the goods’ s regulatory status under any Chemical Control Law.
- 14.4 Materials Compliance: The goods or 3M’s products which are incorporated into the goods and their packaging may be subjected to laws that restrict, regulate or require disclosure of, their content, including but not limited to, the European Union’s (EU) Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (known as “**RoHS**”), the People’s Republic of China Management Methods for Prevention and Control of Pollution from Electronic Information Products of 2006, the EU’s Regulation 1907/2006 on Registration, Evaluation, Authorization and Restriction of Chemicals (known as “**REACH**”) the EU Directive 94/62/EC on Packaging and Packaging Waste, and other similar laws (altogether referred to as “**Substance Laws**”) as well as laws on legal harvesting such as, for example, the U.S. Lacey Act, the EU Timber Regulation, the Australian Illegal Logging Prohibition Act and other similar laws (“**Harvest Laws**”). Supplier warrants that the goods and their packaging (exclusive of any 3M’s materials) comply with those laws and regulations. Upon receipt of a request from 3M by Supplier, Supplier shall promptly provide a report evidencing its compliance with those laws and regulations including ROHS test reports to 3M.
  - (a) Restricted Substances. The goods and their packaging shall not contain substances in excess of permitted concentration values established by Substance Laws unless the applicable specifications of 3M specifically permit that substance in a higher concentration value. Without limiting the foregoing, substances in the goods and their packaging shall not exceed the following maximum concentration values in any homogenous material (“**Restricted Values**”): (1) 0.1% (by weight) for each of lead, mercury, hexavalent chromium, polybrominated biphenyls or polybrominated diphenyl ethers; or (2) 0.01% (by weight) for cadmium.
  - (b) Illegally Obtained Plant Material. The goods and packaging shall not contain plant material (including any derivative of plant material) taken, possessed, transported or sold in violation of any law. Supplier must exercise due diligence to ensure that the materials contained in the goods and their packaging supplied to 3M are legally sourced, harvested and exported from their country of harvest.



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- (c) Conflict Minerals. If the goods contain any conflict minerals as defined under Section 1502 of the U.S. Dodd-Frank Act and its implementing regulations that are necessary to the production or functionality of the goods ("**Conflict Minerals**"), Supplier must (i) disclose their presence; (ii) provide on request information on Conflict Mineral smelters and refiners in the relevant supply chains and other information consistent with industry standard conflict minerals reporting templates; and (iii) adopt a Conflict Minerals policy and due diligence management system and require Supplier's suppliers to adopt a policy and management system.
  - (d) Counterfeit Goods. All the goods delivered pursuant to these PO Terms shall comply with and are subject to the anti-counterfeiting terms and conditions listed under "Counterfeit Goods" at [3M.com/supplierregspecs](http://3M.com/supplierregspecs) ("**Counterfeit Goods Provisions**").
  - (e) Other Information Disclosure. Supplier shall provide 3M: (i) satisfactory documentation that the goods and packaging (exclusive of 3M's Materials) do not exceed the Restricted Values; (ii) certification of the presence of any substance regulated under any Substance Law ("**Regulated Substance**") contained in the goods or their packaging including without limitation any Regulated Substance listed in the REACH Candidate List (available at <http://echa.europa.eu/web/quest/candidate-list-table>); (iii) certification of the exact concentration of each Regulated Substance contained in the goods and packaging regardless of whether the relevant specifications of 3M permit one or more Regulated Substances; (iv) certification of each plant scientific name (genus and species), country of harvest, and other information that may be required by Legal Harvest Laws; and (v) reports on the occurrence of other substances in any goods or their packaging that may be restricted by, or require disclosure to, governmental bodies, customers and/or recyclers.
- 14.5 Supplier warrants that all Supplier Personnel performing any of Supplier's obligations under a PO will have employment authorization that complies with all applicable Laws. On 3M's request, Supplier shall provide 3M with all documentation and information 3M requires to conduct an export control license assessment relating to Supplier Personnel. If 3M determines that an export license is needed for certain Supplier Personnel, 3M may, in its discretion, pursue that export license or instruct Supplier not to use that Supplier Personnel to perform Supplier's obligations under a PO.
- 14.6 If any goods will be shipped or air freight from another country into the United States, Supplier must secure its packaging, boxes, pallets and all of its shipments or air freight made to 3M and 3M designated sites in accordance with then-current U.S. Customs Trade Partnership against Terrorism ("**C-TPAT**") security guidelines. If 3M is the importer of the goods, Supplier must provide 3M and must ensure that its logistics providers also provide 3M with all necessary shipping or air freight data to satisfy security, notification and other regulatory requirements applicable at the time of delivery, including but not limited to the U.S. Importer Security Filing ("**ISF**") requirements within the period specified by 3M. Current C-TPAT and ISF requirements can be found on the U.S. Customs and Border Protection website ([www.cbp.gov](http://www.cbp.gov)).
- 14.7 Supplier must fully comply with all trade-related laws including but not limited to export control, embargo and sanctions, anti-boycott and import laws applicable to Supplier and its business. Supplier also represents and warrants that:
- (a) Restricted Parties. In the performance of its obligations under the PO, Supplier shall not engage in any transaction with any restricted party appearing on the restricted party lists of the United States or any other applicable jurisdiction including but not limited to Supplier's use of freight forwarders, financial institutions, customs brokers and Supplier Personnel. The U.S. Government's consolidated list of restricted parties is available at [http://www.export.gov/ecr/eg\\_main\\_023148.asp](http://www.export.gov/ecr/eg_main_023148.asp).
  - (b) Export Controls. Unless 3M agrees in writing to the contrary and notwithstanding any Incoterm referenced in these PO Terms or the PO, Supplier shall obtain all export control licenses, permits, or any other governmental authorizations required to perform Supplier's obligations under the PO. In case of export-controlled goods or transmitting any related export-controlled software or technical data to 3M, Supplier shall provide to 3M the export classifications of the goods, software or technical data ("**Export Classification Information**") within a period prescribed by 3M by e-mail to a relevant function of 3M (to be notified by 3M). In addition, Supplier shall include the Export Classification Information on (i) any packing documentation accompanying the shipment or air freight of Goods; (ii) any transmission instructions for software; and (iii) on the face of all technical data.
  - (c) Country of Origin. Upon Supplier's receipt of a request from 3M, Supplier shall provide 3M with complete and accurate country of origin information for all goods under the PO ("**Country of Origin Information**") by e-mail to a relevant function of 3M (to be notified by 3M).



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- (d) Antidumping and Countervailing Duties. If any goods are subject to antidumping or countervailing duties for the purposes of import into the United States or any country specified in the PO, Supplier will notify 3M by e-mail to a relevant function of 3M (to be notified by 3M) prior to shipment of the goods.
- (e) 3M Cancellation Remedies. 3M may, in its sole discretion and without liability to Supplier, cancel the PO on notice to Supplier if (i) Supplier breaches this Clause 14.7; (ii) the export control classification of the goods or related software or technical data limits or restricts 3M's ability to use or resell the goods; or (iii) Supplier notifies 3M that any goods are subject to antidumping or countervailing duties.

14.8 All drawback of duties and rights related to duties paid by Supplier when the goods or any materials or components used in manufacturing goods are imported by Supplier accrue to the exclusive benefit of 3M. Duty drawback rights include without limitation rights accruing from product substitution and rights obtained from Supplier's subcontractors. Upon request, Supplier shall provide 3M with all documents, records, and other supporting information necessary to obtain any duty drawback, and will exercise its best effort in cooperating with 3M to obtain the duty drawback payment.

### 15. Governing Law

- 15.1 If Supplier is the entity registered in Thailand, then these PO Terms shall be governed by the laws of Thailand and any dispute arising from the PO Terms will be resolved in the courts of Thailand.
- 15.2 If Supplier is the entity registered in any other country, the PO Terms shall be governed by the laws of Thailand and any dispute arising therefrom, including any question regarding its existence, validity, cancellation or termination, shall be referred to and finally resolved by arbitration in Thailand in accordance with the Arbitration Rules of the Thai Arbitration Institute for the time being in force. The language of the arbitration shall be English.

### 16. Miscellaneous

- 16.1 3M shall be entitled to set-off any amount owing to Supplier by 3M against any amount to be payable to 3M by Supplier.
  - 16.2 Supplier shall not without the prior written consent of 3M sub-licence, assign, transfer or otherwise dispose of or sub-contract the PO or any of its rights or obligations under PO Terms. Notwithstanding the foregoing, Supplier shall remain fully responsible for such obligations and for all acts or omissions of its subcontractors.
  - 16.3 If a provision of the PO Terms is held to be illegal, invalid or unenforceable, in whole or in part, the parties intend that the legality, validity and enforceability of the remainder of the PO Terms shall not be affected.
  - 16.4 3M's failure to exercise any of its rights and remedies under the PO Terms shall not operate as a waiver of that right or remedy. Any waiver of a right or remedy must be made in writing and signed by 3M.
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