

Except as otherwise agreed between Seller and Buyer, the terms and conditions set forth hereinbelow shall apply to any and all purchase agreements (hereinafter referred to as "Agreements") which will become valid upon Seller's acceptance of offer from Buyer for supply of a certain products or services as specified in this firm order (hereinafter referred to as "Products/Services").

1. Loss, damage or deterioration of any Products which may occur before delivery of the Products to Buyer shall be borne by Seller, except in a case where such loss, damage or deterioration is occurred due to causes attributable to Buyer.
2. Seller shall bear transportation fees, insurance fees, custody fees and other special cost which will be caused during the process of delivery and provision of the Products/Services.
3. Seller shall deliver the Products/Services strictly in accordance with the delivery date as specified in this purchase order (hereinafter referred to as "Delivery Date"), and shall not change such Delivery Date at its own discretion without prior consent of Buyer. In the event that Seller anticipates delay of delivery of the Products/Services may occur, then Seller shall immediately notify 3M thereof and follow the instructions given by 3M.
4. If the Delivery Date has been delayed in the Agreements where the time is of the essence, then such Agreements shall be deemed terminated forthwith upon passing over of such Delivery Date unless Seller may deliver the Products/Services promptly at that time, regardless whether or not the reason of such delay is attributable to Seller. For avoidance of any doubt, the term "Agreement where the time is of the essence" as used in this section shall mean the Agreement where the original Buyer's purpose cannot be achieved if the Delivery Date is delayed. If the Agreement where the time if of the essence has been terminated due to passing over of the Delivery Date, Seller shall be responsible for any and all damages, losses, costs and expenses suffered by Buyer resulting from or in connection with such delay of the Delivery Date.
5. Buyer may, at its sole discretion, supply to Seller materials, equipment and devices etc. necessary for the implementation or performance of the Agreements with or without charge to Seller (hereinafter referred to as "3M Supplies"). Seller shall store and control 3M Supplies with due care of good custodianship and shall take any and all reasonable steps to avoid confusing 3M Supplies with other materials in any manner whatsoever, including, but not limited to, by separating 3M Supplies from other materials in the storage. Furthermore, Seller shall not use the 3M Supplies for any purpose whatsoever other than the implementation or performance of the Agreements or not assign or pledge them to any third party without obtaining the prior written consent of 3M. Seller shall, upon request of Buyer, submit a report about the situation of management and storage of 3M Supplies without delay by utilizing specific form designated by Buyer.
6. Seller shall be responsible for any and all damages suffered by Buyer due to defect of the Products/Services, non-conformity of specification or sample, defect in quality or appearance, defacement, shortage of quantity, other defect, imperfect packing, intellectual property rights infringement, foreclosure and other reason which cannot be attributable to Buyer, even though Buyer notifies late Seller of such damage.
7. This Paragraph 7 shall apply if Seller falls under the definition of "Manufacturer etc." under the Product Liability Law in Japan. In the event that any defect in manufacture, design or indication of the Products/Services causes damages to life, body or property of a third party, or if 3M has taken necessary measures to prevent occurrence of damages caused by such defect, Seller shall compensate for damages and expenses incurred by 3M thereby. Seller shall take appropriate steps including recall of the Products/Services at its own cost and expense in case where any damages due to defect of the Products/Services have been caused or supposed to be caused. Also, Seller shall, at its own cost and expense, take out products liability insurance and take other appropriate measures to be responsible for the obligations under this Paragraph 7.
8. In case of the preceding Paragraphs 6 and 7, Buyer may, at its option, terminate a whole or a part of this Agreement, or may seek from compensation for damage suffered by Buyer, in lieu of or in addition to repair, replacement of the Products/Services or reduce of price to be paid for the Products/Services, and Seller shall correspond to such claim and requirement from Buyer in good faith.
9. Seller shall keep Buyer's confidential information (including, but not limited to, information with respect to sales plan, business plan, cost, raw material, design, specification, performance and composition)(hereinafter referred to as "Confidential Information") which Seller comes to know in supplying the Products/Services under the Agreement in confidence, and, unless the Confidential Information become available to the public through no fault of Seller, shall not disclose or divulge such Confidential Information to any other third party nor use the Confidential Information for any purpose other than the purpose of implementing the Agreement.
10. In the event that Seller has made an invention, idea or design production (hereinafter referred to as "Inventions"), Seller shall immediately notify Buyer thereof and shall negotiate with Buyer about ownership and handling of such Inventions. However, the Inventions developed based on the Confidential Information and any rights and interests thereto shall be owned by Buyer and details on handling such Inventions, rights and interests thereto will be negotiated between Buyer and Seller.
11. Except as requested by Buyer, in the event that Seller intends to use its intellectual property rights Seller has owned since before the Agreement and Inventions whose ownership belongs to Seller under the preceding Paragraph 10 for the manufacture or processing of the Products/Services, Seller shall notify Buyer in writing thereof in advance. This Paragraph 10 shall not apply to the Products/Services which can be regarded as consumables, equipment or electronic and information technology device to be used for Buyer and its officers, employees and others working on behalf of Buyer.
12. In the event that the Products/Services is deliverables (including, without limitation, program, software, reports and records) which will be created independently by Seller or jointly created by Seller and Buyer (hereinafter referred to as "Deliverables"), then Seller shall deliver such Deliverables to 3M without delay after Provider creates the Deliverables and according to the delivery date as designated in this Agreement. Seller hereby agrees to assign its rights and interests, including all copyrights and proprietary rights in the Deliverables to Buyer. Seller also agree to assign its translation right and adaptation rights in the Deliverables as set forth in Article 27 of the Copyright Law in Japan and its right with respect to secondary work of the Deliverables as set forth in Article 28 of the Copyright Law in Japan. Seller shall not enforce or have a third party enforce its moral right relating to the copyright assigned to Buyer under this Paragraph 12 to Buyer and another third party who will obtain or utilize such copyright through Buyer. If Seller utilizes copyrighted work in its possession prior to execution of this Agreement in the Products/Services, Seller hereby grants to Buyer or its designated third party a non-exclusive, fully paid-up, permanent, transferable, royalty-free license, with the right to sublicense, to use, have use such copyrighted work under the Copyright Law in Japan (i.e. the right to use copyrighted work, including without limitation duplicating, modifying or adapting under the Copyright Law in Japan). Seller warrants to Buyer that it shall not enforce or have a third party enforce its moral right relating to the copyright granted Buyer to use under this Paragraph 12 to Buyer and another third party who will obtain or utilize such copyright through Buyer.
13. Seller represents, warrants and covenants that a) it shall comply with all local, state, national, and international statutes, rulings, regulations, ordinances, and governmental directives, including, without limitation, those pertaining to anti-bribery (example: U.S. Foreign Corrupt Practices Act, U.K. Bribery Act), money laundering, competition, regulation of trade, the environment, transportation, safety, health, and employment that apply to supply of the Products/Services and performance of the Agreement, and b) the Products/Services satisfy any and all requirement under the laws, regulations and procedures etc. that shall be applicable to usage of the Products/Services by Buyer.
14. Seller represents, warrants and covenants that it has not made, and will not make, authorize, or offer to make, either directly or indirectly, any loan, gift, donation or payment, or transfer of any other thing of value to any person or entity, intending to a) effect on actions or judgement of government official or employee of political party (including any candidate for these official or employee)(hereinafter referred to as "Government Official etc."), b) solicit Government Official etc. to take or not to take certain action against legal obligation they should comply with, c) solicit Government Official etc. to have their influence on domestic or foreign government or its relevant organization in order to ease Seller to fulfil its obligation under this Agreement. Also, Seller and its affiliates will maintain complete and accurate financial records on a consistent basis and ensure that financial records which will be submitted to Buyer from Seller with respect to the performance of obligations under this Agreement shall be complete and accurate.
15. Seller hereby represents and warrants to Buyer that:
 - (1) Seller is not anti-social force, a member of anti-social force, a quasi-member of anti-social force, a company related to anti-social force, a corporate racketeer, rogue who masquerades as a social activist or an organized crime syndicate etc. (hereinafter collectively referred to as "Anti-social Force");
 - (2) in case where Seller is a corporation, Seller's shareholders, executives, officers or others who has substantially controlling interest is not Anti-social Force;
 - (3) Seller was not, is not or will not be involved in any relationship with Anti-social Force by giving or offering to give any funds or other benefit to Anti-social Force;
 - (4) Seller had, does not or will not have any relationship with Anti-social Force which can expose criticism socially; or
 - (5) Seller did not, does not or will not, directly or independently through other third party, conduct any violent action, fraudulent or threatening actions or any other illegal actions.
16. Buyer may at any time terminate the Agreement without notice or procedure if any of the following events occurs to Seller. The termination of this Agreement pursuant to the provision of this Paragraph 16 shall not preclude the right to claim compensation for damages against Seller.
 - (1) Seller commits material default or breach of its obligation under the Agreement, and such default or breach is not cured within thirty (30) days receiving notice of that default.
 - (2) A bill or check issued by Seller is dishonored, or an event or cause under which the performance of obligations is deemed difficult has occurred to Seller;
 - (3) A petition for provisional seizure, seizure, compulsory execution, or auction as exercise of security right, or a disposition for failure to pay tax and dues is filed

- against Seller by a third party;
- (4) Seller is subjected to a disposition for revocation or suspension of its business by a supervisory agency;
 - (5) A petition for bankruptcy, corporate arrangement, special liquidation, civil rehabilitation proceedings or corporate reorganization proceedings is filed by or against Seller;
 - (6) Seller has adopted a resolution for dissolution, incorporation, capital reduction, or transfer of all or part of its business; or
 - (7) It is deemed there is a fear that any of the aforesaid events or causes occurs to Seller.
- 17. If any of the events stated in the items of the preceding Paragraph 16 has occurred to Seller, all outstanding liabilities that Seller assumes against Buyer shall immediately become due and payable. In case Seller owes to Buyer any obligations, Buyer may offset the same against Seller's obligations to Buyer, regardless of due dates and without having obligation to return received bill and check.
 - 18. Seller shall not assign or pledge to a third party, or cause a third party to assume, the rights and obligations under the Agreement, without the prior written consent of 3M.
 - 19. Seller shall not be responsible for a whole or a part of delay or impossibility in performance of its obligations under this Agreement as a result of act of God, war, civil war, riot or other condition or cause beyond Seller's reasonable control and not related to Seller's fault or negligence. This Agreement shall be cancelled in whole or in part to the extent that the performance of Seller's obligation is prevented or delayed thereby.
 - 20. If Buyer and Seller executed any contract with respect to the subject matter hereunder and there is any difference or conflict between such contract and this Agreement, then the terms and conditions of such contract shall prevail.
 - 21. This Agreement shall be governed and construed in accordance with the laws of Japan. Buyer and Seller hereby agree and understand that any conflict in relation to this Agreement shall be brought in the Tokyo District Court or the Tokyo Summary Court as the competent court in the first instance.

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