

**3M ABRASIVE SYSTEMS DIVISION
TERMS AND CONDITIONS OF SALE**

These Terms and Conditions of Sale ("Terms") shall apply to each accepted purchase order (an "Order") for 3M Products (collectively referred to as "Products") sold by 3M's Abrasive Systems Division ("3M") and to any written agreement to which these Terms are appended. In the event of any conflict between the terms herein and any written agreement to which these Terms are appended, the more specific term shall govern only to the limited extent of such conflict. Any 3M proposal, construed as an offer, and 3M's acceptance of each Order is expressly conditioned on the buyer's acceptance of all these Terms, and 3M hereby objects to and rejects any different or additional terms that buyer ("Buyer") proposes. 3M reserves the right to change these Terms at any time.

1. ORDERS; CURRENCY; PRICING; SHIPPING TERMS: After 3M's acceptance of a written Order, whether by written notification or by actions including shipment of Products, 3M will supply the Product at the price stated in 3M's quotation or other written agreement, or if none exists, at the prices shown in 3M's then-current price list (collectively referred to as the "Quote"). 3M reserves the right to change the prices at any time. Orders for immediate shipment will be billed at the price in effect on the date of order receipt. For releases against blanket orders or any other specifying future dated shipments, each release will be invoiced at the price in effect on the date of shipment. Unless otherwise agreed by 3M and the Buyer, prices are F.O.B. point of shipment via lowest cost routing to destination within the continental U.S with all transportation charges prepaid and charged back to customer for all routings. Title and risk of loss pass to Buyer upon delivery to carrier at the point of shipment. Additional charges may apply for expedited or premium routing. If premium routing is requested, 3M will charge the difference between lowest cost routing and the requested premium routing per shipment. Requests to have 3M ship on freight collect basis can be accommodated, provided that the carrier is one of 3M's preferred carriers. If the carrier is not one of 3M's preferred carriers, coordination of timely arrival, loading, and shipping cannot be accommodated by 3M shipping facilities due to limited number of dock doors. Will call orders must be preapproved by 3M, and 3M reserves the right to refuse any will call order. 3M may set minimum order quantity requirements for each Product upon notice to Buyer. Orders for less than the minimum order quantity may be charged at a higher price or may be rejected by 3M in its sole discretion. 3M will use reasonable commercial efforts to ship Products in accord with the Product shipment schedule or 3M's quoted lead-times. For large orders for which 3M does not have sufficient product to ship the order in its entirety, 3M reserves the right to ship partial quantities and back order the balance for shipment at a later date. 3M will not be liable for failure to ship an order within the specified time period.

2. PAYMENT TERMS; LATE PAYMENTS: Unless otherwise agreed in writing by 3M and the Buyer, all payments are due within 3M's standard, net thirty (30) days from 3M invoice date. 3M reserves the right to change payment terms or, if granted, credit limits at any time upon written notice to buyer. If buyer fails to pay for any Product shipment when due or buyer's financial status become unsatisfactory to 3M, in its sole discretion, 3M may, in addition to its other remedies, require cash payments or security satisfactory to 3M prior to Product shipment, terminate an Order, and/or suspend deliveries under an Order. 3M, at its own discretion, may charge late payment fees and interest at the maximum legal rate on all past due amounts. Buyer is welcome to pay via Credit Card, and 3M will change the payment terms in our system as such. Credit Card information must be on file and payment will be at the time of order. No payment terms discounts will be offered with Credit Card payment.

3. NO RETURN OF MERCHANDISE: Except for 3M-confirmed quality failures, 3M will not accept any Product returns. For 3M-confirmed quality failures, Buyer's limited remedies are stated under Section 6 of these Terms.

4. COMPLIANCE WITH LAWS AND PRODUCT STEWARDSHIP. 3M and Buyer are committed to promoting effective product stewardship and appropriately managing environmental, health, safety, and regulatory considerations with respect to Product(s). 3M agrees that in the manufacture and sale of Product(s) it will comply with all applicable federal, state, and local laws. Buyer is solely responsible for and at its own expense will comply with all applicable federal, state, and local laws, including, but not limited to, those relating to occupational health, safety, and environment, and shall secure any required permits or approvals applicable to Buyer's operations, purchase, handling, transportation, storage, use, processing, disposal and/or treatment of Product(s), and the distribution, marketing, sale, and use of products made using or containing Product(s). Buyer will provide appropriate environmental, health, safety, and regulatory information related to Product(s) to Buyer's employees and to Buyer's customers of products made using or containing Product(s). Buyer is solely responsible for ensuring that Buyer's employees use appropriate Personal Protection Equipment while using the Products.

5. PACKAGING, LABELING, AND CONSUMER SALES: 3M intends, labels, and packages its industrial/occupational products for resale to industrial/occupational customers for industrial/occupational use. Unless specifically stated otherwise on the applicable product packaging or literature, 3M industrial/occupational products are not intended, labeled, or packaged for sale to or use by consumers (i.e., the general public).

6. PRODUCT USE AND EVALUATION; RESALE PROHIBITED. Many factors beyond 3M's control and uniquely within Buyer's knowledge and control can affect the use and performance of Product(s) in a particular application. Buyer is solely responsible

for evaluating Product(s) and determining whether Product(s) is fit for a particular purpose and suitable for user's method of application. Product(s) is sold or provided to Buyer solely for Buyer's internal manufacturing use or consumption and unless otherwise specifically agreed by 3M in writing Product(s) may not be repackaged, resold, or redistributed in any manner.

7. TECHNICAL INFORMATION AND DATA Technical information, recommendations, and other statements provided by 3M are based on tests or experience that 3M believes are reliable, but the accuracy or completeness of such information is not guaranteed. Such information is intended for persons with knowledge and technical skills sufficient to assess and apply their own informed judgment to the information. No license under any 3M or third party intellectual property rights is granted or implied with this information.

8. WARRANTY, LIMITED REMEDY, AND DISCLAIMER. Unless a different warranty is specifically stated in the applicable Product literature or packaging insert (in which case such warranty governs), 3M warrants that each Product(s) meets the applicable 3M product specification at the time 3M ships Product(s). 3M MAKES NO OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY IMPLIED WARRANTY OR CONDITION ARISING OUT OF A COURSE OF DEALING, CUSTOM, OR USAGE OF TRADE. If product(s) does not conform to this warranty, then the sole and exclusive remedy is, at 3M's option, replacement of Product(s) or refund of the purchase price of Product(s) shown to be nonconforming. 3M has no obligation under this warranty with respect to Product(s) that has been modified or damaged through misuse, abuse, accident, neglect, or mishandling by Buyer. Failure to notify 3M within 30 days after receipt that Product(s) is not conforming in any respect will be deemed a waiver of any right or claim with respect to such non-conformance. The foregoing warranty and remedy shall not apply to experimental or developmental Product(s) which is sold "as is" and without any warranty.

9. LIMITATION OF LIABILITY. Except where prohibited by law, **3M will not under any circumstances be liable for any loss or damages or other remedy arising from or in any way related to Product(s) or 3M's sale of Product(s), whether direct, indirect, special, incidental, or consequential (including, but not limited to, loss of profits, revenue, business, opportunity, or goodwill), regardless of the legal or equitable theory under which such loss or damages or other remedy are sought, including warranty, contract, negligence, or strict liability.**

10. EXPORT CONTROL. Unless otherwise agreed in writing by 3M, Products are sold for use or consumption within the U.S. only. To the extent that 3M authorizes Buyer to export Products outside of the U.S., Buyer assumes all responsibility for determining the export licensing requirements and for obtaining any required export licenses or other applicable authorizations for the Products. In the event Products are exported from the U.S. either by 3M or by Buyer with 3M's authorization, Buyer shall have the sole responsibility to determine whether any subsequent re-export requires export authorization. Buyer and 3M shall comply with applicable export control laws, including, but not limited to, the US International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR), which may, among other things, prohibit the sharing with certain "Foreign Persons" of export controlled technical data and services, the export and/or re-export of controlled products to certain locations, dealings with "Restricted Parties," and proliferation activities including those that further nuclear, chemical, or biological warfare or missile stockpiling/use. Buyer acknowledges that it is not authorized by 3M to purchase 3M products for resale or end-use in the Crimea region, Cuba, Iran, Sudan, Syria, or North Korea. Each party shall clearly and conspicuously label as export controlled any export controlled technical data at the time of delivery or when access is granted to the other party. No export controlled materials or information will be provided to 3M without prior 3M authorization and agreement on a secure transmittal process. The parties acknowledge that 3M's ability of either to obtain or maintain applicable export control authorization is not guaranteed and shall not constitute a breach of any provision of these Terms and Conditions, an order or agreement between them.

11. EXCUSABLE DELAY AND LIMITED SUPPLY. Neither 3M nor Buyer shall be liable for failure to perform (except for payment by Buyer for Product(s) received) 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; war, terrorism, or other violence; any law, order, proclamation, regulation, ordinance, demand, or requirement of any government agency, court, or intergovernmental body; situation in which 3M has insufficient capacity to manufacture or deliver forecasted demand across any and all product lines; environmental, health, safety, or regulatory reason as reasonably determined by 3M; or any other event or condition whatsoever beyond its reasonable control. A party, when so affected and upon giving notice, shall be excused from such performance to the extent of such prevention, restriction, or interference; provided that the affected party shall use its reasonable efforts to avoid or remove such reason for nonperformance and shall promptly resume performance whenever such reason is removed. In the event of back-order or other limited supply or availability of Product(s) for such reason or any other reason, 3M reserves the right, in its sole discretion and in a manner that it determines to be fair and reasonable under the circumstances, to allocate production capacity related to and/or supply of Product(s).

12. TERMINATION FOR BUYER'S CONVENIENCE. Unless otherwise specifically stated in writing by 3M, Buyer may terminate an order for Product(s), in whole or in part, for its convenience by prompt written notice to 3M specifying the extent of termination and effective date. As soon as reasonably possible after receipt of such notice, 3M shall stop all work on the affected order. In the event of such termination, 3M reserves the right at its option to invoice Buyer, and Buyer agrees to pay 3M, for a percentage of the terminated order price reflecting the percentage of work performed before the effective date of termination which may include the costs of all

related raw materials and intermediates dedicated to Product(s) subject to the affected order, and a reasonable allowance for profit on work completed, but such amount may not exceed the total order price for the terminated order. This provision does not give Buyer any right to audit 3M's records with respect to any such amount invoiced.

13. TERMINATION FOR DEFAULT. 3M may terminate an order or agreement, in whole or in part, if Buyer is in breach of a material obligation and does not cure such breach to the reasonable satisfaction of 3M within ten (10) days of 3M's written notice of intent to terminate for Buyer's default. 3M may terminate or modify these Terms and Conditions applicable to an order or agreement immediately and without prior written notice to Buyer upon the insolvency of Buyer, filing of a voluntary or involuntary petition of bankruptcy by or against Buyer, making of an assignment for the benefit of creditors by Buyer, or a significant change in the ownership or control of Buyer.

14. TAXES. Purchase price does not include any applicable sales, use, retailers occupation, goods, services, service occupation, excise, ad valorem, value added, consumption, or other similar taxes, duties, fees or charges imposed by any governmental authority for the purchase of Product(s) ("Transfer Taxes"), which 3M is required by law to collect from Buyer. Transfer Taxes will be separately itemized on 3M's invoice and Buyer shall be liable for their full payment. 3M will not collect or remit, and Buyer will not be liable for, any Transfer Taxes for which Buyer provides a valid tax exemption certificate. Each party will be solely and exclusively responsible for the reporting and payment of their respective net income, franchise, or similar taxes ("Income Taxes") that arise from or relate to transactions subject to these Terms and Conditions, and neither party assumes any liability or obligation of the other party with respect to Income Taxes.

15. U.S. GOVERNMENT AGENCY CONTRACTS:

3M primarily sells commercial items as defined in FAR 2.101. For Orders which reference U.S. Government agency prime contract numbers, or are otherwise identified as U.S. Government subcontracts, the following clauses are in effect on the Order date and are hereby incorporated by reference with 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. II. Additionally, when the Buyer's government contract is with the Department of Defense: The clauses required for subcontract flow down 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 must be separately negotiated if applicable. 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. 3M is a large business under FAR Part 19 and complies with the Small Business Administration rules. 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 Non-Manufacturer Rule, including, without limitation, ensuring that any necessary waiver has been approved in accordance with 13 CFR §121.1204.

16. GOVERNING LAW AND DISPUTE RESOLUTION: The validity, performance, and construction of these Terms and any Order or agreement to which these are made part will be governed by the laws of Minnesota, without regard to its conflicts of law provisions. The 1980 United Nations Convention on Contracts for the International Sales of Goods will not govern the Sales Terms. Any and all disputes arising between the parties arising out of these Terms and any Order or agreement must be resolved in the following order: (a) by good faith negotiations conducted within 90 days of a request for such negotiations between duly authorized representatives of each side; (b) if those negotiations are unsuccessful, by non-binding mediation within 120 days of a request for mediation at a location acceptable to both parties using a neutral mediator having experience with the industry (with costs shared equally); or (c) as a last resort if mediation is unsuccessful, by litigation. Any litigation relating to this Agreement must be filed only in the appropriate state or federal court located in Ramsey County, Minnesota. The Buyer agrees to submit to the jurisdiction of the state and federal courts in Minnesota in the event of any litigation concerning any aspect of this Agreement. This Section will not preclude either Party from taking other action if it is necessary to prevent immediate, irreparable harm to that Party's interests.

17. SEVERABILITY. If any provision of these Terms 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 these Terms which shall be enforced in accordance with the intent of this Agreement.

18. **NO WAIVER.** Any failure or delay by either party in exercising any right or remedy provided by or relating to these Terms in one or more instances does not constitute a waiver and shall not prohibit such party from exercising such right or remedy at a later time or from exercising any other right or remedy available.

Revised: March 10, 2017