

Rev. 03/25/2014

AEARO TECHNOLOGIES LLC PURCHASE ORDER TERMS

These terms ("Terms") are incorporated in any purchase order ("Order") for goods and other deliverables (referred to as "Goods") and services ("Services") issued by Aearo Technologies LLC, a 3M company ("Aearo") to the supplier providing the Goods and/or Services identified in that Order ("Seller"), except to the extent any Terms conflict with a written agreement between Aearo and Seller (the "Parties"), or other written terms Aearo has provided to Seller, that specifically cover that transaction.

- 1. <u>SCOPE</u>. Seller has accepted an Order (including these Terms) if Seller gives a verbal, written or electronic acknowledgement of, or initiates performance under, that Order. By accepting an Order, Seller's acceptance is limited to the Order's terms (which include these Terms). No additional or conflicting term in any Seller acknowledgement, invoice, bid, proposal, or other documentation is binding on Aearo, unless Aearo specifically agreed to it in writing. All Goods and Services will be delivered to Aearo in strict conformance with any packaging, product and/or service standards, specifications, and other requirements provided by Aearo or approved in writing by Aearo (the "Requirements").
- 2. <u>DELIVERY.</u> Unless otherwise stated in the Order, (a) all Goods shipped from a location in the United States to Aearo in the United States of America are sold FOB the Aearo facility or facilities specified in the applicable Order, (b) all Goods shipped to Aearo facilities in the United States from other countries or to Aearo facilities in other countries are sold FCA (Incoterms 2010) the location specified in the applicable Order, and (c) if Seller is responsible for shipping Goods, Seller will ship Goods via the most economical route and in a single shipment. Seller will deliver all Goods and Services within the time period stated in the Order, unless Aearo specifies a longer, or the Parties agree to a shorter, time period. Seller will make no charge for any packing, crating, storage, insurance, shipping, or delivery expense, unless authorized in the Order. Seller will pay any excess costs due to failure to follow Aearo's shipping instructions. If Seller delivers any Goods amount other than that stated in the Order without Aearo's prior written consent, Aearo may return any of that delivery, at Seller's expense. Aearo's determination of the Goods' count and weight is conclusive, unless Seller encloses a packing slip stating a different amount. TIME IS OF THE ESSENCE FOR ALL ORDERS.
- 3. PRICES AND PAYMENT. Goods and Services will be delivered to Aearo for the price stated in the Order. Unless the Order states different payment terms, payments are two percent/twenty net sixty to be paid in United States dollars. Aearo's payments may be adjusted for Seller's errors, defects or non-compliance with the Order (including these Terms). Each invoice must relate to only one Order, and be issued and dated no earlier than the date on the Goods' and/or Services' delivery date. Each Seller invoice and all related documents (such as packaging lists, bills of lading, freight bills and correspondence) must include: (a) Order number; (b) applicable Order line item number(s) and unit of measure; and (c) Aearo's identification number (if provided by Aearo). Seller warrants that the prices being paid by Aearo are not affected by collusion or any other anti-competitive activity.

4. ORDER CHANGE, SUSPENSION OR CANCELLATION.

- 4.1 Aearo may change an Order by giving electronic notice to Seller prior to shipment of the applicable Goods or performance of the Services. If any Order change causes an adjustment in price or delivery date, the Parties will make an equitable adjustment and modify an Order accordingly, provided that Seller gives Aearo notice of that adjustment claim within three business days after receipt of Aearo's Order change notice. Aearo may require Seller to suspend all or part of Seller's performance under an Order for up to twelve consecutive calendar months. Seller will suspend performance and resume performance, as directed by Aearo. If any Order suspension causes an adjustment in price, the Parties will make an equitable adjustment and modify an Order accordingly, provided that Seller gives Aearo notice of that adjustment claim within three business days after receipt of Aearo's Order suspension notice.
- 4.2 Aearo may cancel an Order, without cause, at any time by electronic or written notice to Seller, but if Aearo's notice of cancellation is issued less than five days prior to a scheduled Goods delivery date or Services performance date, then Seller will be entitled to reimbursement for: (a) if Goods, any unique raw materials that cannot be returned to Seller's supplier or sold to other Seller customer(s) and are necessary to provide those Goods due on that delivery date; or (b) if Services, the fees for those Services completed prior to the termination and Seller's actual, out-of-pocket expenses paid to third parties that are not refundable and were reasonably necessary to provide those Services. If Seller fails to comply with all of an Order's Terms or admits its inability to meet its financial obligations, or it otherwise becomes apparent that Seller will not be able to fulfill its obligations under that Order due to Unavoidable Delay or other cause, then Aearo may cancel an Order at any time by electronic or written notice to Seller without any liability of any kind to Seller, in addition to any other legal or equitable remedies Aearo may have.
- **TRADEMARKS.** Seller will use a Aearo trademark, tradename or corporate logo ("Aearo Mark") only if required by the Requirements. Seller will, at Aearo's direction, return to Aearo or destroy all materials containing a Aearo Mark. While Seller is providing Goods and/or Services for Aearo and at any time thereafter, Seller will not use Aearo's name or Aearo Mark in any manner, including promotional or advertising materials, or otherwise assert affiliation with Aearo or a Aearo affiliate, except with Aearo's prior written consent in each instance.

6. AEARO MATERIAL & AEARO EQUIPMENT. Aearo owns any materials Aearo provides to Seller, including, without limitation, raw materials, databases, or documents ("Aearo Material") and any tooling or other equipment that Aearo provides to Seller or for which Aearo reimburses Seller ("Aearo Equipment"). Seller authorizes Aearo to file UCC financing statements and other documentation without Seller's signature to acknowledge Aearo's ownership of these items. Seller will not sell, pledge, transfer or remove from Seller's facility any Aearo Material or Aearo Equipment. Seller will use all Aearo Material and Aearo Equipment solely to perform its obligations under Orders and for no other purpose. Seller will not alter any Aearo Equipment. Seller will use its best efforts to maintain the security and confidentiality of all Aearo Material and Aearo Equipment. Seller has all risk of loss or damage to Aearo Equipment and Aearo Material, and will, at Aearo's request, immediately restore or replace any damaged or lost Aearo Equipment or Aearo Material with an equivalent item. Promptly on Aearo's request, Seller will return to Aearo all Aearo Equipment and unused Aearo Material in their original condition, except for reasonable wear, with Aearo liable only for crating and shipping costs. Seller will maintain all Aearo Equipment in a safe and proper condition and indemnify Aearo for, and defend it against, all claims arising out of Seller's use of Aearo Equipment. If the Parties establish Aearo Material loss allowances, Seller will reimburse Aearo for any excess losses, at Aearo's delivered cost to Seller. Seller will inspect Aearo Material that will be incorporated into Goods and promptly inform Aearo of any non-compliance with the Requirements.

7. WARRANTIES & REMEDIES.

- 7.1 In addition to all implied and express warranties available under the Uniform Commercial Code ("UCC") and/or these Terms, Seller warrants that: (a) all Goods and Services will be free from any encumbrance and conform to all Requirements and the applicable Order; (b) all Goods will be without any defect in design (except to the extent designed by Aearo), manufacture, processing, materials and workmanship; (c) all Goods will be made or processed, and all Services will be performed, in compliance with all laws applicable to Seller and its business and with sound environmental, health and safety practices consistent with 3M Company's Supply Chain Policies (which Aearo has adopted) regarding EHS, Transportation, Labor/Human Resources and Supplied Materials available at www.3M.com/supplychainpolicies. Seller also warrants that: (x) Seller has the expertise, and resources to perform its obligations under any Order (including these Terms); (y) no Good or Service infringes on any third party's intellectual property rights; and (z) Seller has no third party obligations that conflict in any way with Seller's obligations under these Terms.
- 7.2 In addition to all available remedies, Aearo may reject any Goods or Services not meeting Seller's warranties, and: (a) obtain substitutes and offset, or require Seller to reimburse Aearo for, all additional costs associated with the substitutes; or (b) require Seller, at Aearo's option, to either replace the affected Goods or re-perform the affected Services without charge, or to reimburse Aearo that Good's price, plus any Aearo Material's delivered cost, or that Service's price. Aearo may, but is not obligated to, inspect or test Goods and Services at Aearo's premises, Seller's premises or those of any Seller subcontractor performing under an Order. Aearo's acceptance of delivery, inspection, or payment for any Good or Service does not waive any of Seller's warranties or other obligations. Seller will use its best efforts to assist Aearo in investigation of, and corrective action for, Aearo customer complaints related to the Goods and/or Services.

8. COMPLIANCE WITH LAWS & PRODUCT CONTENT.

- 8.1 Seller will not provide products or services to Aearo 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 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 Order if Seller implements and maintains any additional working conditions needed to adequately protect their safety and health.
- 8.2 Before or at shipment of any Good that requires a Material Safety Data Sheet ("MSDS"), Seller will deliver a current and complete MSDS to Aearo. Seller warrants that each Good is in compliance with, or exempt from, all applicable chemical control Laws ("Chemical Control Laws"), including, without limitation, the United States Chemical Control Law known as "TSCA" and any other Chemical Control Law(s) referenced in an Order. Seller will promptly inform Aearo in writing of any change in a Good's regulatory status under any Chemical Control Law.
- 8.3 Goods, the Aearo products into which they are incorporated and Goods packaging ("Goods Packaging") may need to comply with laws that restrict, regulate or require disclosure of, product content, including but not limited to the European Union's Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (known as "RoHS"), the European Union's Regulation 1907/2006 (known as "REACH") relating to "Substances of Very High Concern ("SVHC's"), the European Union's Directive 94/62/EC relating to packaging, the U.S. Lacey Act and other similar laws ("Substance Laws"). Seller therefore warrants as follows for all Goods and Goods Packaging (exclusive of any Aearo Material):
 - (a) Restricted Substances. Goods and Goods Packaging will not contain substances in excess of permitted concentration values established by Substance Laws unless the applicable specifications specifically permit that substance in a higher concentration value. Without limiting the forgoing, substances in Goods and Goods Packaging will not exceed the following maximum concentration values in any homogeneous material ("Restricted Values"): (i) 0.1% (by weight) for each of lead, mercury, hexavalent chromium, polybrominated biphenyls or polybrominated diphenyl ethers; or (ii) 0.01% (by weight) for cadmium. If Aearo gives Seller notice that the Restricted Values are changed in a manner that may negatively affect Seller's obligations ("Revised Restricted Values"), and, within ten business days thereafter, Seller does not give Aearo notice that its warranty and/or

- certification are no longer valid, then Seller is deemed to have warranted that: (1) all non-Aearo Material will meet the Revised Restricted Values; and (2) its certification remains unaffected by the Revised Restricted Values. If any Goods or Goods Packaging fails to meet the initial or Revised Restricted Values, then Aearo may, in addition to other available remedies and at its discretion, immediately on notice to Seller, discontinue purchasing that Goods or Goods Packaging and any Aearo purchase commitment, Forecast, or Order relating to that Goods or Goods Packaging will be automatically revised to reflect Aearo's discontinuation of that purchase.
- (b) <u>Illegally Obtained Plant Material</u>. Goods and Goods Packaging will not contain plant material (including any derivative of plant material) taken, possessed, transported, or sold in violation of any law. Seller must exercise due care to ensure that the materials contained in Goods and Goods Packaging supplied to Aearo are legally sourced, harvested and exported from their country of origin. Goods and Goods Packaging will also, in addition to complying with the specifications, comply with 3M Company's Lacey Act Specification (CGS 150) (which Aearo has adopted) available at 3M.com/supplierregspecs.
- (c) Conflict Minerals. Seller will disclose whether Goods contain any conflict minerals as defined under Section 1502 of the U.S. Dodd-Frank Act and its implementing regulations (collectively the "Conflict Minerals Law") that are necessary to the production or functionality of the Goods ("Conflict Minerals"). If Goods contain any Conflict Minerals Seller must: (i) assure that those Conflict Minerals are "DRC conflict-free" as defined in the Conflict Minerals Law; (ii) provide on request information on Conflict Mineral smelters in the relevant supply chains including whether those smelters are DRC conflict-free; (iii) provide on request such other information as Aearo may reasonably require to determine the DRC conflict-free status of Conflict Minerals used in Goods; (iv) adopt policies and management systems consistent with 3M Company's Conflict Minerals Policy (which Aearo has adopted) located at 3m.com/supplychainpolicies; and (v) require its suppliers to adopt similar policies and systems.
- (d) <u>EEE/WEEE</u>. With respect to any Good, whether finished or a semi-finished component, that is (i) dependent on electric currents or electromagnetic fields in order to work properly, or (ii) for the generation, transfer and measurement of voltage within the parameters set forth in EU Directive 2011/65/EU, ("EEE Products"), Seller will design, manufacture and mark such EEE Product in accordance with, and provide Aearo with information to support the declaration of conformity required by, EU Directive 2011/65/EU and Module A of Annex II to EU Decision No. 768/2008/EC. If a Good's Specifications indicate that it is subject to the European Union's Waste Electrical and Electronic Equipment Directive or any related standards (collectively referred to as "WEEE"), then Seller will: (1) mark that Good at no cost to Aearo with the WEEE symbol and any other WEEE-required markings; (2) on or before that Good's first delivery to Aearo, provide to Aearo the WEEE-required information for treatment and recycling facilities by completing the Aearo-approved form for this purpose and provide instructions for that Good's disassembly by a treatment and recycling facility; and (3) design (to the extent designed by Seller) and produce that Good with goals of facilitating their dismantling, recovery, reuse and recycling. Seller will not prevent, through specific design features or manufacturing processes, any Good subject to WEEE ("WEEE Product") from being reused, unless those features or processes present overriding advantages, such as environment protection and/or safety requirements. To the extent designed by Seller, Seller will design all WEEE Products to: (A) meet energy efficiency standards and maximize energy efficiency; and (B) reduce or minimize WEEE Products' weight as is feasible.
- (e) <u>No Counterfeit Goods</u>. All Goods delivered pursuant to each Order will comply with and are subject to 3M Company's anti-counterfeiting terms and conditions (which Aearo has adopted) listed under "Counterfeit Goods" at 3M.com/supplierregspecs.
- Other Information Disclosure. Seller will provide Aearo: (i) satisfactory documentation that Goods and Goods Packaging (exclusive of Material) do not exceed the Restricted Values; (ii) certification of the exact concentration of each substance subject to the Restricted Values in all non-Aearo Material so Aearo can determine if Aearo Material combined with non-Aearo Material does not exceed the Restricted Values; (iii) certification of the presence of any substance regulated under any Substance Law contained in the Goods or Goods Packaging including without limitation any substance listed in the REACH Candidate List (found at http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp#download) current at the time the Goods are delivered to Aearo; (iv) certification of the exact concentration of each SVHC contained in Goods and Goods Packaging regardless of whether the relevant Specifications permit one or more SVHCs; (v) certification of each plant scientific name (genus and species), country of harvest, quantity of plant material (including any derivative thereof) and unit of measure contained in Goods and Goods Packaging; (vi) reports on the occurrence of other substances in any Goods or Goods Packaging that may be restricted by, or require disclosure to, governmental bodies, customers and/or recyclers; and (vii) if Goods or Goods Packaging is paper or paperboard, the percentage of recycled material such Goods or Goods Packaging contains and if the percentage of recycled material varies, the average percentage of recycled material used in the Goods or Goods Packaging.
- 8.4 Seller warrants that all Seller employees, agents, and subcontractors ("Seller Personnel") performing any of Seller's obligations under an Order will have employment authorization that complies with all applicable laws. On Aearo's request, Seller will provide Aearo with all documentation and information Aearo requires to conduct an export control license assessment relating to Seller Personnel. If Aearo determines that an export license is needed for certain Seller Personnel,

Aearo may, in its discretion, pursue that export license or instruct Seller not to use that Seller Personnel to perform Seller's obligations under an Order.

- 8.5 If any Goods will be shipped from another country into the United States, Seller must secure its facilities and all of its shipments made to Aearo and Aearo designated sites in accordance with then-current U.S. Customs Trade Partnership Against Terrorism ("C-TPAT") security guidelines. If Aearo is the importer of record for specific shipments, Seller must provide Aearo and must ensure that its logistics providers also provide Aearo all necessary shipping 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. This shipping data must be provided to Aearo in sufficient time before Goods are delivered to the carrier to complete the applicable requirements and in the case of ocean freight no less than three business days prior to delivery of Goods to the carrier. Current C-TPAT and ISF requirements can be found on the U.S. Customs and Border Protection website (www.cbp.gov).
- 8.6 Seller must comply fully at all times with applicable national 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. Seller will not offer, make, promise to make, or authorize the making of any gift or payment of money or anything of value either directly or indirectly for purposes of (a) influencing any act or decision of any government official or political party (or candidate thereof) (collectively, "Officials"); (b) inducing an Official to do or omit to do any act in violation of the lawful duty of that Official; or (c) inducing an Official to use influence with a non-U.S. government or instrumentality to facilitate Seller's performance of its obligations under any Order. Seller and its affiliates must at all times keep complete and accurate books and records. All records and information that Seller provides to Aearo pertaining to the performance of each Order must be complete and accurate.
- 8.7 Seller 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 Seller and its business. Seller also represents and warrants that:
 - a) Restricted Parties. In the performance of its obligations under this Order, Seller will not engage in any transaction with any restricted party appearing on the restricted parties lists of the United States or any other applicable jurisdiction including but not limited to Seller's use of freight forwarders, financial institutions, customs brokers and Seller Personnel. The U.S. Government's consolidated list of restricted parties is available at http://www.export.gov/ecr/eg_main_023148.asp.
 - b) Export Controls. Unless Aearo agrees in writing to the contrary and notwithstanding any Incoterm referenced in these Terms or the Order, Seller will obtain all export control licenses, permits, or any other governmental authorizations required to perform Seller's obligations under the Order. Prior to shipping any export-controlled Goods or transmitting any related export-controlled software or technical data to Aearo, Seller will provide the export classifications of the Goods, software or technical data ("Export Classification Information") by e-mail to export3MUS@mmm.com. In addition, Seller will include the Export Classification Information on (i) any packing documentation accompanying the shipment of Goods; (ii) any transmission instructions for software; and (iii) on the face of all technical data.
 - c) <u>Country of Origin</u>. On request Seller will provide Aearo with complete and accurate country of origin information for all Goods covered by the Order ("Country of Origin Information") by e-mail to import3MUS@mmm.com.
 - d) Antidumping and Countervailing Duties. If any Goods are subject to antidumping or countervailing duties for the purposes of import into the United States, Seller will notify Aearo by e-mail to import3MUS@mmm.com prior to shipment of the Goods.
 - e) Aearo Cancellation Remedies. If Seller breaches this Section 8.7, Aearo may in addition to its other remedies cancel the Order on notice to Seller without any opportunity to cure and without liability to Aearo. In addition, Aearo may in its sole discretion and without liability or opportunity to cure cancel the Order on notice to Seller if:

 (i) the export control classification of the Goods or related software or technical data limits or restricts Aearo's ability to use or resell the Goods; or (ii) Seller notifies Aearo that any Goods are subject to antidumping or countervailing duties.
- 8.8 All drawback of duties and rights related to duties paid by Seller when the Goods or any materials or components used in manufacturing Goods are imported by Seller accrue to the exclusive benefit of Aearo. Duty drawback rights include without limitation rights accruing from product substitution and rights obtained from Seller's subcontractors. Upon request, Seller will provide Aearo with all documents, records, and other supporting information necessary to obtain any duty drawback, and will reasonably cooperate with Aearo to obtain payment.

9. CONFIDENTIAL INFORMATION.

9.1 The term: (a) "products" as used only in this Section 9 means all products manufactured or sold by or for Aearo or services performed for Aearo, including the Goods and Services; and (b) "Aearo Confidential Information" means information or tangible materials, whether or not designated by Aearo as confidential, pertaining to: (i) product development, design, formulations, composition, research and development, or specifications; (ii) product manufacturing techniques, rates or quantities; (iii) equipment used to make products; (iv) any other aspects of Aearo's business relating to products and services, including without limitation marketing, sales, customers and non-public financial data; (v) all Orders placed by Aearo; and (vi) the Parties' relationship.

- 9.2 Seller will: (a) keep all Aearo Confidential Information confidential; (b) use Aearo Confidential Information only as necessary to perform Seller's obligations under the Order; and (c) assure that its employees, agents, and Aearo-approved subcontractors abide by these confidentiality obligations. If Seller receives any tangible materials constituting Aearo Confidential Information, then Seller will return those to Aearo, on Aearo's request or at the end of the applicable Order. Aearo Confidential Information does not include information that is: (x) available to the public in any publication; (y) known to Seller prior to its receipt from Aearo as evidenced by Seller's written records; or (z) available to Seller from another source without breach of any agreement or violation of law. If required by judicial or administrative process to disclose Aearo Confidential Information, Seller agrees to promptly give Aearo notice, allow Aearo reasonable time to oppose such process, and seek to have the third party treat the information confidentially to the extent legally permissible.
- 10. PERSONAL INFORMATION. "Personal Information" means information about a particular individual that, on its own or in combination with other information, identifies an individual, in any form and any media. Seller may access, collect, or process Personal Information during its performance under an Order. Seller must keep all that Personal Information confidential, use it only as necessary to perform Seller's obligations under an Order, and promptly notify Aearo of any judicial process that might require its disclosure. Seller will, at Aearo's option, either return or destroy all that Personal Information on Aearo's request. In addition, Seller will: (a) create, obtain, process and use Personal Information only in compliance with all applicable laws; (b) restrict access to Personal Information to only those Seller employees as is necessary to perform Seller's obligations under an Order; (c) ensure that all Seller employees with such access have obligations as strict as Seller's obligations under this Section and have been informed of those obligations; (d) use security measures to protect all Personal Information from unauthorized access, use, disclosure, alteration or destruction; (e) maintain any records that include Personal Information in accurate and current form; (f) on Aearo's request, provide reasonable assistance with updating, correcting, verifying, and providing individuals with access to their Personal Information related to an Order; and (g) promptly notify Aearo if any unauthorized person accesses, uses, or discloses any Personal Information related to an Order, or if any individual requests access to, correction of, or revokes consent for, Personal Information related to an Order.
- 11. PRODUCTION DISCONTINUATION. Prior to Seller's discontinuing the manufacture or sale of any Good identified in any Order issued by Aearo during the preceding twelve months: (a) Seller will fill all current Orders for that Good; (b) Seller will give Aearo at least six months' prior written notice of that discontinuation; and (c) Aearo will have the right to issue a last-time buy Order for, and Seller will deliver, that discontinued Good at its then-current price in an amount up to Aearo's largest twelve-month purchase volume (based on Orders issued).
- 12. INDEMNIFICATION & INSURANCE. Seller will indemnify, defend, and hold harmless Aearo, its affiliates, and their successors, assigns, officers, directors, employees, and agents for, from and against any claim, liability, loss, damage, lien, judgment, duty, fine, civil penalty and cost, including attorneys' fees and litigation expenses, arising out of: (a) Seller's failure to comply with any of its obligations under an Order (including these Terms), which may include, without limitation, those relating to a resulting Good recall or other reasonable action Aearo takes regarding any such failure; and (b) claims arising out of handling, packaging, labeling, storage, treatment, removal, transportation, and disposal of any waste material at any Seller site or related to the Goods under any laws, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sections 9601 et seq. as amended, known as "CERCLA"), the Hazardous Materials Transportation Act (49 U.S.C. Sections 5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq., known as "RCRA"), or any other current or future law of similar effect. These indemnities do not affect any other Aearo remedies. Seller will at all times maintain liability, property damage, and other insurance to protect Aearo from all the foregoing risks, and will, on request, supply certificates evidencing this coverage.
- 13. <u>U.S. GOVERNMENT CONTRACTS</u>. The U.S. Government provisions that apply to Orders ("Flow Downs") may be found at www.3M.com/supplier/gov under "U.S. Government Contracts Provisions for Suppliers and Subcontractors USGOV-U". These Flow Downs are in addition to any other Flow Downs that may be included in a specific Order or other agreement between Aearo and Seller. The Flow Downs have the same force and effect as if they were included in full text in the Order. The version of the Flow Downs is the most current version shown at found at www.3M.com/supplier/gov as of the issuance date of the Order, and may only be changed by mutual written agreement of the Parties.
- 14. UNAVOIDABLE DELAY. If a Party cannot perform its obligations, in whole or in part, under an Order as a result of civil or military authority, war, flood, fire, epidemic, or other condition or cause beyond its reasonable control and not related to its fault or negligence (an "Unavoidable Delay"), that Party will be excused from that performance during the Unavoidable Delay to the extent that performance is prevented or delayed. If Seller has an Unavoidable Delay, Aearo may modify or terminate any Orders on notice to Seller without liability to Seller. During a Seller Unavoidable Delay period, Seller will allocate any available Goods as is fair and reasonable. Unavoidable Delay will not include: (a) any labor dispute; (b) non-performance by Seller's supplier; or (c) any delay preventable by Seller moving the affected Goods to an alternate Aearo-approved Seller facility.
- **15.** <u>SELLER WAIVER OF DAMAGES</u>. Aearo WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO SELLER FOR SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS) IN ANY WAY RELATED TO GOODS, SERVICES, AN ORDER, OR ITS TERMINATION, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY ON WHICH THE DAMAGES ARE SOUGHT.

- 16. <u>DISPUTE RESOLUTION</u>. Any claim or dispute arising from, or relating to, a Good, Service, or an Order (including these Terms) will be: (a) governed by the laws of the State of Minnesota, United States of America, without regard to its conflicts of law provisions; and (b) must only be litigated in a federal or state court of competent jurisdiction in Ramsey County, Minnesota. Each Party consents to the Minnesota courts' personal jurisdiction. Each Party will bear its own costs in dispute resolution, except that if a Party commences litigation, the losing Party in that litigation will pay all the prevailing Party's attorneys' fees, court costs, and other expenses related to that litigation. The 1980 United Nations Convention on Contracts for the International Sales of Goods will not govern an Order. All negotiations will be conducted in English, and all documents, including all Orders, will be written in English.
- 17. <u>NOTICES</u>. Unless otherwise stated in these Terms, any permitted or required notice must be in writing and personally delivered, including via any internationally recognized overnight service: (a) to Aearo at: Aearo Sourcing Operations, Building 0216-02N-007, Aearo Center, St. Paul, Minnesota USA 55144-1000, Attention: Vice President; and (b) to Seller at the address to which the applicable Order was sent. Notice of a Party's address change will be given as stated above.
- 18. GENERAL TERMS. Reference in these Terms to laws includes all federal, state, provincial, regional, territorial and local laws, statutes, regulations, rules, ordinances and directives of any government. Each Order (including these Terms) is the Parties' final and complete agreement, and it terminates all their prior written or oral agreements and understandings as to that Order's subject matter except: (a) for any additional Seller obligations in a Bidding Participation Agreement; and (b) no Order is intended to terminate or supersede any existing confidentiality or intellectual property agreement by the Parties, including, without limitation, a General Supplier & Patent Agreement or Supplier Agreement or any written agreement between the Parties that specifically covers the Order or other written terms Aearo has provided to Seller, that specifically covers that Order. All these Terms including, without limitation, those relating to safety, regulatory compliance, warranty, insurance, indemnification, confidentiality, will survive an Order's end and be fully enforceable thereafter to the full extent necessary to protect the Party in whose favor they run. A Party's failure(s) to insist on strict performance, or to exercise its rights, under an Order, does not waive subsequent compliance with that Order. All Aearo rights and remedies under an Order are cumulative, and in addition to any other rights and remedies provided in law or equity. Seller may not assign an Order or any of its rights or obligations under an Order, including, without limitation, any subcontracting ("Assignment"), without Aearo's prior written consent. No purported Assignment by Seller is binding on Aearo without its written consent. No Aearo consent to a Seller Assignment relieves Seller of any obligations under an Order, and Seller will ensure that any full assignee assumes all of Seller's obligations under these Terms and that any subcontractor is bound by terms as stringent as these Terms. Except as otherwise provided in these Terms, an Order may only be modified by a written document signed by the Parties' authorized representatives.