

STATE OF MINNESOTA
AGREEMENT BETWEEN
THE COMMISSIONERS OF THE
MINNESOTA POLLUTION CONTROL AGENCY AND
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
AS CO-TRUSTEES FOR NATURAL RESOURCES

AND

THE 3M COMPANY

In the matter of:
Potential Claims by the State of Minnesota for
Recovery of Natural Resource Damages Related
to Releases of Perfluorochemicals Into the
Environment

AGREEMENT
TO TOLL STATUTE OF
LIMITATIONS

WHEREAS, the Minnesota Pollution Control Agency (MPCA) and the 3M Company (3M) have entered into a Settlement Agreement and Consent Order captioned "In the matter of Releases and Discharges of Perfluorochemicals At and From Sites in Washington County, Minnesota, and Certain Related Matters Pursuant to the Minnesota Environmental Response and Liability Act, Minn. Stat. §§ 115B.01 to 115B.20, the Water Pollution Control Act, Minn. Stat. ch.115, and Minn. Stat. ch.116" (Consent Order); and

WHEREAS, the Consent Order became effective on May 22, 2007 and currently remains in effect; and

WHEREAS, the Consent Order resolves the liability of 3M to the MPCA for matters covered by the Consent Order, which generally includes response actions and response costs related to releases and discharges of perfluorochemicals (PFCs) from the 3M Cottage Grove Site, the 3M Oakdale Site and the 3M Woodbury Site as defined in the Consent Order and for certain other matters specified in the Consent Order; and

WHEREAS, 3M is currently performing its obligations under the Consent Order; and

WHEREAS, the Consent Order, as provided in Part XXV.D, does not resolve 3M's liability, if any, for natural resource damages or related assessment costs which may arise out of or relate to the release of PFCs ; and

WHEREAS, the Commissioner of the MPCA and the Commissioner of the Department of Natural Resources are co-trustees for natural resources for the State of Minnesota (Trustees) pursuant to Executive Orders No. 99-17 and No. 03-04 for purposes of assessing and recovering natural resource damages caused by releases into the environment; and

WHEREAS, the Trustees contend that releases of PFCs into the environment for which 3M may be responsible have resulted in or significantly contributed to injury, destruction, or loss of natural resources of the State, including ground water, surface water, sediments and aquatic life; and

WHEREAS, the Attorney General of the State of Minnesota is authorized by law, including Minn. Stat. § 115B.17, subd. 7, to bring an action on behalf of the State for recovery of natural resource damages; and

WHEREAS, the Trustees and the Attorney General's Office have been preparing for the commencement of an action against 3M to recover damages for injury to or loss of natural resources resulting from releases of PFCs to the environment; and

WHEREAS, the Trustees and 3M desire to negotiate concerning the resolution of the State's possible natural resource damages claim relating to releases of PFCs into the environment; and

WHEREAS, the Trustees and 3M agree that a temporary tolling of any statutes of limitations applicable to the State's possible natural resource damages claim will facilitate negotiations while preserving the rights of the State and 3M, and will thereby serve the best interests of both parties;

NOW, THEREFORE, 3M and the State of Minnesota (By its Natural Resource Trustees and its Attorney General) agree as follows:

1. Any statutes of limitation applicable to any claim against 3M by the State of Minnesota (State) for recovery of damages for any injury, destruction or loss of natural resources related to releases of PFCs to the environment, including the reasonable costs of assessing such injury, destruction, or loss, for which 3M may be legally responsible (NRD Claim) are tolled until December 30, 2010. For purposes of this Agreement, tolling of the statute of limitations means that the running of any period of limitation on any NRD claim by the State shall be suspended until December 30, 2010, or such earlier time as this Agreement may terminate under Paragraph 8, and such period of limitation shall commence to run again when this Agreement terminates.

2. The State shall refrain from commencing any action prior to December 30, 2010 against 3M with respect to any NRD claim, except in the event that this Agreement is terminated earlier by either party pursuant to Paragraph 8. In any NRD Claim brought by the State, 3M waives its right and agrees not to affirmatively assert that the claim is barred because any period of limitation was running or ran out during the time when applicable statutes of limitations were tolled by this Agreement.

3. This Agreement does not constitute an admission of fact or liability by 3M with respect to any injury, destruction or loss of natural resources, or any costs of assessing such injury, related to releases of PFCs to the environment. The parties to this Agreement have disputed and continue to dispute the jurisdiction of the State under MERLA with respect to releases and threatened releases of PFCs. In entering into this Agreement, the parties do not waive or compromise their respective legal arguments. 3M expressly retains the right to contest the applicability of MERLA to releases and threatened releases of PFCs in any proceeding other than a proceeding to implement or enforce this Agreement.

4. Except as provided in paragraphs 1 and 2 above, this Agreement does not affect any rights of 3M to assert any defense to liability for damages for any injury, destruction, or loss of natural resources, including the reasonable costs of assessing such injury, related to releases of PFCs to the environment.

5. This Agreement does not constitute an admission of fact or law by any party hereto as to the operation of any statute of limitations applicable to any NRD Claim or that any such statute of limitations is running, has run or would have run during the term of this Agreement or at any other particular time. This Agreement is not intended to and shall not revive any NRD claim that is or may have already been time-barred before the effective date of this Agreement .

6. The parties agree that this Agreement shall not be offered nor shall it be admissible as evidence in any judicial action except for the purpose of enforcing the terms of this Agreement.

7. During the period of tolling under this Agreement, the parties agree to engage in good faith negotiations to attempt to resolve the State's NRD Claim against 3M.

8. Either the State or 3M may in its sole discretion elect to terminate this Agreement before the date provided in Paragraph 11 by giving 30 days written notice of early termination to the other party. Early termination under this Paragraph shall be effective on the first business day occurring 30 days after receipt of notice by the other party. In the event either party gives written notice of early termination of this Agreement, all applicable statutes of limitations shall remain tolled until the early termination is effective, at which time the State may commence an action with respect to any NRD claim against 3M.

9. Notices under this Agreement shall be effective if provided in writing to the following:

For the State of Minnesota:

Commissioner Paul Eger
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, Minnesota 55155

With a copy to:


Steven Gunn, Deputy Attorney General
Office of the Attorney General
State of Minnesota
900 Bremer Tower
445 Minnesota Street
St. Paul, Minnesota 55155

For the 3M Company:

Michael Nash
Assistant General Counsel
3M Office of General Counsel
3M Center
Building 220-9E-02
P.O. Box 33428
St. Paul, Minnesota 55133-3428

10. This Agreement may be amended by written agreement of the parties.
11. This Agreement is effective when signed by 3M, the Trustees and the Attorney General's Office, and terminates on December 30, 2010.
12. By their signatures below, the undersigned agree to the terms set forth in this Agreement and represent that they have the authority to bind the parties they represent.

3M COMPANY

By: 
Title: V.P. & DEPUTY GEN'L. CSL.
Date: 4/30/10

STATE OF MINNESOTA

**CO-TRUSTEES FOR
NATURAL RESOURCES**

**MINNESOTA POLLUTION CONTROL
AGENCY**

By: _____
Title: _____
Date: _____

**DEPARTMENT OF NATURAL
RESOURCES**

By: _____
Title: _____
Date: _____

MINNESOTA ATTORNEY GENERAL

By: _____
Assistant Attorney General
Date: _____

**ATTORNEY FOR THE
STATE OF MINNESOTA**

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3M COMPANY

By: _____
Title: _____
Date: _____

STATE OF MINNESOTA

**CO-TRUSTEES FOR
NATURAL RESOURCES**

**MINNESOTA POLLUTION CONTROL
AGENCY**

By: Timothy Scheepersbach
Title: Deputy Commissioner
Date: 5-4-10

**DEPARTMENT OF NATURAL
RESOURCES**

By: Mk Hite
Title: Commissioner
Date: 5/3/10

MINNESOTA ATTORNEY GENERAL

By: Ala @ Wice

Assistant Attorney General

Date: 5-4-10

**ATTORNEY FOR THE
STATE OF MINNESOTA**