

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **November 10, 2008**

3M COMPANY

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

File No. 1-3285

(Commission File Number)

41-0417775

(IRS Employer Identification No.)

3M Center, St. Paul, Minnesota

(Address of Principal Executive Offices)

55144-1000

(Zip Code)

(651) 733-1110

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers

Item 5.02(e) Compensatory Arrangements of Certain Officers

1. 3M VIP Excess Plan

At its meeting on November 10, 2008, the Compensation Committee of the Board of Directors of 3M Company adopted the VIP Excess Plan (the "Plan") with an effective date of January 1, 2009. This VIP Excess Plan replaces the VIP Plus plan by which the Company currently offers eligible highly compensated employees with the opportunity to defer the receipt of a portion of their current cash compensation on a tax-favored basis. While the new VIP Excess Plan is similar in most respects to the current VIP Plus, it is designed to be a true "excess" plan for tax purposes. This means that the plan will not allow participants to begin making contributions for a taxable year until either their compensation or their deferrals to the Company's qualified 401(k) plan have exceeded the applicable tax law limit. The new VIP Excess Plan also makes Company matching contributions available to all participants and increases the amount of those matching contributions as compared to the current VIP Plus which limits Company matching contributions to only a portion of the plan's participants.

The following is a summary of the material terms of the VIP Excess Plan and is qualified in its entirety by reference to the full terms of the plan document, which is attached hereto as Exhibit 10.1 and incorporated by reference herein.

(1) The purpose of the Plan is to attract and incent eligible highly compensated employees to remain with 3M by offering them the opportunity to earn additional retirement benefits by deferring the receipt of a portion of their compensation on a tax-favored basis.

(2) Participation in the Plan is limited to employees of 3M Company and its U.S. subsidiaries who are eligible to participate in the Company's qualified 401(k) plan and whose annual planned total cash compensation exceeds the federal tax law limit on eligible compensation for qualified plan purposes.

(3) Eligible employees may choose to participate in the Plan each year by electing to defer the receipt of eligible compensation to be earned during the following taxable year. The Plan permits eligible employees to defer the receipt of from two to ten percent of their eligible compensation earned during each taxable year. For purposes of the Plan, eligible compensation is limited to base salary and variable pay (including annual incentive, sales commission and management objective, but excluding any portion of such variable pay that is payable in restricted stock units) earned during a taxable year that either (a) exceeds the federal tax law limit on eligible compensation for such taxable year, or (b) becomes payable to a participant after such participant's elective deferrals to the Company's qualified 401(k) plan during such taxable year have reached the applicable federal tax law dollar limit on such deferrals.

(4) The Company will make matching contributions to the Plan on behalf of each participant equal to a percentage of their deferrals to the Plan each taxable year (limited to the first six percent of their eligible compensation deferred to the Plan each taxable year). This percentage varies from sixty to one hundred percent of the amount of each participant's deferrals to the Plan (limited to the first six percent as described above), depending on whether the participant is covered by a pension plan of the Company (and if so, on which portfolio the participant is covered by). These matching contributions will vest on the following basis: 40% after one year of employment service with the

Company, 70% after two years of employment service with the Company, and 100% after three years of employment service with the Company.

(5) The Company will make additional nonelective contributions to the Plan on behalf of each employee eligible to participate in the Plan who is covered by the portfolio III provisions of the Company's qualified 401(k) plan. These additional nonelective contributions will equal three percent of the compensation earned by an eligible employee during each taxable year that is eligible for deferral under the Plan. These additional nonelective contributions will vest on the same basis as the Company matching contributions described in paragraph 4 above.

(6) In addition to each participant's deferrals and the amount of any Company matching contributions and nonelective contributions, the Plan will credit to each participant's account investment earnings and losses based on the performance of the investment fund or funds in the Company's qualified 401(k) plan selected by such participant from time to time.

(7) The Plan will not be funded by the Company, and all amounts payable under the Plan will be paid from the general assets of 3M Company. The rights of each participant under the Plan will be no greater than the rights of a general unsecured creditor of the Company.

(8) As part of each year's election to participate in the Plan, participants will elect how and when to receive payment of their accounts attributable to the amounts deferred and contributed on their behalf for such taxable year. Participants may choose to receive payments in either a lump sum or in up to ten annual installments generally following their retirement from employment with the Company. In the event of the termination of a participant's employment prior to becoming eligible to retire, the Plan will pay the entire vested balance of such participant's accounts in the month of January or July of the year following the year in which such participant incurred a separation from service. In the event of a participant's unforeseeable financial emergency, the Compensation Committee of 3M's Board of Directors may allow the participant to withdraw an amount from the Plan sufficient to alleviate the emergency.

(9) The Plan will become effective January 1, 2009, and it may be amended or terminated at any time by the Company. However, no amendment of the Plan may adversely affect the rights of participants acquired under the terms of the Plan in effect prior to the amendment.

A copy of the Plan is included as Exhibit 10.1 to this report and incorporated by reference into this Item 5.02.

2. Amendment of 3M VIP Plus

At its meeting on November 10, 2008, the Compensation Committee of the 3M Board of Directors approved an amendment of the Company's VIP Plus plan. This plan offer eligible highly compensated employees of the Company the opportunity to defer the receipt of a portion of their current cash compensation on a tax-favored basis. The amendment adopts various technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986. The amendment also closes the plan to new contributions following the completion of all contributions previously elected for the current 2008 plan year, as the Company intends to replace the VIP Plus plan with a new 401(k) supplement plan which takes effect in 2009. A copy of this amendment is included as Exhibit 10.2 to this report and incorporated by reference into this Item 5.02.

3. Amendments of The 3M 1997, 2002 and 2005 Management Stock Ownership Programs

At its meeting on November 10, 2008, the Board of Directors of 3M Company approved amendments to the plan documents of the three most recent versions of its Management Stock Ownership Program. One of the amendments, to the 2005 Management Stock Ownership Program, adopts several technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986. The remaining amendments, to the plan documents of the 1997, 2002 and 2005 Management Stock Ownership Program, implement a single global definition of the term "Retirement" for purposes of applying the vesting and forfeiture provisions of such plan documents. Copies of the amendments are included as Exhibit 10.3 to this report and incorporated by reference into this Item 5.02.

4. Amendment of 3M Deferred Compensation Plan

At its meeting on November 10, 2008, the Compensation Committee of the Board of Directors of 3M Company approved an amendment to the plan document of the 3M Deferred Compensation Plan. This amendment adopts several technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986, and also confirms that performance shares granted under a long-term incentive plan of the Company are eligible for deferral under the Plan. A copy of the amendment is included as Exhibit 10.4 to this report and incorporated by reference into this Item 5.02.

5. Amendment of 3M 2008 Long-Term Incentive Plan

At its meeting on November 10, 2008, the Board of Directors of 3M Company approved an amendment to the plan document of the 3M 2008 Long-Term Incentive Plan. This amendment adopts several technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986. A copy of the amendment is included as Exhibit 10.5 to this report and incorporated by reference into this Item 5.02.

6. Amendment of 3M Performance Unit Plan

At its meeting on November 10, 2008, the Compensation Committee of the Board of Directors of 3M Company approved an amendment to the plan document of the 3M Performance Unit Plan. This amendment adopts several technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986. A copy of this amendment is included as Exhibit 10.6 to this report and incorporated by reference into this Item 5.02.

7. Amendment of 3M 1992 Directors Stock Ownership Program

At its meeting on November 10, 2008, the Board of Directors of 3M Company approved an amendment to the plan document of the 3M 1992 Directors Stock Ownership Program. This amendment adopts several technical changes designed to make the plan document comply with the requirements of section 409A of the Internal Revenue Code of 1986. A copy of this amendment is included as Exhibit 10.7 to this report and incorporated by reference into this Item 5.02.

8. Amendment of the 3M Compensation Plan for Nonemployee Directors

At its meeting on November 10, 2008, the Compensation Committee of the Board of Directors of 3M Company approved an amendment to the plan document of the 3M Compensation Plan for Nonemployee Directors. This amendment adopts several technical changes designed to make the plan document comply with the requirements of

section 409A of the Internal Revenue Code of 1986, and also offers those directors who have not commenced receiving payments a one-time opportunity to change their elections concerning the time and/or method of paying the amounts deferred under the Plan since 2004. A copy of this amendment is included as Exhibit 10.8 to this report and incorporated by reference into this Item 5.02.

9. 3M Nonqualified Pension Plan III

At its meeting on November 10, 2008, the Compensation Committee of the Board of Directors of 3M Company adopted the 3M Nonqualified Pension Plan III ("Plan III") with an effective date of January 1, 2009. This new Plan III continues and supplements the Company's current nonqualified pension plans that provide pension benefits to those of its U.S. employees whose benefits under 3M's qualified pension plan are restricted by various federal tax law limits.

The following is a summary of the material terms of the 3M Nonqualified Pension Plan III and is qualified in its entirety by reference to the full terms of the plan document, which is attached hereto as Exhibit 10.9 and incorporated by reference herein.

(1) The purpose of Plan III is to provide deferred compensation in the form of additional retirement benefits to a select group of participants and their beneficiaries in the 3M qualified pension plan and certain other employees. It will do so by providing retirement benefits that supplement this qualified pension plan but which are not strictly in excess of the federal tax law limits applicable to such plan.

(2) Participation in Plan III is limited to employees of 3M Company and its U.S. subsidiaries who participate in the Company's qualified pension plan and who meet one or more of the following criteria: (a) participants in the 3M Deferred Compensation Plan; (b) participants in the VIP Plus plan; (c) participants in the 1987, 1992 or 1997 3M Management Stock Ownership Program who received grants of 3M restricted stock under such Program; and (d) certain pilots in the Company's Aviation Department who retire from the Company on or after January 1, 2006.

(3) The additional retirement benefits payable by Plan III are generally the amount by which the retirement benefits that would be paid by the Company's qualified pension plan if that plan took into consideration and paid benefits on the basis of certain additional compensation earned by eligible employees exceed the amount of retirement benefits actually payable by such qualified pension plan.

(4) A participant in Plan III who is not entitled to a vested benefit under 3M's qualified pension plan is not entitled to receive any benefit under Plan III unless and until such participant's benefits under the qualified pension plan become vested.

(5) Plan III will not be funded by the Company, and all amounts payable under Plan III will be paid from the general assets of 3M Company. The rights of each participant under Plan III will be no greater than the rights of a general unsecured creditor of the Company.

(6) All of a participant's benefits under Plan III are generally payable in a single lump payment in the month following the participant's separation from service with the Company (subject to a 6-month delay for certain employees as required by section 409A of the Internal Revenue Code of 1986). Certain participants were allowed a one-time opportunity to elect to receive the payment of their Plan III benefits in the form of a life annuity following their retirement from employment with the Company.

(7) Plan III may be amended or terminated at any time by the Compensation Committee or the Board of Directors of 3M Company. However, no amendment of Plan III may adversely affect the rights of participants acquired under the terms of Plan III in effect prior to the amendment.

A copy of Plan III is included as Exhibit 10.9 to this report and incorporated by reference into this Item 5.02.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	3M VIP Excess Plan
10.2	Amendment of 3M VIP Plus
10.3	Amendments of The 3M 1997, 2002 and 2005 Management Stock Ownership Programs
10.4	Amendment of 3M Deferred Compensation Plan
10.5	Amendment of 3M 2008 Long-Term Incentive Plan
10.6	Amendment of 3M Performance Unit Plan
10.7	Amendment of 3M 1992 Directors Stock Ownership Program
10.8	Amendment of the 3M Compensation Plan for Nonemployee Directors
10.9	3M Nonqualified Pension Plan III

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

3M COMPANY

By: /s/ Gregg M. Larson
Gregg M. Larson,
Deputy General Counsel and Secretary

3M VIP Excess Plan

ARTICLE 1

Purpose

The purpose of this Plan is to attract and incent eligible highly compensated employees to remain with 3M by offering them the opportunity to earn additional retirement benefits by deferring the receipt of a portion of their compensation on a tax-favored basis, with the belief that such opportunity will permit these employees to increase their long-term financial security. The Plan does this by supplementing the before-tax deferral provisions of the 3M Voluntary Investment Plan and Employee Stock Ownership Plan (VIP), which are limited by the requirements of the Internal Revenue Code.

ARTICLE 2

Definitions

For the purposes of this Plan, the following words and phrases shall have the meanings indicated, unless the context clearly indicates otherwise:

- 2.1 ACCOUNT. "Account" or "Accounts" means the record of the amounts credited to a Participant under the Plan pursuant to Article 6.
- 2.2 BENEFICIARY. "Beneficiary" means the person, persons or entity designated by the Participant, or as provided in Article 8, to receive any unpaid balance in such Participant's Accounts following his or her death.
- 2.3 CODE. "Code" means the Internal Revenue Code of 1986, as amended.
- 2.4 COMMITTEE. "Committee" means the Compensation Committee of the Board of Directors of 3M.
- 2.5 COMPANY. "Company" means 3M Company ("3M"), its U.S. affiliates and subsidiaries and any successor to the business thereof.
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- 2.6 EFFECTIVE DATE. "Effective Date" means January 1, 2009, the effective date of this Plan.
- 2.7 ELIGIBLE COMPENSATION. "Eligible Compensation" of a Participant for any Plan Year means base pay plus any variable pay (including annual incentive (AIP), sales commissions and management objective, but excluding any portion of such variable pay that is payable in restricted stock units) earned by the Participant during such Plan Year that either (i) exceeds the Indexed Compensation Limit for such Plan Year, or (ii) becomes payable to such Participant after such Participant's elective deferrals under the VIP during such Plan Year have reached the applicable dollar limit on such deferrals imposed by section 402(g) of the Code (regardless of whether or not the Participant is eligible to make or is actually making catch-up deferrals as authorized by section 414(v) of the Code). Eligible Compensation does not include incentives, awards, foreign service premiums and allowances, income arising from stock options, separation pay, employer contributions to employee benefit plans, reimbursements or payments in lieu thereof, or lump sum payouts of a Participant's unused vacation benefits.
- 2.8 EMPLOYEE. "Employee" means any person employed by the Company as an active regular common-law employee who is recognized as such on 3M's human resources/payroll systems; including such persons who are United States citizens but on assignment outside of this country and resident aliens employed in the United States; but excluding any person covered by a collective bargaining agreement to which the Company is a party.
- 2.9 INDEXED COMPENSATION LIMIT. "Indexed Compensation Limit" means the annual amount of compensation that may be recognized by a qualified retirement plan under section 401(a)(17) of the Code (as adjusted annually for increases in the cost of living).
- 2.10 PARTICIPANT. "Participant" means any Employee who has elected to make contributions to this Plan after satisfying the eligibility requirements of Section 4.1.
- 2.11 PLAN. "Plan" means the plan described in this document, as it may be amended from time to time. The official name of the Plan shall be the 3M VIP Excess Plan.
- 2.12 PLAN ADMINISTRATOR. "Plan Administrator" means the person to whom the Committee has delegated the authority and responsibility for administering the Plan. Unless and until changed by the Committee, the Plan Administrator of the Plan shall be 3M's Vice President, Compensation and Benefits or his or her successor.
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- 2.13 PLAN YEAR. "Plan Year" means the 12-month period from January 1 through December 31 in respect of which a Participant may contribute to the Plan. The first Plan Year shall begin on January 1, 2009.
- 2.14 PORTFOLIO III VIP. "Portfolio III VIP" means the provisions of the 3M Voluntary Investment Plan and Employee Stock Ownership Plan applicable to those eligible employees who were hired or rehired by the Company after December 31, 2008.
- 2.15 RETIRE or RETIREMENT. "Retire" or "Retirement" means an Employee's Separation from Service with the Company after attaining age 55 with at least five years of employment service or after attaining age 65.
- 2.16 SEPARATION FROM SERVICE. "Separation from Service" means a "separation from service" as defined in Treas. Reg. Section 1.409A-1(h)(1) or such other regulation or guidance issued under section 409A of the Code. Whether a Separation from Service has occurred depends on whether the facts and circumstances indicate that 3M and the Participant reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the Participant would perform after such date (whether as an employee or independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36) month period). A Separation from Service shall not be deemed to occur while the Participant is on military leave, sick leave or other bona fide leave of absence if the period does not exceed six (6) months or, if longer, so long as the Participant retains a right to reemployment with 3M or an affiliate under an applicable statute or by contract. For this purpose, a leave is bona fide only if, and so long as, there is a reasonable expectation that the Participant will return to perform services for 3M or an affiliate. Notwithstanding the foregoing, a 29 month period of absence will be substituted for such 6 month period if the leave is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of no less than 6 months and that causes the Participant to be unable to perform the duties of his or her position of employment.
- 2.17 SPECIFIED EMPLOYEE. "Specified Employee" means a "specified employee" as defined in Treas. Reg. section 1.409-1(i) or such other regulation or guidance issued under section 409A of the Code.

- 2.18 3M. "3M" means 3M Company, a Delaware corporation.
- 2.19 UNFORESEEABLE FINANCIAL EMERGENCY. "Unforeseeable Financial Emergency" means an "unforeseeable emergency" (as defined in Treas. Reg. section 1.409A-3(i)(3) or such other regulation or guidance issued under section 409A of the Code.
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- 2.20 VALUATION DATE. "Valuation Date" shall have the same meaning as that term is defined for purposes of the VIP.
- 2.21 VIP. "VIP" means the 3M Voluntary Investment Plan and Employee Stock Ownership Plan, as it may be amended from time to time.

ARTICLE 3

Effective Date

The provisions of the Plan shall take effect on January 1, 2009. This Plan shall continue in operation and effect until 3M terminates it in accordance with the provisions of Section 10.2.

ARTICLE 4

Eligibility and Participation

- 4.1 ELIGIBILITY. An Employee shall be eligible to participate in the Plan by making contributions for a Plan Year if as of the November 1st immediately preceding such Plan Year:
- (a) such Employee is employed by the Company;
 - (b) such Employee is eligible to make contributions under the VIP; and
 - (c) such Employee had estimated annual planned total cash compensation (base pay plus variable pay, including annual incentive, sales commissions and management objective) that exceeds the Indexed Compensation Limit in effect for the calendar year including such November 1st.

The eligibility of Employees to participate in this Plan by making contributions shall be determined each Plan Year, and no Employee shall have any right to make contributions in any Plan Year by virtue of having an Account as a result of making contributions in any prior Plan Year.

- 4.2 ELECTION TO CONTRIBUTE. In order to make contributions under the Plan for any Plan Year, an Employee who meets the eligibility requirements of Section 4.1 must enroll via the Plan's Internet site. To be effective, an Employee's enrollment must elect the amount of his or her contributions, authorize the reduction of his or her Eligible Compensation as needed to make such contributions, select the time and form of payment of such contributions and the earnings thereon, specify the investment fund or funds in which such contributions are to be treated as being invested, and provide such other pertinent information as the Plan Administrator may require. The time period during which enrollments will be accepted each Plan Year will be established by the Plan Administrator, but in no event will any enrollment be accepted after the beginning of the Plan Year to which such enrollment relates.
- 4.3 DURATION OF CONTRIBUTION ELECTION. Each eligible Employee's election to make contributions to the Plan made in accordance with the requirements of Section 4.2 shall expire as of the end of the Plan Year to which it relates, although it shall apply to any Eligible Compensation paid after the end of such Plan Year if such Eligible Compensation was earned during such Plan Year. Participants may not change or revoke their contribution elections for a Plan Year after the enrollment period for the Plan Year has ended.
- 4.4 DURATION OF PARTICIPATION. A Participant's participation in the Plan shall continue until all amounts credited to his or her Accounts have been distributed, or until the Participant's death, if earlier.

ARTICLE 5

Contributions

- 5.1 PARTICIPANT CONTRIBUTIONS. A Participant may contribute (defer) from 2 percent to 10 percent (but only a whole percentage) of his or her Eligible Compensation earned during the Plan Year to which such Participant's election relates; provided, however, that the percentage of Eligible Compensation that a Participant elects to contribute to the Plan for a Plan Year must be the same as the Participant's elective deferral percentage under the VIP during such Plan Year. The percentage the Participant elects to contribute (defer) shall be deducted from each payment of such Participant's Eligible Compensation earned during such Plan Year, whether paid during or following such Plan Year.
- 5.2 COMPANY MATCHING CONTRIBUTIONS. As soon as administratively feasible following each payroll payment from which Participant contributions are withheld, the Company shall make a matching contribution on behalf of each Participant who has made
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contributions to the Plan from such payment equal to the following percentage of such Participant's contributions made pursuant to Section 5.1 which does not exceed six percent of such Participant's Eligible Compensation for the payroll period corresponding to such payment ("Eligible Matching Contributions"):

- (a) Sixty percent of such Eligible Matching Contributions if the Participant participates under the Portfolio I provisions of the 3M Employee Retirement Income Plan;
 - (b) Seventy-five percent of such Eligible Matching Contributions if the Participant participates under the Portfolio II provisions of the 3M Employee Retirement Income Plan; or
 - (c) One hundred percent of such Eligible Matching Contributions if the Participant is covered by the Portfolio III VIP.
- 5.3 COMPANY NONELECTIVE CONTRIBUTIONS. Only for those Employees covered by the Portfolio III VIP, the Company shall make additional contributions to the Plan on behalf of each Employee eligible to participate in this Plan for a Plan Year equal to three percent of such Employee's Eligible Compensation earned during

such Plan Year. These additional Company contributions shall be made to the Plan as soon as administratively feasible following each payroll payment during or following the Plan Year corresponding to the payroll period during which such Eligible Compensation was earned.

ARTICLE 6

Accounts

- 6.1 CREATION OF ACCOUNTS. The Plan shall establish a separate Account or Accounts for each Participant who elects to make contributions hereunder. A separate Account shall be maintained for each Participant for each Plan Year that such Participant makes contributions to the Plan. The amount of a Participant's contributions hereunder shall be credited to such Participant's Account at the same time as or as soon as reasonably possible following the dates on which the Company paid the Eligible Compensation from which such contributions were deferred. Company matching and nonelective

contributions shall be credited to separate Accounts of those Participants eligible to receive such contributions pursuant to Sections 5.2 and 5.3 at the same time as or as soon as reasonably possible following the dates on which the Company makes such contributions to the Plan.

- 6.2 EARNINGS ON ACCOUNTS. Each Participant's Accounts shall be credited with investment earnings or losses based on the performance of the investment funds selected by such Participant. The investment funds available to the Participants in this Plan shall be the same as the investment funds available to the participants in the VIP, excluding the 3M Stock Fund and the VIP's brokerage window, but shall also include a fund based on the return of the Growth Factor as defined for purposes of the 3M Deferred Compensation Plan. Participants may allocate the amounts credited to their Accounts among such investment funds in whole percentages of from one percent to one hundred percent. The deemed investment earnings or losses on such VIP funds for purposes of this Plan shall equal the actual rate of return on such funds in the VIP net of any fees or expenses chargeable thereto, including but not limited to management fees, trustee fees, recordkeeping fees and other administrative expenses. In the event that a Participant fails to select the investment fund or funds in which his or her Accounts are deemed to be invested, such Participant will be deemed to have allocated the entire amount credited to his or her Accounts to the LifePath Portfolio fund with the target retirement year closest to the year in which such Participant will attain age 65.
- 6.3 CHANGES IN INVESTMENT FUND ALLOCATIONS. Participants may change the investment funds among which their Account balances or future contributions are allocated at any time, subject to such rules as may be established by the Plan Administrator. Allocation changes may only be made using the Plan's Internet site or by speaking with a representative of the Plan's recordkeeper.
- 6.4 VALUATION OF ACCOUNTS. The Accounts of all Participants shall be revalued as of each Valuation Date following the Effective Date of this Plan. As of each Valuation Date, the value of a Participant's Account shall consist of the balance of such Account as of the immediately preceding Valuation Date, increased by the amount of any contributions made and credited thereto since the immediately preceding Valuation Date, increased or decreased (as the case may be) by the amount of deemed investment earnings or losses credited to the investment funds selected by the Participant since the immediately preceding Valuation Date, and decreased by the amount of any distributions made from such Account since the immediately preceding Valuation Date.
- 6.5 VESTING OF ACCOUNTS. A Participant shall always be 100% vested in the value of his or her Accounts attributable to the Participant's own contributions (including any earnings thereon). A Participant shall vest in the value of his or her Accounts attributable to the contributions made by the Company pursuant to Sections 5.2 and 5.3 (including any earnings thereon) in accordance with the following schedule:

Completed Years of Employment Service	Extent of Vested Interest
Less than 1 year	0%
1 year but less than 2 years	40%
2 years but less than 3 years	70%
3 years or more	100%

- 6.6 STATEMENT OF ACCOUNT. As soon as administratively feasible following the end of each Plan Year, the Plan shall deliver to each Participant a statement of his or her Accounts in the Plan.

ARTICLE 7

Distribution of Accounts

- 7.1 GENERAL RULES. Except as provided in Sections 7.5, 10.2 and 12.1, no distribution of a Participant's Accounts hereunder shall be made prior to such Participant's death, retirement or Separation from Service with the Company. All distributions of a Participant's Accounts shall be made in cash. When the Plan makes a distribution of less than the entire balance of a Participant's Account, the distribution shall be charged pro rata against each of the investment funds to which the Account is then allocated.
- 7.2 DISTRIBUTION FOLLOWING SEPARATION FROM SERVICE. If a Participant incurs a Separation from Service with the Company for any reason other than death or Retirement, the entire vested balance of such Participant's Accounts shall be paid to the Participant in a single lump sum distribution in the month of July in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred (or in the month of January in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred if such Separation from Service occurred prior to July 1 of such Plan Year). Any unvested balance in such Participant's Accounts shall be forfeited at the same time that the Plan pays the vested balance of such Participant's Accounts to the Participant or, if no portion of the Participant's Accounts is vested, immediately following the Participant's Separation from Service.
- 7.3 DISTRIBUTION FOLLOWING RETIREMENT. If a Participant Retires from employment with the Company, the vested balance of such Participant's Account shall be

paid commencing at the time and in one of the following methods of payment selected by such Participant at the time such Participant elected to make contributions to the Plan for such Plan Year pursuant to Section 4.2 (for this purpose, the election made by a Participant with respect to the distribution of amounts contributed by such

Participant for a Plan Year shall be deemed to apply to the amounts contributed to the Plan by the Company on behalf of such Participant for such Plan Year):

- (a) A single lump sum distribution; or
- (b) Ten or fewer annual installments, with the amount of each installment payment being determined by multiplying the balance in the Participant's Account on the payment date by a fraction having a numerator of one and a denominator equal to the remaining number of scheduled installment payments.

All lump sum and installment payments shall be made in the month of January or July in the Plan Year or Years selected by the Participant; provided, however, that no payments shall be made before the month of July in the Plan Year following the Plan Year in which such Participant incurs a Separation from Service with the Company (or in the month of January in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred if such Separation from Service occurred prior to July 1 of such Plan Year), and provided further that no method of payment and commencement date selected by a Participant shall require the Plan to make any payment more than 10 years after the end of the Plan Year in which such Participant Retires. Upon the Retirement of a Participant on whose behalf the Company made nonelective contributions pursuant to Section 5.3 for one or more Plan Years for which such Participant has not made an effective election concerning the time and method of payment of the Account(s) attributable to such nonelective contributions, the vested balance of such Participant's Account(s) attributable to such nonelective contributions shall be paid to the Participant in a single lump sum distribution in the month of July in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred (or in the month of January in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred if such Separation from Service occurred prior to July 1 of such Plan Year). Any unvested balance in such Participant's Accounts shall be forfeited at the same time that the Plan commences the payment of the vested balance of such

Participant's Accounts to the Participant or, if no portion of the Participant's Accounts is vested, immediately following the Participant's Separation from Service.

- 7.4 **DISTRIBUTION FOLLOWING DEATH.** If a Participant dies before distribution of one or more of his or her Accounts has begun, the entire balance of such Accounts (including any unvested balance in such Accounts) shall be paid to the Participant's Beneficiary in a single lump sum distribution in the month of July in the Plan Year following the Plan Year in which such Participant died (or in the month of January in the Plan Year following the Plan Year in which the Participant died if the Participant died before July 1 of such Plan Year). If a Participant dies after distribution of one or more of his or her Accounts has begun, the remaining balance of such Accounts (if any) shall be paid to the Participant's Beneficiary in accordance with the method of payment chosen by the Participant.
- 7.5 **UNFORESEEABLE FINANCIAL EMERGENCY DISTRIBUTION.** Upon finding that a Participant has suffered an Unforeseeable Financial Emergency, the Committee may, in its sole discretion, permit the Participant to withdraw an amount from his or her Account sufficient to alleviate the emergency.
- 7.6 **WITHHOLDING; PAYROLL TAXES.** To the extent required by the laws in effect at the time any payment is made, the Plan shall withhold from any payment made hereunder any taxes required to be withheld for federal, state or local government purposes.

ARTICLE 8

Designation of Beneficiaries

- 8.1 **BENEFICIARY DESIGNATION.** Each Participant shall have the right at any time to designate any person, persons, or entity, as Beneficiary or Beneficiaries to whom payment of the Participant's Account shall be made in the event of the Participant's death. Any designation made under the Plan may be revoked or changed by a new designation made prior to the Participant's death. Any such designation or revocation must be made in accordance with the rules established by the Plan Administrator, and will not be effective until received by the Plan.
 - 8.2 **BENEFICIARY PREDECEASES PARTICIPANT.** If a Participant designates more than one Beneficiary to receive such Participant's Account and any Beneficiary shall predecease the Participant, the Plan shall distribute the deceased Beneficiary's share to the surviving Beneficiaries proportionately, as the portion designated by the Participant for each bears to the total portion designated for all surviving Beneficiaries.
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- 8.3 **ABSENCE OF EFFECTIVE DESIGNATION.** If a Participant makes no designation or revokes a designation previously made without making a new designation, or if all persons designated shall predecease the Participant, the Plan shall distribute the balance of the deceased Participant's Account in the manner determined in accordance with the Participant's designation in effect under the VIP. In the event such Participant has no effective designation under the VIP, the Plan shall distribute the balance of the deceased Participant's Account to the first of the following survivors:
 - (a) The Participant's spouse;
 - (b) Equally to the Participant's children;
 - (c) Equally to the Participant's parents;
 - (d) Equally to the Participant's brothers and sisters; or
 - (e) The Participant's estate executors or administrators.
 - 8.4 **DEATH OF BENEFICIARY.** If a Beneficiary to whom payments hereunder are to be made pursuant to the foregoing provisions of this Article 8 survives the Participant but dies prior to complete distribution to the Beneficiary of the Beneficiary's share:
 - (a) unless the Participant has otherwise specified in his or her designation, the Plan shall distribute the undistributed portion of such Beneficiary's share to such person or persons, including such Beneficiary's estate, as such Beneficiary shall have designated in a designation made with the Plan prior to such Beneficiary's death (which designation shall be subject to change or revocation by such Beneficiary at any time); or
 - (b) if the Participant's designation specifies that such Beneficiary does not have the power to designate a successor Beneficiary or if such Beneficiary is granted such power but fails to designate a successor Beneficiary prior to such Beneficiary's death, the Plan shall distribute the undistributed portion of such Beneficiary's share to such Beneficiary's estate.
 - 8.5 **BENEFICIARY DISCLAIMER.** Notwithstanding the foregoing provisions of this Article 8, in the event a Beneficiary, to whom payments hereunder would otherwise be made, disclaims all or any portion of that Beneficiary's interest in such payments, such disclaimed portion of such Beneficiary's interest in such payments shall pass to the person or persons specified by the Participant to take such disclaimed interest. In the event the Participant did not specify a person or persons to take disclaimed interests, such
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disclaimed portion of such Beneficiary's interest in such payments shall pass to the person or persons who would be entitled thereto pursuant to the Participant's designation or the designation made with respect to the VIP referenced above, whichever is applicable pursuant to the foregoing provisions of this Article 8, if such Beneficiary had died immediately preceding the death of the Participant.

ARTICLE 9

Unfunded Plan

- 9.01 NO TRUST. This Plan is intended to be an "unfunded" plan of deferred compensation for the Participants. As such, the benefits payable under this Plan will be paid solely from the general assets of the Company. The Company does not intend to create any trust in connection with this Plan. The Company shall not have any obligation to set aside funds or make investments in the investment funds referred to in Article 6. The Company's obligations under this Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.
- 9.02 UNSECURED GENERAL CREDITOR. No Participant or Beneficiary shall have any right to receive any benefit payments from this Plan except as provided in Articles 7 and 8. Until such payments are received, the rights of each Participant and Beneficiary under this Plan shall be no greater than the rights of a general unsecured creditor of the Company.

ARTICLE 10

Amendment and Termination of the Plan

- 10.1 RIGHT TO AMEND. 3M may at any time amend or modify the Plan in whole or in part; provided, however, that no amendment or modification shall adversely affect the rights of any Participant or Beneficiary acquired under the terms of the Plan as in effect prior to such action. The consent of any Participant, Beneficiary, employer or other person shall not be a requisite to such amendment or modification of the Plan.

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- 10.2 TERMINATION. While it expects to continue this Plan indefinitely, 3M reserves the right to terminate the Plan at any time and for any reason. Upon the termination of the Plan and to the extent permitted by section 409A of the Code, all elections to contribute to the Plan shall be revoked and the Plan shall immediately distribute in cash to the respective Participants and Beneficiaries the entire remaining balances of the Accounts.

ARTICLE 11

General Provisions

- 11.1 NONASSIGNABILITY. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder. All payments and the rights to all payments are expressly declared to be nonassignable and nontransferable. No part of the amounts payable hereunder shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments or decrees, or transferred by operation of law in the event of a Participant's or any Beneficiary's bankruptcy or insolvency. No part of any Participant's Account may be assigned or paid to such Participant's spouse in the event of divorce pursuant to a domestic relations order.
- 11.2 NOT A CONTRACT OF EMPLOYMENT. The terms and conditions of this Plan shall not be deemed to constitute a contract of employment between the Company and any Participant, and the Participants (or their Beneficiaries) shall have no rights against the Company except as may otherwise be specifically provided herein. Moreover, nothing in this Plan shall be deemed to give any Participant the right to be retained in the employment of the Company or to interfere with the right of the Company to discipline or discharge such Participant at any time for any reason whatsoever.
- 11.3 TERMS. Wherever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or in the singular, as the case may be, in all cases where they would so apply.
- 11.4 CAPTIONS. The captions of the articles and sections of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 11.5 GOVERNING LAW. The provisions of this Plan shall be construed and interpreted according to the laws of the State of Minnesota.
- 11.6 VALIDITY. In case any provision of this Plan shall be ruled or declared invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this

Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.

- 11.7 CLAIMS PROCEDURE. Any Participant or Beneficiary who disagrees with any decision regarding his or her benefits under this Plan shall submit a written request for review to the Plan Administrator. The Plan Administrator shall respond in writing to such a request within 60 days of his or her receipt of the request. The Plan Administrator may, however, extend the reply period for an additional 60 days for reasonable cause. The Plan Administrator's response shall be written in a manner calculated to be understood by the Participant or Beneficiary, and shall set forth:
- (a) the specific reason or reasons for any denial of benefits;
 - (b) specific references to the provision or provisions of this Plan on which the denial is based;
 - (c) a description of any additional information or material necessary for the Participant or Beneficiary to improve his or her claim, and an explanation of which such information or material is necessary; and
 - (d) an explanation of the Plan's claims review procedure and other appropriate information as to the steps to be taken if the Participant or Beneficiary wishes to appeal the Plan Administrator's decision.

If the Participant or Beneficiary disagrees with the decision of the Plan Administrator, he or she shall file a written appeal with the Committee within 120 days after receiving the Plan Administrator's response. The Committee shall respond in writing to such an appeal within 90 days of its receipt of the appeal. The Committee may, however, extend the reply period for an additional 90 days for reasonable cause. The Committee's response shall be written in a manner calculated to be understood by the

Participant or Beneficiary, and shall both set forth the specific reasons for its decision and refer to the specific provision or provisions of the Plan on which its decision is based.

- 11.8 SUCCESSORS. The provisions of this Plan shall bind and inure to the benefit of the Company and its successors and assigns. The term successors as used herein shall include any corporation or other business entity which shall, whether by merger, consolidation, purchase or otherwise, acquire substantially all of the business and assets of the Company, and successors of any such corporation or other business entity.
- 11.9 INCOMPETENT. In the event that it shall be found upon evidence satisfactory to the Plan Administrator that any Participant or Beneficiary to whom a benefit is payable under this Plan is unable to care for his or her own affairs because of illness or accident, any

payment due (unless prior claim therefore shall have been made by a duly authorized guardian or other legal representative) may be paid, upon appropriate indemnification of the Plan, to the spouse or other person deemed by the Plan Administrator to have accepted responsibility for such Participant or Beneficiary. Any such payment made pursuant to this Section 11.10 shall be in complete discharge of any liability therefore under this Plan.

- 11.10 INDEMNIFICATION. To the extent permitted by law, the Company shall indemnify the Plan Administrator and the members of the Committee against any and all claims, losses, damages, expenses and liability arising from their responsibilities or the performance of their duties in connection with the Plan which is not covered by insurance paid for by the Company, unless the same is determined to be due to gross negligence or intentional misconduct.

ARTICLE 12

Change in Control

- 12.1 TERMINATION UPON CHANGE IN CONTROL. This Plan shall terminate and the Plan shall immediately distribute in cash to the respective Participants the amounts credited to all Accounts upon the occurrence of a Change in Control of 3M.
- 12.2 DEFINITION OF CHANGE IN CONTROL. For purposes of this Article 12, a Change in Control of 3M shall be deemed to have occurred if there is a "change in the ownership of 3M", "change in effective control of 3M", and/or a "change in the ownership of a substantial portion of 3M's assets" as defined in Treas. Reg. section 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.
- 12.3 GROSS UP FOR EXCISE TAX. In the event that the payments made pursuant to this Article 12 are finally determined to be subject to the excise tax imposed by section 4999 of the Code, the Company shall pay to each Participant an additional amount such that the net amount retained by such Participant, after allowing for the amount of such excise tax and any additional federal, state and local income taxes paid on the additional amount, shall be equal to the Account balance distributed to such Participant pursuant to this Article 12. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant remits the related taxes. If a Participant is a Specified Employee and such gross-up payment is made on account of the Participant's Separation from Service, payment shall not be made prior to the first day of the seventh month following the Participant's Separation from Service.

REIMBURSEMENT OF FEES AND EXPENSES. The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his or her rights under this Article 12 or in connection with any income tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to the payments made pursuant to this Article 12, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being spurious or frivolous. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant's receipt of payments pursuant to this Article 12. Payment of these legal and accounting fees, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant incurs these fees and expenses. If a Participant is a Specified Employee and such payment is made on account of the Participant's Separation from Service, payment shall not be made prior to the first day of the seventh month following the Participant's Separation from Service.

**AMENDMENT OF VIP PLUS —
Compliance with Section 409A and
Closing of Plan to New Contributions**

WHEREAS, 3M has adopted and maintains the 3M VIP Plus (the "Plan"), which Plan is intended to offer eligible highly compensated employees with the opportunity to earn additional retirement benefits by deferring the receipt of a portion of their compensation on a tax-favored basis;

WHEREAS, the Company wishes to amend the Plan to ensure that the Plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder; and

WHEREAS, since the Company intends to adopt a new 401(k) supplement plan which is designed to be a true "excess" plan for tax purposes, to be effective January 1, 2009, the Company also wishes to close the Plan to new contributions following the completion of all contributions previously elected for the 2008 Plan Year;

RESOLVED, that pursuant to the authority contained in Section 10.1 of the Plan, the plan document of the Plan shall be and it hereby is amended as follows, effective January 1, 2009:

- 1) Article I is amended by adding the following new paragraph at the end thereof:

Effective January 1, 2009, this Plan was amended. The purposes of the amendment were to (a) bring the plan document into compliance with the requirements of section 409A of the Code, including the regulations issued thereunder, and (b) close the Plan to new contributions effective upon the receipt of all contributions made pursuant to elections with respect to the 2008 Plan Year. From October 3, 2004 (the date section 409A was added to the Code) through December 31, 2008, the Plan was operated in good faith compliance with the requirements of section 409A including the special transition rules issued by the Internal Revenue Service and the U.S. Department of Treasury in connection with the implementation of section 409A. For avoidance of doubt, this amendment was intended to apply both to deferred compensation subject to section 409A of the Code (*i.e.*, deferred compensation credited under the Plan which related all or in part to services performed on or after January 1, 2005), as well as deferred compensation credited under the Plan which

relates entirely to services performed on or before December 31, 2004 that is eligible to be "grandfathered" from application of section 409A of the Code.

- 2) Section 2.15 is amended to read as follows:

2.15 RETIRE OR RETIREMENT. "Retire" or "Retirement" means an Employee's Separation from Service with the Company after attaining age 55 with at least five years of employment service or after attaining age 65.

- 3) Section 2.16 is amended to read as follows:

2.16 UNFORESEEABLE FINANCIAL EMERGENCY. "Unforeseeable Financial Emergency" means an "unforeseeable emergency" (as defined in Treas. Reg. Section 1.409A-3(i)(3)) or such other regulation or guidance issued under section 409A of the Code of the Participant.

- 4) The following new Section 2.18 is included in the Plan at the end of Article 2 thereof:

2.18 SEPARATION FROM SERVICE. "Separation from Service" means a "separation from service" as defined in Treas. Reg. Section 1.409A-1(h) (1) or such other regulation or guidance issued under Section 409A of the Code. Whether a Separation from Service has occurred depends on whether the facts and circumstances indicate that 3M and the Participant reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the Participant would perform after such date (whether as an employee or independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36) month period). A Separation from Service shall not be deemed to occur while the Participant is on military leave, sick leave or other bona fide leave of absence if the period does not exceed six (6) months or, if longer, so long as the Participant retains a right to reemployment with 3M or an affiliate under an applicable statute or by contract. For this purpose, a leave is bona fide only if, and so long as, there is a reasonable expectation that the Participant will return to perform services for 3M or an affiliate. Notwithstanding the foregoing, a 29 month period of absence will be substituted for such 6 month period if the leave is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of no less than 6

months and that causes the Participant to be unable to perform the duties of his or her position of employment.

- 5) The following new Section 2.19 is included in the Plan at the end of Article 2 thereof:

2.19 SPECIFIED EMPLOYEE. "Specified Employee" means a "specified employee" as defined in Treas. Reg. Section 1.409A-1(i) or such other regulation or guidance issued under section 409A of the Code.

- 6) Section 4.1 is amended by adding the following new paragraph at the end thereof:

Notwithstanding anything to the contrary in this Plan, no Employee shall be eligible to participate in the Plan by making contributions for any period after the end of the 2008 Plan Year (the Plan Year that ends on December 31, 2008).

- 7) Section 5.1 is amended by adding the following new paragraph at the end thereof:

Notwithstanding anything to the contrary in this Plan, no Participant shall be permitted to make contributions to this Plan for any period after the end of the 2008 Plan Year (the Plan Year that ends on December 31, 2008).

- 8) Section 5.2 is amended by adding the following new paragraph at the end thereof:

Notwithstanding anything to the contrary in this Plan, the Company shall not make any matching contributions to this Plan for any period after the end of the 2008 Plan Year (the Plan Year that ends on December 31, 2008).

9) Section 7.1 is amended to read as follows:

7.1 GENERAL RULES. Except as provided in Sections 7.5, 10.2 and 12.2, no distribution of a Participant's Accounts hereunder shall be made prior to such Participant's death or Separation from Service with the Company. All distributions of a Participant's Accounts

shall be made in cash. When the Plan makes a distribution of less than the entire balance of a Participant's Account, the distribution shall be charged pro rata against each of the investment funds to which the Account is then allocated.

10) Section 7.2 is amended to read as follows:

7.2 DISTRIBUTION FOLLOWING SEPARATION FROM SERVICE. If a Participant incurs a Separation from Service with the Company for any reason other than death or Retirement, the entire balance of such Participant's Accounts shall be paid to the Participant in a single lump sum distribution in the month of July in the Plan Year following the Plan Year in which such Participant's Separation from Service occurred.

11) Section 7.3 is amended to read as follows:

7.3 DISTRIBUTION FOLLOWING RETIREMENT. If a Participant Retires from employment with the Company, the Participant's Account (i) for all Plan Years prior to 2005 shall be paid commencing at the time and in one of the following methods of payment selected by such Participant no later than the December 31st of the Plan Year in which such Participant Retires, and (ii) for each Plan Year after 2004, shall be paid commencing at the time and in one of the following methods of payment selected by such Participant at the time such Participant elected to make contributions to the Plan for such Plan Year pursuant to Section 4.2:

(a) A single lump sum distribution; or

(b) Ten or fewer annual installments, with the amount of each installment payment being determined by multiplying the balance in the Participant's Account on the payment date by a fraction having a numerator of one and a denominator equal to the remaining number of scheduled installment payments.

All lump sum and installment payments shall be made in the month of July in the Plan Year or Years selected by the Participant; provided, however, that no payments shall be made before the month of July in the Plan Year following the Plan Year in which such Participant incurs a Separation from Service with the Company, and provided further that no method of payment and commencement date selected by a Participant shall require the Plan to make any payment more than 10 years after the end of the Plan Year in which such Participant Retires.

12) Section 7.4 is amended to read as follows:

7.4 DISTRIBUTION FOLLOWING DEATH. If a Participant dies before distribution of his or her Account has begun, the entire balance of such Participant's Account shall be paid to the Participant's Beneficiary in a single lump sum distribution in the month of July in the Plan Year following the Plan Year in which such Participant died. If a Participant dies after distribution of his or her Account has begun, the remaining balance of his or her Account (if any) shall be paid to the Participant's Beneficiary in accordance with the method of payment chosen by the Participant.

13) Section 10.2 is amended to read as follows:

10.2 TERMINATION. While it expects to continue this Plan indefinitely, 3M reserves the right to terminate the Plan at any time and for any reason. Upon termination of the Plan, and to the extent permitted by section 409A of the Code, all elections to contribute to the Plan shall be revoked and the Plan shall immediately distribute in cash to the respective Participants and Beneficiaries the entire remaining balances of the Accounts.

14) Section 12.3 is amended to read as follows:

12.3 DEFINITION OF CHANGE IN CONTROL. For purposes of this Article 12, a Change in Control of 3M shall be deemed to have occurred if there is a "change in the ownership of 3M," "change in effective control of 3M," and/or a "change in the ownership of a substantial

portion of 3M's assets" as defined under Treas. Reg. Section 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.

15) Section 12.4 is amended to read as follows:

12.4 GROSS UP FOR EXCISE TAX. In the event that the payments made pursuant to this Article 12 are finally determined to be subject to the excise tax imposed by section 4999 of the Code, the Company shall pay to each Participant an additional amount such that the net amount retained by such Participant, after allowing for the amount of such excise tax and any additional federal, state and local income taxes paid on the additional amount, shall be equal to the Account balance distributed to such Participant pursuant to this Article 12. Such tax gross-up payment shall be made no later than the end of the recipient's taxable year following the taxable year in which the recipient remits the related taxes. If a Participant is a Specified Employee and such gross-up payment is made on account of the Participant's Separation from Service, payment shall not be made prior to the first day of the seventh month following the Participant's Separation from Service.

16) Section 12.5 is amended to read as follows:

12.5 REIMBURSEMENT OF FEES AND EXPENSES. The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his or her rights under this Article 12 or in connection with any income tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to the payments made pursuant to this Article 12, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being spurious or frivolous. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees incurred by such Participant in connection with such Participant's receipt of payments pursuant to this Article 12. Such payment or reimbursement shall be made no later than the end of the recipient's taxable year following the taxable year in which the recipient incurs the related expenses. If a Participant is a Specified Employee and such payment or reimbursement is made on account of the Participant's Separation from Service, payment or reimbursement shall not be made prior to the first day of the seventh month following the Participant's Separation from Service.



**AMENDMENT OF THE
3M 1997, 2002 and 2005
MANAGEMENT STOCK OWNERSHIP PROGRAMS —
Single global definition of Retirement**

WHEREAS, 3M has adopted and maintains the 3M 1997, 2002 and 2005 Management Stock Ownership Programs (referred to hereinafter as the "Program"), under which Program the Company provided (prior to its expiration) stock-based compensation to certain employees of the Company and its Affiliates; and

WHEREAS, in order to improve the consistency and accuracy of the Program's administration with respect to the continued exercisability of stock options and the continued vesting of stock options, restricted stock and restricted stock units following the retirement of employees, the Company wishes to amend the Program to include a single global definition of retirement;

RESOLVED, pursuant to the authority contained in Section 13 of the Program (Section 14 in the case of the 1997 Program), the plan documents of such Program shall be and they hereby are amended as follows, effective immediately:

1) Section 2(u) of the 1997 Program is amended to read as follows:

(u) "Retires" or "Retirement" shall mean the termination of a Participant's employment with the Company (i) after attaining age 55 with at least five years of employment service or after attaining age 65, or (ii) if the Participant is covered by a retirement plan of the Company which enables such Participant to retire before attaining age 55 with at least five years of employment service or age 65, after meeting the requirements for retirement under a retirement plan of the Company.

2) Section 10 of the 1997 Program is amended to read as follows:

(a) Participation hereunder shall cease and all rights under the 1997 Program are automatically forfeited by the Participant upon the date of termination of employment for any cause other than: (1) Retirement, (ii) a termination in connection with which the Participant executes a written release of employment-related claims in favor of the Company that provides (with the approval of the Company)

for the nonforfeiture of vested Options and Stock Appreciation Rights, (iii) because of physical or mental disability as recognized under a plan maintained by the Company, or (iv) death.

(b) If a Participant Retires or changes employment status as a result of physical or mental disability, without having fully exercised an Option or Stock Appreciation Right, the Participant shall be entitled, within the remaining Option Period or term of the Stock Appreciation Right, as provided in the applicable Agreement, (but not more than ten years from the date of Agreement), to exercise his or her Option or Stock Appreciation Right and, in case of Options, to purchase (i) the number of shares which could have been purchased on the date of Retirement or date of changed employment status, plus (ii) the number of additional shares which the Participant would be entitled to purchase on the next Anniversary Date; or, in the case of Stock Appreciation Rights, to receive the full amount of appreciation for all issued Stock Appreciation Rights, regardless of whether yet exercisable. Incentive Stock Options, if not exercised within three months (one year in the case of a participant who was disabled at Retirement) following Participant's date of Retirement, shall fail to qualify for treatment under Section 422 of the Code, except in the case where a Participant dies within the three month period (one-year period in the case of a disabled person) following such date of Retirement, in which event Participant's estate or representative shall have two years to exercise Options as Incentive Stock Options. If a Participant who has thus Retired dies prior to the end of such remaining Option Period or term of the Stock Appreciation Right, without having yet fully exercised an Option or Stock Appreciation Right, the Option or Stock Appreciation Right may be exercised within two years after the date of his or her death (not more than ten years from the date of the Agreement) by the Participant's estate or by a person who acquired the right to exercise such Option or Stock Appreciation Right by bequest or inheritance or by reason of the death of the Participant.

(c) If a Participant terminates employment with the Company and in connection with such termination the Participant executes a written release of employment-related claims in favor of the Company that provides (with the approval of the Company) for the nonforfeiture of vested Options and Stock Appreciation Rights, the Participant shall be entitled, within the remaining Option Period or term of the Stock Appreciation Right, as provided in the applicable Agreement, to exercise his or her vested Nonqualified Options and Stock Appreciation Rights. Unless extended pursuant to Section 10(e) herein, any Incentive Stock Options granted to a Participant described in this paragraph (c) shall expire and all of the Participant's rights with respect thereto shall be forfeited upon the date of termination of such Participant's employment with the Company.

(d) If the Participant, prior to Retirement, dies without having fully exercised an Option or Stock Appreciation Right, the Option or Stock Appreciation Right may be exercised within two years following his or her death (but not more than ten years from the date of the Agreement) by the Participant's estate or by a person who acquired the right to exercise such Option or Stock Appreciation Right by bequest or inheritance or by reason of the death of the Participant, and such representative may, in the case of Options, purchase (1) the number of shares which the decedent could have purchased on the date of death, plus (ii) the number of additional shares which the decedent would have been entitled to purchase on the next Anniversary Date, or, in the case of Stock Appreciation Rights, may receive the full amount of appreciation for all issued Stock Appreciation Rights at the date of Participant's death, regardless of whether yet exercisable.

(e) Notwithstanding paragraph (a) of this section, if the Participant is terminated without having fully exercised an Option or Stock Appreciation Right under circumstances which the Committee believes to warrant special consideration and the Committee has determined that the Participant's rights will not be forfeited at the date of termination, the Option or Stock Appreciation Right may be exercised within two years following his or her termination of employment (but not more than ten years from the date of the Agreement) for (i) the number of shares which the Participant could have purchased or received on the date of termination of employment, plus (ii) the number of additional shares which the Participant would have been entitled to purchase on the next Anniversary Date, or, in the case of Stock Appreciation Rights, the full amount of appreciation for all issued Stock Appreciation Rights, regardless of whether yet exercisable.

(f) If the Participant dies, either prior to or following Retirement, or becomes totally disabled because of a physical or mental disability and has not yet received the stock certificate for the shares of Common Stock represented by the grant of Restricted Stock or other Stock Award, then all restrictions imposed by the Restricted Period or other Conditions prescribed by the Committee, if any, shall automatically lapse and a stock certificate shall be delivered to the Participant or the Participant's beneficiary, representative, or estate, as the case may be, as provided in Section 6(g) herein.

3) Section 2(t) of the 2002 Program is amended to read as follows:

(t) "Retires" or "Retirement" shall mean the termination of a Participant's employment with the Company (i) after attaining age 55 with at least five years of employment

service or after attaining age 65, or (ii) if the Participant is covered by a retirement plan of the Company which enables such Participant to retire before attaining age 55 with at least five years of employment service or age 65, after meeting the requirements for retirement under a retirement plan of the Company.

4) Section 2(w) of the 2005 Program is amended to read as follows:

(w) "Retires" or "Retirement" shall mean the termination of a Participant's employment with the Company (i) after attaining age 55 with at least five years of employment service or after attaining age 65, or (ii) if the Participant is covered by a retirement plan of the Company which enables such Participant to retire before attaining age 55 with at least five years of employment service or age 65, after meeting the requirements for retirement under a retirement plan of the Company.

**AMENDMENT OF THE 3M 2005
MANAGEMENT STOCK OWNERSHIP PROGRAM —
Compliance with Section 409A**

WHEREAS, 3M has adopted and maintains the 3M 2005 Management Stock Ownership Program (referred to hereinafter as the "Program"), under which Program the Company provided (prior to its expiration) stock-based compensation to certain employees of the Company and its Affiliates; and

WHEREAS, the Company wishes to amend the Program to ensure that its plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

RESOLVED, pursuant to the authority contained in Section 13 of the Program, the plan document of such Program shall be and it hereby is amended as follows, effective January 1, 2009:

1) Paragraph (e) of Section 11 is amended to read as follows:

(e) If a Participant dies, either prior to or following Retirement, or becomes "disabled" within the meaning of section 409A(a)(2)(C) of the Code, and has not yet received the stock certificate for the shares of Common Stock represented by a grant of Restricted Stock, Restricted Stock Units or other

Stock Award, then all restrictions imposed during the Restricted Period and any other Conditions prescribed by the Committee, if any, shall automatically lapse and a stock certificate shall be delivered to the Participant or the Participant's beneficiary, representative, or estate, as the case may be upon the Participant's demonstration to the satisfaction of the Committee that such Participant is considered "disabled" for purposes of section 409A(a)(2)(C) of the Code.

2) Paragraph (d) of Section 14 is amended to read as follows:

(d) For purposes of this Section 14, a Change in Control of the Company shall be deemed to have occurred only if a "change in the ownership" or a "change in effective control" and/or a "change in the ownership of a substantial portion of the assets" of the Company has taken place (as those terms are defined in Treasury Regulations §1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code).

3) Paragraph (e) of Section 14 is amended to read as follows:

(e) In the event that the provisions of this Section 14 result in "payments" that are finally determined to be subject to the excise tax imposed by section 4999 of the Code, the Company shall pay to each Participant an additional amount sufficient to fully satisfy such excise tax and any additional federal, state, and local income taxes payable on the additional amount. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the amount of the excise tax payable has been determined.

4) Paragraph (f) of Section 14 is amended to read as follows:

(f) The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his or her rights under this Section 14, or in connection with any income tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to the payments made pursuant to this Section 14, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being frivolous or otherwise improper under applicable court rules. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant's receipt of payments pursuant to this Section 14. Payment of these legal and accounting fees and expenses, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which such fees and expenses have been incurred.

**AMENDMENT OF 3M DEFERRED COMPENSATION PLAN —
409A Compliance**

WHEREAS, 3M has adopted and maintains the 3M Deferred Compensation Plan (the “Plan”), which Plan is intended to allow management employees of the Corporation to increase their long-term financial security by deferring the receipt of a portion of their compensation;

WHEREAS, the Corporation wishes to amend the Plan to ensure that the plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

RESOLVED, that pursuant to the authority contained in Section 10.1 of the Plan, such Plan shall be and it hereby is amended as follows, effective January 1, 2009:

- 1) Article I is amended by adding the following new paragraph at the end thereof:

Effective January 1, 2009, this Plan was amended. The purpose of the amendment was to bring the plan document into compliance with the requirements of section 409A of the Code, including the regulations issued thereunder. From October 3, 2004 (the date section 409A was added to the Code) through December 31, 2008, the Plan was operated in good faith compliance with the requirements of section 409A including the special transition rules issued by the Internal Revenue Service and the U.S. Department of Treasury in connection with the implementation of section 409A. For avoidance of doubt, this amendment was intended to apply both to deferred compensation subject to section 409A of the Code (*i.e.*, deferred compensation credited under the Plan which related all or in part to services performed on or after January 1, 2005), as well as deferred compensation credited under the Plan which relates entirely to services performed on or before December 31, 2004 that is eligible to be “grandfathered” from application of section 409A of the Code.

- 2) Paragraph 2.5 is amended to read as follows:

- 2.5 COMPENSATION. “Compensation” means the base salary, profit sharing, annual incentive (excluding any portion of such annual incentive payable in restricted stock units), Performance Units, Performance Shares or other incentive payments that the Committee may include from time to time, earned by a Participant during a Class Year before reduction for compensation deferred pursuant to the Plan. With respect to Performance Units or Performance Shares granted under a long-term

incentive plan of 3M, a Participant shall be considered for purposes of this Plan to have earned such Units or Shares during the Class Year that includes the first year of the Performance Period for such Units or Shares. However, “Compensation” shall exclude awards (except Performance Units or Performance Shares), foreign service premiums and allowances, stock option benefits, employer contributions to employee benefit plans, reimbursements or payments in lieu thereof and like payments.

- 3) Paragraph 2.13 is amended to read as follows:

- 2.13 UNFORESEEABLE FINANCIAL EMERGENCY. “Unforeseeable Financial Emergency” means an “unforeseeable emergency” (as defined in Treasury Reg. Section 1.409A-3(i)(3)) or such other regulation or guidance issued under section 409A of the Code.

- 4) The following new paragraph 2.16 is included in the Plan at the end of Article II thereof:

- 2.16 CODE. “Code” means the Internal Revenue Code of 1954, as amended.

- 5) The following new paragraph 2.17 is included in the Plan at the end of Article II thereof:

- 2.17 RETIRE OR RETIREMENT. “Retire” or “retirement” means an employee’s Separation from Service with the Employer after attaining the age of 55 with at least five years of employment service or after attaining age 65.

- 6) The following new paragraph 2.18 is included in the Plan at the end of Article II thereof:

- 2.18 SEPARATION FROM SERVICE. “Separation from Service” means a “separation from service” as defined in Treas. Reg. Section 1.409A-1(h) (1) or such other regulation or guidance issued under section 409A of the Code. Whether a Separation from Service has occurred depends on whether the facts and circumstances indicate that 3M and the Participant reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the Participant would perform after such date (whether as an employee or independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36) month period). A Separation from Service shall not be deemed to occur while the Participant is on military leave, sick leave or other bona fide leave of absence if the period does not exceed six (6) months or, if longer, so long as the Participant retains a right to reemployment with 3M or an affiliate under an applicable statute or by contract. For this purpose, a leave is bona fide only if, and so long as, there is a reasonable expectation that the Participant will return to perform services for 3M or an affiliate. Notwithstanding the foregoing, a 29 month

period of absence will be substituted for such 6 month period if the leave is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of no less than 6 months and that causes the Participant to be unable to perform the duties of his or her position of employment.

- 7) Paragraph 7.1(a) is amended to read as follows:

- (a) During the month of January of any calendar year following the end of the year following the Class Year during which deferred Compensation is credited to such Account; provided, however, that with respect to elections to defer the payment of Performance Unit or Performance Share awards, the available Distribution Dates under this paragraph 7.1(a) shall be the month of January of any calendar year following the end of the year following the end of the Performance Period for the respective Performance Units or Performance Shares.

- 8) Paragraph 7.3 is amended to read as follows:

- 7.3 DISTRIBUTION FOLLOWING SEPARATION FROM SERVICE. If a Participant incurs a Separation from Service for any reason other than death or retirement, the value of such Participant’s Accounts shall be determined no later than the Valuation Date immediately following the date of

the Separation from Service and shall be paid to the Participant in a lump sum as soon as administratively feasible; provided, however, that for Deferred Income Accounts and Deferred Share Accounts attributable to Class Year 2002 and all Class Years thereafter, no distribution shall be made prior to the six-month anniversary of the date of the Participant's Separation from Service.

- 9) Paragraph 10.2 is amended to read as follows:
- 10.2 TERMINATION. While it expects to continue this Plan indefinitely, 3M reserves the right to terminate the Plan at any time and for any reason. Upon the termination of the Plan, and to the extent permitted by section 409A of the Code, all elections to participate in the Plan and defer Compensation hereunder will be revoked, and the amounts already credited to existing Accounts will be distributed to the Participants in accordance with the provisions of Article VII.
- 10) Paragraph 12.1 is amended to read as follows:
- 12.1 DEFINITIONS. For purposes of this Article XII, the following words and phrases shall have the meanings indicated below, unless the context clearly indicates otherwise:
- (a) "Code" means the Internal Revenue Code of 1954, as amended.
 - (b) "Company" means 3M Company, a Delaware corporation.
-
- 11) Paragraph 12.3 is amended to read as follows:
- 12.3 DEFINITION OF CHANGE IN CONTROL. For purposes of this Article XII, a Change in Control of the Company shall be deemed to have occurred only if there is a "change in the ownership of the Company", "change in the effective control of the Company", and/or a "change in the ownership of a substantial portion of the Company's assets" as defined under Treas. Reg. Section 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.
- 12) Paragraph 12.4 is amended to read as follows:
- 12.4 GROSS UP FOR EXCISE TAX. In the event that the payments made pursuant to this Article XII are finally determined to be subject to the excise tax imposed by Section 4999 of the Code, the Company shall pay to each Participant an additional amount such that the net amount retained by such Participant, after allowing for the amount of such excise tax and any additional federal, state and local income taxes paid on the additional amount, shall be equal to the value of the Accounts distributed to such Participant pursuant to this Article XII. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant remits the related taxes.
- 13) Paragraph 12.5 is amended to read as follows:
- 12.5 REIMBURSEMENT OF FEES AND EXPENSES. The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his rights under this Article XII or in connection with any income tax audit or proceeding to the extent attributable to the application of Section 4999 of the Code to the payments made pursuant to this Article XII, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being spurious or frivolous. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant's receipt of payments pursuant to this Article XII. Payment of these legal and accounting fees, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant incurs these fees and expenses.
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**AMENDMENT OF THE
3M 2008 LONG-TERM INCENTIVE PLAN —
Compliance with Section 409A**

WHEREAS, 3M has adopted and maintains the 3M 2008 Long-Term Incentive Plan (hereinafter referred to as the “Plan”), which Plan is intended to provide long-term incentive compensation to certain employees of the Company and its Affiliates as well to the nonemployee members of the 3M Board of Directors; and

WHEREAS, the Company wishes to amend the Plan to ensure that the Plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

THEREFORE, pursuant to the authority contained in Section 16 of the Plan, the plan document of such Plan shall be and it hereby is amended as follows, effective January 1, 2009:

- 1) The fifth paragraph of Section 7 is amended to read as follows:

If a Participant dies, either prior to or following Retirement, or becomes “disabled” within the meaning of section 409A(a)(2)(C) of the Code, and has not yet received the stock certificate for the shares of Common Stock represented by a grant of Restricted Stock, Restricted Stock Units or other Stock Award, then all restrictions imposed during the Restricted Period and any other terms and conditions prescribed by the Committee, if any, shall automatically lapse and a stock certificate shall be delivered to the Participant or the Participant’s beneficiary, representative, or estate, as the case may be upon the Participant’s demonstration to the satisfaction of the Committee that such Participant is considered “disabled” for purposes of section 409A(a)(2)(C) of the Code.

- 2) The last three paragraphs of Section 17 are amended to read as follows:

For purposes of this Section 17, a Change in Control of the Company shall be deemed to have occurred only if a “change in the ownership” or a “change in effective control” and/or a “change in the ownership of a substantial portion of assets” of the Company has taken place (as those terms are defined in Treasury Regulations §1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code).

In the event that the provisions of this Section 17, when considered together with the other compensation provided by the Company, result in “payments” that are finally determined to be subject to the excise tax imposed by section 4999 of the Code, the Company shall pay to each Participant an additional amount sufficient to fully satisfy such excise tax and any additional federal, state, and local income taxes payable on the additional amount. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant’s taxable year in which the amount of the excise tax payable has been determined.

The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his or her rights under this Section 17, or in connection with any income tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to the payments made pursuant to this Section 17, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being frivolous or otherwise improper under applicable court rules. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant’s receipt of payments pursuant to this Section 17. Payment of these legal and accounting fees and expenses, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant’s taxable year in which these fees and expenses have been incurred.

**AMENDMENT OF THE
3M PERFORMANCE UNIT PLAN —
409A Compliance**

WHEREAS, 3M has adopted and maintains the 3M Performance Unit Plan (hereinafter referred to as the “Plan”), which Plan is intended to provide long-term incentive compensation to key management employees of the Company based upon the Company’s attainment of long-term performance and growth criteria; and

WHEREAS, the Company wishes to amend the Plan to ensure that the Plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

RESOLVED, pursuant to the authority contained in Section 12 of the Plan, such Plan shall be and it hereby is amended as follows, effective January 1, 2009:

1) Section 13(a) is amended to read as follows:

(a) For purposes of this Section 13, the following words and phrases shall have the meanings indicated below, unless the context clearly indicates otherwise:

(i) “Code” means the Internal Revenue Code of 1986, as amended.

2) Section 13(c) is amended to read as follows:

(b) For purposes of this Section 13, a Change in Control of the Company shall be deemed to have occurred only if there is a “change in the ownership of 3M,” “change in effective control of 3M,” and/or a “change in the ownership of a substantial portion of 3M’s assets” as defined under Treas. Reg. Section 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.

3) Section 13(f) is amended to read as follows:

(f) In the event that the payments made pursuant to this Section 13 are finally determined to be subject to the excise tax imposed by Section 4999 of the Code, the Company shall pay to each Participant an additional amount such that the net amount retained by such Participant, after allowing for the amount of such excise tax and any additional federal, state and local income taxes paid on the additional amount, shall be equal to the value of the Performance Units distributed to such Participant pursuant to this Section 13. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant’s taxable year in which the Participant remits the related taxes.

4) Section 13(g) is amended to read as follows:

(g) The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his rights under this Section 13 or in connection with any income tax audit or proceeding to the extent attributable to the application of Section 4999 of the Code to the payments made pursuant to this Section 13, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being spurious or frivolous. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant’s receipt of payments pursuant to this Section 13. Payment of these legal and accounting fees, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant’s taxable year in which the Participant incurs these fees and expenses.

**AMENDMENT OF THE 3M 1992
DIRECTORS STOCK OWNERSHIP PROGRAM —
409A Compliance**

WHEREAS, 3M has adopted and maintains the 3M 1992 Directors Stock Ownership Program (the "Plan"), which Plan is intended to attract and retain well-qualified individuals to serve on its Board of Directors and to promote an identity of interest between these directors and the stockholders of the Company; and

WHEREAS, the Company wishes to amend the Plan to ensure that the Plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

RESOLVED, pursuant to the authority contained in Section 13 of the Plan, such Plan shall be and it hereby is amended as follows, effective January 1, 2009:

1) Section 14(a) is amended to read as follows:

(a) For purposes of this Section 14, the following words and phrases shall have the meanings indicated below, unless the context clearly indicates otherwise:

(i) "Code" means the Internal Revenue Code of 1986, as amended.

2) Section 14(c) is amended to read as follows:

(c) For purposes of this Section 14, a Change in Control of the Company shall be deemed to have occurred only if there is a "change in the ownership" of the Company, "change in effective control" of the Company", and/or a "change in the ownership of a substantial portion of the assets" of the Company as those terms are defined under Treasury Regulations §1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.

3) Section 14(d) is amended to read as follows:

(d) In the event that the provisions of this Section 14 result in "payments" that are finally determined to be subject to the excise tax imposed by Section 4999 of the Code, the Company shall pay to each Participant an additional amount such that the net

amount retained by such Participant following the lapse of restrictions, if any, and delivery of Common Stock under this Section that resulted in such "payments," after allowing for the amount of such excise tax and any additional federal, state, and local income taxes paid on the additional amount, shall be equal to the net amount that would otherwise have been retained by the Participant following the lapse of restrictions, if any, and delivery of Common Stock under this Section if there were no excise tax imposed by Section 4999 of the Code. Payment of this additional amount shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant remits the related taxes.

4) Section 14(e) is amended to read as follows:

(e) The Company shall pay to each Participant the amount of all reasonable legal and accounting fees and expenses incurred by such Participant in seeking to obtain or enforce his rights under this Section 14, or in connection with any income tax audit or proceeding to the extent attributable to the application of Section 4999 of the Code to the payments made pursuant to this Section 14, unless a lawsuit commenced by the Participant for such purposes is dismissed by the court as being spurious or frivolous. The Company shall also pay to each Participant the amount of all reasonable tax and financial planning fees and expenses incurred by such Participant in connection with such Participant's receipt of payments pursuant to this Section 14. Payment of these legal and accounting fees, as well as these tax and financial planning fees and expenses, shall be made as soon as administratively feasible, but no later than two and one-half months following the end of the Participant's taxable year in which the Participant incurs these fees and expenses.

**AMENDMENT OF THE
COMPENSATION PLAN FOR NONEMPLOYEE DIRECTORS —
409A Compliance and One-time Re-deferral Opportunity**

WHEREAS, 3M has adopted and maintains the 3M Compensation Plan for Nonemployee Directors (the "Plan"), which Plan is intended to provide a compensation program for its nonemployee directors that will attract and retain highly qualified individuals to serve on its Board of Directors;

WHEREAS, the Company wishes to amend the Plan to ensure that the Plan document complies with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder;

WHEREAS, since 2005 the Plan has required nonemployee directors to elect both the time and method of paying amounts deferred under the Plan as part of their annual deferral election; and

WHEREAS, due to recent changes in state tax laws that may be applicable to the nonemployee directors, the Committee wishes to amend the Plan to permit those current and former nonemployee directors who have not commenced receiving payment of their amounts deferred under the plan to change their previous payment elections during a limited time period made possible by the final regulations interpreting section 409A of the Internal Revenue Code;

RESOLVED, pursuant to the authority contained in Part I.C of the Plan, such Plan shall be and it hereby is amended as follows, effective immediately:

- 1) Paragraph 4 of Part I.D of the Plan is amended to read as follows:
4. A director elected to the Board after the beginning of a Plan Year may elect, by written notice to 3M within 30 days after such director's term begins, to participate on a prospective basis only in the Compensation alternatives for the remainder of that Plan Year commencing no earlier than the date such director delivers such written notice to 3M. Such director's ability to participate in this Plan for succeeding years shall be on the same basis as for other directors.
- 2) Paragraph 2 of Part IV.D of the Plan is amended to read as follows:

2. **Amounts deferred after 2004.** Unless the participant has elected a different time and form of payment for the Compensation deferred for one or more Plan Years, distribution of the participant's memorandum account(s) attributable to Compensation earned and deferred in Plan Years beginning after December 31, 2004 shall be made in ten annual installments on the first business day of January in each of the first ten years following the year in which the participant incurs a Separation from Service with 3M. The amount of each installment payment shall be determined by dividing the amount of such memorandum account(s) as of the immediately preceding December 31 by the number of installment payments remaining to be paid.

Effective for Plan Years commencing on or after January 1, 2005, each participant may elect to receive the Compensation deferred for a Plan Year (and any earnings thereon) in either a lump sum payment on the first business day of any of the first through tenth years following the year in which the participant incurs a Separation from Service with 3M or in some other number of annual installments (not to exceed ten) on the first business day of January in each of the same number of years following the year in which such participant incurs a Separation from Service with 3M.

Any election made by a participant pursuant to this paragraph D shall be made by written notice to 3M prior to the beginning of the Plan Year during which the Compensation being deferred is earned, and shall be irrevocable except to the extent provided in the following paragraph.

Prior to the end of 2008, participants who have elected to defer Compensation for one or more Plan Years since 2004 and who have not commenced receiving payment of such deferred Compensation may by written notice to 3M revise their elections concerning the time of payment and method of paying their Compensation deferred for any one or more of such Plan Years (and any earnings thereon) subject to the following conditions:

- a. each revised election must be consistent with the other requirements of this paragraph 2, in terms of both the method of payment and the time for payments to commence;
- b. no revised election may result in the deferral of payments that would otherwise have commenced in 2008; and
- c. no revised election may result in the commencement of payments during 2008 that would not otherwise have commenced during such year.

For purposes of this Plan, "Separation from Service" means a complete severance of a director's relationship as a director of 3M and all affiliates, if any, and as an independent contractor to 3M and all affiliates, if any, for any reason. A director may have a Separation from Service upon his or her resignation as a director even if the director then becomes an officer or other employee of 3M or an affiliate. Separation from Service shall in all other respects be construed to have a meaning consistent with the term "separation from service" as used and defined in section 409A of the Code.

3M NONQUALIFIED PENSION PLAN III

(First Effective January 1, 2009)

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3M NONQUALIFIED PENSION PLAN III

ARTICLE I: INTRODUCTION

1.01 Title

This plan shall be known as the 3M Nonqualified Pension Plan III (hereinafter the "Nonqualified Plan III").

1.02 Purpose

The purpose of this Nonqualified Plan III is to provide deferred compensation in the form of additional retirement benefits to a select group of participants and their beneficiaries in the 3M Employee Retirement Income Plan (hereinafter "ERIP") and certain other employees. This Nonqualified Plan III is intended to supplement the ERIP originally adopted by 3M in 1931 and as amended from time to time thereafter. This Nonqualified Plan III is not intended to duplicate the retirement benefits provided under the 3M Nonqualified Pension Plans I and II, both of which provide retirement benefits that are strictly in excess of limitations under section 401(a)(17), 402(g) and 415 of the Code.

1.03 History

3M originally adopted a nonqualified pension plan on November 7, 1978. This original plan was named the Supplemental Pension Plan of Minnesota Mining and Manufacturing Company (hereinafter the "Supplemental Plan"). The Supplemental Plan was amended from time to time after its adoption. Effective January 1, 1993, the Supplemental Plan was amended and restated as two separate plans: the "Nonqualified Pension Plan I of Minnesota Mining and Manufacturing Company" and "Nonqualified Pension Plan II of Minnesota Mining and Manufacturing Company". The provisions of the restatements superseded all prior versions of the Supplemental Plan. Such

restatements have been amended from time to time since their adoption. Nonqualified Plan I provides supplemental benefits that are strictly in excess of section 415 of the Code. Nonqualified Plan II provided certain additional supplemental retirement benefits, but effective January 1, 2009, such plan has been amended to provide supplemental retirement benefits that are strictly in excess of limitations under section 401(a)(17) and 402(g) of the Code.

1.04 Effect

Effective January 1, 2009, this Nonqualified Plan III is hereby established to provide retirement benefits that supplement the ERIP but which are not strictly in excess of limitations under section 401(a)(17), 402(g) and 415 of the Code. Any and all deferred compensation obligations accrued under Nonqualified Plan II prior to January 1, 2009 which were not strictly in excess of limitations under section 401(a)(17), 402(g) and 415 of the Code shall become part of and be governed under the terms of this Nonqualified Plan III. The purpose of the creation of this Plan is twofold: (1) to provide for supplemental retirement benefits hereunder that are not strictly in excess of the limitations under section 401(a)(17) and section 402(g) of the Code, and (2) to bring the benefits transferred to this Plan into compliance with section 409A of the Code by "de-linking" the payment provisions under this Plan from the payment provisions under the ERIP. From October 3, 2004 (the date section 409A was added to the Code) through December 31, 2008, the prior Nonqualified Plan II operated with "linked" payment provisions in accordance with special transition rules issued by the IRS and the U.S. Department of Treasury in connection with the implementation of section 409A of the Code. For avoidance of doubt, this restatement is intended to apply both to deferred compensation subject to section 409A of the Code (*i.e.*, deferred compensation credited under the Plan which related all or in part to services performed on or after January 1, 2005), as well as deferred compensation credited under the Plan which relates entirely to services performed on or before December 31, 2004 that is eligible to be "grandfathered" from application of section 409A of the Code. However, the benefits payable to Members and Former Members (and their Beneficiaries) who commenced payment of their Nonqualified Plan II Benefit

under Nonqualified Plan II prior to January 1, 2009 will be determined in accordance with the provisions of that Plan in effect at the time of their benefit commencement and will not be adjusted or recomputed to reflect any subsequent amendment or restatement of Nonqualified Plan II or the creation or amendment of this Nonqualified Plan III.

ARTICLE II: DEFINITIONS

Except where specifically defined in this Nonqualified Plan III, the words and phrases which appear in this document shall have the meanings set forth in the ERIP plan document. Except for definitions and other substantive provisions of this Nonqualified Plan III, the terms and conditions of the ERIP shall govern the construction and administration of this Nonqualified Plan III.

2.01 Annuity Starting Date

"Annuity Starting Date" means the benefit starting date as determined under Section 4.02.

2.02 Code

"Code" means the Internal Revenue Code of 1986, as amended.

2.03 Compensation Committee

"Compensation Committee" means the Compensation Committee of the Board of Directors of 3M.

2.04 Discharge for Cause

“Discharge for Cause” or “Discharged for Cause” means the termination of an employee’s employment for reasons of dishonesty, embezzlement, conviction of a crime or a misdemeanor involving moral turpitude, willful misconduct, or personal misconduct which is detrimental to 3M and its business, as determined in the sole discretion of the Compensation Committee.

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2.05 **ERIP**

“ERIP” means the 3M Employee Retirement Income Plan.

2.06 **Former Member**

“Former Member” means a former employee who is receiving benefit payments under the provisions of this Nonqualified Plan III, or a former employee whose employment with 3M has terminated for any reason other than Discharge for Cause and who is entitled to a vested Nonqualified Plan III Benefit under the provisions of this Nonqualified Plan III.

2.07 **Member**

“Member” means an employee who is a participant in the ERIP and who is accruing an additional Nonqualified Plan III Benefit under the provisions of this Nonqualified Plan III.

2.08 **Nonqualified Plan I**

“Nonqualified Plan I” means the 3M Nonqualified Pension Plan I.

2.09 **Nonqualified Plan II**

“Nonqualified Plan II” means the 3M Nonqualified Pension Plan II.

2.10 **Nonqualified Plan III**

“Nonqualified Plan III” means the 3M Nonqualified Pension Plan III.

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2.11 **Nonqualified Plan III Benefit**

“Nonqualified Plan III Benefit” means the benefit payable under this Plan described in Section 4.01.

2.12 **Plan Administrator**

“Plan Administrator” means the 3M Vice President, Global Compensation and Benefits or his or her successor.

2.13 **Retirement; Retire**

“Retirement” means a Separation from Service after the Member has both attained age fifty five (55) and completed five (5) years of “Credited Service” (as defined under the ERIP), or a Separation from Service after the Member has attained age sixty five(65).

2.14 **Separation from Service**

“Separation from Service” means a severance of a Member’s employment relationship with 3M and all affiliates for any reason other than the Member’s death or Discharge for Cause.

Whether a Separation from Service has occurred is determined under section 409A of the Code and Treasury reg. section 1.409A-1(h) (*i.e.*, whether the facts and circumstances indicate that the employer and the employee reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the employee would perform after such date (whether as an employee or independent contractor) would permanently decrease to no more than 20% of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36 month period (or the full period of services to the employer if the employee has been providing services to the employer less than 36 months)).

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Separation from Service shall not be deemed to occur while the employee is on military leave, sick leave or other bona fide leave of absence if the period does not exceed six (6) months or, if longer, so long as the employee retains a right to reemployment with 3M or an affiliate under an applicable statute or by contract. For this purpose, a leave is bona fide only if, and so long as, there is a reasonable expectation that the employee will return to perform services for 3M or an affiliate. Notwithstanding the foregoing, a 29 month period of absence will be substituted for such 6 month period if the leave is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of no less than 6 months and that causes the employee to be unable to perform the duties of his or her position of employment.

2.15 **Specified Employee**

“Specified Employee” means a “specified employee” as defined in Treas. Reg. section 1.409-1(i) or such other regulation or guidance issued under section 409A of the Code.

2.16 **Supplemental Plan**

“Supplemental Plan” means the Supplemental Pension Plan of Minnesota Mining and Manufacturing Company, the predecessor to Nonqualified Plans I and II.

ARTICLE III: ELIGIBILITY AND PARTICIPATION

3.01 Eligibility

Any employee of 3M or an affiliate who is a Participant in the ERIP, and who is within a class of employees described in the Appendix A attached to this plan document, shall be eligible to become a Member in this Nonqualified Plan III.

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3.02 Participation

Employees who first satisfy the conditions of Section 3.01 above shall become Members of and begin to participate in this Nonqualified Plan III automatically without further action by the Compensation Committee.

3.03 Forfeiture

A Member or Former Member shall cease to be a Member or Former Member and shall forfeit all rights and benefits under this Nonqualified Plan III when the Compensation Committee determines, in its sole discretion, that such Member or Former Member is employed by, acting as a consultant for or is otherwise directly or indirectly performing services for any person or entity engaged in the (i) manufacture or sale of any product similar to or in competition with any product manufactured or sold by 3M or any of its subsidiaries, or (ii) manufacture or sale of special machinery or equipment, or furnishing of engineering or technical services concerning such machinery or equipment, used in the manufacture or sale of any product similar to or in competition with any product manufactured or sold by 3M or any of its subsidiaries, without the written consent of the Compensation Committee. Before making a determination that a Member or Former Member is covered by the provisions of this Section 3.03, the Compensation Committee shall give the Member or Former Member notice of its intention to invoke this forfeiture provision and an opportunity to discontinue such employment or consulting relationship or the provision of such services within a period of 90 days following the date of such notice.

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ARTICLE IV: AMOUNT AND DISTRIBUTION OF BENEFITS

4.01 Additional Monthly Benefit

In addition to the amount of Retirement Income payable to a Member or Former Member under the ERIP, this Nonqualified Plan III shall pay an additional monthly benefit to such Member or Former Member equal to the amount by which (a) exceeds (b), where:

(a) is the monthly Retirement Income that would have been payable to such Member or Former Member by the ERIP if that plan paid the benefits or based the amount of its benefits on the factors described in the Appendix A attached to this plan document; and

(b) is the monthly Retirement Income actually payable to such Member or Former Member under the ERIP.

Such additional benefit shall be referred to herein as the "Nonqualified Plan III Benefit". The amount of the Nonqualified Plan III Benefit payable to a person under this Nonqualified Plan III shall be reduced by the amount of the additional monthly benefit payable to the same person under the Nonqualified Plan I and the Nonqualified Plan II to the extent necessary to avoid duplication of benefits. For avoidance of doubt, a Member or Former Member who is not entitled a vested benefit under the ERIP shall not be entitled to any Nonqualified Plan III Benefit hereunder unless and until such benefit under the ERIP becomes vested.

4.02 Time of Payment

Payment of the Nonqualified Plan III Benefit described in Section 4.01 above will begin as of the first of the calendar month (the "Annuity Starting Date") coincident with or next following the Member's Separation from Service; provided, however, that:

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(a) Members whose job grades were classified as CEO, L1, L2, L3 and T7 whose planned income for 2008 was more than \$230,000 were permitted to make a one-time irrevocable election in 2008 to elect to receive their Nonqualified Plan III Benefit in the form of an annuity in lieu of a lump sum. If a timely election was made in 2008, payment of such Member's Nonqualified Plan III Benefit shall commence as of the Annuity Starting Date coincident with or next following the Member's Retirement. If such Member Separates from Service prior to becoming eligible for Retirement, his or her Nonqualified Plan III Benefit shall be paid in a single lump sum as of the Annuity Starting Date coincident with or next following the Member's Separation from Service;

(b) One Member classified as L3 on Transitional Retirement Leave who incurred a Separation from Service prior to 2008 was permitted to make a one-time irrevocable election in 2008 to receive his Nonqualified Plan III Benefit in the form of an annuity in lieu of a lump sum. Such Member did in fact timely elect, and accordingly, his Nonqualified Plan III Benefit shall commence upon his scheduled date of termination given in Schedule I attached hereto (which shall be treated as a Retirement for purposes of Section 4.03(b));

(c) Former Members classified as L1 and L2 who incurred a Separation from Service prior to 2009 were permitted to make a one-time irrevocable election in 2008 to elect to receive their Nonqualified Plan III Benefit in the form of an annuity in lieu of a lump sum. If a timely election was made in 2008, payment of their Nonqualified Plan III Benefit shall commence upon the first day of the calendar month coincident with or next following the Former Member's attainment of age sixty five (65);

(d) All other Former Members who incurred a Separation from Service prior to 2009 and who have not commenced payment of their Nonqualified Plan III Benefit prior to January 1,

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2009 shall receive payment of their Nonqualified Plan III Benefit in January, 2009 in a single lump sum. (For this purpose, the Member's Annuity Starting Date shall be January 1, 2009.)

Notwithstanding the foregoing, in the event that the Member is a Specified Employee, payment on account of Separation from Service shall begin as of the first day of the seventh month following the Member's Separation, and the first payment shall include all payments delayed since the Annuity Starting Date (accordingly, if payment is in the

form of an annuity, such annuity shall be calculated based on the Annuity Starting Date without regard to the delay).

4.03 Form of Payment

(a) Lump Sum. Except as otherwise provided in this Section 4.03, the Nonqualified Plan III Benefit payable to each Member or Former Member under this Plan shall be paid in a single lump sum, determined by converting the monthly Nonqualified Plan III Benefit amount in Section 4.01 into a present value lump sum using the applicable interest rate on 30-year U.S. Treasury securities and RP2000 3M mortality. For purposes of this conversion, the “applicable interest rate” shall mean the average of the daily rates on 30-year U.S. Treasury securities in effect during the calendar quarter first preceding the calendar quarter that ends immediately prior to the Annuity Starting Date.

(b) Optional Annuity Forms for Eligible Retirees. Members whose job grades were classified as CEO, L1, L2, L3 and T7 whose planned income for 2008 was more than \$230,000, and one Member classified as job grade L3 on TSR (collectively, “Annuity Eligible Members”), were permitted to make a one-time irrevocable election in 2008 to elect to receive their Nonqualified Plan III Benefit in the form of an annuity in lieu of a lump sum. If a timely election was made in 2008, the rules under this Section 4.03(b) shall apply. If an Eligible Member dies or Separates from Service prior to becoming eligible for Retirement, his or her Nonqualified Plan III Benefit shall be paid in a single lump sum pursuant to Section 4.03(a).

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(i) Presumed Form: Single Life Annuity. If an Annuity Eligible Member Retires and is not legally married on his or her Annuity Starting Date, then the normal form of payment of his or her Nonqualified Plan III Benefit shall be the Life Annuity form, and his or her Nonqualified Plan III Benefit shall, unless he or she elects to waive the Life Annuity form of payment and selects a Joint and Nonspouse Beneficiary Survivor Annuity form, be paid in the form of a Life Annuity. Except as otherwise specifically provided in the Plan, Nonqualified Plan III Benefit payments will be made monthly to a Member or Former Member commencing on his or her Annuity Starting Date and ending on the first day of the month in which his or her death occurs.

(ii) Presumed Form: Joint and Survivor Life Annuity. If an Annuity Eligible Member Retires and is legally married on his or her Annuity Starting Date, then his or her Nonqualified Plan III Benefit shall be paid in the form of a 50% Joint and Spouse Beneficiary Survivor Annuity form, unless he or she elects to waive the 50% Joint and Spouse Beneficiary Survivor Annuity form and selects either the Life Annuity form, an alternative Joint and Spouse Beneficiary Survivor Annuity form available under the ERIP (*i.e.*, 75% or 100%) or a Joint and Nonspouse Beneficiary Survivor Annuity form available under the ERIP (50%, 75% or 100%).

(c) Optional Annuity Forms for Certain Vested Former Members. Certain Former Members classified as L1 or L2 who incurred a Separation from Service prior to 2009 were permitted to make a one-time irrevocable election in 2008 to elect to receive their Nonqualified Plan III Benefit in the Life Annuity form or the Joint and Spouse Beneficiary Survivor Annuity form (50% or 75%). If a timely election was made in 2008, then the Former Member’s Nonqualified Plan III Benefit shall commence upon the first day of the calendar month coincident with or next following attainment of age sixty five (65) in the annuity form elected (in lieu of a single lump sum).

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(d) Total Pension Value Guarantee. To the extent that a Member’s or Former Member’s Retirement Income is calculated pursuant to Article XIII of the ERIP (Portfolio II), he or she shall be entitled to a Total Pension Value Guarantee (as determined under Section 13.10 of the ERIP, as the same may be amended from time to time) if he or she Retires and elects payment in the form of a Life Annuity, Joint and Spouse Beneficiary Annuity or Joint and Non-Spouse Beneficiary Annuity under Section 4.03(b) or (c) of this Plan, so long as the Total Pension Value Guarantee with respect to the Nonqualified Plan III Benefit qualifies as a cash refund feature under which payment is provided upon the death of the last annuitant in an amount that is not greater than the excess of the Total Pension Value of the Nonqualified Plan III Benefit at the Annuity Starting Date over the total of payments before the death of the last annuitant.

(e) Subsidized 50% Joint and Survivor Annuity. If a Member or Former Member is entitled to elect a subsidized 50% Joint and Survivor Annuity under Section 3.10 of the ERIP (as the same may be amended from time to time), he or she shall also be entitled to a subsidized annuity under this Plan if he or she elects the 50% Joint and Spouse Beneficiary Annuity pursuant to Section 4.03(b) or (c), provided that the annual lifetime annuity benefit available to such Member is not greater than the annual lifetime annuity benefit available under the Life Annuity form, and provided that the annual survivor annuity benefit is not greater than the annual lifetime annuity benefit available to such Member under the 50% Joint and Survivor Annuity form.

(f) Definitions. For purposes of this Article IV, the terms Life Annuity, Joint and Spouse Beneficiary Survivor Annuity, Joint and Nonspouse Beneficiary Survivor Annuity and Total Pension Value Guarantee shall have the same meanings as under the ERIP, as the same may be amended from time to time.

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4.04 Pre-Commencement Death.

Notwithstanding any provision in this Plan to the contrary, if a Member or Former Member dies after becoming vested under the ERIP but prior to his or her Annuity Starting Date, the following rules shall apply:

(a) To the extent that a Member’s or Former Member’s Retirement Income is calculated pursuant to Article III of the ERIP (Portfolio I), and if the Member or Former Member is married, his or her surviving spouse shall be entitled a “Preretirement Survivor Annuity” determined in the same manner as provided under Section 3.07 of the ERIP, as amended from time to time, with respect to the Member’s or Former Member’s Nonqualified Plan III Benefit. Such Preretirement Survivor Annuity shall be converted into a present value lump sum, using the interest and mortality factors in Section 4.03(a), and paid as of the first day of the calendar month following the Member’s or Former Member’s death;

(b) To the extent that a Member’s or Former Member’s Retirement Income is calculated pursuant to Article III of the ERIP (Portfolio I), and if the Member or Former Member is not married, no benefit shall be payable under this Plan, and

(c) To the extent that a Member’s or Former Member’s Retirement Income is calculated pursuant to Article XIII of the ERIP (Portfolio II), and if such Member or Former Member dies prior to his or her Annuity Starting Date, his or her Beneficiary shall receive the Member’s or Former Member’s Nonqualified Plan III Benefit attributable to Portfolio II an immediate single lump sum, determined by converting the monthly Nonqualified Plan III Benefit amount in Section 4.01 into a present value lump sum using the interest and mortality factors in Section 4.03(a). For this purpose, the first day of the calendar month coincident with or next following the Member’s death shall be treated as the Annuity Starting Date.

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4.05 **Beneficiary**

(a) **Joint Annuitant.** An Annuity Eligible Member or Former Member shall be entitled to designate a Beneficiary to receive the survivor income portion of the Joint and Non-Spouse Beneficiary Annuity, if selected, on forms furnished by and filed with 3M.

(b) **Total Pension Value.** To the extent that a Member's or Former Member's Retirement Income is calculated pursuant to Article XIII of the ERIP (Portfolio II), a Member or Former Member shall be entitled to designate a Beneficiary to receive payment of the remainder of the Total Pension Value of the Nonqualified Plan III Benefit attributable to Portfolio II, if any, on forms furnished by and filed with 3M. Notwithstanding the foregoing, with respect to any pre-commencement death benefit payable under Section 4.04(c) above, the Member's or Former Member's beneficiary designation under the ERIP shall apply. In all events, in the absence of a designation or if such designation fails, the rules for automatic beneficiaries under the ERIP shall apply.

4.06 **Incapacity**

If a Member, Former Member or Beneficiary is under a legal disability or, by reason of illness or mental or physical disability, is in the opinion of the Plan Administrator unable to attend properly to his or her personal financial matters, this Nonqualified Plan III may pay the benefits payable hereunder in such of the following ways as the Plan Administrator shall direct:

- (a) Directly to such Member, Former Member or Beneficiary;
- (b) To the legal representative of such Member, Former Member or Beneficiary; or
- (c) To some relative by blood or marriage, or friend, for the benefit of such Member, Former Member or Beneficiary.

Any payment made pursuant to this Section shall be in complete discharge of the obligation therefor under this Nonqualified Plan III.

ARTICLE V: UNFUNDED PLAN

5.01 **No Trust**

The benefits payable under this Nonqualified Plan III shall be paid solely from the general assets of 3M. 3M does not intend to create any trust in connection with this Nonqualified Plan III. Neither 3M nor any other employer shall have any obligation to make contributions or set aside funds in order to pay such benefits. 3M's obligation under this Nonqualified Plan III shall be merely that of an unfunded and unsecured promise to pay money in the future.

5.02 **No Contributions by Members**

Members and Former Members shall not be required or permitted to make contributions under this Nonqualified Plan III.

5.03 **Unsecured Creditor Status**

No Member, Former Member or Beneficiary shall have any right to receive any payments from this Nonqualified Plan III except as provided in Article IV above. Until such payments are received, the rights of each Member, Former Member and Beneficiary under this Nonqualified Plan III shall be no greater than the rights of an unsecured general creditor of 3M.

ARTICLE VI: PLAN ADMINISTRATION

6.01 **Powers and Duties of the Plan Administrator**

Subject to the powers of the Compensation Committee specified herein, the Plan Administrator shall administer this Nonqualified Plan III in accordance with its terms and shall have all powers necessary to carry out the provisions of such Plan. The Plan Administrator shall have the power and discretion to interpret the provisions of this Nonqualified Plan III, and to determine all questions arising in the administration, interpretation and application of such Plan. Any such determination by the Plan Administrator shall be conclusive and binding on all persons. The Plan Administrator may adopt such policies and procedures, correct any defects, supply any information, or reconcile any inconsistency in such manner and to such extent as he or she deems necessary or desirable to carry out the purposes of this Nonqualified Plan III; provided, however, that any policies, procedures, determinations or interpretations shall be done in a nondiscriminatory manner based upon uniform policies consistently applied to all persons in similar circumstances.

6.02 **Records**

The regularly kept records of 3M shall be conclusive and binding upon all persons with respect to a Member's or Former Member's Hours of Service, Credited Service, Covered Compensation, Salaried Pension Earnings and all other matters contained therein relating to Members and Former Members.

6.03 **Advisers**

The Plan Administrator may appoint such legal counsel, accountants, actuaries and other persons as he or she deems desirable to advise and assist such Administrator with the administration of this Nonqualified Plan III. The Plan Administrator shall be entitled to rely conclusively upon, and shall

be fully protected with respect to any action taken by him or her in good faith in reliance upon, any advice or information furnished by such advisers.

6.04 **Payment of Expenses**

The Plan Administrator shall not be paid for the performance of his or her duties under this Nonqualified Plan III, but all expenses incurred by 3M or the Plan Administrator in

connection with the administration of such Plan shall be paid by 3M.

6.05 Indemnity of the Plan Administrator

3M shall indemnify the Plan Administrator from and against any and all claims, losses, damages and liabilities arising from any act or failure to act in connection with the administration of this Nonqualified Plan III, and shall defend and/or reimburse the Plan Administrator for all expenses (including reasonable attorneys fees) incurred in connection with any pending or threatened claim or any action or proceeding arising therefrom, unless and to the extent that any claim, loss, damage, liability or expense is judicially determined to have resulted from the Plan Administrator's bad faith or gross negligence.

6.06 Service of Process

In any legal proceeding involving this Nonqualified Plan III, the Secretary of 3M is designated as the exclusive agent for receipt of service of process directed to such Plan.

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ARTICLE VII: AMENDMENT AND TERMINATION

7.01 Right to Amend

3M's Board of Directors, the Compensation Committee or (only for amendments whose projected costs do not exceed \$25,000,000 in any calendar year) any duly authorized officer of 3M may amend or modify, in whole or in part, this Nonqualified Plan III at any time without submitting the amendment or modifications to the shareholders of 3M (except that, to the extent necessary to comply with applicable corporate or securities law, or applicable rules of the New York Stock Exchange, 3M's Board of Directors or the Compensation Committee shall have the exclusive authority to make amendments with respect to benefits under this Plan). However, no amendment or modification shall adversely affect the rights of any Member, Former Member or Beneficiary acquired under the provisions of such Plan in effect prior to such action.

7.02 Termination

While it expects to continue this Nonqualified Plan III indefinitely, 3M (acting through its Board of Directors or the Compensation Committee) reserves the right to terminate such Plan at any time and for any reason. Termination of this Nonqualified Plan III shall not affect 3M's obligation to pay the benefits already earned under the provisions of such Plan in effect prior to the termination.

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ARTICLE VIII: MISCELLANEOUS

8.01 No Contract of Employment

This Nonqualified Plan III shall not be deemed to constitute a contract of employment between 3M and any Member or Former Member. Nothing in this Plan shall be deemed to give any Member or Former Member the right to be retained in the service of 3M or an affiliate or to interfere with the right of 3M or an affiliate to discipline or discharge any Member or Former Member at any time.

8.02 No Assignment

No Member, Former Member or Beneficiary shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey the benefits, if any, payable under this Nonqualified Plan III. All payments and the rights to all payments of benefits under this Nonqualified Plan III are expressly declared to be nonassignable and nontransferable. Neither this Nonqualified Plan III nor any portion of the benefits payable hereunder shall be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any Member, Former Member or Beneficiary. No portion of the benefits payable under this Nonqualified Plan III shall be subject to attachment, garnishment or other legal process by any creditor of any Member, Former Member or Beneficiary, except to the extent that 3M determines that it will honor the creation, assignment or recognition of any right to any benefit payable under the Plan with respect to a Member or Former Member pursuant to a domestic relations order if that domestic relations order satisfies the requirements of a qualified domestic relations order within the meaning of section 414(p)(1)(A) of the Code.

8.03 Governing Law

The provisions of this Nonqualified Plan III shall be interpreted and enforced in accordance with the laws of the State of Minnesota.

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8.04 Separable Provisions

In the event any provision of this Nonqualified Plan III is ruled or declared illegal or unenforceable for any reason, such illegality or unenforceability shall not affect the remaining provisions hereof and this Nonqualified Plan III shall be interpreted and enforced as if such illegal or unenforceable provision had never been included herein.

ARTICLE IX: CHANGE IN CONTROL

9.01 Distribution Following Change in Control

Upon the occurrence of a Change in Control of 3M, this Nonqualified Plan III shall terminate and 3M shall immediately distribute the remaining accrued retirement benefits hereunder to the respective Members, Former Members and Beneficiaries in lump sum cash payments in amounts equal to the present values of such accrued retirement benefits as of the date of the Change in Control. The Compensation Committee shall have the discretion to decide whether some or all of the lump sum amounts will be paid directly to the respective Members, Former Members and Beneficiaries, or will be applied toward fully paid annuity contracts issued by an A+ rated insurance company, which provide for the payment of all the amounts that would otherwise have been paid after the Change in Control pursuant to this Nonqualified Plan III.

9.02 Definition of Change in Control

For purposes of this Article IX, a Change in Control of 3M shall be deemed to have occurred if there is a "change in the ownership of 3M," "change in effective control of 3M," and/or a "change in the ownership of a substantial portion of 3M's assets" as defined under Treasury reg. section 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code.

9.03 Determination of Present Value

Except where otherwise expressly provided in this Nonqualified Plan III, the present value of each Member's, each Former Member's and each Beneficiary's remaining accrued retirement benefits hereunder shall be determined in accordance with such actuarial assumptions as the Compensation Committee, in its discretion, may adopt for such purpose.

9.04 Tax Equalization

In the event that the payments made pursuant to this Article IX are finally determined to be subject to the excise tax imposed by section 4999 of the Code, 3M shall pay to each Member, Former Member and Beneficiary an additional amount such that the net amount retained by such Member, Former Member or Beneficiary, after allowing for the amount of such excise tax and any additional federal, state and local income taxes paid on the additional amount, shall be equal to the value of the retirement benefits distributed to such Member, Former Member or Beneficiary pursuant to this Article IX. Such tax gross-up payment shall be made no later than the end of the recipient's taxable year following the taxable year in which the recipient remits the related taxes. If a Member is a Specified Employee and such gross-up payment is made on account of the Member's Separation from Service, payment shall not be made prior to the first day of the seventh month following the Member's Separation from Service.

9.05 Fees and Expenses

3M shall pay to each Member, Former Member and Beneficiary the amount of all reasonable legal and accounting fees and expenses incurred by such Member, Former Member or Beneficiary in seeking to obtain or enforce his or her rights under this Article IX or in connection with any income tax audit or proceeding to the extent attributable to the application of section 4999 of the Code to the payments made pursuant to this Article IX, unless a lawsuit commenced by the Member, Former Member or Beneficiary for such purposes is dismissed by the court as being spurious or frivolous.

3M shall also pay to each Member, Former Member and Beneficiary the amount of all reasonable tax and financial planning fees and expenses incurred by such Member, Former Member or Beneficiary in connection with the receipt by such Member, Former Member or Beneficiary of payments pursuant to this Article IX. Such payment or reimbursement shall be made no later than the end of the recipient's taxable year following the taxable year in which the recipient incurs the related expenses. If a Member is a Specified Employee and such payment or reimbursement is made on account of the Member's Separation from Service, payment or reimbursement shall not be made prior to the first day of the seventh month following the Member's Separation from Service.

SCHEDULE I

Member: Phil Yates
Commencement Date: October 1, 2011 (scheduled termination date)

APPENDIX A: CLASSES OF ELIGIBLE EMPLOYEES AND ADDITIONAL BENEFITS

- 1) **Class of Employees:** Participants in the 3M Deferred Compensation Plan.

Additional Benefits Based On: Planned total compensation (for Plan Years beginning on or after January 1, 2008) or wages and salaries (for Plan Years ending on or before December 31, 2007) that are excluded from Salaried Pension Earnings under the ERIP solely because they are deferred under the 3M Deferred Compensation Plan (and are not otherwise excludable by reason of application of section 401(a)(17) of the Code) shall be treated as Salaried Pension Earnings.

- 2) **Class of Employees:** Participants in the VIP Plus Plan (frozen to new deferrals as of December 31, 2008).

Additional Benefits Based On: Planned total compensation (for the Plan Year beginning on January 1, 2008) or wages and salaries (for Plan Years ending on or before December 31, 2007) that are excluded from Salaried Pension Earnings solely because they are deferred under the 3M VIP Plus Plan (and are not otherwise excludable by reason of application of section 401(a)(17) of the Code) shall be treated as Salaried Pension Earnings.

- 3) **Class of Employees:** Participants in the 3M 1987 Management Stock Ownership Program, the 3M 1992 Management Stock Ownership Program and the 3M 1997 Management Stock Ownership Program who receive grants of Restricted Stock

Additional Benefits Based On: The amount by which the fair market value (at the time of grant) of such Restricted Stock (determined as if there were no conditions or restrictions on the ownership or receipt of such Stock) exceeds the purchase price payable for such Stock being treated as Salaried Pension Earnings in the year of grant

- 4) **Class of Employees:** Pilots in the Aviation Department who retire on or after January 1, 2006 who are at least 60 years of age

Additional Benefits Based On: See Appendix B

APPENDIX B
SUPPLEMENTAL PENSION PLAN BENEFITS
FOR 3M PILOTS WHO RETIRE FROM 3M'S RETIREMENT PORTFOLIO I
AT OR AFTER AGE 60

Eligibility:

Pilots who are enrolled in 3M's Retirement Portfolio I are automatically eligible for the supplemental benefits (A) described in this Appendix only if they are 55 years of age and have at least five years of Credited Service on January 1, 2006 and retire from 3M at or after age 60.

Pilots who are enrolled in 3M's Retirement Portfolio I are automatically eligible for the supplemental benefits (B) described in this Appendix only if they are 40 years of age and less than 55 years of age and have at least five years of Credited Service on January 1, 2006 and retire from 3M at or after age 60.

Supplemental Benefits (A):**Credited Service:**

Credited Service is used to determine the amount of the pilot's pension and eligibility for the 3M Bridge benefit to age 62.

Credited Service will include:

Pilot's length of Credited Service earned up to date of retirement, plus

An additional amount of Credited Service (five years maximum) for the period of time, in years and months, between the pilot's actual age at retirement and age 65.

Example: A pilot retiring at age 60 with 30 years of Credited Service at retirement will have an additional five years of Credited Service (covering the period between ages 60 and 65) added to the original 30. A pilot retiring at age 60-1/2, would receive an additional

4-1/2 years of Credited Service.

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Salaried Average Earnings:

Instead of the pilot's pension being based on the average of his or her highest four consecutive years of pension earnings, the pilot's Salaried Average Earnings will be based on the following table:

If Pilot Retires:	Salaried Average Earnings* Will Be Based on This Number Of Consecutive Calendar Years:
At or after 60 but before 61	1
At or after 61 but before 62	2
At or after 62 but before 63	3
At or after 63	4

*Example: If a pilot retires at age 60 or older but before age 61, his or her Salaried Average Earnings would be the greater of:

His or her highest paid calendar year of Salaried Pension Earnings, or his or her last 12 months of earned base and profit sharing (or, planned total compensation for Plan Years beginning on or after January 1, 2008) up to the pilot's retirement date, where any profit sharing earned but not yet paid (or, planned variable pay under the Annual Incentive Plan for Plan Years beginning on or after January 1, 2008) by the retirement date is included based on the rolling 4-quarter profit sharing rate in effect at the time.

Supplemental Benefits (B):**Credited Service:**

In addition to the pilot's actual Credited Service up to the retirement date, the pilot's pension will be based on up to two years of additional Credited Service. The additional amount will be equal to the years and months between the pilot's actual age at retirement and age 62. This additional amount will also be used in determining the pilot's eligibility for the 3M Bridge benefit.

Example:

A pilot retiring at age 60 with 30 years of Credited Service at retirement will have an additional two years

B-2

of Credited Service (covering the period between ages 60 and 62) added to the original 30. A pilot retiring at age 60-1/2, would receive an additional 1 1/2 years of Credited Service.

Salaried Average Earnings:

Instead of the pilot's pension being based on the average of his or her highest four consecutive years of Salaried Pension Earnings, the pilot's Salaried

Average Earnings will be based on the following table:

If Pilot Retires:	Pilot's Salaried Average Earnings* Will Be Based on This Number Of Consecutive Calendar Years:
At age 60	2
At age 60 & 1 month to age 61	3
At age 61 & 1 month or older	4

Examples:

If a pilot retires at age 60, his or her Salaried Average Earnings would be the greater of:

The pilot's highest paid 2 consecutive calendar year of Salaried Pension Earnings, or the pilot's last 24 months of Salaried Pension Earnings up to his or her retirement date.

If the pilot retires at age 61 and 1 month, his or her Salaried Average Earnings would be the greater of:

The pilot's highest four consecutive paid calendar year of Salaried Pension Earnings, or the pilot's last 48 months of Salaried Pension Earnings up to his or her retirement date.