

UK Terms and Conditions of Sale

1. General

(a) "Customer" means any firm, company, trust or person who purchases Products from Stryker UK Limited ("Stryker").

(b) "Consumables" means those Products supplied as sterile or single use only items.

(c) "Loan Kits" means those sets of Consumables and/or Products supplied as such under an Order for a dedicated procedure and are subject to Stryker's Additional Terms and Conditions for Loan Kits.

(d) "Orders" means any order placed by the Customer and accepted by Stryker subject to these General Conditions.

(e) "Products" refers to all items sold or loaned by Stryker, including Consumables, Loan Kits and Third Party Products.

(f) "Third Party Products" refers to products not manufactured or assembled by Stryker and supplied to Stryker by third parties for re-sale by Stryker.

(g) Unless otherwise agreed in writing or except where they are at variance with (i) the regulations governing the sale of Products to government bodies or any other public entity or (ii) the mandatory provisions of local law, all Orders, offers, quotes and resulting contracts between Stryker and Customer shall be governed by these general terms and conditions of sale (the "General Conditions") which shall supersede and exclude any terms and conditions proposed, stipulated or referred to by Customer.

(h) No order will be deemed accepted until Stryker issues a written confirmation or, if no confirmation is issued, upon shipment of the Products by Stryker.

All descriptions, specifications and illustrations contained in Stryker's catalogues, price lists and advertisements or otherwise communicated to Customer are intended to present a general idea of the Products described therein, and are not integrated herein by reference.

(i) Changes may be made to the specifications of the Products (i) at Stryker's sole discretion, when required to conform with applicable statutory or EU requirements or (ii) at the request of the Customer to the extent that the changes will not, in the sole opinion of Stryker, materially affect the Products' quality or performance.

2. Price and Payment

(a) Unless otherwise specified, all prices quoted are exclusive of Value Added Tax and any other applicable taxes or duties and are further exclusive of packing, transportation and insurance costs. For the avoidance of doubt, Stryker reserves the right to charge Customer any additional costs that may be incurred by Stryker as a result of special shipment or packaging requests made by Customer.

(b) Prices shall be as listed in Stryker's price list current at the date of acceptance of the Order and in any case as shown on the invoice. Stryker reserves the right, at any time prior to delivery and with written notice, to increase the price to reflect costs of business, inflation or increases in cost to Stryker due to causes beyond Stryker's control (such as, by

way of example, foreign exchange fluctuations, currency regulations, changes to delivery dates, quantities or specifications requested by Customer, or any other delay due to any act or omission of the Customer).

(c) Unless otherwise specified by Stryker all sums invoiced will be due within thirty (30) days from the invoice date (the "Due Date"), failing which interest will become due at a rate of Libor +3% per annum (or such other rate as may be established in the invoice) from the Due Date up to and including the date payment is actually received. Non-payment of an invoice when due may, at the sole option of Stryker, result in acceleration of all outstanding invoices and Stryker shall further have the right to suspend or cancel outstanding orders without the need for formal notice. Stryker may also elect to bring action for the collection of unpaid amounts in any court having competent jurisdiction.

(d) Payment shall be treated as having been made only when any check, draft, bill of exchange or other instrument of payment given by the Customer has been honoured according to its terms.

(e) Customer shall not be entitled to retain or defer payment of any sums due to Stryker on account of any dispute, counter claim or set off which it may allege against Stryker.

3. Delivery; Passing of risk and title

(a) Unless otherwise stipulated in writing, all Products are sold EXW (Incoterms 2000).

(b) Stryker will use commercially reasonable efforts to adhere to agreed delivery dates; however, any delivery dates given are estimates only and the time of delivery shall not be of the essence.

(c) Partial deliveries will be allowed.

(d) The Products shall remain Stryker's property until Stryker has received payment in full by way of cleared funds. Payment shall be applied to invoices in the order in which they were issued and to the Products in the order in which they are listed in the invoices; until such time Customer shall hold the Products as bailee.

(e) Notwithstanding the foregoing, risk in the Products shall be transferred to Customer at the time of delivery and Customer shall insure them against loss or damage accordingly and in the event of such loss or damage shall hold the proceeds of such insurance on behalf of Stryker.

(f) If payment is overdue in whole or in part or if Customer goes into administration, receivership or liquidation or being an individual declares bankruptcy then Stryker shall be entitled to the immediate return of all Products sold by Stryker to Customer for which title has not yet passed to Customer, and Customer hereby authorizes Stryker to recover the Products and to enter any premises of Customer for that purpose. Demand for or recovery of the Products by Stryker shall not of itself discharge either Customer's liability to pay all outstanding amounts and take delivery of the Products or Stryker's right to sue for payment of the outstanding amounts.

4. Inspection; Warranty; Returns

(a) *Inspection and Acceptance*

(1) Customer shall inspect the Products immediately upon receipt and shall within ten (10) days from delivery give written notice to Stryker of any defects or claims that the Products are not as stated on the bill of lading.

(2) Failure of Customer to give notice shall be an unqualified acceptance of such Products and a waiver by Customer of all claims with respect thereto and shall further serve as confirmation that Customer represents it has examined the products and that they are acceptable and clinically suitable for their intended purpose.

(3) Contested Products must be kept at Stryker's disposal and can only be returned to Stryker upon Stryker's express written consent within seven (7) days from the date consent is received. No prescriptive, special, modified, discontinued, un-sterile, opened, damaged or defaced disposable or consumable Products may be returned. Products accepted for return are subject to a handling charge of 15% of the Order price (exclusive of VAT), which charge shall be paid upon demand. All costs of returning the Products to Stryker shall be borne by the Customer. Products are returned at the risk of the Customer and any repairs undertaken by Stryker in respect of damage caused in transit will, during their return, be charged to the Customer. All returned Products must be accompanied by the original packing note together with the reason for return of the Products.

All Products including Loan Kits must be returned with the appropriate decontamination certification and in accordance with regulatory requirements. Stryker reserves the right to charge the Customer for any costs incurred by Stryker in the event that such Products, including Loan Kits, are not decontaminated in accordance with regulatory requirements.

(4) Stryker's sole obligation in the event the claim is found to be justified shall be to, at Stryker's sole option, replacement of the Products or refund of the purchase price against return of the Products. In the event upon receipt of any returned item Stryker finds the claim unjustified, the item will be returned to Customer at Customer's expense and Customer will reimburse Stryker for the transportation charges, labour and associated charges incurred in testing the allegedly defective item.

(b) *Warranty*

(1) With respect to disposable or consumable Products, the warranty supplied is that specified on the packaging. Stryker warrants to the original Customer that, at time of delivery, each standard Product manufactured by Stryker shall be free of defects in material and workmanship and, when used for the purposes and indications described on the labelling, is fit for the purposes and indications described on the labelling. All warranties for Products shall expire as of the Products' expiration date or, in the event of disposable or consumable Products as specified on the packaging, or if none or for other Products, after one (1) year from the date of shipment from Stryker. Stryker's warranty hereunder shall not apply if: (i) Products are not used in accordance with instructions or are used for a purpose not indicated on

the labelling, (ii) any repairs, alterations or other work has been performed by Customer or others on such item, other than work performed with Stryker's authorization and according to its approved procedures; (iii) the alleged defect is a result of abuse, misuse, improper maintenance, accident or the negligence of any party other than Stryker; or (iv) defects in Products arising from the use of and drawing, design or specification supplied by Customer. The warranty set forth herein is conditioned upon proper storage, installation, use and maintenance in accordance with applicable written recommendations of Stryker. The warranty furnished hereunder does not extend to damage to Products purchased hereunder resulting in whole or in part from the use of components, accessories, parts or supplies not furnished by Stryker.

(2) With respect to Third Party Products, the sole warranty available to the Customer shall be the one given to Stryker by the manufacturer to the extent said warranty can be transferred.

(3) Stryker's sole obligation shall be to repair or replace, at Stryker's option, any defective component or item and pay transportation expenses for such replacement. Customer shall provide the labour for the removal of the defective component or item and installation of its replacement at no charge to Stryker. Customer shall bear all risk of loss or damage to returned Products while in transit. In the event no defect or breach of warranty is discovered by Stryker upon receipt of any returned item, the item will be returned to Customer at Customer's expense and Customer will reimburse Stryker for the transportation charges, labour and associated charges incurred in testing the allegedly defective item.

(4) Except as expressly provided herein and to the extent the Customer is not a person dealing as a consumer (as such term is defined in the Unfair Contract Terms Act 1977), Stryker makes no representation or warranty of any kind, expressed or implied with respect to any products, parts or services provided by Stryker including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Products distributed, but not manufactured, by Stryker are not warranted by Stryker and Customer must instead rely on the representations and warranties, if any, provided directly to Customer by the manufacturer of such Products. The sole and exclusive remedy for breach of any warranty is limited to the remedies provided in the paragraph above. The rights of Customers purchasing Products under a consumer transaction (as defined by the Consumer Transactions Restrictions on Statements Order 1976) are not affected by the terms of this Section.

(5) Warranties for non-disposable Products are set out in the relevant Products data sheet or accompanying user manual or technical guide (collectively, the "Instructions of Use").

(6) All ex-planted or contaminated implants, soiled Products must be returned with the appropriate decontamination certification and in accordance with regulatory requirements. Stryker reserves the right to charge Customer

for any costs incurred by Stryker in the event that such Products are not decontaminated in accordance with regulatory requirements.

5. Storage, Handling and Use of Products

(a) Customer shall be responsible for any mishandling, from the time that Products are received by the Customer, which results in damage to or arising from Products.

(b) The premises used to store and handle Products shall:

(1) be suitably designed and contain sufficient space in order to facilitate storage, cleaning, maintenance and other necessary operations;

(2) provide sufficient protection against events that may affect the quality of Products: e.g. lighting, temperature, humidity, airborne particulate and microbial contamination;

(3) provide for an adequate separation of Products, in particular, separate and suitable areas must be available for defective Products, recalled Products and waste disposal;

(c) Operations which may produce impurities or any other matter which may contaminate Products shall not be performed in the area where Products are stored.

(d) Customer shall put in place the following systems:

(1) a documented preventative pest control system which shall include regular inspections and routine bait laying and/or insecticide spraying and be designed to prevent contamination of materials and Products.

(2) an end user complain tracking system to facilitate communication of complaints to Stryker; and

(3) a recall system able to trace Products by reference, by lot/batch number and by quantity. Customer should implement appropriate systems which shall be able to track any complaints made by Customer's customers. Said system shall enable Customer to report such complaints to Stryker.

(e) Customer shall ensure that an effective stock rotation system is implemented. A first in/first out system is recommended, in particular for sterile Products or other Products to which an expiry date is allocated.

(f) Customer shall store, handle and use the Products in accordance with Stryker's Instructions of Use.

(g) The Customer shall not resell the Products.

6. Compliance

(a) Customer shall comply with good business practices and all laws and regulations relevant to these General Conditions such that Stryker's image and reputation is promoted and safeguarded and shall in particular comply with all laws and regulations of the United Kingdom relating to the marketing, distribution, supply, sale, labelling and installation of the Products, including, but not limited to Eucomed and ABHI Guidelines.

(b) The Customer acknowledges that it is familiar with the Directive for Active Implantable Medical Devices (AIMD), 90/385/EEC and the Directive for Medical Devices (MDD), 93/42/EEC (as amended by EU Directive 2007/47/EC) (the "Devices Directives") and the reporting obligations imposed

on device users thereunder as transposed into local law. In this regard, Customer agrees to notify Stryker within ten (10) days of the occurrence of any event identified in the Devices Directives imposing a reporting obligation on Customer and/or Stryker (except for events representing an imminent hazard that require notification to the relevant national health safety board (the "Safety Board") within seventy-two hours, in which case, such notice will be delivered to the other party immediately). Customer shall maintain adequate tracking of the Products to enable Stryker to meet the requirements applicable to the tracking of medical devices.

(c) Customer shall comply with Stryker's instructions relating to (i) the safe disposal of batteries as regulated by the EU Batteries Directive 2006/66/EC (and its equivalent where transposed into local law), (ii) the collection and disposal of waste generated by the Products as regulated by the EU Waste Electrical and Electronic Equipment (WEEE) Directive 2002/96/EC (as transposed into local law), (iii) the requirements for registration, evaluation and authorization of chemicals as regulated by the EU Directive 1907/2006 (as transposed into local law), (iv) the EU RoHS Directive 2002/95 (as transposed into local law) and (v) the EU Packaging Waste Directive 94/62/EC (as transposed into local law).

(d) Customer shall further comply with the UK Bribery Act 2010 and further represents and warrants that it:

(1) is familiar with the United States Foreign Corrupt Practices Act and without limiting the generality of the other provisions of these General Conditions, the Customer agrees that it will not, and will ensure that its employees, directors, officers, agents or other persons acting on its behalf (the "Related Parties") do not make any payment or give anything of value, either directly or indirectly, to an official of any government or government agency for the purpose of influencing an act or decision of the official in his or her official capacity or inducing the official to use his or her influence to obtain or maintain business or to obtain or pay for favourable treatment or any other special concession; and

(2) has not, in the past (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, or (ii) made any unlawful payment to government officials or government employees or to political parties or campaigns nor will it do so in the future.

7. Limitation of Liability; Indemnification

(a) *Limitation of Liability*

(1) The liability of Stryker in respect of any claim for loss, damage or expense of any nature with respect to Products delivered or the non-delivery of Products shall in no circumstances exceed a total aggregate sum equal to the purchase price of the Products in question.

(2) Stryker shall have no liability for any indirect or consequential loss including without limitation loss of profits, loss of business, loss of opportunity, loss of goodwill and cost of product recall. It shall further have no liability for any loss, damage or expenses arising from the

claims of any third party (including, without limitation, product liability claims) that may be incurred by the Customer.

(b) Indemnification

Customer shall guarantee, hold harmless and indemnify Stryker and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising relating to the performance, purported performance or non-performance, of any Customer obligations hereunder.

8. Intellectual Property Rights

Supply of Products shall not confer any rights upon Customer to use any of Stryker's patents, registered designs, trademarks, copyright or other intellectual property rights which shall remain the property of Stryker.

Any specifications, plans, drawings, process information, patterns, designs, formulae or other processes created, calculated, drawn up or designed by Stryker to fulfil the requirements or comply with the instructions of Customer in connection with the supply of Products and, any information derived therefrom or otherwise communicated to Customer in connection with the supply of Products shall remain the property of Stryker at all times, and shall be kept confidential.

Customer shall not remove or alter any indication, notice or other label affixed to Products referring to the instructions and/or recommendations of the manufacturer or Stryker for use.

9. Governing Law - Jurisdiction

All disputes arising out of or in connection hereunder shall be governed by and interpreted in accordance with the laws of England, and Customer submits to the jurisdiction of the courts of England. The U.N. Convention on Contracts for the Sale of International Products is hereby excluded from application to these General Conditions. No provision of these General Conditions shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to them.

ADDITIONAL TERMS AND CONDITIONS FOR LOAN KITS

Loan kits are charged on a sale or return basis. Any items missing on return will be invoiced. This includes both instrumentation and prostheses.

All loan kits are liable to a hire charge in line with Stryker's current price list, available on request. All items used are charged at full list price.

Loan Kits are chargeable per procedure: If a kit is booked for more than one operation date all subsequent replenishments will carry an additional charge.

If there is more than 7 days between procedures a second full loan charge will apply.

A loan charge is payable on all Loan Kits which are ordered and returned to Stryker unused.

Extension to agreed loan periods can be charged for as additional day's loan at £150.

Collection will be the next working day after the operation date.

Deliveries and collections are free of charge unless the kits are booked and dispatched on the same day.

Costs are available at time of booking.

Any unused consumables and/or Products contained in a Loan Kit should be returned to Stryker at the expense of the Customer within 7 days following completion of the dedicated procedure for which such Loan Kit was required. Subject to Stryker's verification of the quality of such consumables and/or Products Stryker shall refund to the Customer the price of such items as listed on the Order.

Following the operation it is the Customer's responsibility to clean, sterilise and decontaminate all instruments in the Loan Kits prior to return and attach a completed decontamination certificate. Loan Kits returned without a valid decontamination certificate will be deemed contaminated and will result in a £300 processing charge.

To avoid invoicing discrepancies, the billing form supplied by Stryker must be completed and returned with the Loan Kit.

Where possible, please use the labels supplied with the implants.

The Medical Devices Directive requires complete lot traceability for all Products and Stryker has procedures in place to ensure compliance. To maintain lot code traceability all implants removed from Loan Kits must be returned into the same Loan Kit they arrived in.

Any implants returned with lot codes differing to those issued will be charged at list price.

As a loan service Stryker take all reasonable measure to ensure that all its Loan Kits are supplied complete. However, on occasions where there are any items known to be missing, this will be highlighted on the checklist.

Any items not highlighted on the checklist and not reported as missing upon receipt of the Loan Kit and prior to return and/or not returned to Stryker will be invoiced.