

1. Entire Agreement; Terms.

This purchase order, together with any other documents incorporated herein by explicit reference (this "Purchase Order"), constitutes the sole and entire agreement between Synthes ("Synthes") and the party identified as Vendor on the face of this Purchase Order ("Vendor") with respect to the subject matter hereof, superseding any prior oral or written communications unless the terms thereof are expressly incorporated herein. This Purchase Order is an offer to purchase the goods and/or services specified on the face hereof upon the terms and conditions stated herein. Any shipment of goods or performance of services described in this Purchase Order shall constitute acceptance by Vendor of all of the terms and conditions of this Purchase Order to the exclusion of any additional or different terms or conditions. Conflicting, different or additional terms are expressly refused and rejected without any requirement of further notice of such refusal and rejection.

2. Pricing.

The price for each good or service covered under this Purchase Order shall be the price shown for such good or service in this Purchase Order. The prices shown on this Purchase Order are complete, and no additional charges of any kind shall be added, including charges for boxing, packing, labeling, cartage, import or export duties and taxes.

3. Delivery.

Time is of the essence in the performance of this Purchase Order, and any delay in delivery past the delivery date specified in this Purchase Order shall constitute a material breach by Vendor. Vendor shall immediately notify Synthes in the event that Vendor's timely performance under this Purchase Order is delayed or likely to be delayed, together with all available information regarding the reasons for such delay. Such notice shall not constitute a waiver by Synthes of any of Vendor's obligations or Synthes' rights hereunder. All goods shall be shipped F.O.B. destination. Vendor shall include with each shipment of goods a packing list which sets forth the number of this Purchase Order, a description and the quantity of each of the goods shipped, the date of shipment and any additional requirements specified on the Purchase Order. Synthes shall have the right, at no additional charge, to postpone the delivery of any Products to any site for a period of up to one hundred eighty (180) days from the originally scheduled delivery date. Synthes shall notify Vendor of such delay of delivery no later than twenty (20) days before the originally-scheduled delivery date.

4. Inspection.

All goods provided hereunder shall be received by Synthes subject to inspection, including analysis by third parties at Synthes' request, to determine the goods' conformity to Synthes' specifications and requirements. Such inspection may take place upon or at any time after receipt by Synthes or, on reasonable notice to Vendor, prior to shipment by Vendor. Payment for goods or services provided hereunder shall not constitute acceptance thereof by Synthes and shall not relieve Vendor from its warranties and other obligations hereunder. Synthes shall be entitled to reject, upon or at any time after delivery, all or any portion of a shipment of goods which fails to conform in all respects to Synthes' specifications and quality requirements stated in the Purchase Order, regardless of whether Synthes has accepted such goods or made payment therefor, whether the nonconformity substantially impairs the value of the goods, and whether the nonconformity is curable by Vendor. Synthes may return any or all nonconforming goods to Vendor, at Vendor's expense, for replacement or refund at the sole election of Synthes. Returned goods shall not be replaced except on Synthes' specific instructions.

5. Payment Terms.

Payment terms are net 30 days from the later of (i) Synthes' receipt of Vendor's invoice or (ii) Synthes' receipt of goods or services.

6. Taxes.

Vendor shall pay, without charge to Synthes, any federal, state or local tax or other government charge or assessment relating to the production, sale or shipment of the goods hereunder.

7. Warranties.

Vendor expressly warrants that: (i) the goods and services furnished pursuant to this Purchase Order will conform in all respects to the specifications, drawings and other instructions attached to this Purchase Order or to which Synthes and Vendor agree in writing; (ii) the goods and services furnished pursuant to this Purchase Order will be free from defects, whether latent or patent, in materials, workmanship, manufacture and design (except to the extent such defective design is attributable to Synthes), (iii) the goods and services furnished pursuant to this Purchase Order will be merchantable, and will be fit for the purpose for which goods or services of that kind are normally used and, if Vendor knows or has reason to know of particular purposes for which Synthes intends to use the goods or services, fit for such particular purposes, and (iv) Vendor has good, unencumbered title to the goods, free from any security interest or lien, and has conveyed such good, unencumbered title to Synthes. Vendor further warrants that the goods and services furnished hereunder do not infringe upon any third party's patents, copyrights, trademarks or other intellectual property, or constitute a misappropriation of trade secrets or breach of confidentiality. If Synthes' use of any goods or services furnished hereunder is enjoined as result of infringement of a third party's intellectual property (other than solely as a result of the incorporation of specifications provided by Synthes or modifications of such goods or services by Synthes), Vendor agrees, at Synthes' option, to (i) accept return of the products from Synthes at Vendor's expense and refund to Synthes the amounts paid by Synthes with respect to such products, or (ii) modify the products so that they become noninfringing but otherwise equivalent to the infringing goods or services, or (iii) secure for Synthes the right to continue using the goods or services.

8. Work at Synthes' Premises.

If Vendor is to perform any work at Synthes' premises in connection with the goods or services furnished hereunder, Vendor shall take all steps necessary to prevent personal injury or property damage during any such work; Vendor shall indemnify and hold Synthes harmless from and against all liability arising from such work (except to the extent caused by Synthes); and Vendor shall secure and maintain such insurance against public liability and property damage and such employee's liability and compensation insurance as will protect Synthes against liability connected with such work, including liability in connection with any worker's compensation statute or similar requirement.

9. LIMITATIONS ON LIABILITY.

SYNTHES SHALL NOT BE LIABLE TO VENDOR FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR FOR LOST PROFITS, SAVINGS OR REVENUES OF ANY KIND, WHETHER OR NOT SYNTHES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING. SYNTHES' LIABILITY ON ANY CLAIM HEREUNDER SHALL NOT EXCEED THE CUMULATIVE AMOUNT PAID BY SYNTHES ON ACCOUNT OF THE GOODS OR SERVICES THAT ARE THE SUBJECT OF THE CLAIM DURING THE TWELVE MONTHS IMMEDIATELY PRECEDING THAT DATE ON WHICH THE CLAIM AROSE. ANY ACTIONS BY VENDOR IN CONNECTION WITH THIS PURCHASE ORDER SHALL BE COMMENCED WITHIN TWELVE MONTHS OF THE DATE ON WHICH THE CLAIM AROSE.

10. Insurance.

Vendor shall furnish Synthes with insurance certification from Vendor's insurance carrier or broker showing that Vendor has comprehensive general liability insurance coverage, including products liability coverage, currently in force in an amount of not less than \$1,000,000 combined single limit bodily injury and property damage. The purchase of such insurance coverage or the furnishing of such certification shall not be deemed in lieu of Vendor's liability hereunder, nor shall it in any way modify Vendor's indemnification obligations hereunder.

11. Changes.

Synthes shall have the right at any time to make changes in specifications, materials, packaging, and time and place of delivery. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this Purchase Order shall be modified in writing accordingly. Vendor agrees to accept any such changes subject to this paragraph. Any claim for adjustment is waived unless made in writing within thirty (30) days after receipt of Synthes' written change order.

12. Termination.

Synthes reserves the right to terminate this Purchase Order, in whole or in part, at any time, upon written notice to Vendor for Synthes' sole convenience or, in the event of Vendor's material breach of this Purchase Order or insolvency, for cause. In the event Synthes terminates a Purchase Order for Synthes' convenience, Synthes' sole liability shall to pay for finished goods which Vendor manufactured prior to termination in reasonable reliance on the Purchase Order.

13. Compliance with Law.

Vendor warrants that all goods and services furnished pursuant to this Purchase Order have been and will be produced or performed in compliance with all applicable federal, state, local and foreign laws, orders, rules and regulations.

14. Global Code of Business Conduct and Ethics.

Synthes has developed and implemented a Global Code of Business Conduct and Ethics to ensure that all business activities are conducted in accordance with all laws and regulations. When performing services under this Purchase Order, Vendor shall comply with the Synthes Global Code of Business Conduct and Ethics, and shall conduct its business in accordance with all laws and regulations. Vendor may obtain a copy of the Global Code of Business Conduct and Ethics from Synthes' website at <http://products.synthes.com/compliance/default.asp>.

15. Cooperation.

Vendor will reasonably cooperate with Synthes in order to enable Synthes to comply with the requirements of all applicable regulatory authorities, including, upon receiving a written request from Synthes, furnishing to all applicable regulatory authorities all specifications, particulars, analyses, reports and literature in Vendor's possession or under Vendor's control, that are required by such regulatory authorities in connection with statutory requirements relating to the of Synthes products.

16. Relationship of the Parties.

The relationship of the parties has at all times and will continue to be that of independent contractors.

17. No Waiver.

No failure to enforce the provisions of this Purchase Order shall be construed as a waiver of such provisions or any other right of Synthes hereunder. All rights and remedies conferred under this Agreement or by any other instrument or law shall be cumulative and may be exercised singularly or concurrently.

18. Applicable Law; Jurisdiction.

This Purchase Order and any contract resulting therefrom shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to any choice of law or conflicts of law principles. Any controversy arising out of this Agreement shall be resolved in the Pennsylvania Court of Common Pleas in Chester County, Pennsylvania or the Federal District Court for the Eastern District of Pennsylvania. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

19. Successors; Assignment.

This Purchase Order shall be binding upon the representatives, successors and assigns of the parties; provided that Vendor may not assign this Purchase Order in whole or in part without the prior written consent of Synthes and any such purported assignment shall be void.

20. Force Majeure.

Neither party shall be liable to the other for any failure to perform as required by this Purchase Order, to the extent such failure to perform is caused by civil disorders, acts of aggression, acts of god, strikes, fires, floods, embargoes, war, or any similar cause beyond the control of, or occurring without the fault of the party whose performance is excused.

21. Unenforceability.

If any provision of this Purchase Order shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Purchase Order shall otherwise remain in full force and effect and enforceable.