



GENERAL TERMS AND CONDITIONS

I.- TERMS AND CONDITIONS OF SALE (FOR SALE IN UNITED KINGDOM)

1 Definitions

The following definitions apply to all the Terms and Conditions included in this document:

1.1 The “Company” shall mean Biomet 3i UK Limited company with its registered seat in United Kingdom having its offices at: One, Glass Wharf, Bristol, BS2 0ZX, United Kingdom, entered into the Companies House, under no.: 03230910.

1.2 The “Customer” shall mean any natural or legal person or organizational unit without legal personality, from whom an order or orders for Goods or for Item on Loan or stock to be placed on deposit is or are received.

1.3 “Parties” shall mean the Company and the Customer.

1.4 “Party” shall mean the Company or the Customer.

1.5 The “Goods” shall mean the articles or items which the Company is to supply in accordance with these Conditions of Sale.

1.6 “Conditions” shall mean the Conditions of Sale, Conditions for Loans and Conditions for stock placed on deposit set out in this document and any special terms and conditions agreed in writing by the Company.

1.7 “Delivery Date” shall mean the date specified by the Company when the Goods are to be delivered.

1.8 The “Item on Loan” shall mean the articles or items which the Company is to loan in accordance with the Conditions for Loans.

2. General

2.1 These Conditions shall apply to all contracts for the sale of Goods by the Company to the Customer in absence of: (i) a specific sale contract entered into between the Company and the Customer, or (ii) any special conditions made available by the Company to the Customer. Such contract or special conditions shall prevail over these Conditions.

2.2 All orders for Goods shall be made by the Customer to the Company in writing or by way of electronic means of communication and shall be deemed to be an offer by the Customer to purchase Goods pursuant to these Conditions.

2.3 By placing a purchase order for the Goods the Customer accepts the Conditions.



2.4 These Conditions together with any special terms and conditions agreed in writing by the Company shall form the entire agreement between the Company and the Customer and any representation, warranty, express or implied term whether in writing or whether verbal is hereby excluded together with any term or warranty implied by statute.

3. Price for the Goods

3.1 The price for the Goods shall be the Company's quoted price. Where no price has been quoted the price shall be the price listed in the Company's published price list current at the date of acceptance of the order. All prices quoted are indicated in the offer.

3.2 All prices quoted do not include VAT which is invoiced where applicable at the rate applicable at the date of supply of the Goods.

3.3 Where Goods are to be exported at the Customer's request, the price quoted is ex works.

4. Payment Terms

4.1 The Goods dispatched will be accompanied by the invoice containing the description, the quantity and the price of the Goods and by the mandatory documents required under the applicable laws.

4.2 Payment of the price and VAT or other sales tax and customs duties shall be due within 30 days of the date of the invoice or upon delivery, whichever event is the earliest, or due within such other period as the Company may agree in writing with the Customer. Any payments shall be made to the bank account indicated on the invoice or receipt.

4.3 In the event of Company having reasonable doubts concerning the creditworthiness of a Customer or in the event of delivery to new Customers, Company is entitled to request an advance payment or other form of guarantee / security by the Customer.

4.4 If the Customer fails on the due date to make payment in full or in part, then without prejudice to any other right or remedy available to the Company under the relevant provisions of law, the Company shall be entitled to on giving due notice to the Customer:

4.4.1 Cancel the contract or suspend any further deliveries of Goods to the Customer; and

4.4.2 Charge the Customer with a statutory interest on any overdue invoices (both before as well as after any judgement or order of court) on the amount unpaid, at the currently applicable rate set forth in the law until payment is made in full.

4.5 Costs of collection of overdue payments will be for the account of the Customer.

4.6 The payments made by the Customer will first cover all due interest and costs, and then the payable invoices which have been outstanding the longest, even if the Customer states that the payment relates to a later invoice.



4.7 Comments or complaints about invoices, must be made in writing (together with all necessary or subsequently requested documents attached) within 5 days after receipt of the invoice concerned, otherwise they will be deemed accepted. Such complaints do not suspend the payment obligation.

5. Delivery

5.1 A delivery time stated by the Company is based on the conditions prevailing at the time of entering into an agreement and to the extent delivery depends on performance by third Parties on the information furnished by such third Parties. Company will use its best efforts to observe the time for delivery. In the event that the Company needs information from the Customer to perform its obligation under these Conditions, time for delivery should only run from the day on which Company has received all such necessary information in its possession.

5.2 Unless otherwise agreed by the Company and Customer, the Goods shall be delivered during normal business hours to the Customer's place of business or other place as may be agreed by the Parties. The Company shall ensure that each delivery is accompanied by a delivery note which is prominently displayed, and which shows, inter alia, the purchase order number, date of the purchase order, number of packages and content.

5.3 The signature by the customer or any of its representatives on the Company's delivery note shall constitute prima facie proof of delivery or collection of the goods.

6. Risk and Property

6.1 Subject to the mandatory provisions of law, which cannot be modified by the Parties, the risk of damage to or loss of the Goods shall pass to the Customer:

6.1.1 In the case of Goods to be delivered at the Company's premises, at the time when the Company notifies the Customer that the Goods are available for collection; or

6.1.2 In the case of Goods to be delivered otherwise than at the Company's premises, at the time of delivery or, if the Customer wrongfully fails to take delivery of the Goods, the time when the Company has tendered delivery of the Goods.

6.2 Notwithstanding delivery and the passing of risk in the Goods, the property in the Goods shall not pass to the Customer until the Company has received payment in full of:

6.2.1 The price of the Goods plus applicable VAT or other sales tax or customs duties; and

6.2.2 Any other sum or sums whatsoever which shall be due from the Customer to the Company at the time of delivery of the Goods to the Customer.

6.3 If the Customer is in default in accepting or collecting the Goods, the Company may give the Goods for safekeeping at the expense and risk of the Customer.

6.4 Until property in the Goods passes to the Customer in accordance with these Conditions the Customer shall hold the Goods and each of them on a deposit basis as a depositary for the Company.



The Customer shall store the Goods (at no cost to the Company) separately from all other Goods in its position and mark them in a way so that they are clearly identified as the Company's Property.

6.5 The Company shall be entitled to recover the price (plus applicable taxes and customs) notwithstanding that Property in any of the Goods has not passed from the Company.

6.6 The Customer shall not pledge or in any way charge by way of security for any indebtedness any of the Goods which are the property of the Company. Without prejudice to the other rights of the Company, if the Customer does so all sums whatever owing by the Customer to the Company shall forthwith become due and payable.

6.7 The Customer shall insure and keep insured the Goods to the full price against "all risks" to the reasonable satisfaction of the Company until the date that property in the Goods passes from the Company and shall whenever requested by the Company produce a copy of the policy of insurance. Without prejudice to the other rights of the Company, if the Customer fails to do so all sums whatever owing by the Customer to the Company, shall forthwith become due and payable.

7. Warranty and return of defective Goods

7.1 The Company is liable for defects without the possibility of further claims, but subject to the conditions listed below.

7.2 Nothing in these Conditions is intended to limit Customer rights arising from defects under the applicable laws.

7.3 In order to properly comply with its obligations by the Company the Customer shall be required to examine and provide notification of defects. Thus, delivery Goods must be diligently inspected for damage (ostensible flaws) by the Customer immediately upon receipt and, if reasonable, also by using or processing the samples. The Customer shall immediately inform the Company in writing about any visible defects, at the latest, 14 days after receiving the delivery Goods. The Goods shall be considered free of defect if notice of defects is not given in a timely manner.

7.4 Defects that cannot be discovered immediately, even after careful inspection (hidden flaws) must be disclosed to the Company in writing immediately after their discovery.

7.5 If a defect (ostensible flaws or hidden flaws) of delivered Goods is present, the Company shall have the choice to rectify by either eliminating the defect, delivering a new item free of defects or making a refund of the price. If the claim proves to be justified, for the purpose of rectification, the Company shall bear all required documented expenses, in particular shipping, transport, transit, labor and material costs, so long as they do not increase due to the delivery items having been brought to a location other than the delivery address. The Customer shall bear any additional costs or expenses resulting from bringing the delivery item to a location other than the delivery address. Replaced parts are property of the Company and must be returned to us.



7.6 Once all relevant checks on appropriateness to return have been made, the Company will provide the Customer with all information and documents required in order to return the Goods to the Company for replacement, rectification or the refund.

7.7 If the event of a dispute between the Parties arising out of a claim raised by the Customer regarding any Good ordered being defective which the Parties cannot resolve through negotiation, such dispute shall be referred to an independent 3rd party (e.g., a laboratory) agreed upon by the Parties. The independent 3rd party shall carry out analysis on representative samples of the respective shipment of the Goods and its findings shall be final and binding on the Parties. The costs of such analysis shall be borne by the Party whose position is not upheld by the findings of the independent 3rd party. The Party found to be at fault shall bear the cost of laboratory analysis, return, replacement and/or destruction of the defective Goods.

7.8 As the products are intended for the use by the customer, we disclaim any liability arising from the resale of the products by the customer.

7.9 The products are intended for Customer use. Furthermore, the Customer acknowledges and agrees that (i) the distribution and re-sale of the products is a regulated activity and, as such, the distribution and commercialization of the products is subject to having an authorization from the relevant authorities and (ii) Customer may not lawfully resell the products unless Customer holds the relevant authorization to do so.

In the event of non-authorized resale of our products, we reserve the right to take any action we deem necessary for compensation of damages caused to us, including the right to cancel any order and stop selling our products to the non-complying Customer. We fully disclaim any liability arising out of the resale of our products.

8. Cancellations

The Company reserves the right to refuse the cancellation of orders placed for Goods by the Customer.

9. Compliance with instructions, warnings and laws

The Customer shall, at all times:

9.1 comply with the instructions provided by the Company in relation to the Goods, including but not limited to the handling, care, transportation, storage, decontamination, sterilisation and use of the Goods;

9.2 take proper notice of the written warnings provided by the Company in relation to any hazards associated with the Goods;

9.3 comply with all applicable laws relevant to the Goods; and

9.4 communicate the items listed in 9.1 and 9.2 to all persons to whom the Customer provides access to the Goods,



and, as far as the law allows, the Customer indemnifies the Company from and against any claims instituted against the Company arising from the Customer's failure to comply with its obligations under this Section 9.

10. Default of the Customer

10.1 If any default of the Customer occurs, the Company may in its absolute discretion, and without prejudice to any other rights which it may have:

10.1.1 Suspend all future deliveries of Goods to the Customer and/or terminate the contract without liability upon its part; and/or

10.1.2 Exercise any of its rights pursuant to Section 6 herein.

11. Set Off and Counterclaim

The Customer may not withhold payment of any invoice or other amount due to the Company by reason of any right of set off or counterclaim which the Customer may have or allege to have for any other reason whatsoever.

12. Intellectual property

The company and the customer agree that:

12.1 The customer by entering into the agreement does not acquire any right with respect to the intellectual property;

12.2 The customer does not have the right to alter brand names, product numbers, etc. or to modify or copy the products and

12.3 The Company retains all property rights, trademarks and copyrights for all content provided to the Customer, including documents, data carriers, figures, drawings, patterns, costings, cost estimates, documentation and other documents produced by us as well as similar information in a tangible or intangible form (even in electronic form). They must not be used for purposes other than those stipulated herein and must not be made accessible to third Parties without our prior permission being granted in writing. This applies in particular to all documents, data, figures, drawings and other information that we have designated as confidential. The Customer shall be solely responsible for checking whether the documents, data, figures, drawings, templates, documentation and other information that the Customer has made available to us infringe upon the rights of any third party, namely, industrial property rights and copyrights.

13. Force Majeure

In the event of force majeure event, no attributable failure will apply in the performance of the agreement by the Parties. If the force majeure lasts at least thirty (30) days, the Parties are entitled by notice in writing to dissolve the agreement without being obliged to reimburse any damage or to pay any compensation for such dissolution.



15. Miscellaneous Conditions

15.1 This contract shall be governed by the Laws of England and all disputes arising out of this contract shall be subject to the exclusive jurisdiction of the Courts of London.

15.2 Any provision herein which is or which may be void or unenforceable shall to the extent of such invalidity or unenforceability be deemed severable and shall not affect any other provision herein. In that case the Parties will consult to determine a new provision to replace the provision that is null and void or that has been annulled, thereby taking the purport of the void or annulled provision into account as far as possible.

15.3 All headings are for ease of reference only and shall not affect the construction of these conditions.

15.4 No waiver or forbearance by the Company (whether express or implied) in enforcing any of its rights under these conditions shall prejudice the Company's right to do so in the future.

II.- TERMS AND CONDITIONS FOR LOANS (CHANGE FOR "SPECIAL CONDITIONS FOR LOANED PRODUCTS")

1. General

1.1 These Special Conditions for Loaned products shall apply to all contracts for the loan of Items on Loan by the Company to the Customer to the exclusion of all other terms and conditions including any terms or conditions which the Customer may purport to apply under any purchase order, confirmation of order or similar document.

2. Item on Loan

2.1 The Item on Loan may not be transferred to a third party. The Customer shall not, without the prior written consent of the Company, part with control of (including for the purposes of repair or maintenance), sell or offer for sale, underlet or lend the Item on Loan or allow the creation of any mortgage, charge, lien or other security interest in respect of it.

2.2 The parties acknowledge and agree that nothing in these Conditions constitutes an improper reward, inducement or encouragement to purchase, lease, supply, use, recommend or procure the Company's products or services.

3. Term of loan

3.1 At the request of the Company, the Item on Loan is to be promptly returned to the Company. If required by the Company, the Customer shall allow the Company's representatives access to the Customer's premises at which the Item on Loan is located for the purpose of removing the Item



on Loan. If required by the Company, the Customer's duly authorized representative shall sign a receipt of return.

4. Transportation and costs

- 4.1 The Item on Loan shall be transported to customer's provided address by the Company and collected from there by the Company upon termination.
- 4.2 The Company shall bear the risk and costs of transporting and collecting the Item on Loan under Clause 5.1.
- 4.3 As soon as it receives it, the Customer must inspect the Item on Loan to ensure that it is in good condition, complete and fit in every way for the purpose for which it is intended. Any issue or damage must be reported to the Company immediately. Acceptance of delivery by such representative shall constitute conclusive evidence that the Customer has examined the Item on Loan and has found it to be in good condition, complete and fit in every way for the purpose for which it is intended. If required by the Company, the Customer's duly authorized representative shall sign a receipt confirming such acceptance.

5. Customer's responsibilities

- 5.1 The Customer shall ensure that at all times the Item on Loan remains identifiable as being the Company's property, and wherever possible ensure that a visible sign to that effect is attached to the Item on Loan.
- 5.2 The Customer shall take such steps (including compliance with all safety and usage instructions provided by the Company) as may be necessary to ensure, so far as is reasonably practicable, that the Item on Loan is at all times safe and without risk to health when it is being set, used, cleaned or maintained by a person at work.
- 5.3 The Customer undertakes to:
 - only use the Item on Loan for such purposes as their intended use and condition allows;
 - procure appropriate procedures for the release of the Item on Loan for their intended use, e.g. decontamination, disinfection and sterilization prior to use, and the Customer shall ensure and control that such procedures are complied with prior to any release of the Item on Loan for their intended use;
 - ensure and control that the user of the Item on Loan has read and understood all statutory disclosed information delivered by the Company or its affiliates before any Item on Loan is released to the user. All of the Customer's personnel in charge of preparing the Item on Loan for the reclamation of the Item on Loan shall be provided with similar information by the Customer; and



- ensure appropriate procedures for the maintenance of the Item on Loan and undertakes to comply with such procedures. Throughout the duration of the loan, the Customer undertakes to keep the Item on Loan in good working conditions in accordance with its technical specifications and expected use as referred in the dispatch note.
- ensure adequate return of the Item on Loan under the same conditions as provided at the time of delivery, including all its components, tools and related documentation.

5.4 The Customer, as user of the Instruments, will be liable for all consequences arising from the use of the Item on Loan. Cost related to the use of the Item on Loan will be exclusively borne by the Customer. The Company or its affiliates shall not be liable for any damages whatsoever, whether to persons or to property, which could result from the misuse or inadequate or negligent use or maintenance of the Item on Loan.

6. Liability

6.1 After receiving the Item on Loan and regardless of whether or not the Customer or a third party causes the same, the Customer is liable for all damage, destruction, modification, theft, seizure, confiscation or loss of the Item on Loan ('Loss of Item') unless the Customer is able to provide evidence that the Loss of Item would have occurred even if the Item on Loan had been kept by the Company or is a result of ordinary fair wear and tear.

6.2 If the Item on Loan is destroyed or subject to a total loss, the Customer shall pay to the Company the Value set out in the Company's price list in force at that moment respect of such Item on Loan within 90 days of such destruction or total loss.

6.3 If the Item on Loan is damaged or modified, the appropriate repairs to be carried out shall be determined by the Company in consultation with the Customer. The Customer must bear the corresponding costs of such repairs. Any reduction in value in spite of the repairs must be reimbursed to the Company within 90 days of the completion of the repair work.

6.4 If the Parties cannot agree on the assessment of the amount of damage or any reduction in value, these shall be determined by an independent expert who is to be appointed by the Parties.

6.5 Nothing in this Agreement shall exclude or in any way limit a party's liability to the other party (i) for fraud, (ii) for death or personal injury caused by its negligence, (iii) under the indemnity at Clause 8.3. or (iv) to the extent the same may not be excluded or limited as a matter of law.

7. Costs and risk

7.1 The risk of loss, theft, damage or destruction of the Item on Loan passes to the Customer on delivery. The Item on Loan shall remain at the sole risk of Customer during the Term of Loan and any further term during which the Item on Loan is in the possession, custody or control of the Customer, until such time as the Item on Loan is redelivered to the Company.



- 7.2 The Customer must bear the costs incurred in connection with the Item on Loan, including the costs of documentation, insurance, permits, safeguarding legal interests, replacement measures, etc.
- 7.3 The Customer shall indemnify the Company and keep the Company indemnified against all losses, claims, liabilities, damages, costs or expenses of whatever nature arising out of or in connection with any failure by the Customer to comply with the terms of this Agreement.

8. Termination

- 8.1 The Customer must facilitate the return of the Item on Loan within 7 working days upon surgery occurrence.
- 8.2 If the Term of Loan is exceeded beyond the period indicated above without the written consent of the Company, the Company may (without prejudice to Clause 5) collect or arrange for the collection of the Item on Loan from the Customer at the expense of the Customer.
- 8.3 The Item on Loan shall at all times remain the property of the Company. The Customer undertakes to exclude any and all rights of retention of its contractual partners (lessors, agents, etc.) to the Item on Loan.
- 8.4 Without affecting any other right or remedy available to it, the Company may terminate the Term of Loan with by giving written notice to the Customer.

III.- GENERAL CONDITIONS FOR STOCK PLACED ON DEPOSIT AT CUSTOMER PREMISES

- 1.1 The Company will deliver on deposit to the Customer the products ordered by the latter according to the medical needs of its patients and served through the Delivery Note or future Delivery Notes.
- 1.2 The Customer must immediately sign the Delivery Note and take note of said products in its inventory notes and thus, the products enter into their stock. Any changes that may undergo in connection with these products shall be communicated immediately to the Company, however not later than 2 business days from the time such change occurs.
- 1.3 The products that are placed on deposit at the Customer are the property of the Company or the corresponding company of its group until the Customer opens, uses or implants said products.
- 1.4 From that moment on, the product will be considered purchased by the Customer and the Company must be immediately notified for billing.
- 1.5 Before product ownership has passed to the Customer, the latter may return said products to the Company insofar as they are in good condition and unopened.
- 1.6 The risk of loss of said products shall pass to the Customer at the time the Customer opens, uses or implants said products. Customer is however obliged to store the products in a manner that



protects them against any damage, theft, destruction, or deterioration and in this respect the Customer is responsible towards the Company for any loss, destroy or deterioration of products caused by improper storage of products.

- 1.7 The Customer undertakes not to remove or alter the marks, trademarks or signs that The Company or other company of its group may have used on the products. Likewise, the Customer undertakes to store the products separately from other products stored in the same warehouse.
- 1.8 The Customer has the obligation to guarantee:
 - that the products are stored correctly.
 - that the products are stored in accordance with applicable legal requirements and storage instructions of the manufacturer, provided in the packaging of the products.
- 1.9 The Customer shall be responsible for all the costs of depositing the products, their management, including the payments of the possible rents by warehouse, special design measures, personnel, and storage equipment etc.
- 1.10 The Company will make periodic reviews or inventories of the products delivered to the Customer on deposit in order to verify stocks, for which, the Customer will allow the Company to access its facilities within a maximum term of 48 hours from the date of submission of a request to this effect.
- 1.11 If, as a consequence of said reviews or inventories, the lack of any product delivered on deposit to the Customer is detected and the Customer has not notified the Company of the use or implant of said product, the Company will invoice immediately said product to the Customer, at the price of the Company Price List in force at that time.
- 1.12 The Customer shall settle the invoice amount promptly in accordance with the payment terms set out in the said invoice. If the Customer is late in paying an invoice issued in accordance with this Conditions, the Company shall be entitled to statutory interest for delay in commercial transactions.
- 1.13 In all circumstances, it will be the sole responsibility of the Customer to verify, prior to the use or implantation of the product that it is in good condition and is not expired.
- 1.14 The Company makes no specific or implied warranties and takes no responsibility for the expiration of products that are on deposit, nor regarding the possibility of damage due to defective products when the defects are due to poor conservation of the products by the Customer.
- 1.15 The management and handling of expired products shall be the sole responsibility of the Customer. Expired products must be removed from the stock of usable products and kept in a clean and separate area, to prevent them from being used by mistake.



- 1.16 The Customer is obliged to inform the Company of the products in deposit that are within at least 120 (one hundred twenty) days the expiry date as shown on the product label. The Company will decide whether the product(s) should be replaced with a like-for-like product or removed from the consignment stock. In either case, the Company shall arrange for the product(s) to be collected from the Customer at the Company's cost. Unreported products which expire in deposit shall not be returnable and shall be invoiced to the Customer.
- 1.17 The Customer has the obligation to insure all the delivered products owned by the Company or by other company of its group against all usual risks of loss, damage or destruction (caused by, including but not limited to, floods, fires, third parties, etc.), loss or theft during the time the products are stored on deposit. If any of these situations occurs, the Customer will immediately inform the Company in writing.
- 1.18 The Customer must immediately compensate the Company against any damage, loss or theft of its products, to the Company's requirement.
- 1.19 In order to support the Customer to use the delivered products, the Company may deliver to the Customer certain clinical instruments.
- 1.20 The clinical instruments remain in the property of the Company or the corresponding company within its group. Notwithstanding the foregoing, the risk of loss of said clinical instruments shall pass to Customer at the time of delivery.
- 1.21 The Company will make periodic reviews or inventories of the clinical instruments delivered in order to verify such instruments, for which, the Customer will allow the Company to access its facilities within a maximum of 2 business days from the date of submission of a request to this effect. If, as a consequence of said the Company reviews or inventories, the lack of any clinical instrument is detected, the Company will immediately invoice said clinical instrument to the Customer, at the price of the Company Price List in force at that time.
- 1.22 After the termination of the contract or supply relationship between the Company and the Customer, the latter shall return, without delay, all products from its custody, provided that they are in good condition and unopened, and the clinical instruments are in the same conditions in which they were delivered, except for normal deterioration resulting from ordinary use.
- 1.23 Any product that does not meet the aforementioned requirements will be billed immediately to the Customer at the price indicated on the Company Price List in force at that time.