TERMS & CONDITIONS

1. Definitions. The Term “Affiliate” shall mean (a) any corporation or business entity fifty percent (50%) or more of the voting stock of which is, and continues to be, owned directly or indirectly by any Party hereto; (b) any corporation or business entity which directly or indirectly owns fifty percent (50%) or more of the voting stock of any Party hereto; (c) any corporation or business entity under the direct or indirect control of such corporation or business entity as described in (a) or (b). The term “Agreement” shall mean these Terms and Conditions, Stryker’s quality requirements (a copy of which is available to Supplier upon request), the content of any written or electronic purchase order or material release issued by Stryker to Supplier that references these Terms & Conditions, and any exhibits or other incorporated documents referenced on the face of the Purchase Order. The term “Stryker” shall mean Stryker Corporation or the Affiliate of Stryker Corporation that issued the purchase order or material release to the Supplier. The term “Supplier” shall mean the entity or individual to whom Stryker has issued the purchase order or material release. The term “Products” shall refer to the materials, supplies, items and equipment covered by this Agreement. The term “Services” shall refer to the work and/or Services covered by this Agreement or performed during the course of performance of this Agreement.

2. Acceptance. This Agreement must be accepted in writing by Supplier by returning a signed acknowledgment copy of this Agreement. If Supplier fails to accept in writing, any conduct by Supplier that is in accordance with the existence of this Agreement shall constitute an acceptance by Supplier of this Agreement. Any terms proposed in Supplier’s acceptance of Stryker’s offer that add to, vary from, or conflict with these Terms and Conditions are hereby rejected and shall not apply. If this Agreement has been issued by Stryker in response to an offer, and if any of these Terms and Conditions are additional to or different from any terms of such offer, then the issuance of this Agreement by Stryker shall constitute an acceptance of such offer subject to the express condition that Supplier assents to these Terms and Conditions, and Supplier shall be deemed to have so assented unless Supplier notifies Stryker to the contrary in writing within ten (10) days of receipt of this Agreement. Stryker’s consent to engage in the activity contemplated by this Agreement is expressly conditioned on Supplier’s unaltered acceptance of the terms and conditions set forth in this Agreement. Any preprinted terms and conditions provided by Supplier, including terms and conditions contained on a website or other electronic medium, shall be void and of no force and effect. Any terms proposed in Supplier’s acceptance of Stryker’s offer that add to, vary from, or conflict with these Terms and Conditions are hereby rejected and shall not apply. If this Agreement has been issued by Stryker in response to an offer, then the issuance of this Agreement by Stryker shall constitute an acceptance of such offer subject to the express condition that Supplier assents to these Terms and Conditions, and Supplier shall be deemed to have so assented unless Supplier notifies Stryker to the contrary in writing within ten (10) days of receipt of this Agreement. Stryker’s consent to engage in the activity contemplated by this Agreement is expressly conditioned on Supplier’s unaltered acceptance of the terms and conditions set forth in this Agreement. Any preprinted terms and conditions provided by Supplier, including terms and conditions contained on a website or other electronic medium, shall be void and of no force and effect.

3. Acceptance of Agreement. As expressly set forth in a written agreement signed by the Parties, this Agreement sets forth the complete agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous oral or written communications relating thereto. The foregoing shall apply to any written Quality Agreement or Change Control Agreement issued by Stryker and expressly agreed to by the parties. Any reference to a proposal, quotation or other communication by Supplier shall, unless indicated to the contrary, be limited to the description of the Products or Services and by the terms set forth or incorporated by reference herein.

4. Prices. Except as otherwise provided in any exhibit attached to this Agreement, the price(s) set forth herein are firm, and are not subject to increase.

5. Taxes. No extra charges of any kind, including without limitation transportation charges, shall be allowed unless agreed to in writing by Stryker. Stryker shall pay all sales or use taxes due on the transactions hereunder or provide Supplier customary proof that the transactions are exempt from such taxes; provided, that Supplier shall pay all applicable excise taxes imposed on Supplier including, without limitation, excise taxes imposed on Supplier as the manufacturer or importer of a “taxable medical device”, under Section 4191 of the Internal Revenue Code and its implementing regulations. Invoices shall separately identify any tax that is the responsibility of Stryker hereunder (including value added taxes as exclusions) and shall include either Supplier’s sales tax or use tax permit number. Supplier shall pay any other taxes and charges, including without limitation, assessments or fines arising from Supplier’s performance of the transactions under the Agreement, including taxes based upon Supplier’s net income and penalties or interest on any taxes due and any extraordinary charges that have been approved by Stryker.

6. Invoices. All invoices shall be submitted in duplicate and accompanied by a copy of the bill of lading if on collect freight shipments or if otherwise required by Stryker, and by a prepaid freight bill if all or any part of the freight is included on the face of the invoice. Stryker shall have no obligation to pay any Supplier invoice submitted more than (90) days after (i) completion of Services and/or (ii) delivery of Products hereunder. In addition to any other information specified elsewhere herein, invoices and packing slips shall contain the following information: Purchase Order number, item number, description of Products and Services, sizes, quantities, weight, unit prices and extended totals, date that the Product(s) shipped, Supplier’s packing slip number, any applicable taxes that are applicable and any extraordinary charges that have been approved by Stryker.

7. Payment. Stryker shall make payment for Products and Services within 60 days after receipt of invoice and delivery and acceptance of the Products or complete performance of the Services, unless different terms have been stated in a purchase order issued by Stryker. Payment of an invoice shall not constitute acceptance of Products or Services and shall be subject to adjustment for errors, shortages, defects in the Products or Services, damage for which Supplier is partially or wholly responsible or other failure of Supplier to meet the requirements of this Agreement.

8. Delivery. Time is of the essence and the Products must be received or Services performed on the dates and at the destination(s) set forth in the purchase order or material release. If Supplier fails to meet such any delivery date, Stryker may, without limiting its other rights and remedies: (i) terminate all or any portion of the Agreement, or order; and/or (ii) direct expedited routing, or charge excess costs incurred thereby to Supplier. All rejected or over-run Products and material with Stryker’s printing or identification must be destroyed by Supplier at Supplier’s expense and not sold as surplus.


10. Freight, Title and Risk of Loss. Unless otherwise specifically provided Supplier shall be responsible for delivery of the Products DDP Stryker’s designated facility (INCOTERMS 2010) utilizing Stryker’s freight carrier of choice. Further, Supplier shall bear all risk of loss and expenses associated with Products rejected by Stryker or as to which Stryker has revoked its acceptance, from the time of such rejection or revocation. Subject to acceptance of Products following inspection as set forth in Section 11 of this Agreement, title shall pass concurrent with the risk of loss as set forth above.

11. Inspection.

(a) Notwithstanding any prior inspections or payments hereunder, all Products and Services shall be subject to final inspection, which may include measurement, testing or examination, and acceptance at Stryker’s facility within a reasonable time (but not less than 45 days) after receipt of Products at destination. Any inspection by Stryker does not relieve Supplier of any obligations or liabilities under this Agreement.

(b) If any Products or Services delivered do not meet all of the requirements of this Agreement, Supplier shall have the right to reject such Products or Services and return such Products at Supplier’s expense. Stryker may elect to reject the entire Products or Services tendered even if only a portion thereof is nonconforming. If Stryker elects to accept nonconforming Products or Services, Stryker, in addition to its other remedies, shall have a right of action for payment. Payment for any Products or Services shall not be deemed an acceptance thereof.

(c) Supplier agrees to undertake such quality control and inspection procedures as reasonably assist Stryker in making any such duty drawback claims.
required by the FDA or any other appropriate regulatory agency. Supplier will provide Stryker with access to its manufacturing facilities in order that Stryker may make current Good Manufacturing Processes audits at such times as Stryker shall deem necessary, upon not less than 48 hours’ notice.

12. Additional Warranties. Supplier represents and warrants, to the extent applicable to Supplier, that:

(a) Product Warranty. Supplier warrants that, unless a different period is expressly set forth on a purchase order issued by Stryker, for a period of (2) years from the date of delivery of the Product that all Products delivered hereunder shall: (i) be free from any latent and manifest defects in workmanship, material, manufacture, and design (where design is Supplier’s responsibility); (ii) comply with the requirements of this Agreement, including all drawings, specifications and quality plans incorporated herein and samples and warranties furnished by Supplier; (iii) be merchantable and saleable for consumer use, and fit for the use intended by Stryker; (iv) be free and clear of all liens, security interest or other adverse claim against title; (v) comply with the laws, federal and state, laws within the United States and any other applicable local, municipal, regional, or foreign, law, rule, and/or regulation governing weight and size of such Products; and (vi) any Products or Services furnished hereunder shall:

(1) be sold, directly or indirectly, to third parties engaged in the military, governmental, or any other field of industry, under any term or condition; (2) be regulated worldwide, non-exclusive, royalty-free right and license to make, have made, modify, use, distribute, publicly perform or display, sell, offer to sell, and import such products. Supplier hereby warrants that it owns or has acquired rights in and to all such Confidential Information and intellectual property rights set forth in this Intellectual Property section.

13. Changes. Stryker reserves the right at any time to change a purchase order in writing, and if such change causes an increase or decrease in price or delivery of Products or Services, an equitable written adjustment shall be made.

14. Confidentiality. In its performance of this Agreement, Stryker may disclose to Supplier or Supplier’s business partners, to the extent necessary to perform the Agreement, “Confidential Information” as defined in Section 12(a) of this Agreement. Without limiting the foregoing, Supplier shall not hold Stryker harmless from claims arising out of the negligence, reckless actions or willful misconduct or malfeasance of Stryker, its officers, agents, or employees or any person or entity not subject to Supplier’s supervision or control.

15. Intellectual Property. (a) Ownership. To the extent this Agreement includes Services, Supplier agrees that all writings, drawings, designs, copyrights, intellectual, inventions (whether or not patentable), improvements, discoveries, developments, and all works of authorship created by Supplier in performance of its obligations hereunder, whether solely or jointly, including all worldwide rights therein under patent, copyright, trade secret, confidential information, or other intellectual property right (collectively “Intellectual Property”), shall remain the property of Stryker. Supplier assigns to Stryker all right, title and interest in and to all such Intellectual Property, and shall perform such further acts needed to transfer, perfect, and defend Stryker’s ownership of the Intellectual Property. Supplier shall require its employees and sub-contractors to execute written assignments of Intellectual Property to effect such assignment.

(b) License. To the extent that Supplier or third parties retain ownership rights in materials delivered with the Products, or upon which the Services are based, Supplier hereby grants to Stryker a perpetual, irrevocable, non-exclusive, royalty-free right and license to make, have made, modify, use, distribute, publicly perform or display, sell, offer to sell, and import such materials. Supplier hereby warrants that it owns or has acquired rights in and to all such Confidential Information and Intellectual Property rights set forth in this Intellectual Property section.

16. Tooling and Equipment. Design, tools, jigs, dies, fixtures, templates, patterns, drawings, and other information and things (henceforth collectively, the “Tools”) paid for or furnished by Stryker shall be Stryker’s property and Supplier shall not encumber or dispose of them in any way. Supplier shall maintain such Tools in proper working condition. The Tools shall be used exclusively for Supplier’s performance of its obligations hereunder. To the extent any equipment owned by Stryker is placed at Supplier’s facility to be in use in connection with Supplier’s performance of its obligations hereunder, in addition to the foregoing terms and conditions, such equipment and Supplier’s use thereof shall be subject to the terms and conditions set forth in Stryker’s Equipment Placement Terms (available upon request).

17. Work on Stryker’s Premises. Occupational Health Services. If Services are to be performed on Stryker’s premises, Supplier shall comply with all applicable safety laws and Stryker’s then current safety and other applicable regulations. Supplier shall include a list of all chemicals, hazardous materials, creation, record retention, record modification, record transmission (including by electronic means), storage, handling, transport (including exportation and importation of Products within the United States, or to or from the United States and any other country), and reporting of medical devices, and, as applicable, human cells, tissues or human cellular or tissue-based products (HCT/Ps, in accordance with 21 CFR 1271) in effect at a particular time and promulgated by the United States Food and Drug Administration (“FDA”) and any foreign agency or authority equivalent to the FDA; and

(ii) Supplier and any Supplier facility, equipment, employees, sub-suppliers and agents shall comply with any requirements, obligations, standards or policies pursuant to any environmental, product composition and/ or materials declaration laws, directives, or regulations, including international laws, and treaties regarding such subject matter; and any regulations, interpretive guidance or enforcement policies related to any of the foregoing.

(iii) Supplier and its affiliates and related entities are not debarred, suspended, proposed for debarment or otherwise excluded from contracting with the Federal Government or any State or local government agency.

(c) The foregoing warranties are in addition to all other warranties, expressed or implied, and shall survive any delivery, inspection, acceptance, and payment by Supplier or Stryker.

(d) The Product warranties set forth in Section 12(a) shall run to Stryker’s customers and users of its products.

(e) If any Products or Services furnished hereunder do not meet the warranties set forth in Section 12(a), Stryker may, at its option: (i) require Supplier to correct, at no cost to Stryker, any defective or nonconforming Products or Services by repair or replacement within seven (7) days of notice to Supplier; (ii) return such defective or nonconforming Products at Supplier’s expense to Supplier and recover from Supplier the price thereof or, offset such sums against amount due Supplier from Stryker; (iii) correct the defective or nonconforming Products or Services itself and charge Supplier with the cost of such correction; or (iv) accept the defective or nonconforming Products or Services at a reduced price.

18. Indemnity: Insurance. (a) Supplier shall defend, indemnify and hold Stryker, its affiliated companies, and their respective shareholders, officers, directors, employees, agents, successors, and assigns harmless from and against any and all claims, suits, actions, losses, costs, reasonable attorneys’ fees, expenses, judgments or damages, whether ordinary, special or consequential arising directly or indirectly from or in connection with (i) the acts, negligence, omissions or willful misconduct of Supplier; (ii) Products or Services supplied hereunder; (iii) a breach of any of Supplier’s warranties or any other term and condition of this Agreement; (iv) Supplier’s negligence, unauthorized or wrongful acts or omissions with regard to the transportation, use, handling, disposal, processing or installation of regulated materials or Products or Services and hazardous materials upon or misappropriate any patent, copyright, trademark, trade secret or other intellectual property interest of another; (vi) a claim of any lien, security interest or other encumbrance made by a third party; (vii) a violation of federal or state law, statute or ordinance; (viii) a recall or product field action involving the Products or Services to the extent they relate to or arise out of a breach of Supplier’s warranties or any other term or condition of this Agreement; or (ix) failure to comply with the Confidentiality obligations set forth herein. Notwithstanding the foregoing, Supplier shall not hold Stryker harmless from losses arising out of the negligence, reckless actions or willful misconduct or malfeasance of Stryker, its officers, agents, or employees or any person or entity not subject to Supplier’s supervision or control.

(b) Without limiting Stryker’s rights and remedies hereunder, if Stryker believes that the Products or Services supplied hereunder are likely to be determined to be an infringement or misappropriation of a patent, copyright, trade secret, or other proprietary right, Stryker may require Supplier to: (i) replace such Products or Services with equivalent functionality; or (ii) modify such Products or Services with equivalent functionality to make them non-infringing.

(c) Supplier shall carry and maintain insurance coverage satisfactory to Stryker to cover its obligations in this Agreement, including without limitation, the following insurance with the respective minimum limits per occurrence: Commercial General Liability (CGL) - $2,000,000, Workers’ Compensation – statutory limits, Automobile Liability - $1,000,000 and Product Liability - $1,000,000. Such Workers’ Compensation and Employer’s Liability insurance shall include a Waiver of Subrogation. All such Worker’s Compensation and Product Liability insurance shall (i) include Stryker as an additional insured; (ii) include an Indemnity to Principal or waiver of subrogation clause in favor of Stryker or (iii) otherwise extend Supplier’s coverage to Stryker with respect to losses arising out of Supplier’s performance or assumption of liabilities under this Agreement.

19. Termination. (a) Stryker may, at any time, terminate this Agreement, in whole or in part, without cause, upon written notice to Supplier. Upon any such termination Supplier shall,
to the extent specified by Stryker, stop all work on this Agreement, and cause its suppliers and subcontractors to stop work. Charges for any such termination of this Agreement shall be limited to actual non-recoverable costs incurred by Supplier that Stryker can demonstrate were properly incurred for the Products or Services hereunder prior to the date of termination. In no event will Stryker reimburse Supplier for anticipated profits or revenue or other economic loss for undelivered Products or underperformed Services. Any Products for which Supplier is reimbursed shall become Stryker’s property.

Stryker may terminate this Agreement for breach of Supplier, in whole or in part, if Supplier: (i) fails to make delivery of the Products or perform the Services within the time specified herein, any purchase order, or material release; or (ii) fails to replace or correct defective Products or Services in accordance with the provisions of this Agreement; (iii) breaches any warranty set forth in Section 12(b); (iii) violates any laws of the state or federal, located within the State of Michigan.

Any such termination shall not relieve Supplier from any liability hereunder.

20. Remedies. Stryker’s remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or in equity. Waiver of any breach shall not constitute waiver of any other breach of the same or any other provision.

21. Stryker Property. All drawings, artwork, data, material, supplies, equipment, tooling, dies, molds, fixtures, and patterns furnished or paid for by Stryker shall be Stryker’s exclusive property, and shall be used by Supplier only in performance of this Agreement. Such property, while in Supplier’s custody and control, shall be held at Supplier’s sole risk and, upon Stryker’s request, shall be returned to Stryker in proper working condition, normal wear and tear excepted and subject to Stryker’s Equipment Placement Terms (available upon request).

22. Assignability and Subcontracting. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Notwithstanding the foregoing, neither this Agreement nor any interest therein shall be assigned, delegated subcontracted for, or otherwise transferred by the Supplier, except upon the prior written consent of Stryker. Any assignment or transfer without such consent shall be void and of no effect. Regardless of Stryker’s consent to any of the foregoing, Supplier shall remain liable for the performance of all such obligations and shall ensure that any permitted subcontractor or non-employee reads and understands the terms of this Agreement. Stryker may assign its rights or obligations under this Agreement to any Stryker affiliate or successor without Supplier’s consent.

23. Survival. All provisions, representations and warranties contained herein which by their nature are required or intended to be observed or performed after termination of this Agreement will survive its termination.

24. Release of Information. Supplier shall not release any statement, advertisement, information, or publicity referring to Stryker, or any Stryker affiliate without Stryker’s prior written approval.

25. Compliance with Laws.

(a) Supplier warrants that, to the extent applicable to its performance under this Agreement, all Products and Services will be produced or performed in compliance with all applicable federal, state and local laws, rules and regulations, including without limitation: (i) Executive Order 11246; (ii) the Jobs for Veterans Act (38 U.S.C. §§ 4211-4212); Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793); the Vietnam Era Readjustment Assistance Act of 1974, as amended (and its implementing regulations at 41 C.F.R. 60-250); and any law, order, or regulatory provision issued in addition, supplement or replacement of the foregoing; (ii) the requirements of sections 6, 7, and 12 of the Fair Labor Standards Act, as amended, and all regulations and orders issued under section 14 thereof; and (iii) as required by the United States’ immigration laws or federal acquisition regulations, including but not limited to the requirements set out at 48 C.F.R. 52.222-54 (the Federal “E-Verify” program), Supplier and its employees, agents, and sub-suppliers are entitled to work in the United States, and upon reasonable request, Supplier shall provide to Stryker documented proof of eligibility to work in the United States for itself and its employees, agents, and sub-suppliers.

(b) Stryker is an equal opportunity employer and federal contractor. Consequently, the parties agree that, to the extent applicable, they will comply with the following, which are incorporated herein by reference: 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), 41 CFR 60-741.5(a), and Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws, specifically:

(i) This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a), as applicable. This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.

(ii) This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a), as applicable. This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

26. Applicable Law. This Agreement shall be governed by and construed according to the laws of the State of Michigan as applicable to contracts made and to be performed in that state, without regard to conflicts of laws principles of such state. Suit to interpret or enforce the terms of this Agreement or to resolve any dispute related to this Agreement must be brought before a court of competent jurisdiction, state or federal, located within the State of Michigan.

27. Independent Contractor. Supplier will perform this Agreement as an independent contractor, and this Agreement will not be construed to create between the parties the relationship of principal and agent, joint-venturers, co-partners, employer and employee, franchiser and franchisee or any other similar relationship, the existence of which is expressly denied by each party. Supplier represents that Supplier is engaged in similar business for other clients. Supplier will conduct its business under its own name as an independent contractor, and is hereby expressly prohibited from holding itself out as an employee, agent, partner or representative of Stryker. It is agreed that any person employed by Supplier to perform hereunder will not be deemed to be an employee of Stryker, and Supplier and its suppliers, subcontractors, agents or representatives will not be, or represent themselves to be, officers, employees, agents or representatives of Stryker and will not bind, or attempt to bind, Stryker to any agreement, liability or obligation of any nature.

28. Severability. These Terms and Conditions shall be deemed severable. In the event that any provision is determined to be unenforceable or invalid, such provision shall nonetheless be enforced to the fullest extent permitted by applicable law, and such determination shall not affect the validity and enforceability of any other remaining provisions.

29. Change Control. Supplier is aware that Stryker is a producer of medical devices as defined by the Code of Federal Regulations, 21 CFR Part 820. Supplier acknowledges that it produces critical components, subparts or finished devices for Stryker. It is further understood that only Stryker can establish or change product specifications, performance characteristics, quality standards, tolerances or any other aspect of the Products, or components thereof. Supplier will not make any change to the Product, process, materials, formulation, packaging, labeling, software, environment conditions, quality assurance processes, equipment, production location or subcontractor that could in anyway affect the quality of the finished device, without prior written notification and approval from Stryker.

30. Human Trafficking / Slavery. Supplier represents and warrants that the Products and Services sold to Stryker comply with the laws regarding slavery and human trafficking of the country or countries in which Supplier is doing business.

31. Stryker’s Code of Conduct. Supplier represents and warrants that Supplier has read and will abide by Stryker’s Code of Conduct located at www.stryker.com/Policies as amended from time to time by Stryker for as long as Supplier provides products or services to Stryker.

32. Documents located online or websites. The Terms & Conditions contained in documents located online or on websites which are referred to or incorporated into orders may be changed and amended from time to time by Stryker. Applicable shall be those terms and conditions being valid as of the date of the order.

Visit following websites: www.stryker.com/Policies,

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