



CUSTOMER RELATIONSHIP POLICY

I. Purpose, Scope and Definitions

This Customer Relationship Policy ("CRP" or "Policy") pertains to Wright Medical Group, Inc. and its subsidiaries, including, but not limited to Wright Medical Technology, Inc. ("Wright" or "Company") and is intended to address common business practices that involve interactions with Health Care Professionals. Health Care Professionals ("HCPs") are individuals and entities that are (1) involved in providing health care services and/or items to patients and (2) in a position to purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe Wright's products in the United States. The phrase Health Care Professional is to be interpreted broadly and includes both persons providing services (such as physicians, doctors of podiatric medicine (DPMs), physician assistants, nurses, operating room staff or consultants) and persons who do not provide services directly (such as administrative hospital or office staff), but who may be involved in the decision to purchase, lease, or recommend Wright products. Health Care Professionals also include purchasing agents, physician's practice managers and management within GPOs. The CRP is intended to be consistent with the principles set forth in the Company's [Code of Business Conduct](#), the Advanced Medical Technology Association Code of Ethics on Interactions with Health Care Professionals ("AdvaMed Code"), state and local laws, and the requirements of Wright's Deferred Prosecution Agreement and Corporate Integrity Agreement.

This Policy applies to all "Company Representatives," which includes employees (both full-time, part-time and temporary), executive officers, members of the Board of Directors, independent contractors, consultants, sales agents, distributors, distributor employees, sub-distributors and all others performing services on behalf of the Company. Please be aware that violating applicable laws, regulations, this Policy, the Code of Business Conduct (the "Code") and other Company policies may result in disciplinary action up to and including termination. No one will be excused for misconduct because it was directed or requested by a supervisor or any other person.

If you learn of, or suspect, a violation of this Policy, the Code, related policies or procedures, or applicable laws and regulations in connection with the conduct of the Company's business, you must report that information immediately. This may be accomplished by contacting the Chief Compliance Officer (See [Appendix A](#) for contact information). In the alternative, Wright has also established an ethics reporting system for Company Representatives to make reports of violations or suspected violations anonymously via the Ethics Hotline, 24 hours a day, seven days a week, as follows:

- Via telephone in the U.S.: (901) 867-4349 or (888) 279-1924;
- Via telephone outside the U.S., refer to the International directory at www.ethicspoint.com;
- Via email at ethics@wmt.com; or
- Via direct link: <https://secure.ethicspoint.com/domain/media/en/gui/22544/index.html>.

No individual reporting in good faith a violation or suspected violation will be subject to retaliation. Any Company Representative responsible for retaliating against individuals who in good faith report known or suspected violations will be subject to disciplinary action, including termination where appropriate. In addition, any person who knowingly submits a false report will be in violation of the Code and will be subject to disciplinary action, including termination of employment, where appropriate.

Company policy and/or procedure documents (e.g., frequently asked questions, local rules, department standard operating procedures) that distinguish or differ from provisions set forth in

the CRP must be approved in advance, in writing by the Chief Compliance Officer or her designee.

II. Wright–Sponsored Product Training and Education

Wright has a responsibility to make Education and Training on our products and medical technologies available to HCPs. “Training” means training on the safe and effective use of Wright products. “Education” means communicating information directly concerning or associated with the use of Wright’s products (e.g., information about disease states and the benefits of medical technology to certain patient populations). In fact, the U.S. Food and Drug Administration (“FDA”) mandates Training and Education to facilitate the safe and effective use of certain medical technologies. With regard to Wright Training and Education programs:

- Programs and events must be conducted in clinical, educational, conference, or other settings, including hotel or other commercially available meeting facilities conducive to the effective transmission of information. In some cases, it may be appropriate for a Company Representative to provide Training and Education at the HCP’s location.
- Programs requiring “hands on” Training on medical technologies and/or medical procedures must be held at training facilities, medical institutions, laboratories, or other appropriate facilities. The training staff must have the proper qualifications and expertise to conduct such training.
- HCP attendees may be provided with modest meals and refreshments in connection with these programs. Any such meals and refreshments must be modest in value and subordinate in time and focus to the educational or training purpose of the meeting.
- Wright may pay for reasonable travel and modest lodging costs incurred by attending HCPs where there are objective reasons to support the need for out-of-town travel to efficiently deliver Training and Education on products and/or medical technologies. It is not appropriate to pay for the meals, refreshments, travel, or other expenses for spouses and/or guests of Health Care Professionals, or for any other person who does not have a *bona fide* professional interest in the information being shared at the meeting.
- Participants cannot be compensated for their time related to attending Wright-sponsored training and education programs. Faculty members can only be compensated for services provided and related expenses as provided in the [HCP Consultant T & E Policy](#).
- Resort Locations (which include, but are not limited to, luxury hotels or resorts located on or immediately adjacent to a beach, ski resorts, golf courses, destination spas, or vineyards) are not acceptable venues for Training and Education events. The location and lodging must be selected based upon program requirements such as proximity to a training facility, medical institution, laboratory, or other appropriate facilities, convenience of attendees, and cost savings to Wright.
- Training and Education programs concerning a Company product must be consistent with the indications for use cleared or approved by the FDA and with the approved labeling of the product. Any Consultant that Wright retains to serve as faculty at a Training or Education program must be instructed to comply with this requirement. All Training and Education presentations, including those prepared by Consultants, must be reviewed and approved in advance by the Company’s Regulatory Department (See [Appendix A](#) for contact information).
- Company Representatives that are not HCP Consultants may also provide Training and Education on the safe and effective use of Wright products at an appropriate venue (e.g. medical education facility/laboratory, hospital, or surgeon’s office).

III. Third Party Educational Conferences, Sponsorships, Exhibits, Advertisements

Wright will only support high quality events that are aligned with strategic objectives. This determination is based on whether the conference has objective and substantive educational value. Programs that serve a larger audience or which have a greater impact on the medical community may receive greater consideration than those of limited scope. Programs that are duplicative of other programs sponsored by the Company may be denied.

Agreements to provide support for Educational Conferences, Exhibits and Advertisements shall be managed by Company employees who have no sales responsibilities and who report to the Compliance Officer on issues relating to consulting services. These employees shall interface directly with the recipients on the terms of these agreements and on issues relating to payments. This means that discussions with recipients about the terms of the agreements or payments must be handled only by employees who report up through the Compliance function, or in very limited circumstances, by those individuals specifically directed by the Chief Compliance Officer to do so.

All requests for third-party conference funding must be reviewed by Wright's [Service Needs Review Committee \(SNRC\)](#) and no Company Representative is authorized to commit funding without the prior approval of the SNRC. An event organizer's or event faculty's history or potential to purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe Wright products is not and will not be taken into account when evaluating requests for support of educational conferences. The SNRC will assess the reasonableness of a request based on the detailed budget provided by the requestor, as well as support provided by other sponsors. A request may be denied based on the event budget presented or due to corporate budget constraints.

The event's venue must be appropriate and conducive to achieving its educational objective. Conferences held at Resort Locations are not appropriate venues conducive to training or the effective transmission of information. Sponsorship of conferences whereby social events or activities such as golf outings, leisure time, or other recreational activities take precedence over the educational component are not considered high quality programs of significant educational value. Wright will not fund any recreational event or activity of a conference and will deny a request if the venue appears inappropriate.

Sponsorships should be consistent with relevant standards established by the conference sponsor and/or body accrediting the educational activity. Funding will not be provided through a conference sponsor or directly to subsidize the costs of non-faculty attendees. ***Wright personnel may not suggest topics, engage in scripting, target points for emphasis (or otherwise attempt to influence program content), or have a role in selecting faculty or attendees.*** The Company requires program sponsors to provide meaningful disclosure to the audience of programs funded by Wright, any financial relationships or potential conflicts of interest between Wright and program faculty and moderators. The programs must be non-promotional, free from commercial bias, and provide opportunities for meaningful discussion and questions. The Company will not knowingly support conferences or other events that cover unapproved uses of its products.

All booth/exhibit requests paid for by WMT directly, through reimbursement to Wright distributors, or paid for by a distributor or independent sales representative must be submitted to the SNRC for approval before any commitment to the event organizer may be made. Wright can only pay fair market value for booth/exhibit space. The SNRC will consider factors such as the published rate for the booth/exhibit space; size, location, and logistics of the booth/exhibit space; target audience; and overhead, such as set-up/clean-up fees.

Requests for advertisements and leased booth/exhibit space for Company displays at conferences must be submitted to the SNRC for consideration before commitments are made. All requests for

booth/exhibit space must include an agenda from the third party conference organizer. All agendas should include as much information as possible regarding the faculty names, topics, and times. For agendas provided in a language other than English, an English translation of the agenda must be provided. The information from the third party organizer must include the booth/exhibit costs and what Wright will receive in exchange for the payment of booth/exhibit fees. Booth/exhibit fees must be predetermined, printed, and standard for all exhibitors by the event organizer.

If anything of value is provided other than booth/exhibit space/sponsorship recognition (e.g., tickets to the event, tickets to a nearby amusement park, dinner/drink tickets, etc.), Company Representatives may attend or consume such items as long as they are permitted under the Code of Business Conduct, but those items of value **cannot** be given to any HCP.

IV. Sales, Promotional, and Other Business Meetings

Wright may conduct sales, promotional and other business meetings with HCPs to discuss product features, or negotiate contracts or sales terms. Often, these meetings occur close to an HCP's place of business. It is appropriate for the Company to pay for reasonable travel costs of attendees when necessary (e.g., for plant tours or demonstrations of non-portable equipment) and/or to provide occasional modest meals and refreshments in connection with such meetings. It is not appropriate to pay for meals, refreshments, travel, or lodging of guests and/or spouses of HCPs, or any other person who does not have a *bona fide* professional interest in the information being shared at the meeting. Guests and/or spouses of HCPs may not be invited, nor may they attend or participate in any sales, promotional or other business meetings. Unapproved uses of Wright products must not be discussed at such meetings.

A business meeting must include substantial discussions related to a medical technology, development and improvement of a medical technology, pricing, or contract negotiations. The business discussion should account for most of the time spent during the meeting (e.g. a "working" dinner). Development of general good will and business relationships must not be the primary purpose of a business meal and business meals must not be used for entertainment or recreational purposes.

V. Consulting Arrangements with Health Care Professionals

Consulting agreements with Health Care Professionals shall be managed by Company employees who have no sales responsibilities and who report to the Compliance Officer on issues relating to consulting services. These employees shall interface directly with the consultants on the terms of their consulting agreements and on issues relating to payments. This means that discussions with Health Care Professionals about the terms of their consulting agreements or payments must be handled only by employees who report up through the Compliance function, or in very limited circumstances, by those individuals specifically directed by the Chief Compliance Officer to do so.

Wright may engage HCPs to provide a wide-range of valuable, *bona fide* consulting services through various types of arrangements, such as contracts for research, product development, development and/or transfer of intellectual property, marketing, participation on advisory boards, presentations at Wright-sponsored training and other services. Compensation may be paid to consultants provided that it is fair market value; the arrangement fulfills a legitimate business need and does not constitute unlawful inducement, as defined by Wright's Needs Assessment process. **A signed and executed agreement must be in place before any services are authorized or provided.** Proper documentation of work performed as specified in the agreement must be provided before payment for such services will be made. In no event shall a consulting agreement, or any term of an agreement be based on the volume or value of business that a Consultant generates or influences. The following factors support the existence of a *bona fide* consulting arrangement between Wright and Health Care Professionals:

- Wright consulting arrangements must be written, signed by all parties and specify all services to be provided and the compensation to be paid. The signed and fully executed contract must pre-date the activities performed. If Wright contracts with a consultant to conduct clinical research services, a written research protocol is also required.
- Compensation paid to consultants must be consistent with fair market value in an arm's length transaction for services provided and must not be based on the volume or value of the consultant's past, present, or anticipated business.
- Wright's [Consultant Qualifications Review Committee](#) (CQRC) is responsible for reviewing the qualifications of proposed consultants. Selection of consultants must be on the basis of the consultant's qualifications and expertise to meet the defined need, and must not be on the basis of volume or value of business generated by the consultant. Company Representatives may provide input about the suitability of a proposed consultant; however, Company Representatives may not control or have the ability to unduly influence the decisions of the CQRC.
- Wright may pay for documented, reasonable and actual expenses incurred by a consultant that are necessary to carry out the consulting arrangement, such as costs for travel, modest meals, and lodging costs incurred by consultants attending meetings with, or on behalf of, the Company. All travel involving consultants must be in compliance with the [HCP Travel and Expense Policy](#).
- The venue and circumstances for Wright meetings with consultants should be appropriate to the subject matter of the consultation. These meetings should be conducted in clinical, educational, conference, or other settings, including hotel or other commercially available meeting facilities, conducive to the effective exchange of information. Resort Locations are not acceptable locations for consulting meetings. The location and lodging must be selected based upon program requirements such as proximity to a training facility, medical institution, laboratory, or other appropriate facilities, convenience of attendees, and cost savings to Wright.
- Company Representatives who are not specifically authorized in advance by the CCO may not engage in conversations about any off-label use with anyone outside the Company, including but not limited to Health Care Professionals. Company Representatives may not distribute information externally or internally, attempt to answer questions, or respond to inquiries about an off-label procedure. All inquiries, questions, and requests for information must be referred immediately to Wright's Regulatory Affairs Department. See [Appendix A](#) for contact information for the Regulatory Affairs Department and the CCO.
- Wright-sponsored meals and refreshments provided in conjunction with a consultant meeting should be modest in value and should be subordinate in time and focus to the primary purpose of the meeting. Wright strictly prohibits recreation or entertainment in conjunction with these meetings.

Provisions on Payment of Royalties. Arrangements involving the payment of royalties to an HCP must meet the contractual standards set forth above. Wright may enter into a royalty agreement with a Health Care Professional only where the HCP is expected to make or has made a novel, significant, or innovative contribution to, for example, the development of a product, technology, process, or method. Any such contribution must be appropriately documented. The calculation of royalties payable to an HCP in exchange for intellectual property must not be conditioned on: (1) a requirement that the HCP purchase, order or recommend any product or medical technology of the Company or any product or technology produced as a result of the development project; or (2) a requirement to market the

product or medical technology upon commercialization.

Wright's [Royalty Review Committee](#) is responsible for reviewing the HCP consultant qualifications of design team members, as proposed by Wright Research and Development, to establish a proposed fair market value royalty percentage rate based on the expected contributions of the design team members, and to determine whether the HCP consultant contributions to the product development process merit a royalty payment upon successful conclusion of the product development process. The Company will pay no royalty that is earned by virtue of the use of the product in question by the Consultant or by any hospital or medical institution with which the Consultant is affiliated.

VI. Prohibition on Entertainment and Recreation

Wright interactions with HCPs must be professional in nature and must facilitate the exchange of medical or scientific information that will benefit patient care. To ensure the appropriate focus on an educational and/or informational exchange and to avoid the appearance of impropriety, Wright and Company Representatives must not provide or pay for any entertainment or recreational event or activity for any non-employee HCP. Such activities and items include, for example, theater, sporting events, golf, skiing, hunting, sports equipment, and leisure or vacation trips. Such entertainment or recreational events, activities, or items should not be provided, regardless of: (1) their value; (2) whether Wright engages the HCP as a speaker or consultant; or (3) whether the entertainment or recreation is secondary to an educational purpose.

VII. Modest Meals Associated with Health Care Professional Business Interactions

Wright's interactions with HCPs may involve the presentation of scientific, educational, or business information and include, but are not limited to, the different types of interactions described throughout this policy. Such exchanges may be productive and efficient when conducted in conjunction with meals. Accordingly, modest meals may be provided as an occasional business courtesy. The following requirements must be established:

Purpose. A modest and occasional meal should be incidental to the *bona fide* presentation of scientific, educational, or business information and provided in a manner that is conducive to the presentation of such information. The meal must not be part of an entertainment or recreational event.

Setting and Location. The meal should be in a setting that is conducive to *bona fide* scientific, educational, or business discussions. Such meals may occur at the HCP's place of business. However, in some cases the place of business may be a patient care setting that is not available for, or conducive to, such scientific, educational, or business discussions. In other cases, it may be impractical or inappropriate to provide a meal at the HCP's place of business, for example, (1) where the medical technology cannot easily be transported to the HCP's location, (2) when it is necessary to discuss confidential product development or improvement information, or (3) where a private space cannot be obtained on-site.

Participants. Wright and Company Representatives may provide a meal only to HCPs who actually attend the meeting. Wright may not provide a meal for an entire office staff when the entire office staff does not attend the meeting. Wright also prohibits meals where a Company Representative is not present (i.e., "dine and dash"). Wright and Company Representatives must not pay for meals for spouses or guests of Health Care Professionals or for any other person who does not have a *bona fide* professional interest in the information being shared at the meeting.

Wright has established the following caps on Business Meal expenses, which are exclusive of tax and gratuity:

- \$25 per person for breakfast,
- \$50 per person for lunch, and

- \$125 per person for dinner.

To accommodate regional differences in prices/cost, dinner is capped at \$150 per person, exclusive of tax and gratuity, only in the following cities (including metropolitan areas): New York, Chicago, Miami, Los Angeles, San Francisco, San Diego, Boston, Washington D.C., Dallas, Las Vegas, Phoenix, and all international cities. Breakfasts and lunches in such cities remain capped at the aforementioned limits. Gratuity is not to exceed 20% of the total meal expense.

Wright's guideline on the number of meals that a Company Representative may have with any particular Health Care Professional, or group of Health Care Professionals, in general, is no more than two (2) meals per quarter and no more than eight (8) meals per year. Meals that are part of a pre-approved training and/or educational event are excluded from this limitation, but are subject to limitations as defined by Wright's annual Needs Assessment process.

VIII. Educational Items and Prohibition on Gifts

Wright may occasionally provide items to HCPs that benefit patients or serve a genuine educational function for HCPs and must be purchased from Wright's pre-approved vendor website. Prohibited items include anything that is capable of use by the Health Care Professional (or his or her family members, office staff or friends) for non-educational or non-patient-related purposes, such as DVD players, MP3 players or I-Pods.

Wright may not give HCPs any type of non-educational branded promotional items, even if the item is of minimal value and related to the Health Care Professional's work or for the benefit of patients. Examples of non-educational branded promotional items include pens, notepads, mugs, and other items that have our Company's name, logo, or the name or logo of one of its medical technologies. Wright may also not provide Health Care Professionals with gifts such as cookies, wine, flowers, chocolates, gift baskets, holiday gifts, cash or cash equivalents.

This section is not intended to address the legitimate practice of providing appropriate sample products and opportunities for product evaluation as outlined in Section XI.

IX. Provision of Coverage, Reimbursement and Health Economics Information

As medical technologies have become increasingly complex, so have payor coverage and reimbursement policies. Patient access to necessary medical technology may be dependent on Health Care Professionals and/or patients having timely and complete coverage, reimbursement, and health economic information. Consequently, Wright may provide such information regarding its medical technologies if it is accurate, objective, consistent with FDA approvals, and does not reference or discuss off-label uses.

Permissible activities involving the provision of coverage, reimbursement and health economic information may include, but are not limited to:

- Identifying the clinical value of Wright's medical technologies and the services and procedures in which they are used when providing coverage, reimbursement and health economics information and materials to Health Care Professionals, professional organizations, patient organizations, and payors.
- Promoting accurate Medicare and other payor claims by providing accurate and objective information and materials to HCPs regarding Wright's medical technologies, including identifying coverage, codes and billing options that may apply to those medical technologies or the services and procedures in which they are used.

- Providing accurate and objective on-label information about the economically efficient use of Wright's medical technologies, including where and how they can be used within the continuum of care.
- Providing information related to Wright's medical technologies regarding available reimbursement revenues and associated costs.
- Providing information relating to changes in coverage or reimbursement amounts, methodologies and policies and the effects of such changes in order to facilitate an HCP's decision to buy or use Wright's medical technologies.
- Providing accurate and objective information designed to offer technical or other support intended to aid in the appropriate and efficient use or installation of Wright's medical technologies.

Wright may not interfere with a Health Care Professional's independent clinical decision making or provide coverage, reimbursement and health economics support as an unlawful inducement. For example, Wright shall not provide free services that eliminate an overhead or other expense that an HCP would otherwise incur as part of its business operations if doing so would amount to an unlawful inducement. Wright may not suggest mechanisms for billing for services that are not medically necessary, or for engaging in fraudulent practices to achieve inappropriate payment.

X. Research and Educational Grants and Charitable Donations

Wright may provide research and educational grants and charitable donations. However, such grants or donations may not be provided as an unlawful inducement. The [Human Resources Department](#) manages request review and consideration of charitable donations to civic organizations. The Grant Review Committee (GRC) is the administrative body for requests to Wright for grants and donations that include, but are not limited to, research grants, education grants, and charitable donations to groups other than civic organizations.

The GRC is responsible for ensuring that grants, donations and charitable contributions (1) do not take into account the volume or value of purchases made by, or anticipated from, the recipient; (2) are not used as an unlawful inducement; and (3) are appropriately documented. Representatives from commercial functions have no ability to control or unduly influence the GRC's decision of whether a particular HCP or institution will receive a grant or donation or the amount of such grant or donation. See [Grants and Charitable Donations Policy](#) for more information

Agreements to provide Research and Educational Grants and Charitable Donations to organizations that are affiliated with HCPs shall be managed by Company employees who have no sales responsibilities and who report to the Compliance Officer on issues relating to consulting services. These employees shall interface directly with the recipients on the terms of these agreements and on issues relating to payments. This means that discussions with recipients about the terms of the agreements or payments must be handled only by employees who report up through the Compliance function, or in very limited circumstances, by those individuals specifically directed by the Chief Compliance Officer to do so.

XI. Evaluation and Demonstration Products

Providing products to HCPs at no charge for evaluation or demonstration purposes can benefit patients by improving patient care, facilitating the safe and effective use of products, improving patient awareness, and educating HCPs regarding the use of products. Under certain circumstances, Wright may provide reasonable quantities of products to HCPs at no charge for evaluation and demonstration purposes.

Wright products may be provided to HCPs for evaluation as single use (e.g., consumable or disposable products) and multiple use products (sometimes referred to as “capital equipment”). These products may be provided at no charge to allow HCPs to assess the appropriate use and functionality of the product and determine whether and when to use, order, purchase, or recommend the product in the future. **The transfer of evaluation product must be clearly documented (e.g., invoices must reflect “No-charge Evaluation.”)**

Single Use/Consumables/Disposables. The number of single use products provided at no charge should not exceed the amount reasonably necessary for the adequate evaluation of the products under the circumstances.

Multiple Use/Capital. Multiple use products provided without transfer of title for evaluation purposes should be furnished only for a period of time that is reasonable under the circumstances to allow an adequate evaluation. The terms of an evaluation of such multiple use products should be set in advance and set forth in writing. Wright shall retain title to such multiple use products during the evaluation period and will promptly remove such multiple use products from the HCP’s location at the conclusion of the evaluation period unless the HCP purchases or leases the products.

Demonstration. Company demonstration products are typically unsterilized single use products or mock-ups of such products that are used for HCP and patient awareness, education, and training. For example, a Health Care Professional may use a demonstration product to show a patient the type of device that will be implanted in the patient. Demonstration products are not intended to be used in patient care. Demonstration products must also be identified as not intended for patient use by use of such designations as “sample-not intended for human use,” or other suitable designation on the product, the product packaging, and/or documentation that accompanies the product.

<p>Wright is committed to ensuring its interactions with Health Care Professionals comply with all applicable laws and regulations. This Policy does not address every situation, but its principles along with the Wright Code of Business Conduct should provide you with a good starting point. <u>However, you should seek guidance on the appropriate course of conduct when you have questions about the Policy or Code of Business Conduct.</u> Questions regarding the interpretation or application of this policy should be submitted to the Compliance Office. In addition we have set up an Ethics Hotline at (901) 867-4349 or email ethics@wmt.com for confidential assistance or advice. Wright's intent is to provide assistance to everyone in the organization in making the <i>right</i> decisions.</p>

Revised: September 23, 2011

APPENDIX A

Contact Information

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Chief Financial Officer

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Wright Medical Technology, Inc. Service Need Review Committee

In the course of its normal business operations, Wright Medical Technology, Inc. ("Wright" or "Company") routinely retains healthcare professionals ("HCPs") as consultants. HCP Consultant services include, but are not limited to:

- Advising the Company on product design/development;
- Educating HCPs or Wright employees as faculty for Company cadaver labs/sawbone sessions or presenting at speaker programs;
- Developing articles for publication in industry journals including peer-reviewed journals;
- Participating in advisory and safety monitoring boards;
- Supporting clinical activities such as case report form development and clinical data collection; and
- Other activities deemed necessary by the Company consistent with its legitimate business needs and applicable laws.

During the annual Needs Assessment Process, Wright's Functional Areas (e.g. Hip, Knee, Upper Extremities, Biologics, Foot & Ankle, Bone Repair, External Fixation, Soft Tissue, Clinical, Grants) define their needs for HCP Consultant services such as those listed above over the course of the upcoming year. As an integral part of the process, the Functional Areas develop documentation to connect these anticipated services to the specific business activities that they will support during the upcoming year and demonstrate why the services are necessary. The purpose of the Service Need Review Committee ("SNRC") is to review the Functional Areas' services requests to ensure that they support *bona fide* business needs and are consistent with all applicable Wright policies and guidelines.

The SNRC is an integral part of the Needs Assessment Process, and meets after the Functional Areas have completed their service needs estimates. It is anticipated that the SNRC will meet annually as part of the organization's service review and HCP Needs Assessment Process. However, the SNRC may meet at additional times throughout the year if necessitated by changes in Wright's business or the industry. Wright may not enter into a written consulting arrangement with an HCP Consultant for services unless the need for those services has been reviewed and approved by the SNRC. Additionally, no consulting services may be provided in the absence of such written and signed consulting agreements.

It is the responsibility of the SNRC to review and approve all service need requests generated by the Functional Areas during the Needs Assessment Process. The SNRC reviews all service needs requested by each Functional Area to ensure that all HCP Consultant services:

- Are being used appropriately by all employees;
- Are consistent with *bona fide* Company business needs; and
- Directly support approved business activities.

The SNRC is responsible for ensuring that:

- All requests are supported by necessary documentation and appropriate rationale;
- All service requests are proportionate to the scope of the business activity they support; and
- Any services that fall outside of Wright guidelines (for instance, exceed an allowable faculty-to-attendee ratio) are appropriately documented and approved.

The SNRC may reject specific requests or may require that certain requests be modified before they can be approved. If the SNRC approves a request that is outside of Company guidelines without requiring a change, the SNRC must document a detailed explanation as to why that approval has been given.



Wright Medical Technology, Inc. Consultant Qualifications Review Committee

In the course of its normal business operations, Wright Medical Technology, Inc. ("Wright" or "Company") routinely retains healthcare professionals ("HCPs") as consultants. These HCPs are retained and compensated for their work on behalf of Wright. HCP Consultant services include, but are not limited to:

- Advising the Company on product design/development;
- Educating HCPs or Wright employees as faculty for Company cadaver labs/sawbone sessions or presenting at speaking programs;
- Developing articles for publication in industry journals including peer-reviewed journals;
- Participating in advisory and safety monitoring boards;
- Conducting educational speaker programs;
- Supporting clinical activities such as case report form development and clinical data collection; and
- Other activities deemed necessary by the Company consistent with its legitimate business needs and applicable laws.

Certain HCPs are highly qualified to provide services and to act as consultants for Wright based on their academic credentials, writing or speaking skills, geographic location, or familiarity with Wright products. In addition to these skills, Wright might also consider certain subjective skills such as an HCP's ability to work well as part of a team. Wright performs an annual Consultant Qualification Review to adequately assess the qualifications needed for the coming year and the availability of appropriately skilled HCPs. During the annual Consultant Qualification Review, Wright's relevant Functional Areas (such as research and development, hip, knee, extremities, or biologicals) compile a listing of all currently contracted HCP Consultants and their specific qualifications.

The CQRC reviews the qualifications of all currently contracted HCP Consultants annually and reviews requests for new proposed HCP Consultants monthly. The purpose of this review is to determine whether to initiate new contracts with potential HCP Consultants and whether to renew contracts with existing HCP Consultants. The CQRC will review each individual's qualifications and the service(s) for which he or she has been proposed, using the criteria presented in section 4.0 of this document.

Written agreements with proposed new HCP Consultants may not be executed unless the agreements have been reviewed and approved by the CQRC; HCP Consultants cannot be utilized for any services in the absence of such written agreements.

It is the responsibility of the CQRC to review the qualifications of all of Wright's existing (reviewed annually) and proposed new (reviewed monthly) HCP Consultants and to determine if those qualifications meet specific HCP Consulting needs. The CQRC reviews these qualifications using HCP Consultant Qualification Forms completed by the relevant Functional Areas.

If the CQRC determines that an HCP Consultant's qualifications meet a specific service need, the CQRC will approve the issuance or renewal of the HCP Consultant's contract. The CQRC will also be responsible for establishing the appropriate level of the HCP Consultant for purposes of determining the Fair Market Value for compensation. The contracts of any HCP Consultants whose qualifications do not meet a specific service need will be allowed to expire. In certain circumstances, an HCP Consultant's contract may be terminated prior to expiration. While the CQRC may recommend the termination of a contract, the final decision will be made by Wright Legal in conjunction with Compliance.



Wright Medical Technology, Inc. Royalty Review Committee

Wright Medical Technology, Inc. ("Wright") is continually developing and refining its products, instrument kits, and suggested surgical approaches. In doing so, it relies not only on the experience of its own engineers and technical staff, but also on the unique expertise of healthcare professionals ("HCPs") who are familiar with industry-related products and developing surgical needs. Because of their utilization of industry products in the operating room, HCPs are able to provide Wright with critical and unique feedback including:

- How specific aspects of instrument design affect the comfort and efficiency with which the instruments can be used;
- Improvements that could be made to existing or new products to improve efficacy or patient safety;
- Suggestions for new products or design ideas that could be developed to fulfill unmet patient needs; and
- Other types of feedback deemed necessary to Wright's business activities.

This and other feedback received from HCPs is often incorporated into the product development process to increase the safety, comfort, usability, durability, useful life, and effectiveness of Wright's products. In certain cases, Wright may retain HCPs to serve as consultants in the development of a new product or update an existing product. These HCP Consultants serve as an integral part of the product development team and meet on a regular basis to provide feedback and input into the development process. If these HCP Consultants make contributions to the development of a Wright product that are so significant as to constitute genuine inventorship under established criteria for novel, significant or innovative. The Royalty Review Committee, acting on behalf of Wright, may determine that the HCP Consultant(s) are entitled to a royalty payment based on that product's sales. These royalties may be in addition to the fee-for-service payments received by HCP Consultants for their hourly contributions to assist in design development or improvement. While HCP Consultants are provided royalties on a product, they are not provided royalties on any products that are (1) utilized by that HCP Consultant in a surgical procedure or (2) purchased by a hospital, clinic, or academic medical center at which the HCP Consultant is employed or has admitting privileges.

The Royalty Review Committee ("RRC") has been charged with:

- Reviewing the HCP Consultant qualifications of design team members as proposed by Wright Research and Development;
- Establishing a proposed fair market value royalty percentage rate based on the expected contributions of design team members;
- To determine, upon successful conclusion of the product development process, whether or not HCP Consultant contributions to the product development process meet the product specific design criteria established in the initial review and also qualify as novel, significant, or innovative contributions; and
- Approving any changes or additions to existing royalty agreements(i.e. adding new part numbers).

The RRC is responsible for reviewing and making a determination on the validity of all HCP Consultant royalty decisions worldwide on an ongoing basis. No agreement to provide royalty payments and no payment of royalties may be entered into or made without the prior approval of the RRC.