

**Articles of Incorporation  
of the  
Osteosynthesis and Trauma Care Foundation**

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**1. Name and Domicile**

Under the name Osteosynthesis and Trauma Care Foundation ("Foundation") exists a foundation in the sense of art. 80 et seqq. of the Swiss Civil Code (CC). The board of trustees designates the domicile of the Foundation. The board of trustees is, subject to the approval of the supervisory authorities, entitled to move the domicile to any place in Switzerland.

**2. Purpose**

The purpose of the Foundation is to undertake, support and promote the global advancement of osteosynthesis and trauma care through, without limitation, education, training, research, scientific study, symposia, publications, best clinical practices and related humanitarian activities.

For this purpose, the Foundation can acquire and sell real estate, buy and sell shares in companies, incorporate and dissolve subsidiaries and establish and dissolve branch offices.

The Foundation does not strive for profit.

**3. Assets**

Upon its incorporation, the Foundation is endowed by the founder, Stryker Trauma SA, with an initial capital of CHF 100,000 (Swiss Francs one hundred thousand). The assets of the Foundation are further alimented by voluntary contributions by the founder or any third party as well as by returns and capital gains on its assets.

The assets of the Foundation have to be managed according to the legal guidelines.

**4. Bodies of the Foundation**

The bodies of the Foundation are:

- the board of trustees
- the auditors.

The board of trustees can enact organisational regulations by which additional bodies of the Foundation (such as an executive director, boards or committees) can be created.

**5. Board of Trustees**

The board of trustees, which has to consist of at least three physical persons or representatives of legal persons, is the supreme body of the Foundation.

## **6. Compensation**

Members of the board of trustees can be compensated for their function at market rates and are entitled to have their related actual expenses reimbursed. Members of the board can be compensated for specific services rendered to the Foundation at arms' length conditions.

## **7. Appointment and Amendments**

The board of trustees appoints and amends itself, whereby only such candidates are considered, who are familiar with the purpose of the Foundation because of their profession and their previous engagement.

## **8. Term of Appointment**

The term of appointment of the members of the board of trustees is three years. The previous members appoint the board of trustees for each term of appointment by cooptation. Re-election is possible.

In case one or more members of the board of trustees ceases to be a member during the term of appointment, a new member needs to be appointed for the remaining term of appointment.

A member of the board of trustees may be dismissed at any time upon good cause shown. Such good cause is particularly established, if the concerned member is not fulfilling his obligations towards the Foundation or is no longer able to duly exercise his duties. For the dismissal of a member of the board of trustees a resolution taken with a two-thirds majority is required.

## **9. Powers**

The board of trustees is the supreme body of the Foundation. It performs all duties and responsibilities which are not explicitly assigned to another body or committee of the Foundation by this document or by regulations or other documents of the Foundation.

The board of trustees has the following untransferable and inalienable duties:

- 9.1 ultimate supervision of the activities of the Foundation, namely in view of the Foundation's internal documents (as articles of incorporation, regulations and other documents) as well as in view of compliance with the laws and any applicable compliance guidelines, codes of conduct, ethical rules and the like;
- 9.2 stipulating the powers and authorities to sign on behalf of the Foundation and to represent the Foundation;
- 9.3 appointment of the members of the board of trustees and of the auditors of the Foundation;

- 9.4 ultimate financial supervision of the Foundation and implementation of an appropriate financial management system;
- 9.5 notification of the court in case of insolvency of the Foundation;
- 9.6 creation of additional bodies of the Foundation in organisational regulations;
- 9.7 enacting and modification of regulations;
- 9.8 any amendment of the Foundation's articles of incorporation and regulations;
- 9.9 establishment of the goals and policy and the overall strategy of the Foundation and any fundamental changes in the Foundation's activities;
- 9.10 dissolution of the Foundation (with or without liquidation), particularly merger of the Foundation;
- 9.11 acquisition and disposal of any interest in other entities, the formation and dissolution of subsidiaries, the opening and closure of branch offices;
- 9.12 purchase, sale and encumbrance of real estate;
- 9.13 conclusion of loans, credit facilities, sale and purchase agreements, security arrangements, guarantees, sureties, subordination agreements and other financial arrangements (whether provided or not provided in the annual budget) covering in each individual case an amount exceeding a threshold to be determined by the board of trustees from time to time;
- 9.14 conclusion of agreements with the executive director or other employees, whose annual salary exceeds a threshold to be determined by the board of trustees from time to time.

The board of trustees is authorized to transfer powers and duties other than those listed above to one or more members of the board of trustees, to other bodies of the Foundation, to employees of the Foundation or to third parties.

## **10. Liability of the Bodies of the Foundation**

All persons responsible for the supervision, administration, management or auditing of the Foundation are liable for any damage caused by intentional or negligent breach of their duties.

If several persons are liable for a damage, any one of them is jointly and severally liable with the others to the extent that such damage can be attributed to such person based on his own violation of duties and the relevant circumstances.

## **11. Conflict of Interests**

In the event that any member of a corporate body or any other person acting for and on behalf of the Foundation shall have any direct or indirect interest in, or relationship with, any individual or organization which proposes to enter into any transaction with the Foundation, including but not limited to transactions involving:

- 11.1 the sale, purchase, lease or rental of any property or other asset;
- 11.2 employment, or rendering of services, personal or otherwise;
- 11.3 the award of any grant by the Foundation, contract, or subcontract;
- 11.4 the investment or deposit of any funds of the Foundation;

such person shall give notice of such interest or relationship and shall thereafter refrain from discussing or voting on the particular transaction in which he has an interest, or otherwise such person shall refrain from attempting to exert any influence on the Foundation, or its components to affect a decision to participate or not participate in such transaction.

Specific services rendered to the Foundation by members of the board as mentioned in article 6 are to be disclosed.

## **12. Guidelines of Conduct**

The Foundation establishes compliance guidelines, codes of conduct and the like as in force from time to time and applicable to organisations similar to the Foundation and applicable to individuals or organizations with whom the Foundation interacts (“Codes and Guidelines”). Such Codes and Guidelines shall embody the basic principles laid down in documents like the Swiss NPO-Code, the Business Principles for Countering Bribery, the Swiss Academy of Medical Sciences-Guidelines etc. as in force from time to time. The board of trustees and any individual or organization acting within the Foundation shall take care of proper implementation of and compliance with the Codes and Guidelines within the whole organisation and operation of the Foundation.

## **13. Regulations**

The board of trustees enacts one or more regulations concerning the details of the organisation and the management of the Foundation. The board of trustees may amend these regulations within the scope of the purpose of the Foundation at any time. The supervisory authorities have to be made aware of these amendments.

#### **14. Auditors**

The board of trustees elects a legally adequate auditor. The auditor is required to audit the annual financial statements of the Foundation and to submit a detailed audit report to the board of trustees. Moreover, the auditor needs to verify the compliance of the activities of the Foundation with its purpose and with its articles of incorporation and the regulations.

The auditors shall inform the board of trustees about any irregularities or defects they became aware of. If these irregularities or defects are not remedied within reasonable time, the auditor is obliged to notify the supervisory authorities.

#### **15. Amendments to the Deed of Foundation and the Articles of Incorporation**

The board of trustees may submit requests for an amendment of the deed of foundation or the articles of incorporation by way of unanimous resolution to the supervisory authorities according to art. 85/86 CC.

The Founder has the right to petition amendments to the articles of incorporation to the competent supervisory authorities in the sense of Art. 86a CC.

#### **16. Termination**

The duration of the Foundation is unlimited.

Termination of the Foundation requires an unanimous resolution of the board of trustees and may only be effected for reasons required by law (art. 88 CC) and upon approval by the supervisory authorities.

In case of termination of the Foundation the then available assets of the Foundation shall be transferred to Swiss tax exempt organizations of public utility (gemeinnützig) serving similar or identical purposes. In any case, these assets must not be retransferred to the founder or its successors.

Bern, November 28, 2007

**The Founder:  
Stryker Trauma SA**

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(Vivian Masson)

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(Roland Dürig)