

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

WRIGHT MEDICAL GROUP INC

CIK: [1137861](#) | IRS No.: [134088127](#) | State of Incorporation: **DE** | Fiscal Year End: **1231**
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SIC: **3842** Orthopedic, prosthetic & surgical appliances & supplies

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 6, 2012

WRIGHT MEDICAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

000-32883

(Commission
File Number)

13-4088127

(IRS Employer
Identification Number)

5677 Airline Road, Arlington, Tennessee

(Address of principal executive offices)

38002

(Zip Code)

Registrant's telephone number, including area code: **(901) 867-9971**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On November 6, 2012, we issued a press release announcing that Mr. Pascal E.R. Girin has been appointed to serve as our Executive Vice President and Chief Operating Officer with global operating responsibility for our business. Mr. Girin's start date will be the later of November 19, 2012 or the date his visa transfer is finalized.

Mr. Girin, age 52, previously served as President and Chief Executive Officer of Keystone Dental Inc. from February 2011 to June 2012. From October 2010 to February 2011, Mr. Girin served as Executive Vice President and Chief Operating Officer of Keystone Dental Inc. From July 2010 to September 2010, Mr. Girin served as Chief Operating Officer of ev3 Inc. following its acquisition by a wholly owned subsidiary of Covidien Group S.a.r.l. Prior to that time, Mr. Girin served as Executive Vice President and Chief Operating Officer of ev3 Inc. from January 2010 to July 2010, as Executive Vice President and President, Worldwide Neurovascular and International of ev3 Neurovascular Inc. from July 2008 to January 2010, as Senior Vice President and President, International of ev3 International from July 2005 to July 2008, and as General Manager, Europe of ev3 Inc. from September 2003 to July 2005. From September 1998 to August 2003, Mr. Girin served in various capacities at BioScience Europe Baxter Healthcare Corporation, most recently as Vice President. Mr. Girin received an engineering education at the French Ecole des Mines. From November 2010 until November 2, 2012, Mr. Girin had served as a director of Tornier, N.V., a publicly traded global medical device company, as well as a member of its Nominating, Corporate Governance and Compliance Committee.

With respect to the disclosure required by Item 401(d) of Regulation S-K, there are no family relationships between Mr. Girin and any of the Company directors or executive officers.

With respect to Item 404(a) of Regulation S-K, there are no relationships or related transactions between Mr. Girin and us that would be required to be reported.

The principal compensation terms of Mr. Girin's employment are as follows:

Base Salary. Mr. Girin will receive a base salary of \$500,000.

Signing Bonus. Mr. Girin will receive a signing bonus of \$300,000, subject to certain repayment obligations if Mr. Girin voluntarily leaves us within one year after the commencement of his employment.

Performance Incentive Bonus. Mr. Girin will be eligible to receive an annual performance incentive bonus pursuant to our Executive Performance Incentive Plan depending on whether, and to what extent, certain performance goals established by the Compensation Committee for such year have been achieved. The amount of the performance incentive bonus payable to Mr. Girin will be 75% of his annual base salary.

Long-Term, Equity-Based Incentives. As an inducement to his employment with us, Mr. Girin will receive an award of a non-qualified stock option to purchase up to 184,500 shares of our common stock pursuant to an Inducement Stock Option Grant Agreement (the "Inducement Agreement") entered into by and between us and Mr. Girin. The exercise price of such options will be equal to the fair market value of our common stock on the day prior to the grant date. The stock option will vest and become exercisable in equal annual installments over a period of four years after the grant date, conditioned on Mr. Girin's continued employment. In the event of a change in control or the termination of Mr. Girin's employment by us without "cause," by Mr. Girin for "good reason" or on account of Mr. Girin's death or disability, the stock option will immediately accelerate and become fully vested. The stock option has a ten year term and is subject to the terms and conditions of the stock option agreement pursuant to which the option was granted.

Additionally, Mr. Girin will receive an annual equity grant under our Equity Incentive Plan equal to 175% of his annual base salary, the composition of which shall be determined in the sole discretion of the compensation committee of the our Board of Directors.

Fringe Benefits. Mr. Girin will be eligible to participate in the fringe benefit programs, including those for medical insurance and retirement benefits that we generally furnish to our executive officers from time to time. Mr. Girin will be required to make any generally applicable employee contribution that is required under such fringe benefit programs. Mr. Girin will be reimbursed up to \$1,000 for personal insurance premiums. Mr. Girin will also be entitled to receive reimbursement up to \$5,000 for financial and tax planning and tax preparation.



Temporary Living Allowance and Home Travel. Mr. Girin will receive a monthly allowance of \$8,000 for temporary housing and travel expenses, subject to certain repayment obligations if Mr. Girin's voluntarily leaves us within two years after the commencement of his employment. In the event that Mr. Girin's employment with us is terminated without cause during the first two years of his employment, we will provide relocation assistance to Mr. Girin and his family to return to France in an amount not to exceed \$100,000.

Separation Pay Agreement. Mr. Girin will enter into a Separation Pay Agreement substantially in the form entered into with the Company's other executive officers, as described below.

On or about November 6, 2012, Messrs. Berry, Davis, Griffin and Stookey entered into a revised Separation Pay Agreement with us. These Separation Pay Agreements supersede and replace the executive officer's pre-existing separation pay agreement. Below is a brief description of the terms and conditions of each Separation Pay Agreement.

Each Separation Pay Agreement will continue until its third anniversary. Beginning on the second anniversary and each anniversary of the effective date thereafter, the term will be extended automatically for one additional year unless we or the executive officer provides notice of termination of the Separation Pay Agreement.

Under the terms of each Separation Pay Agreement, in the event that the executive officer is terminated for "cause" (as defined in the Separation Pay Agreement) or the executive officer terminates employment other than for "good reason" (as defined in the Separation Pay Agreement) we shall have no obligations other than payment of accrued obligations described below. In the event of an involuntary termination of the executive officer, we will be obligated to pay a separation payment and accrued obligations and provide benefits to the executive officer as described below.

- **Accrued Obligations.** Accrued obligations include (i) any accrued base salary through the date of termination, (ii) any annual cash incentive compensation awards earned but not yet paid, (iii) the value of any accrued vacation, (iv) reimbursement for any unreimbursed business expenses, and, (v) only in the case of an involuntary termination within one year after a change in control or a termination at any time by reason of death, an annual incentive payment at target for the year that includes the date of termination, prorated for the portion of the year that the executive officer was employed.
- **Separation Payment upon Involuntary Termination.** The total separation payment is the amount equal to the sum of the executive's base salary plus the executive's then current annual target bonus. In the event of an involuntary termination that occurs within one year of a change of control, the total separation payment is the amount equal to two times the sum of the executive's base salary plus the executive's then current annual target bonus. Half of the total separation payment amount will be payable at or within a reasonable time after the date of termination. The remaining half of the total separation payment amount will be payable in equal consecutive monthly installments beginning six months after the date of termination, with a final installment of the balance of the remaining half of the total separation payment to be made on or before March 15 of the calendar year following the year in which the date of termination.
- **Benefits upon Involuntary Termination.** The executive officer will also receive benefits that include (i) health and dental coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA), which we must pay for a period not exceeding twelve months, or eighteen months in the event of involuntary termination following a change in control, (ii) outplacement assistance and financial planning services for a period of one year, or two years in the event of in the event of involuntary termination following a change in control (iii) payment to continue insurance coverage equal to the annual supplemental executive officer insurance benefit provided to the executive officer prior to the date of termination, provided that in the event of an involuntary termination following a change in control the payment will be two times the amount otherwise paid, and (iv) reasonable attorneys' fees and expense if any such fees or expenses are incurred to enforce the Separation Pay Agreement following a change in control.

For purposes of each Separation Pay Agreement, involuntary termination will occur if we terminate the employment of the executive officer, other than for cause, disability, or death of the executive officer, or the executive officer resigns for good reason.

Each Separation Pay Agreement contains a provision that reduces payment under the Separation Pay Agreement to avoid taxation under Section 4999 of the Internal Revenue Code for "parachute payments" within the meaning of Section 280G of the Internal Revenue Code if such reduction results in a larger after-tax payment to the executive officer.

Under the terms of each Separation Pay Agreement, the executive officer makes certain covenants that impose future obligations on the executive officer regarding confidentiality of information, transfer of inventions, non-solicitation of our employees for a period of twelve months, and noncompetition with our business for a period of twelve months.



The foregoing summary of the Separation Pay Agreements of Messrs. Berry, Davis, Griffin and Stookey do not purport to be complete and are qualified in its entirety by reference to the Separation Pay Agreements, copies of which are attached hereto as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Separation Pay Agreement, dated as of November 6, 2012, by and between Lance A. Berry and Wright Medical Group, Inc.
10.2	Separation Pay Agreement, dated as of November 6, 2012, by and between Timothy E. Davis and Wright Medical Group, Inc.
10.3	Separation Pay Agreement, dated as of November 6, 2012, by and between William L. Griffin and Wright Medical Group, Inc.
10.4	Separation Pay Agreement, dated as of November 6, 2012, by and between Eric A. Stookey and Wright Medical Group, Inc.
99.1	Press Release dated November 6, 2012, issued by Wright Medical Group, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 6, 2012

WRIGHT MEDICAL GROUP, INC.

By: /s/ Robert J. Palmisano

Robert J. Palmisano

President and Chief Executive Officer



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SEPARATION PAY AGREEMENT

THIS SEPARATION PAY AGREEMENT (“Agreement”), dated as of November 6, 2012 (the “Effective Date”) is made by and between WRIGHT MEDICAL TECHNOLOGY, INC., a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002 (the “Company”), and Lance A. Berry (the “Executive”).

WHEREAS, the Company or its Affiliate (collectively referred to as the “Company”) employs the Executive as Senior Vice President and Chief Financial Officer and recognizes the Executive as performing key functions for the success of the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company to institute formalized separation arrangements for certain executives of the Company, including Executive, in the event of a separation of employment; and

WHEREAS, the Executive desires to enter into this Agreement with Company;

NOW, THEREFORE, based on the foregoing, and for and in consideration of the mutual covenants contained in this Agreement, the Company and the Executive hereby agree as follows:

1. Definitions. For the purposes of this Agreement, the following capitalized terms have the meanings set forth below:

1.1. “Affiliate” has the meaning set forth in Rule 12b-2 promulgated under the Securities Exchange Act of 1934.

1.2. “Board” means the board of directors of the Company.

1.3. “Cause” means:

1.3.1. (i) the willful failure by the Executive to substantially perform the Executive’s duties with the Company (other than any such failure resulting from the Executive’s incapacity due to physical or mental illness), as determined by the Board in its sole discretion, which failure amounts to an intentional and extended neglect of the Executive’s duties; (ii) the determination in the sole discretion of the Board that the Executive has engaged or is about to engage in conduct materially injurious to the Company; (iii) the determination by the Board that the Executive has engaged in or is about to engage in conduct that is materially inconsistent with the Company’s legal and healthcare compliance policies, programs or obligations; (iv) Executive’s bar from participation in programs administered by the United





States Department of Health and Human Services or the United States Food and Drug Administration or any succeeding agencies; (v) the Executive's conviction of or entering of a guilty or no contest plea to a felony charge (or equivalent thereof) in any jurisdiction; and/or (vi) the Executive's participation in activities proscribed in Sections 12.1, 12.3, and 12.4 or the material breach by Executive of any other material covenants contained herein. For the purposes of clause (i) of this definition, no act, or failure to act, on the Executive's part shall be deemed to be "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interests of the Company.

1.3.2. Notwithstanding the foregoing, the Executive shall not be deemed terminated for Cause for the reasons in clauses (i) or (ii) of Section 1.3.1 unless and until the Executive shall have been provided with reasonable notice of and, if possible, a reasonable opportunity to cure the facts and circumstances claimed to provide a basis for termination of the Executive's employment for Cause..

1.4. "Change in Control" shall be deemed to have occurred on or immediately before the effective date on which any of the following occurs with regard to Company:

1.4.1. The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (for purposes of this Section 1.4, a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of common stock of the Company, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection 1.4.1, the following acquisitions shall not constitute a Change of Control: (w) any acquisition pursuant to an initial public offering of shares of common stock of the Company pursuant to a registration statement declared effective under the Securities Act of 1933, as amended; (x) any acquisition by the Company or any "affiliate" of the Company, within the meaning of 17 C.F.R. § 230.405 (an "Affiliate"); (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate; or (z) any acquisition by any corporation or business entity pursuant to a transaction which complies with clauses (A), (B), and (C) of Section 1.4.2 of this definition (persons and entities described in clauses (w), (x), (y) and (z) being referred to herein as "Permitted Holders");

1.4.2. The consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of the Company



(a “Business Combination”), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Permitted Holder referred to in clause (w), (x) or (y) of Section 1.4.1) beneficially owns, directly or indirectly, 50% or more (on a fully diluted basis) of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the incumbent Board at the time of the execution of the initial agreement providing for such Business Combination;

1.4.3. the approval by the shareholders of the Company of a complete liquidation or dissolution of the Company;

1.4.4. the sale of at least 80% of the assets of the Company; or

1.4.5 the individuals who on the date of this Agreement constitute the Board thereafter cease to constitute at least a majority thereof; provided, however, that any person becoming a member of the Board subsequent to the date of this Agreement and whose election or nomination was approved by a vote of at least two-thirds of the directors who then comprised the Board immediately prior to such vote shall be considered a member of the Board on the date of this Agreement.

1.5. “Code” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated there under, as in effect from time to time.

1.6. “Compensation Committee” means the compensation committee of the Board.



1.7. “Competitive Business” means the development, manufacturing, supplying, producing, selling, distributing, marketing or providing for sale of any product, device, instrument or intellectual property, created, developed, manufactured or sold by the Company or any of its Affiliates or subsidiaries and which is material to the business of the Company, Affiliate or subsidiary, in each case as of the Executive’s Date of Termination.

1.8. “Disability” means the Executive’s inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities for a period of 90 consecutive days as determined by a medical doctor selected by Executive and the Company. If the parties cannot agree on a medical doctor, each party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

1.9. “Good Reason” means:

1.9.1. The occurrence of any of the following without the prior written consent of the Executive, unless such act or failure to act is corrected by the Company prior to the Date of Termination specified in the Notice of Termination (as discussed in Section 3.2.3 hereof):

1.9.1.1. The assignment to the Executive of any duties materially inconsistent with the range of duties and responsibilities appropriate to a senior Executive within the Company, such range to be determined by reference to past, current, and reasonable practices within the Company;

1.9.1.2. A material reduction in the Executive’s overall standing and responsibilities within the Company, but not including a mere title change or a transfer within the Company which does not singly or together adversely affect the Executive’s overall status within the Company, provided however, that no change in reporting relationship resulting from organizational realignment due to the addition of a Chief Operating Officer or Chief Commercial Officer shall be included in this definition of Good Reason;

1.9.1.3. A material reduction (i.e., more than ten percent (10%)) by the Company in the Executive’s aggregate annualized compensation target (including bonus opportunity as a percentage of Base Salary) and benefits opportunities, except for an across the board reduction or modification to any benefit plan affecting all executives of the Company;

1.9.1.4. The failure by the Company to pay to the Executive any portion of the Executive’s current compensation and benefits, under any plan, program or policy of, or other contract or agreement with, the Company or any of its Affiliates, within thirty (30) days of the date such compensation and/or benefits are due;



1.9.1.5. The failure by the Company to obtain a satisfactory agreement from any successor of the Company requiring such successor to assume and agree to perform the Company's obligations under this Agreement;

1.9.1.6. The failure of the Company to provide indemnification and D&O insurance protection as required in Section 9 of this Agreement;

1.9.1.7. The relocation of the Executive's principal place of employment immediately prior to such move (the "Principal Location") to a location which is more than forty (40) miles from the Principal Location; or

1.9.1.8. The material breach by the Company of any of the other provisions of this Agreement which is not cured following notice and a reasonable period of time to cure such breach.

1.9.2. Notwithstanding any of the foregoing, placing the Executive on a paid leave for up to ninety (90) days pending a determination by the Company of whether there is a basis to terminate the Executive for Cause shall not constitute a Good Reason.

1.9.3. Following a Change in Control and during the CIC Protection Period (as defined in Section 6), the Executive's determination that an act or failure to act constitutes Good Reason shall be presumed to be valid. The Executive's right to terminate the Executive's employment for Good Reason shall not be affected by the Executive's incapacity due to physical or mental illness. The Executive's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder. In all events, if the Executive fails to deliver Notice of Termination with respect to a termination of his employment for Good Reason within ninety (90) days after the Executive becomes aware of the event giving rise to such right to terminate, he shall be deemed to waive his right to terminate for Good Reason with respect to such event.

1.10. "Involuntary Termination" means (a) a termination of employment by the Company other than for Cause, death or Disability, or (b) the Executive's resignation of employment for Good Reason.

1.11. "Incentive Compensation Awards" means awards granted under the Incentive Compensation Plan(s) providing the Executive with the opportunity to earn, on a year-by-year or multi-year basis, annual and long term compensation.

1.12. "Incentive Compensation Plans" means incentive compensation plans and long term compensation plans of the Company which may include plans offering stock options, restricted stocks, and other forms of long term compensation.





1.13. “Person,” unless otherwise defined, has the meaning set forth in Section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that the term shall not include (i) the Company or any of its Affiliates; (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates; (iii) an underwriter temporarily holding securities pursuant to an offering of such securities; (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the stock in the Company or (v) a person or group as used in Rule 13d-1(b) promulgated under the Exchange Act.

2. Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any provision of this Agreement is likely to be interpreted as a personal loan prohibited by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder (the “Act”), then such provision shall be modified as necessary or appropriate so as to not violate the Act; and if this cannot be accomplished, then the Company shall use its best efforts to provide the Executive with similar, but lawful, substitute benefit(s) at a cost to the Company not to significantly exceed the amount the Company would have otherwise paid to provide such benefit(s) to the Executive. In addition, if the Executive is required to forfeit or to make any repayment of any compensation or benefit(s) to the Company under the Act or any other law, such forfeiture or repayment shall not constitute Good Reason.

3. Notice and Date of Termination

3.1. Notice. Any termination of the Executive’s employment by the Company or by the Executive prior to the Expiration Date shall be communicated by a written notice of termination to the other party (the “Notice of Termination”). Where applicable, the Notice of Termination shall indicate the specific termination provision in this Agreement relied upon for termination of the Executive’s employment under the provision so indicated.

3.2. Date. The date of the Executive’s termination of employment with the Company (“Date of Termination”) shall be determined as follows:

3.2.1. If due to the Company terminating the Executive’s employment, either with or without Cause, the Date of Termination shall be the date specified in the Notice of Termination; if other than Cause, the Date of Termination shall not be less than two (2) weeks from the date such Notice of Termination is given, unless the Company elects to pay the Executive for that period in lieu of notice. Any such payment in lieu of notice would be in addition to any payments provided pursuant to Sections 5 or 6.

3.2.2. If due to death, the Date of Termination is the date of death. If due to Disability, the Date of Termination is the date the party terminating the Executive’s employment for Disability provides written notice of termination due to Disability.





3.2.3. If due to the Executive's resignation for Good Reason, the Date of Termination shall be determined by the Company, but shall not be less than two (2) weeks nor more than eight (8) weeks from the date Notice of Termination is given.

3.2.4. If due to the Executive's resignation for reasons other than Good Reason or if Executive gives notice of retirement, the Date of Termination shall be determined by the Company after the Company receives Notice of Termination or retirement, but shall not be less than two (2) weeks or more than twelve (12) weeks from the date Notice of Termination is given.

3.2.5. Notwithstanding the foregoing, for any compensation that qualifies as non-qualified compensation under Code Section 409A, the Date of Termination shall be the date the Executive experiences a "separation from service" within the meaning of Code Section 409A.

4. Termination from the Board and any Offices Held. Upon termination of the Executive's employment for any reason, the Executive agrees the Executive's membership on the Board of the Company, if any, the board of directors of any of the Company's Affiliates, any committees of the Board, any committees of the board of directors of any of the Company's Affiliates, and any and all offices held, if applicable, shall be automatically terminated. Executive hereby agrees to cooperate with the Company and execute any documents reasonably required by the Company or competent authorities to effect this provision.

5. Severance Benefits upon Involuntary Termination Prior to Change in Control and After the CIC Protection Period Expires In the event of the Involuntary Termination of the Executive's employment prior to a Change in Control or after the expiration of the CIC Protection Period (as defined in Section 6), the Company shall, upon the execution of the Release required in Section 12.5, pay to the Executive the following Pre-Change in Control Severance Payment in the following amounts and manner:

5.1. The total severance payment will be equal to the sum of (i) the Executive's then current annual base salary plus (ii) the Executive's then current annual target bonus; provided that if the Executive's annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

5.2. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, and (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid).

Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March



15 date described in the first sentence of this Section 5.2, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's covenants outlined in Section 12. All payments will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine.

5.3. In addition to the Pre-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

5.3.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on performance for the prior incentive period, whether that period is the prior quarter or the prior calendar year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, and (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board. (The amounts specified in clauses (i), (ii), (iii), and (iv) shall be hereinafter referred to as the "Pre-Change in Control Accrued Obligations".)

5.3.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

5.3.3. Welfare Benefits. Subject to Section 10 herein, the Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for a period equal to twelve (12) months, after which the Executive will be responsible for paying the full COBRA costs of benefits.. If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

5.3.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of one (1) year following the Date of Termination.. These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the





above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

5.3.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of one (1) year following the Date of Termination, at a level consistent with the benefits provided under the Company's financial planning program for the Executive as in effect immediately prior to the Date of Termination.

5.3.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

5.3.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 5.3.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6. Severance Benefits upon Involuntary Termination in Connection with and after a Change in Control. Notwithstanding the provisions of Section 5 above, in the event of the Involuntary Termination of the Executive within twelve (12) months following a Change in Control, (the "CIC Protection Period") the Company shall pay to the Executive the following Post-Change in Control Severance Payment in the following amounts and manner:

1. The total severance payment will be equal to two times (2x) the sum of (i) the Executive's then current annual base salary plus (ii) the Executive's then current annual target bonus; provided that if the Executive's annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

6.1.1. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after



the March 15 date described in the first sentence of this section 6.1.1, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's covenants outlined in Section 12. All payments will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine..

6.2. In addition to the Post-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

6.2.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on most recently completed performance period, whether that period is the prior quarter or the prior year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board, and (v) an annual incentive payment at target for the year that includes the Date of Termination, prorated for the portion of the year that Executive was employed by the Company. (The amounts specified in clauses (i), (ii), (iii), (iv), and (v) shall be hereinafter referred to as the "Post-Change in Control Accrued Obligations".)

6.2.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

6.2.3. Welfare Benefits. The Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for 18 months after which the Executive will be responsible for paying the full COBRA costs of benefits. . If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

6.2.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of two (2) years following the Date of Termination. . These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the





above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

6.2.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of two (2) years following the Date of Termination, at a level consistent with the benefits provided under the Company's financial planning program for the Executive as in effect immediately prior to the Date of Termination.

6.2.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

6.2.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 6.2.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to two times (2x) the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6.3. Notwithstanding anything contained herein, if a Change in Control occurs and the Executive's employment with the Company is terminated by reason of Involuntary Termination prior to the Change in Control Date, and if such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change in Control or (ii) otherwise arose in connection with or in anticipation of the Change in Control, then the Executive shall, in lieu of the payments described in Section 5 hereof, be entitled to the Post-Change in Control Severance Payment and the additional benefits described in this Section 6 as if such Involuntary Termination had occurred within twelve (12) months following the Change in Control.

7. Severance Benefits upon Termination by the Company for Cause or by the Executive Other than for Good Reason. If the Executive's employment shall be terminated for Cause or if the Executive terminates employment other than for Good Reason, the Company will have no further obligations to the Executive under this Agreement other than the Pre-Change in Control Accrued Obligations.

8. Severance Benefits upon Termination due to Death or Disability. If the Executive's employment shall terminate by reason of death, the Company shall pay the Executive's estate in the case of death or to the Executive in the case of Disability, the Post-Change in Control Accrued



Obligations. Such payments shall be in addition to those rights and benefits to which the Executive's estate or Executive may be entitled under the relevant Company plans or programs.

9. Nonexclusivity of Rights and Indemnification. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit plan, program, policy or practice provided by the Company and for which the Executive may qualify (except with respect to any benefit to which the Executive has waived the Executive's rights in writing), including, without limitation, any and all indemnification arrangements in favor of the Executive (whether under agreements or under the Company's charter documents or otherwise), and insurance policies covering the Executive, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any other contract or agreement entered into after the Effective Date with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any benefit, plan, policy, practice or program of, or any contract or agreement entered into with, the Company shall be payable in accordance with such benefit, plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement. At all times during the Executive's employment with the Company and thereafter, the Company shall provide the Executive with indemnification and director and officer insurance insuring the Executive against insurable events which occur or have occurred while the Executive was a director or executive officer of the Company, on terms and conditions that are at least as generous as that then provided to any other current or former director or executive officer of the Company or any Affiliate.

10. Full Settlement; Mitigation. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts (including amounts for damages for breach) payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not the Executive obtains other employment.

11. Representations. The Executive hereby represents to the Company that the Executive is legally entitled to enter into this Agreement and to perform the Executive's obligations hereunder, and that the Executive has the full right, power, and authority, subject to no rights of any third parties, to grant to the Company the rights herein.

12. Executive's Covenants. The Executive hereby agrees to the following:

12.1. Confidentiality. The Executive recognizes and acknowledges that the Company's and its predecessor's Confidential Information is a valuable, special, and unique asset of the Company's businesses, access to and knowledge of which are essential to the performance of the Executive's duties. Confidential Information shall include trade secrets and includes information acquired by the Executive in the course and scope of the Executive's job with the Company, including information acquired from third parties, that is (i) not generally known or disseminated outside the Company (such as nonpublic information), (ii) is designated or marked by the Company as "confidential" or reasonably

should be considered confidential or proprietary, or (iii) the Company indicates through its policies, procedures or other instructions should not be disclosed to anyone outside the Company. Without



limiting the foregoing definitions, some examples of Confidential Information under this Agreement include (a) matters of a technical nature, such as scientific, trade or engineering secrets, “know-how”, formulae, secret processes, inventions, and research and development plans or projects regarding existing and prospective customers, and products and services, (b) information about costs, profits, markets, sales, customer lists, customer needs, customer preferences and customer purchasing histories, supplier lists, internal financial data, personnel evaluations, nonpublic information about medical devices or products of the Company (including future plans about them), information and material provided by third parties in confidence and/or with nondisclosure restrictions, computer access passwords, and internal market studies or surveys, and (c) any other information or matters of a similar nature. The Executive shall not, during or after the Executive’s employment by the Company, in whole or in part, disclose such Confidential Information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, nor shall the Executive make use of any such property for the Executive’s own purposes or for the benefit of any person, firm, corporation, association or other entity (except the Company) under any circumstances during or after the Executive’s employment by the Company; provided, however, that after the Executive’s employment by the Company ceases these restrictions shall not apply to such Confidential Information, if any, which are then in the public domain, and provided further that the Executive was not responsible, directly or indirectly, for such Confidential Information entering the public domain without the Company’s consent.

12.2. Inventions. The Executive hereby sells, transfers and assigns to the Company or to any person or entity designated by the Company all of the right, title, and interest of the Executive in and to all inventions, ideas, disclosures, and improvements, whether patented or unpatented, and copyrightable material, made or conceived by the Executive, solely or jointly, during the Executive’s employment by the Company or any of its predecessors which relate to methods, apparatus, designs, products, processes or devices sold, leased, used or under consideration or development by the Company or any of its predecessors, or which otherwise relate to or pertain to the business, functions or operations of the Company or any of its predecessors, or which arise from the efforts of the Executive during the Executive’s employment with the Company or any of its predecessors. The Executive shall, during and after the Executive’s employment with the Company, communicate promptly and disclose to the Company, in such form as the Company requests, all information, details, and data pertaining to the aforementioned inventions, ideas, disclosures, and improvements. The Executive shall, during and after the Executive’s employment by the Company, execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be necessary by the Company to file and prosecute the patent applications and, as to copyrightable material, to obtain copyright thereof. Any invention relating to the business of the Company and disclosed by the Executive within one (1) year after the Executive’s employment with the Company ceases shall be deemed to fall within the provisions of this Section 12.2 unless proved to have been first conceived and made following such termination or expiration.





12.3. Non-Solicitation of Employees. The Executive recognizes that the Executive possesses and will possess confidential information about other employees of the Company and its Affiliates relating to their education, experience, skills, abilities, compensation and benefits, and interpersonal relationships with customer(s) of the Company and its Affiliates. The Executive recognizes that the information the Executive possesses and will possess about these other employees is not generally known, is of substantial value to the Company and its Affiliates in developing their business and in securing and retaining customers, and has been and will be acquired by the Executive because of the Executive's business position with the Company and its Affiliates. The Executive agrees that at all times during the Executive's employment with the Company and for a period of twelve (12) months thereafter, the Executive will not, directly or indirectly, solicit or recruit any employee of the Company or its Affiliates for the purpose of being employed by the Executive or by any competitor of the Company or its Affiliates on whose behalf the Executive is acting as an agent, representative or employee and that the Executive will not convey such confidential information or trade secrets about other employees of the Company and its Affiliates to any other Person; provided, however, that it shall not constitute a solicitation or recruitment of employment in violation of this paragraph to discuss employment opportunities with any employee of the Company or its Affiliates if Executive has first discussed with and received the written approval of the Company's Vice President, Human Resources (or, if such position is vacant, the Company's then Chief Executive Officer), prior to making such discussions, solicitation or recruitment. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such solicitation or recruitment in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.4. Non-Interference and Non-Competition. During the Executive's employment by the Company and its Affiliates and for a period of twelve (12) months after such employment ceases, the Executive shall not, directly or indirectly (whether as an officer, director, owner, employee, partner or other participant), engage in any Competitive Business. During this period, the Executive shall not solicit or entice any agent, supplier, consultant, distributor, contractor, lessors or lessees of the Company or its Affiliates to make any changes whatsoever in their current relationships with the Company or its Affiliates, and will not assist any other Person or entity to interfere with or dispute such relationship. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such interference or competitive actions in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from





engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.5. Release. The Executive agrees that if the Executive's employment is terminated by the Company for any reason other than Cause, Disability or death, the Executive will execute a release of all claims substantially in the form attached hereto as Exhibit A within forty-five (45) days after the applicable Date of Termination. In the event that the Executive is covered under the Age Discrimination in Employment Act ("ADEA"), the Executive also agrees to execute the ADEA Release of all ADEA claims substantially in the form attached hereto as Exhibit B within forty-five (45) days after the applicable Date of Termination. These two documents are collectively referred to in this Agreement as the "Release."

The Executive recognizes and agrees that, notwithstanding any other Section to the contrary, the Release must be executed and not revoked within the time provided prior to the commencement of any post employment payments of any kind under this Agreement other than the Accrued Obligations set forth in Section 5.3.1.

12.6. Cooperation with Legal Matters. Executive agrees to cooperate with the Company and its designated attorneys, representatives, and agents in connection with any actual or threatened judicial, administrative or other legal or equitable proceeding in which the Company is or may become involved. Upon reasonable notice, Executive agrees to meet with and provide to the Company or its designated attorneys, representatives or agents all information and knowledge Executive may have relating to the subject matter of any such proceeding. The Company agrees to reimburse Executive for any reasonable costs incurred by Executive in providing such cooperation.

13. Specific Remedies for Executive Breach of the Covenants as outlined in Section 12. Without limiting the rights and remedies available to the Company, in the event of any breach by the Executive of the covenants set forth in Section 12 above, the following actions may be taken by the Company:

13.1. If the Company believes a breach has occurred, it will deliver to the Executive a summary of the breach and a demand for explanation or agreement that such breach has occurred; the Executive shall have ten (10) business days to respond in writing to this demand, whereupon the Company will make a decision as to whether the breach has, in fact, occurred; if it is determined such a breach has occurred, then

13.2. the Company's obligation to make any payment or provide any benefits to the Executive under Sections 5, 6, 7 or 8 of this Agreement shall cease immediately and permanently, which shall not have any impact whatsoever on the Executive's continuing obligations under Sections 12.3 and 12.4; and





13.3. the Executive shall repay to the Company, within ten (10) days after the Executive receives written demand therefore, an amount equal to ninety percent (90%) of the payments and benefits previously received by the Executive under this Agreement, plus interest on such amount at an annual rate equal to the lesser of ten percent (10%) or the maximum non-usurious rate under applicable law, from the dates on which such payments and benefits were received to the date of repayment to the Company.

13.4. It is the desire and intent of the parties that the provisions of this Section 13 be enforced to the fullest extent permissible under the applicable laws in each jurisdiction in which enforcement is sought. Accordingly, if any portion of this Section 13 is adjudicated to be invalid or unenforceable, this Section 13 shall be deemed curtailed, whether as to time or location, to the minimum extent required for its validity under applicable law and shall be binding and enforceable with respect to the Executive as so curtailed, such curtailment to apply only with respect to the operation of this Section 13 in the jurisdiction in which such adjudication is made. If a court in any jurisdiction, in adjudicating the validity of this Section 13, imposes any additional terms or restrictions with respect to this Section 13, this Section 13 shall be deemed amended to incorporate such additional terms or restrictions.

13.5. Executive agrees and acknowledges that Executive has received good and adequate consideration for the covenants set forth in Sections 12 and 13 in the form of employment, compensation, and benefits separate and independent of any payments or potential payments in this Agreement.

14. Potential Impact of Accounting Restatements on Certain Bonuses and Profits.

14.1. If the Company is required to prepare an accounting restatement of the Company's consolidated balance sheet or statement of operations affecting any reporting period that transpires during the term of employment ("the Term") due to the material noncompliance of the Company with any financial requirements under the Federal securities laws and if such material non-compliance is a direct result of the Executive's knowing, intentional, fraudulent or illegal conduct, then the Board can require the Executive to reimburse the Company for (i) any bonus or other incentive-based or equity-based compensation received by the Executive from the Company during the Term and (ii) any profits realized from the sale of securities of the issuer by the Executive during the Term.

14.2. In making the determination whether to seek reimbursement from Executive and in making the determination of what portion of Executive's compensation and/or profits should be returned to the Company, the Board will seek to achieve a result that is fair to the Executive and the Company and, in that connection, the Board will consider whether any bonus, incentive payment, equity award or other compensation has been awarded or received by the Executive during the Term, whether the Executive realized any profits from the sale of securities

during the Term, whether and the extent to which such compensation and/or profits were based on financial results and

operating metrics that were satisfied as a result of Executive's knowing, intentional, fraudulent or illegal conduct, and what the Executive's compensation and/or profits would have been in the absence of the reporting issue. The Board has the sole discretion in determining whether Executive's conduct has or has not met the standard for such forfeiture and the amount of the forfeiture.

14.3. If the Board of Directors determines that forfeiture is appropriate as set forth in Section 14.1, such amounts shall be withheld from any future amounts owed to the Executive as compensation. The Company may also commence legal action to collect such sums as the Board determines is owed to the Company.

14.4. The parties agree that this Section will be amended as necessary to comply with any new rules or regulations issued by the Securities Exchange Commission during the Term which are or become mandatorily applicable to this Agreement.

15. Successors.

15.1. Assignment by the Executive. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

15.2. Successors and Assigns of the Company. This Agreement shall inure to the benefit of and be binding upon the Company, its successors, and assigns. The Company may not assign this Agreement to any person or entity (except for a successor described in Section 16.3 below) without the Executive's written consent.

15.3. Assumption. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it as if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise.

16. Administration Prior to Change in Control. Prior to a Change in Control, the Compensation Committee shall have full and complete authority to construe and interpret the provisions of this Agreement, to determine an individual's entitlement to benefits under this Agreement, to make in its sole and absolute discretion all determinations contemplated under this Agreement, to investigate and make factual determinations necessary or advisable to administer or implement this Agreement. All determinations made under this Agreement by the Compensation Committee shall be final and binding on all interested persons. Prior to a Change in Control, the Compensation Committee may delegate responsibilities for the operation and administration of this





Agreement to one or more officers or employees of the Company. The provisions of this Section 16 shall terminate and be of no further force and effect upon the occurrence of a Change in Control.

17. **Miscellaneous.**

17.1. Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of Tennessee without regard to conflicts-of-laws principles that would require the application of any other law. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

17.2. Selection of Venue. Any action to enforce the terms of this Agreement shall be brought in the state or federal courts located in Shelby County, Tennessee and both parties agree to submit to and not contest such jurisdiction and venue in such courts.

17.3. Amendment. This Agreement may not be amended, modified, repealed, waived, extended or discharged except by an agreement in writing executed by all parties. No person, other than pursuant to a resolution of the Board or the Compensation Committee, shall have authority on behalf of the Company to agree to amend, modify, repeal, waive, extend or discharge any provision of this Agreement or anything in reference thereto.

17.4. Insurance. The Company may, at its election and for its benefit, insure the Executive against accidental loss or death, and the Executive shall submit to such physical examination and supply such information to the insurance company as may be required in connection therewith; provided, however, that no specific information concerning the Executive's physical examination will be provided to the Company or made available to the Company by the insurance company.

17.5. Waiver of Breach. A waiver by the Company or the Executive of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the other party.

17.6. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17.7. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by personal delivery, by a nationally recognized overnight courier (provided a written acknowledgement of receipt is obtained) or by certified or express mail to the Executive at his home address or to the Company at Wright Medical Technology, Inc., Attention: General Counsel, 5677 Airline Road, Arlington, Tennessee 38002, or to such other address as either party shall notify the other. Notices and communications shall be effective when actually received by the addressee.



17.8. Taxes.

17.8.1. General. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

17.8.2. Code Section 409A.

17.8.2.1. Notwithstanding anything else to the contrary herein, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Code Section 409A or in compliance therewith, as applicable. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Code Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Code Section 409A). In addition, to the extent that any regulations or guidance issued under Code Section 409A (after application of the previous provision of this paragraph) would result in the Executive being subject to the payment of interest or any additional tax under Code Section 409A, the Company and the Executive agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Code Section 409A, which amendment shall have the least possible economic effect on the Executive as reasonably determined in good faith by the Company and the Executive; provided however, that the Company and the Executive shall not be required to substitute a cash payment for any non-cash benefit herein.

17.8.2.2. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment, unless such termination is also a “separation from service” within the meaning of Code Section 409A and the payment thereof prior to a “separation from service” would violate Code Section 409A. For purposes of any such provision of this Agreement relating to any such payments or benefits, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.”

17.8.2.3. For purposes of Code Section 409A, the Executive’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company, as the case may be.

17.8.2.4. With respect to any payment constituting nonqualified deferred compensation subject to Code Section 409A: (A) all expenses or other reimbursements



provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.

17.8.2.5. If the Executive is deemed on the Date of Termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided on the first business day following the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death (the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

17.8.3. Section 280G. The provisions set forth in Exhibit C hereto are hereby incorporated into this Agreement by this reference, and the Executive shall be entitled to the benefit of those provisions. This Section 17.8.3 and the provisions set forth in Exhibit C hereto shall be expressly assumed by any successor to the Company.

17.9 Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter referred to herein and supersedes any and all prior negotiations, understandings, arrangements, letters of intent, and agreements, whether written or oral, between the Executive and the Company and its Affiliates, or any of its or their directors, officers, employees or representatives with respect thereto. This Agreement shall be effective and binding on the parties as of the date it is executed. In the event of any conflict between any provisions of this Agreement (including its Exhibits) and the provisions of any plan, program or policy of the Company or any of its Affiliates, the Agreement and its Exhibits shall govern.

17.10 Survivability. Except as otherwise expressly set forth in this Agreement, upon the termination or the expiration of the Term, the respective rights of the parties shall survive such termination or expiration to the extent necessary to carry out the intentions of the parties hereto. The Agreement shall continue in effect until there are no further rights or obligations of the parties hereto outstanding hereunder and shall not be terminated by any party without the express written consent of all parties.

17.11 No Right of Employment. Nothing in this Agreement shall be construed as giving the Executive any right to be retained in the employ of the Company or shall interfere in





any way with the right of the Company to terminate the Executive's employment at any time, with or without Cause.

17.12 Unfunded Obligation. The obligations under this Agreement shall be unfunded. Benefits payable under this Agreement shall be paid from the general assets of the Company. The Company shall have no obligation to establish any fund or to set aside any assets to provide benefits under this Agreement.

17.13 Attorneys' Fees. In any legal action by the Company to enforce the covenants set forth in Section 12 of this Agreement and in any other legal action by either party prior to a Change in Control to enforce any term of this Agreement, the prevailing party shall be entitled to recover all reasonable attorney's fees and litigation costs. Following a Change in Control, should either party file any action to enforce any term of this Agreement other than an action by the Company to enforce the covenants of Section 12 of this Agreement, the Company shall pay all reasonable attorney's fees and litigation costs incurred by Executive. Following a Change in Control, the payment of fees and litigation costs will be made on a quarterly basis following the commencement of the action upon presentation of fee statements from legal counsel of the Executive without regard to which party may ultimately be the prevailing party.

17.14 Execution. This Agreement and its Exhibits may be executed in several counterparts each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement and its Exhibits may be executed by signatures delivered by facsimile or in pdf or other electronic format, which shall be deemed to be an original.

18. Term. The term of this Agreement shall commence from the Effective Date and shall continue until the close of business of the day preceding the third (3rd) anniversary of the Effective Date; provided, however, that commencing on the second (2nd) anniversary of the Effective Date (and each anniversary of the Effective Date thereafter), the term of this Agreement shall automatically be extended for one (1) additional year, unless at least ninety (90) days prior to such date, the Company or the Executive shall give written notice to the other party that it or he, as the case may be, does not wish to so extend this Agreement. Notwithstanding the foregoing, if the Company gives such written notice to the Executive less than one (1) year after a Change in Control, the term of this Agreement shall be automatically extended until the later of (a) the date that is one (1) year after the anniversary of the Effective Date that follows such written notice or (b) the second (2nd) anniversary of the Change in Control Date.

[SIGNATURE PAGE AND EXHIBITS TO FOLLOW]



IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

AGREED AND ACCEPTED

WRIGHT MEDICAL TECHNOLOGY, INC.

EXECUTIVE

By: /s/ Robert J. Palmisano
Robert J. Palmisano, President and Chief

/s/ Lance A. Berry
Lance A. Berry

Executive Officer



EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement (this "Agreement"), is made and entered into this __ day of _____, _____, by and between Wright Medical Technology, Inc. (the "Company"), a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002, and Lance A. Berry (the "Executive").

The Executive, on behalf of the Executive and the Executive's heirs, executors, administrators, successors and assigns, whether herein named or referred to or not, does hereby release, discharge, and acquit and by these presents does hereby release, acquit, and forever discharge the Company, its parent(s), successors and assigns, their agents, servants, and employees, its subsidiaries, divisions, subdivisions, and affiliates (collectively, the "Company"), of and from any and all past, present, and future claims, counterclaims, demands, actions, causes of action, liabilities, damages, costs, loss of services, expenses, compensation, third-party actions, suits at law or in equity, of every nature and description, whether known or unknown, suspected or unsuspected, foreseen, or unforeseen, real or imaginary, actual or potential, and whether arising at law or in equity, under the common law, state or federal law, or any other law, or otherwise, arising out of or relating to the Executive's employment with the Company or the termination thereof, hereinafter collectively referred to as claims. It is the intention of the parties hereto to affect a full and final general release of all such claims. It is expressly understood and agreed that this release and agreement is intended to cover, and does cover, not only all now known injuries, losses, and damages, but any future injuries, losses, and damages not now known or anticipated, but which may later develop or be discovered, including all the effects and consequences thereof. The Executive is not releasing and "claims" shall not include any rights or claims the Executive has (1) pursuant to the Employment Agreement between the Company and the Executive, any equity award granted to the Executive by the Company or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any claims which arise after the date this Release is executed by the Executive.

The Executive does hereby declare that the Executive does understand, covenant, and agree that the Executive will not make any claims or demands, or file any legal proceedings against the Company or join the Company as a party with respect to any claims released by the Executive herein nor shall the Executive proceed against any other party, person, firm, or corporation on the claims released above except as is necessary to enforce the terms and conditions of this Release and the Employment Agreement between the Executive and the Company.

The Executive further declares that he is voluntarily forfeiting any right to recover or receive compensation in any form resulting



from a legal action or demand against the Company by any other person or persons with respect to the claims released by the Executive herein.

THE FILING OF ANY CLAIM, DEMAND OR ANY AND ALL OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE AGAINST THE COMPANY WITH RESPECT TO CLAIMS RELEASED BY THE EXECUTIVE HEREIN SHALL BE DEEMED TO BE A MATERIAL BREACH OF THE TERMS OF THIS AGREEMENT. SUCH BREACH SHALL IMMEDIATELY TERMINATE COMPANY'S DUTY TO PAY ANY FURTHER SUMS TO EXECUTIVE. ADDITIONALLY, EXECUTIVE SHALL INDEMNIFY AND HOLD HARMLESS THE COMPANY FROM ANY AND ALL JUDGMENTS, COSTS, EXPENSES, OR ATTORNEY FEES WHATSOEVER ARISING ON ACCOUNT OF THE FILING OF ANY SUCH CLAIM, DEMAND, OR OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE WITHIN RESPECT TO THE CLAIMS HE HAS RELEASED HEREIN.

It is further understood and agreed that the Company will pay and the Executive is accepting severance payments and benefits more fully described in the Employment Agreement between the parties in full accord and satisfaction of any obligations, claims, and/or disputes that Executive may have with the Company with respect to the claims released by the Executive herein.

And the parties hereby declare, understand, covenant, and agree that the terms of the Employment Agreement, and the severance payments and benefits stated therein, are the sole consideration for this Release Agreement and that the Executive voluntarily accepts said consideration for the purpose of making a full and final compromise, adjustment, and settlement of all claims for injuries, losses, and damages resulting, or to result, from the claims released by the Executive herein.

It is further understood and agreed that this is the full and complete understanding of the parties, that it is the integrated memorial of their agreement, and that there are no other written or oral understandings, agreements, covenants, promises or arrangements, directly or indirectly connected with this release, that are not incorporated herein. The terms of this release are contractual and are not mere recitals.

Notwithstanding the foregoing, nothing in this Release shall release any party from obligations resulting from the Employment Agreement nor prohibit any party from seeking the enforcement of the Employment Agreement.



IN WITNESS WHEREOF, the parties executed this Release as of the date set forth above.

AGREED AND ACCEPTED

EXECUTIVE

Lance A. Berry





EXHIBIT B

ADEA RELEASE

In further consideration for the payment of severance payments and benefits provided under the Separation Pay Agreement between (i) Lance A. Berry hereinafter referred to as "Executive") and (ii) Wright Medical Group, Inc.. (hereafter referred to as "Company"), Executive, for himself and Executive's heirs, executors, administrators, and assigns, hereby unconditionally releases and forever discharges the Company and each of the Company's stockholders, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, subsidiaries, affiliates, and all persons acting by, through, under, or in concert with any of them from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected arising out of or relating to his employment with the Company or his termination of such employment, including, but not limited to, rights under the Age Discrimination in Employment Act of 1967, as amended from time to time, and other federal, state, or local laws prohibiting discrimination, any claims the employee may have with regard to Executive's hiring, employment, and termination of employment, and any claims growing out of any legal restrictions on the Company's right to terminate its employees ("Claim" or Claims"), which Executive now has, owns or holds, or claims to have owned or held, or which Executive at any time hereinafter may have owned or held or claimed to have owned or held against the Company. Executive is not releasing and "claims" shall not include any rights or claims Executive has (1) pursuant to the Employment Agreement among Executive and the Company, any equity award granted to Executive by the Company, or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or to be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any Claims which arise after the date this Release is executed by Executive.

To comply with the Older Workers Benefit Protection Act of 1990, as amended from time to time, this Release has advised Executive of the legal requirements of this Act and fully incorporates the legal requirements by reference into this Agreement as follows:

- a. This Agreement is written in layman's terms, and Executive understands and comprehends its terms;
- b. Executive has been advised of Executive's rights to consult an attorney to review the Agreement;





- c. Executive does not waive any rights or claims that may arise after the date the Release is executed;
- d. Executive is receiving consideration beyond anything of value to which he already is entitled;
- e. Executive has been given a reasonable period of time to consider this Agreement (45 days).

The Executive enters into this Release with full knowledge of its contents and enters into this Release voluntarily.

AGREED AND ACCEPTED

EXECUTIVE:

I acknowledge that I fully understand and agree that this Release may be pleaded by Wright Medical Technology, Inc. or any of its Affiliates as a complete defense to any claim released by me herein which hereafter may be asserted by me or a claim released by me herein against Wright Medical Technology, Inc. for or on account of any matter or thing whatsoever arising out of the employment relationship or my termination from active employment for which I have released such claims herein.

Lance A. Berry

NOTE: EXECUTIVE IS HEREBY ADVISED OF HIS OR HER RIGHT TO RESCIND AND NULLIFY THIS AGREEMENT, WHICH RIGHT MUST BE EXERCISED, IF AT ALL, WITHIN SEVEN (7) DAYS OF THE DATE OF EXECUTIVE'S SIGNATURE. EXECUTIVE MUST REVOKE RELEASE BY LETTER TO WRIGHT MEDICAL TECHNOLOGY, INC., ATTENTION: GENERAL COUNSEL, 5677 AIRLINE ROAD, ARLINGTON, TN 38002, WITHIN SEVEN (7) DAYS. NO CONSIDERATION SHALL BE CONVEYED UNTIL SUCH TIME PERIOD HAS EXPIRED.



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EXHIBIT C

MODIFIED 280G CUTBACK

Notwithstanding anything to the contrary in this Agreement, in any other agreement between or among the Executive, and the Company or in any plan maintained by the Company or any Affiliate, if there is a 280G Change in Control (as defined in Section (g)(i) below), the following rules shall apply:

(a) Except as otherwise provided in Section (b) below, if it is determined in accordance with Section (d) below that any portion of the Payments (as defined in Section (g)(ii) below) that otherwise would be paid or provided to the Executive or for his benefit in connection with the 280G Change in Control would be subject to the excise tax imposed under Section 4999 of the Code (“Excise Tax”), then such Payments shall be reduced by the smallest total amount necessary in order for the aggregate present value of all such Payments after such reduction, as determined in accordance with the applicable provisions of Section 280G of the Code and the regulations issued thereunder, not to exceed the Excise Tax Threshold Amount (as defined in Section (g)(iii) below).

(b) No reduction in any of the Executive’s Payments shall be made pursuant to Section (a) above if it is determined in accordance with Section (d) below that the After Tax Amount of the Payments payable to the Executive without such reduction would exceed the After Tax Amount of the reduced Payments payable to him in accordance with Section (a) above. For purposes of the foregoing, (i) the “After Tax Amount” of the Payments, as computed with, and as computed without, the reduction provided for under Section (a) above, shall mean the amount of the Payments, as so computed, that the Executive would retain after payment of all taxes (including without limitation any federal, state or local income taxes, the Excise Tax or any other excise taxes, any medicare or other employment taxes, and any other taxes) imposed on such Payments in the year or years in which payable; and (ii) the amount of such taxes shall be computed at the rates in effect under the applicable tax laws in the year in which the 280G Change in Control occurs, or if then ascertainable, the rates in effect in any later year in which any Payment is expected to be paid following the 280G Change in Control, and in the case of any income taxes, by using the maximum combined federal, state and (if applicable) local income tax rates then in effect under such laws.

(c) Any reduction in the Executive’s Payments required to be made pursuant to Section (a) above (the “Required Reduction”) shall be made as follows: *first*, any Payments that became fully vested prior to the 280G Change in Control and that pursuant to paragraph (b) of Treas. Reg. §1.280G-1, Q/A 24 are treated as Payments solely by reason of the acceleration of their originally scheduled dates of payment shall be reduced, by cancellation of the acceleration of their dates of payment; *second*, any severance payments or benefits, performance-based cash or performance-based equity incentive awards, or other Payments, in all cases the full amounts of which are treated as contingent on the 280G Change in Control pursuant to paragraph (a) of Treas. Reg. §1.280G-1, Q/A 24, shall be reduced; and *third*, any cash or equity incentive awards, or nonqualified deferred



compensation amounts, that vest solely based on the Executive's continued service with the Company, and that pursuant to paragraph (c) of Treas. Reg. §1.280G-1, Q/A 24 are treated as contingent on the 280G Change in Control because they become vested as a result of the 280G Change in Control, shall be reduced, first by cancellation of any acceleration of their originally scheduled dates of payment (if payment with respect to such items is not treated as automatically occurring upon the vesting of such items for purposes of Section 280G) and then, if necessary, by canceling the acceleration of their vesting. In each case, the amounts of the Payments shall be reduced in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced only to the extent necessary to achieve the Required Reduction.

(d) A determination as to whether any Excise Tax is payable with respect to the Executive's Payments and if so, as to the amount thereof, and a determination as to whether any reduction in the Executive's Payments is required pursuant to the provisions of Sections (a) and (b) above, and if so, as to the amount of the reduction so required, shall be made by no later than 15 days prior to the closing of the transaction or the occurrence of the event that constitutes the 280G Change in Control, or as soon thereafter as administratively practicable. Such determinations, and the assumptions to be utilized in arriving at such determinations, shall be made by an independent auditor (the "Auditor") jointly selected by the Executive and the Company, all of whose fees and expenses shall be borne and directly paid solely by the Company. The Auditor shall be a nationally recognized public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any of its Affiliates or for any entity effecting the 280G Change in Control. If the Executive and the Company cannot agree on the firm to serve as Auditor, then the Executive and the Company shall each select one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. The Auditor shall provide a written report of its determinations, including detailed supporting calculations, both to the Executive and to the Company. If the Auditor determines that no Excise Tax is payable with respect to the Executive's Payments, either as a result of any Required Reduction the Auditor has determined should be made thereto or because the Auditor has determined that no Required Reduction must be made thereto, the written report which the auditor furnishes to the Executive and to the Company pursuant to the preceding sentence shall be accompanied by an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to the Executive's Payments. Except as otherwise provided in Section (e) or Section (f) below, the determinations made by the Auditor pursuant to this Section (d) shall be binding upon the Executive and the Company.

(e) If, notwithstanding (1) any determination made pursuant to Section (d) above that a reduction in the Executive's Payments is not required pursuant to Section (a) above or (2) any reduction in the Executive's Payments made pursuant to Section (a) above, the IRS subsequently asserts that the Executive is liable for Excise Tax with respect to such Payments, the Payments then remaining to be paid or provided to Executive shall be reduced as provided in Sections (a) and (b) above or shall be further reduced as provided in Section (a) above, and (if still necessary after such reduction or further reduction) any Payments already made to Executive shall be repaid to the Company, to the extent necessary to eliminate the Excise Tax asserted by the IRS to be payable by the Executive. Any such reduction or further reduction or repayment (i) shall be made only if the





IRS agrees that such reduction or further reduction or repayment will be effective to avoid the imposition of any Excise Tax with respect to the Executive's Payments as so reduced or repaid and agrees not to impose such Excise Tax against the Executive if such reduction or further reduction or repayment is made, and (ii) shall be made in the manner described in Section (c) above,

(f) Notwithstanding anything to the contrary in the foregoing provisions of this Exhibit E, if (i) the Executive's Payments have been reduced pursuant to Section (a) above and the IRS nevertheless subsequently determines that Excise Tax is payable with respect to the Executive's Payments, and (ii) if the After Tax Amount of the Payments payable to the Executive, determined without any further reduction or repayment as provided in Section (e) above, and without any initial reduction as provided in Section (a) above, would exceed the After Tax Amount of the Payments payable to him as reduced in accordance with Section (a), then (A) no such further reduction or repayment shall be made with respect to the Executive's Payments pursuant to Section (e) above, and (B) the Company shall pay to Executive an amount equal to the reduction in the Executive's Payments that was initially made pursuant to Section (a). Such amount shall be paid to the Executive in a cash lump sum by no later than the 15th day of the third month following the close of the calendar year in which the IRS makes its final determination that Excise Tax is due with respect to the Executive's Payments, provided that by such day the Executive has paid the Excise Tax so determined to be due.

(g) For purposes of the foregoing, the following terms shall have the following respective meanings:

(i) "280G Change in Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 280G(b)(2) of the Code and the regulations issued thereunder.

(ii) "Payment" shall mean any payment or benefit in the nature of compensation that is to be paid or provided to the Executive or for his benefit in connection with a 280G Change in Control, to the extent that such payment or benefit is "contingent" on the 280G Change in Control within the meaning of Section 280G (b) (2) (A) (i) of the Code and the regulations issued thereunder.

(iii) "Excise Tax Threshold Amount" shall mean an amount equal to (x) three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations issued thereunder, less (y) \$1,000.



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SEPARATION PAY AGREEMENT

THIS SEPARATION PAY AGREEMENT (“Agreement”), dated as of November 6, 2012 (the “Effective Date”) is made by and between WRIGHT MEDICAL TECHNOLOGY, INC., a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002 (the “Company”), and Timothy E. Davis, Jr. (the “Executive”).

WHEREAS, the Company or its Affiliate (collectively referred to as the “Company”) employs the Executive as President, OrthoRecon and recognizes the Executive as performing key functions for the success of the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company to institute formalized separation arrangements for certain executives of the Company, including Executive, in the event of a separation of employment; and

WHEREAS, the Executive desires to enter into this Agreement with Company;

NOW, THEREFORE, based on the foregoing, and for and in consideration of the mutual covenants contained in this Agreement, the Company and the Executive hereby agree as follows:

1. Definitions. For the purposes of this Agreement, the following capitalized terms have the meanings set forth below:

1.1. “Affiliate” has the meaning set forth in Rule 12b-2 promulgated under the Securities Exchange Act of 1934.

1.2. “Board” means the board of directors of the Company.

1.3. “Cause” means:

1.3.1. (i) the willful failure by the Executive to substantially perform the Executive’s duties with the Company (other than any such failure resulting from the Executive’s incapacity due to physical or mental illness), as determined by the Board in its sole discretion, which failure amounts to an intentional and extended neglect of the Executive’s duties; (ii) the determination in the sole discretion of the Board that the Executive has engaged or is about to engage in conduct materially injurious to the Company; (iii) the determination by the Board that the Executive has engaged in or is about to engage in conduct that is materially inconsistent with the Company’s legal and healthcare compliance policies, programs or obligations; (iv) Executive’s bar from participation in programs administered by the United States Department of Health and Human Services or the

United States Food and Drug Administration or any succeeding agencies; (v) the Executive's conviction of or entering of a guilty or no contest plea to a felony charge (or equivalent thereof) in any

jurisdiction; and/or (vi) the Executive's participation in activities proscribed in Sections 12.1, 12.3, and 12.4 or the material breach by Executive of any other material covenants contained herein. For the purposes of clause (i) of this definition, no act, or failure to act, on the Executive's part shall be deemed to be "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interests of the Company.

1.3.2. Notwithstanding the foregoing, the Executive shall not be deemed terminated for Cause for the reasons in clauses (i) or (ii) of Section 1.3.1 unless and until the Executive shall have been provided with reasonable notice of and, if possible, a reasonable opportunity to cure the facts and circumstances claimed to provide a basis for termination of the Executive's employment for Cause..

1.4. "Change in Control" shall be deemed to have occurred on or immediately before the effective date on which any of the following occurs with regard to Company:

1.4.1. The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (for purposes of this Section 1.4, a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of common stock of the Company, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection 1.4.1, the following acquisitions shall not constitute a Change of Control: (w) any acquisition pursuant to an initial public offering of shares of common stock of the Company pursuant to a registration statement declared effective under the Securities Act of 1933, as amended; (x) any acquisition by the Company or any "affiliate" of the Company, within the meaning of 17 C.F.R. § 230.405 (an "Affiliate"); (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate; or (z) any acquisition by any corporation or business entity pursuant to a transaction which complies with clauses (A), (B), and (C) of Section 1.4.2 of this definition (persons and entities described in clauses (w), (x), (y) and (z) being referred to herein as "Permitted Holders");

1.4.2. The consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more

than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Permitted Holder referred to in clause (w), (x) or (y) of Section 1.4.1) beneficially owns, directly or indirectly, 50% or more (on a fully diluted basis) of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the incumbent Board at the time of the execution of the initial agreement providing for such Business Combination;

1.4.3. the approval by the shareholders of the Company of a complete liquidation or dissolution of the Company;

1.4.4. the sale of at least 80% of the assets of the Company; or

1.4.5 the individuals who on the date of this Agreement constitute the Board thereafter cease to constitute at least a majority thereof; provided, however, that any person becoming a member of the Board subsequent to the date of this Agreement and whose election or nomination was approved by a vote of at least two-thirds of the directors who then comprised the Board immediately prior to such vote shall be considered a member of the Board on the date of this Agreement.

1.5. “**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated there under, as in effect from time to time.

1.6. “**Compensation Committee**” means the compensation committee of the Board.

1.7. “**Competitive Business**” means the development, manufacturing, supplying, producing, selling, distributing, marketing or providing for sale of any product, device, instrument or intellectual property, created, developed, manufactured or sold by the Company or any of its Affiliates or subsidiaries and which

is material to the business of the Company, Affiliate or subsidiary, in each case as of the Executive's Date of Termination.

1.8. "Disability" means the Executive's inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities for a period of 90 consecutive days as determined by a medical doctor selected by Executive and the Company. If the parties cannot agree on a medical doctor, each party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

1.9. "Good Reason" means:

1.9.1. The occurrence of any of the following without the prior written consent of the Executive, unless such act or failure to act is corrected by the Company prior to the Date of Termination specified in the Notice of Termination (as discussed in Section 3.2.3 hereof):

1.9.1.1. The assignment to the Executive of any duties materially inconsistent with the range of duties and responsibilities appropriate to a senior Executive within the Company, such range to be determined by reference to past, current, and reasonable practices within the Company;

1.9.1.2. A material reduction in the Executive's overall standing and responsibilities within the Company, but not including a mere title change or a transfer within the Company which does not singly or together adversely affect the Executive's overall status within the Company, provided however, that no change in reporting relationship resulting from organizational realignment due to the addition of a Chief Operating Officer or Chief Commercial Officer shall be included in this definition of Good Reason;

1.9.1.3. A material reduction (i.e., more than ten percent (10%)) by the Company in the Executive's aggregate annualized compensation target (including bonus opportunity as a percentage of Base Salary) and benefits opportunities, except for an across the board reduction or modification to any benefit plan affecting all executives of the Company;

1.9.1.4. The failure by the Company to pay to the Executive any portion of the Executive's current compensation and benefits, under any plan, program or policy of, or other contract or agreement with, the Company or any of its Affiliates, within thirty (30) days of the date such compensation and/or benefits are due;

1.9.1.5. The failure by the Company to obtain a satisfactory agreement from any successor of the Company requiring such successor to assume and agree to perform the Company's obligations under this Agreement;

1.9.1.6. The failure of the Company to provide indemnification and D&O insurance protection as required in Section 9 of this Agreement;

1.9.1.7. The relocation of the Executive's principal place of employment immediately prior to such move (the "Principal Location") to a location which is more than forty (40) miles from the Principal Location; or

1.9.1.8. The material breach by the Company of any of the other provisions of this Agreement which is not cured following notice and a reasonable period of time to cure such breach.

1.9.2. Notwithstanding any of the foregoing, placing the Executive on a paid leave for up to ninety (90) days pending a determination by the Company of whether there is a basis to terminate the Executive for Cause shall not constitute a Good Reason.

1.9.3. Following a Change in Control and during the CIC Protection Period (as defined in Section 6), the Executive's determination that an act or failure to act constitutes Good Reason shall be presumed to be valid. The Executive's right to terminate the Executive's employment for Good Reason shall not be affected by the Executive's incapacity due to physical or mental illness. The Executive's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder. In all events, if the Executive fails to deliver Notice of Termination with respect to a termination of his employment for Good Reason within ninety (90) days after the Executive becomes aware of the event giving rise to such right to terminate, he shall be deemed to waive his right to terminate for Good Reason with respect to such event.

1.10. **"Involuntary Termination"** means (a) a termination of employment by the Company other than for Cause, death or Disability, or (b) the Executive's resignation of employment for Good Reason.

1.11. **"Incentive Compensation Awards"** means awards granted under the Incentive Compensation Plan(s) providing the Executive with the opportunity to earn, on a year-by-year or multi-year basis, annual and long term compensation.

1.12. **"Incentive Compensation Plans"** means incentive compensation plans and long term compensation plans of the Company which may include plans offering stock options, restricted stocks, and other forms of long term compensation.

1.13. **"Person,"** unless otherwise defined, has the meaning set forth in Section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that the term shall not include (i) the Company or any of its Affiliates; (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates; (iii) an underwriter temporarily holding securities



pursuant to an offering of such securities; (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the stock in the Company or (v) a person or group as used in Rule 13d-1(b) promulgated under the Exchange Act.

2. Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any provision of this Agreement is likely to be interpreted as a personal loan prohibited by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder (the “Act”), then such provision shall be modified as necessary or appropriate so as to not violate the Act; and if this cannot be accomplished, then the Company shall use its best efforts to provide the Executive with similar, but lawful, substitute benefit(s) at a cost to the Company not to significantly exceed the amount the Company would have otherwise paid to provide such benefit(s) to the Executive. In addition, if the Executive is required to forfeit or to make any repayment of any compensation or benefit(s) to the Company under the Act or any other law, such forfeiture or repayment shall not constitute Good Reason.

3. Notice and Date of Termination

3.1. Notice. Any termination of the Executive’s employment by the Company or by the Executive prior to the Expiration Date shall be communicated by a written notice of termination to the other party (the “Notice of Termination”). Where applicable, the Notice of Termination shall indicate the specific termination provision in this Agreement relied upon for termination of the Executive’s employment under the provision so indicated.

3.2. Date. The date of the Executive’s termination of employment with the Company (“Date of Termination”) shall be determined as follows:

3.2.1. If due to the Company terminating the Executive’s employment, either with or without Cause, the Date of Termination shall be the date specified in the Notice of Termination; if other than Cause, the Date of Termination shall not be less than two (2) weeks from the date such Notice of Termination is given, unless the Company elects to pay the Executive for that period in lieu of notice. Any such payment in lieu of notice would be in addition to any payments provided pursuant to Sections 5 or 6.

3.2.2. If due to death, the Date of Termination is the date of death. If due to Disability, the Date of Termination is the date the party terminating the Executive’s employment for Disability provides written notice of termination due to Disability.

3.2.3. If due to the Executive’s resignation for Good Reason, the Date of Termination shall be determined by the Company, but shall not be less than two (2) weeks nor more than eight (8) weeks from the date Notice of Termination is given.

3.2.4. If due to the Executive’s resignation for reasons other than Good Reason or if Executive gives notice of retirement, the Date of Termination shall be determined by



the Company after the Company receives Notice of Termination or retirement, but shall not be less than two (2) weeks or more than twelve (12) weeks from the date Notice of Termination is given.

3.2.5. Notwithstanding the foregoing, for any compensation that qualifies as non-qualified compensation under Code Section 409A, the Date of Termination shall be the date the Executive experiences a “separation from service” within the meaning of Code Section 409A.

4. Termination from the Board and any Offices Held. Upon termination of the Executive’s employment for any reason, the Executive agrees the Executive’s membership on the Board of the Company, if any, the board of directors of any of the Company’s Affiliates, any committees of the Board, any committees of the board of directors of any of the Company’s Affiliates, and any and all offices held, if applicable, shall be automatically terminated. Executive hereby agrees to cooperate with the Company and execute any documents reasonably required by the Company or competent authorities to effect this provision.

5. Severance Benefits upon Involuntary Termination Prior to Change in Control and After the CIC Protection Period Expires In the event of the Involuntary Termination of the Executive’s employment prior to a Change in Control or after the expiration of the CIC Protection Period (as defined in Section 6), the Company shall, upon the execution of the Release required in Section 12.5, pay to the Executive the following Pre-Change in Control Severance Payment in the following amounts and manner:

5.1. The total severance payment will be equal to the sum of (i) the Executive’s then current annual base salary plus (ii) the Executive’s then current annual target bonus; provided that if the Executive’s annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

5.2. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, and (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this Section 5.2, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive’s

covenants outlined in Section 12. All payments will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine.

5.3. In addition to the Pre-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

5.3.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on performance for the prior incentive period, whether that period is the prior quarter or the prior calendar year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, and (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board. (The amounts specified in clauses (i), (ii), (iii), and (iv) shall be hereinafter referred to as the "Pre-Change in Control Accrued Obligations".)

5.3.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

5.3.3. Welfare Benefits. Subject to Section 10 herein, the Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for a period equal to twelve (12) months, after which the Executive will be responsible for paying the full COBRA costs of benefits.. If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

5.3.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of one (1) year following the Date of Termination.. These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

5.3.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of one (1) year following the Date of Termination, at a level consistent with the benefits provided under the Company's

financial planning program for the Executive as in effect immediately prior to the Date of Termination.

5.3.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

5.3.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 5.3.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6. Severance Benefits upon Involuntary Termination in Connection with and after a Change in Control. Notwithstanding the provisions of Section 5 above, in the event of the Involuntary Termination of the Executive within twelve (12) months following a Change in Control, (the "CIC Protection Period") the Company shall pay to the Executive the following Post-Change in Control Severance Payment in the following amounts and manner:

1. The total severance payment will be equal to two times (2x) the sum of (i) the Executive's then current annual base salary plus (ii) the Executive's then current annual target bonus; provided that if the Executive's annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

6.1.1. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this section 6.1.1, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's covenants outlined in Section 12. All payments

will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine..

6.2. In addition to the Post-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

6.2.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on most recently completed performance period, whether that period is the prior quarter or the prior year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board, and (v) an annual incentive payment at target for the year that includes the Date of Termination, prorated for the portion of the year that Executive was employed by the Company. (The amounts specified in clauses (i), (ii), (iii), (iv), and (v) shall be hereinafter referred to as the "Post-Change in Control Accrued Obligations".)

6.2.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

6.2.3. Welfare Benefits. The Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for 18 months after which the Executive will be responsible for paying the full COBRA costs of benefits. . If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

6.2.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of two (2) years following the Date of Termination. . These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

6.2.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of two (2) years following the Date of Termination, at a level consistent with the benefits provided under the Company's

financial planning program for the Executive as in effect immediately prior to the Date of Termination.

6.2.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

6.2.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 6.2.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to two times (2x) the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6.3. Notwithstanding anything contained herein, if a Change in Control occurs and the Executive's employment with the Company is terminated by reason of Involuntary Termination prior to the Change in Control Date, and if such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change in Control or (ii) otherwise arose in connection with or in anticipation of the Change in Control, then the Executive shall, in lieu of the payments described in Section 5 hereof, be entitled to the Post-Change in Control Severance Payment and the additional benefits described in this Section 6 as if such Involuntary Termination had occurred within twelve (12) months following the Change in Control.

7. Severance Benefits upon Termination by the Company for Cause or by the Executive Other than for Good Reason. If the Executive's employment shall be terminated for Cause or if the Executive terminates employment other than for Good Reason, the Company will have no further obligations to the Executive under this Agreement other than the Pre-Change in Control Accrued Obligations.

8. Severance Benefits upon Termination due to Death or Disability. If the Executive's employment shall terminate by reason of death, the Company shall pay the Executive's estate in the case of death or to the Executive in the case of Disability, the Post-Change in Control Accrued Obligations. Such payments shall be in addition to those rights and benefits to which the Executive's estate or Executive may be entitled under the relevant Company plans or programs.

9. Nonexclusivity of Rights and Indemnification. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit plan, program, policy or practice provided by the Company and for which the Executive may qualify (except with respect to any benefit to which the Executive has waived the Executive's rights in writing), including, without limitation, any and all indemnification arrangements in favor of the Executive (whether

under agreements or under the Company's charter documents or otherwise), and insurance policies covering the Executive, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any other contract or agreement entered into after the Effective Date with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any benefit, plan, policy, practice or program of, or any contract or agreement entered into with, the Company shall be payable in accordance with such benefit, plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement. At all times during the Executive's employment with the Company and thereafter, the Company shall provide the Executive with indemnification and director and officer insurance insuring the Executive against insurable events which occur or have occurred while the Executive was a director or executive officer of the Company, on terms and conditions that are at least as generous as that then provided to any other current or former director or executive officer of the Company or any Affiliate.

10. Full Settlement; Mitigation. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts (including amounts for damages for breach) payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not the Executive obtains other employment.

11. Representations. The Executive hereby represents to the Company that the Executive is legally entitled to enter into this Agreement and to perform the Executive's obligations hereunder, and that the Executive has the full right, power, and authority, subject to no rights of any third parties, to grant to the Company the rights herein.

12. Executive's Covenants. The Executive hereby agrees to the following:

12.1. Confidentiality. The Executive recognizes and acknowledges that the Company's and its predecessor's Confidential Information is a valuable, special, and unique asset of the Company's businesses, access to and knowledge of which are essential to the performance of the Executive's duties. Confidential Information shall include trade secrets and includes information acquired by the Executive in the course and scope of the Executive's job with the Company, including information acquired from third parties, that is (i) not generally known or disseminated outside the Company (such as nonpublic information), (ii) is designated or marked by the Company as "confidential" or reasonably should be considered confidential or proprietary, or (iii) the Company indicates through its policies, procedures or other instructions should not be disclosed to anyone outside the Company. Without limiting the foregoing definitions, some examples of Confidential Information under this Agreement include (a) matters of a technical nature, such as scientific, trade or engineering secrets, "know-how", formulae, secret processes, inventions, and research and development plans or projects regarding existing and prospective customers, and products and services, (b) information about costs, profits, markets, sales, customer lists, customer needs, customer preferences and customer purchasing histories, supplier lists, internal financial data, personnel evaluations, nonpublic information about medical devices or products of the Company (including future plans about them), information

and material provided by third parties in confidence and/or with nondisclosure restrictions, computer access passwords, and internal market studies or surveys, and (c) any other information or matters of a similar nature. The Executive shall not, during or after the Executive's employment by the Company, in whole or in part, disclose such Confidential Information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, nor shall the Executive make use of any such property for the Executive's own purposes or for the benefit of any person, firm, corporation, association or other entity (except the Company) under any circumstances during or after the Executive's employment by the Company; provided, however, that after the Executive's employment by the Company ceases these restrictions shall not apply to such Confidential Information, if any, which are then in the public domain, and provided further that the Executive was not responsible, directly or indirectly, for such Confidential Information entering the public domain without the Company's consent.

12.2. Inventions. The Executive hereby sells, transfers and assigns to the Company or to any person or entity designated by the Company all of the right, title, and interest of the Executive in and to all inventions, ideas, disclosures, and improvements, whether patented or unpatented, and copyrightable material, made or conceived by the Executive, solely or jointly, during the Executive's employment by the Company or any of its predecessors which relate to methods, apparatus, designs, products, processes or devices sold, leased, used or under consideration or development by the Company or any of its predecessors, or which otherwise relate to or pertain to the business, functions or operations of the Company or any of its predecessors, or which arise from the efforts of the Executive during the Executive's employment with the Company or any of its predecessors. The Executive shall, during and after the Executive's employment with the Company, communicate promptly and disclose to the Company, in such form as the Company requests, all information, details, and data pertaining to the aforementioned inventions, ideas, disclosures, and improvements. The Executive shall, during and after the Executive's employment by the Company, execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be necessary by the Company to file and prosecute the patent applications and, as to copyrightable material, to obtain copyright thereof. Any invention relating to the business of the Company and disclosed by the Executive within one (1) year after the Executive's employment with the Company ceases shall be deemed to fall within the provisions of this Section 12.2 unless proved to have been first conceived and made following such termination or expiration.

12.3. Non-Solicitation of Employees. The Executive recognizes that the Executive possesses and will possess confidential information about other employees of the Company and its Affiliates relating to their education, experience, skills, abilities, compensation and benefits, and interpersonal relationships with customer(s) of the Company and its Affiliates. The Executive recognizes that the information the Executive possesses and will possess about these other employees is not generally known, is of substantial value to the Company and its Affiliates in

developing their business and in securing and retaining customers, and has been and will be acquired by the Executive because of the Executive's business position with the Company and its Affiliates. The Executive agrees that at all times during the Executive's employment with the Company and for a period of twelve (12) months thereafter, the Executive will not, directly or indirectly, solicit or recruit any employee of the Company or its Affiliates for the purpose of being employed by the Executive or by any competitor of the Company or its Affiliates on whose behalf the Executive is acting as an agent, representative or employee and that the Executive will not convey such confidential information or trade secrets about other employees of the Company and its Affiliates to any other Person; provided, however, that it shall not constitute a solicitation or recruitment of employment in violation of this paragraph to discuss employment opportunities with any employee of the Company or its Affiliates if Executive has first discussed with and received the written approval of the Company's Vice President, Human Resources (or, if such position is vacant, the Company's then Chief Executive Officer), prior to making such discussions, solicitation or recruitment. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such solicitation or recruitment in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.4. Non-Interference and Non-Competition. During the Executive's employment by the Company and its Affiliates and for a period of twelve (12) months after such employment ceases, the Executive shall not, directly or indirectly (whether as an officer, director, owner, employee, partner or other participant), engage in any Competitive Business. During this period, the Executive shall not solicit or entice any agent, supplier, consultant, distributor, contractor, lessors or lessees of the Company or its Affiliates to make any changes whatsoever in their current relationships with the Company or its Affiliates, and will not assist any other Person or entity to interfere with or dispute such relationship. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such interference or competitive actions in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.5. Release. The Executive agrees that if the Executive's employment is terminated by the Company for any reason other than Cause, Disability or death, the Executive will execute a release of all claims substantially in the form attached hereto as Exhibit A within forty-five (45) days after the applicable Date of Termination. In the event that the Executive is covered under the Age Discrimination in Employment Act ("ADEA"), the Executive also agrees to execute the ADEA Release

of all ADEA claims substantially in the form attached hereto as Exhibit B within forty-five (45) days after the applicable Date of Termination. These two documents are collectively referred to in this Agreement as the “Release.”

The Executive recognizes and agrees that, notwithstanding any other Section to the contrary, the Release must be executed and not revoked within the time provided prior to the commencement of any post employment payments of any kind under this Agreement other than the Accrued Obligations set forth in Section 5.3.1.

12.6. Cooperation with Legal Matters. Executive agrees to cooperate with the Company and its designated attorneys, representatives, and agents in connection with any actual or threatened judicial, administrative or other legal or equitable proceeding in which the Company is or may become involved. Upon reasonable notice, Executive agrees to meet with and provide to the Company or its designated attorneys, representatives or agents all information and knowledge Executive may have relating to the subject matter of any such proceeding. The Company agrees to reimburse Executive for any reasonable costs incurred by Executive in providing such cooperation.

13. Specific Remedies for Executive Breach of the Covenants as outlined in Section 12. Without limiting the rights and remedies available to the Company, in the event of any breach by the Executive of the covenants set forth in Section 12 above, the following actions may be taken by the Company:

13.1. If the Company believes a breach has occurred, it will deliver to the Executive a summary of the breach and a demand for explanation or agreement that such breach has occurred; the Executive shall have ten (10) business days to respond in writing to this demand, whereupon the Company will make a decision as to whether the breach has, in fact, occurred; if it is determined such a breach has occurred, then

13.2. the Company’s obligation to make any payment or provide any benefits to the Executive under Sections 5, 6, 7 or 8 of this Agreement shall cease immediately and permanently, which shall not have any impact whatsoever on the Executive’s continuing obligations under Sections 12.3 and 12.4; and

13.3. the Executive shall repay to the Company, within ten (10) days after the Executive receives written demand therefore, an amount equal to ninety percent (90%) of the payments and benefits previously received by the Executive under this Agreement, plus interest on such amount at an annual rate equal to the lesser of ten percent (10%) or the maximum non-usurious rate under applicable law, from the dates on which such payments and benefits were received to the date of repayment to the Company.

13.4. It is the desire and intent of the parties that the provisions of this Section 13 be enforced to the fullest extent permissible under the applicable laws in each jurisdiction in which enforcement is sought. Accordingly, if any portion of this Section 13 is adjudicated to be invalid or unenforceable, this Section 13 shall be deemed curtailed, whether as to time or location, to the minimum extent required for its validity under applicable law and shall be binding and enforceable with respect to the Executive as so curtailed, such curtailment to apply only with respect to the operation of this Section 13 in the jurisdiction in which such adjudication is made. If a court in any jurisdiction, in adjudicating the validity of this Section 13, imposes any additional terms or restrictions with respect to this Section 13, this Section 13 shall be deemed amended to incorporate such additional terms or restrictions.

13.5. Executive agrees and acknowledges that Executive has received good and adequate consideration for the covenants set forth in Sections 12 and 13 in the form of employment, compensation, and benefits separate and independent of any payments or potential payments in this Agreement.

14. Potential Impact of Accounting Restatements on Certain Bonuses and Profits.

14.1. If the Company is required to prepare an accounting restatement of the Company's consolidated balance sheet or statement of operations affecting any reporting period that transpires during the term of employment ("the Term") due to the material noncompliance of the Company with any financial requirements under the Federal securities laws and if such material non-compliance is a direct result of the Executive's knowing, intentional, fraudulent or illegal conduct, then the Board can require the Executive to reimburse the Company for (i) any bonus or other incentive-based or equity-based compensation received by the Executive from the Company during the Term and (ii) any profits realized from the sale of securities of the issuer by the Executive during the Term.

14.2. In making the determination whether to seek reimbursement from Executive and in making the determination of what portion of Executive's compensation and/or profits should be returned to the Company, the Board will seek to achieve a result that is fair to the Executive and the Company and, in that connection, the Board will consider whether any bonus, incentive payment, equity award or other compensation has been awarded or received by the Executive during the Term, whether the Executive realized any profits from the sale of securities during the Term, whether and the extent to which such compensation and/or profits were based on financial results and operating metrics that were satisfied as a result of Executive's knowing, intentional, fraudulent or illegal conduct, and what the Executive's compensation and/or profits would have been in the absence of the reporting issue. The Board has the sole discretion in determining whether Executive's conduct has or has not met the standard for such forfeiture and the amount of the forfeiture.

14.3. If the Board of Directors determines that forfeiture is appropriate as set forth in Section 14.1, such amounts shall be withheld from any future amounts owed to the Executive as

compensation. The Company may also commence legal action to collect such sums as the Board determines is owed to the Company.

14.4. The parties agree that this Section will be amended as necessary to comply with any new rules or regulations issued by the Securities Exchange Commission during the Term which are or become mandatorily applicable to this Agreement.

15. Successors.

15.1. Assignment by the Executive. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

15.2. Successors and Assigns of the Company. This Agreement shall inure to the benefit of and be binding upon the Company, its successors, and assigns. The Company may not assign this Agreement to any person or entity (except for a successor described in Section 16.3 below) without the Executive's written consent.

15.3. Assumption. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it as if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise.

16. Administration Prior to Change in Control. Prior to a Change in Control, the Compensation Committee shall have full and complete authority to construe and interpret the provisions of this Agreement, to determine an individual's entitlement to benefits under this Agreement, to make in its sole and absolute discretion all determinations contemplated under this Agreement, to investigate and make factual determinations necessary or advisable to administer or implement this Agreement. All determinations made under this Agreement by the Compensation Committee shall be final and binding on all interested persons. Prior to a Change in Control, the Compensation Committee may delegate responsibilities for the operation and administration of this Agreement to one or more officers or employees of the Company. The provisions of this Section 16 shall terminate and be of no further force and effect upon the occurrence of a Change in Control.

17. Miscellaneous.

17.1. Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of Tennessee without regard to conflicts-of-laws

principles that would require the application of any other law. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

17.2. Selection of Venue. Any action to enforce the terms of this Agreement shall be brought in the state or federal courts located in Shelby County, Tennessee and both parties agree to submit to and not contest such jurisdiction and venue in such courts.

17.3. Amendment. This Agreement may not be amended, modified, repealed, waived, extended or discharged except by an agreement in writing executed by all parties. No person, other than pursuant to a resolution of the Board or the Compensation Committee, shall have authority on behalf of the Company to agree to amend, modify, repeal, waive, extend or discharge any provision of this Agreement or anything in reference thereto.

17.4. Insurance. The Company may, at its election and for its benefit, insure the Executive against accidental loss or death, and the Executive shall submit to such physical examination and supply such information to the insurance company as may be required in connection therewith; provided, however, that no specific information concerning the Executive's physical examination will be provided to the Company or made available to the Company by the insurance company.

17.5. Waiver of Breach. A waiver by the Company or the Executive of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the other party.

17.6. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17.7. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by personal delivery, by a nationally recognized overnight courier (provided a written acknowledgement of receipt is obtained) or by certified or express mail to the Executive at his home address or to the Company at Wright Medical Technology, Inc., Attention: General Counsel, 5677 Airline Road, Arlington, Tennessee 38002, or to such other address as either party shall notify the other. Notices and communications shall be effective when actually received by the addressee.

17.8. Taxes.

17.8.1. General. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

17.8.2. Code Section 409A.





17.8.2.1. Notwithstanding anything else to the contrary herein, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Code Section 409A or in compliance therewith, as applicable. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Code Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Code Section 409A). In addition, to the extent that any regulations or guidance issued under Code Section 409A (after application of the previous provision of this paragraph) would result in the Executive being subject to the payment of interest or any additional tax under Code Section 409A, the Company and the Executive agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Code Section 409A, which amendment shall have the least possible economic effect on the Executive as reasonably determined in good faith by the Company and the Executive; provided however, that the Company and the Executive shall not be required to substitute a cash payment for any non-cash benefit herein.

17.8.2.2. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment, unless such termination is also a “separation from service” within the meaning of Code Section 409A and the payment thereof prior to a “separation from service” would violate Code Section 409A. For purposes of any such provision of this Agreement relating to any such payments or benefits, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.”

17.8.2.3. For purposes of Code Section 409A, the Executive’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company, as the case may be.

17.8.2.4. With respect to any payment constituting nonqualified deferred compensation subject to Code Section 409A: (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company’s policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.

17.8.2.5. If the Executive is deemed on the Date of Termination to be a “specified employee” within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit shall be made or provided on the first business day following the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such “separation from service” of the Executive, and (B) the date of the Executive’s death (the “Delay Period”). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

17.8.3. Section 280G. The provisions set forth in Exhibit C hereto are hereby incorporated into this Agreement by this reference, and the Executive shall be entitled to the benefit of those provisions. This Section 17.8.3 and the provisions set forth in Exhibit C hereto shall be expressly assumed by any successor to the Company.

17.9 Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter referred to herein and supersedes any and all prior negotiations, understandings, arrangements, letters of intent, and agreements, whether written or oral, between the Executive and the Company and its Affiliates, or any of its or their directors, officers, employees or representatives with respect thereto. This Agreement shall be effective and binding on the parties as of the date it is executed. In the event of any conflict between any provisions of this Agreement (including its Exhibits) and the provisions of any plan, program or policy of the Company or any of its Affiliates, the Agreement and its Exhibits shall govern.

17.10 Survivability. Except as otherwise expressly set forth in this Agreement, upon the termination or the expiration of the Term, the respective rights of the parties shall survive such termination or expiration to the extent necessary to carry out the intentions of the parties hereto. The Agreement shall continue in effect until there are no further rights or obligations of the parties hereto outstanding hereunder and shall not be terminated by any party without the express written consent of all parties.

17.11 No Right of Employment. Nothing in this Agreement shall be construed as giving the Executive any right to be retained in the employ of the Company or shall interfere in any way with the right of the Company to terminate the Executive’s employment at any time, with or without Cause.

17.12 Unfunded Obligation. The obligations under this Agreement shall be unfunded. Benefits payable under this Agreement shall be paid from the general assets of the Company. The Company shall have no obligation to establish any fund or to set aside any assets to provide benefits under this Agreement.

17.13 Attorneys' Fees. In any legal action by the Company to enforce the covenants set forth in Section 12 of this Agreement and in any other legal action by either party prior to a Change in Control to enforce any term of this Agreement, the prevailing party shall be entitled to recover all reasonable attorney's fees and litigation costs. Following a Change in Control, should either party file any action to enforce any term of this Agreement other than an action by the Company to enforce the covenants of Section 12 of this Agreement, the Company shall pay all reasonable attorney's fees and litigation costs incurred by Executive. Following a Change in Control, the payment of fees and litigation costs will be made on a quarterly basis following the commencement of the action upon presentation of fee statements from legal counsel of the Executive without regard to which party may ultimately be the prevailing party.

17.14 Execution. This Agreement and its Exhibits may be executed in several counterparts each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement and its Exhibits may be executed by signatures delivered by facsimile or in pdf or other electronic format, which shall be deemed to be an original.

18. Term. The term of this Agreement shall commence from the Effective Date and shall continue until the close of business of the day preceding the third (3rd) anniversary of the Effective Date; provided, however, that commencing on the second (2nd) anniversary of the Effective Date (and each anniversary of the Effective Date thereafter), the term of this Agreement shall automatically be extended for one (1) additional year, unless at least ninety (90) days prior to such date, the Company or the Executive shall give written notice to the other party that it or he, as the case may be, does not wish to so extend this Agreement. Notwithstanding the foregoing, if the Company gives such written notice to the Executive less than one (1) year after a Change in Control, the term of this Agreement shall be automatically extended until the later of (a) the date that is one (1) year after the anniversary of the Effective Date that follows such written notice or (b) the second (2nd) anniversary of the Change in Control Date.

[SIGNATURE PAGE AND EXHIBITS TO FOLLOW]



IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

AGREED AND ACCEPTED

WRIGHT MEDICAL TECHNOLOGY, INC.

EXECUTIVE

By: /s/ Robert J. Palmisano

Robert J. Palmisano, President and Chief

Executive Officer

/s/ Timothy E. Davis, Jr.

Timothy E. Davis, Jr.



EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement (this “Agreement”), is made and entered into this __ day of _____, _____, by and between Wright Medical Technology, Inc. (the “Company ”), a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002, and Timothy E. Davis, Jr. (the “Executive”).

The Executive, on behalf of the Executive and the Executive’s heirs, executors, administrators, successors and assigns, whether herein named or referred to or not, does hereby release, discharge, and acquit and by these presents does hereby release, acquit, and forever discharge the Company, its parent(s), successors and assigns, their agents, servants, and employees, its subsidiaries, divisions, subdivisions, and affiliates (collectively, the “Company”), of and from any and all past, present, and future claims, counterclaims, demands, actions, causes of action, liabilities, damages, costs, loss of services, expenses, compensation, third-party actions, suits at law or in equity, of every nature and description, whether known or unknown, suspected or unsuspected, foreseen, or unforeseen, real or imaginary, actual or potential, and whether arising at law or in equity, under the common law, state or federal law, or any other law, or otherwise, arising out of or relating to the Executive’s employment with the Company or the termination thereof, hereinafter collectively referred to as claims. It is the intention of the parties hereto to affect a full and final general release of all such claims. It is expressly understood and agreed that this release and agreement is intended to cover, and does cover, not only all now known injuries, losses, and damages, but any future injuries, losses, and damages not now known or anticipated, but which may later develop or be discovered, including all the effects and consequences thereof. The Executive is not releasing and “claims” shall not include any rights or claims the Executive has (1) pursuant to the Employment Agreement between the Company and the Executive, any equity award granted to the Executive by the Company or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company’s corporate documents or be covered under any applicable directors’ and officers’ liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any claims which arise after the date this Release is executed by the Executive.

The Executive does hereby declare that the Executive does understand, covenant, and agree that the Executive will not make any claims or demands, or file any legal proceedings against the Company or join the Company as a party with respect to any claims released by the Executive herein nor shall the Executive proceed against any other party, person, firm, or corporation on the claims released above except as is necessary to enforce the terms and conditions of this Release and the Employment Agreement between the Executive and the Company. The Executive further declares that he is voluntarily forfeiting any right to recover or receive compensation in any form resulting



from a legal action or demand against the Company by any other person or persons with respect to the claims released by the Executive herein.

THE FILING OF ANY CLAIM, DEMAND OR ANY AND ALL OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE AGAINST THE COMPANY WITH RESPECT TO CLAIMS RELEASED BY THE EXECUTIVE HEREIN SHALL BE DEEMED TO BE A MATERIAL BREACH OF THE TERMS OF THIS AGREEMENT. SUCH BREACH SHALL IMMEDIATELY TERMINATE COMPANY'S DUTY TO PAY ANY FURTHER SUMS TO EXECUTIVE. ADDITIONALLY, EXECUTIVE SHALL INDEMNIFY AND HOLD HARMLESS THE COMPANY FROM ANY AND ALL JUDGMENTS, COSTS, EXPENSES, OR ATTORNEY FEES WHATSOEVER ARISING ON ACCOUNT OF THE FILING OF ANY SUCH CLAIM, DEMAND, OR OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE WITHIN RESPECT TO THE CLAIMS HE HAS RELEASED HEREIN.

It is further understood and agreed that the Company will pay and the Executive is accepting severance payments and benefits more fully described in the Employment Agreement between the parties in full accord and satisfaction of any obligations, claims, and/or disputes that Executive may have with the Company with respect to the claims released by the Executive herein.

And the parties hereby declare, understand, covenant, and agree that the terms of the Employment Agreement, and the severance payments and benefits stated therein, are the sole consideration for this Release Agreement and that the Executive voluntarily accepts said consideration for the purpose of making a full and final compromise, adjustment, and settlement of all claims for injuries, losses, and damages resulting, or to result, from the claims released by the Executive herein.

It is further understood and agreed that this is the full and complete understanding of the parties, that it is the integrated memorial of their agreement, and that there are no other written or oral understandings, agreements, covenants, promises or arrangements, directly or indirectly connected with this release, that are not incorporated herein. The terms of this release are contractual and are not mere recitals.

Notwithstanding the foregoing, nothing in this Release shall release any party from obligations resulting from the Employment Agreement nor prohibit any party from seeking the enforcement of the Employment Agreement.



Wright Medical Technology, Inc.

Separation Pay Agreement

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IN WITNESS WHEREOF, the parties executed this Release as of the date set forth above.

AGREED AND ACCEPTED

EXECUTIVE

Timothy E. Davis, Jr.



EXHIBIT B

ADEA RELEASE

In further consideration for the payment of severance payments and benefits provided under the Separation Pay Agreement between (i) Timothy E. Davis, Jr. (hereinafter referred to as "Executive") and (ii) Wright Medical Group, Inc.. (hereafter referred to as "Company"), Executive, for himself and Executive's heirs, executors, administrators, and assigns, hereby unconditionally releases and forever discharges the Company and each of the Company's stockholders, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, subsidiaries, affiliates, and all persons acting by, through, under, or in concert with any of them from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected arising out of or relating to his employment with the Company or his termination of such employment, including, but not limited to, rights under the Age Discrimination in Employment Act of 1967, as amended from time to time, and other federal, state, or local laws prohibiting discrimination, any claims the employee may have with regard to Executive's hiring, employment, and termination of employment, and any claims growing out of any legal restrictions on the Company's right to terminate its employees ("Claim" or Claims"), which Executive now has, owns or holds, or claims to have owned or held, or which Executive at any time hereinafter may have owned or held or claimed to have owned or held against the Company. Executive is not releasing and "claims" shall not include any rights or claims Executive has (1) pursuant to the Employment Agreement among Executive and the Company, any equity award granted to Executive by the Company, or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or to be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any Claims which arise after the date this Release is executed by Executive.

To comply with the Older Workers Benefit Protection Act of 1990, as amended from time to time, this Release has advised Executive of the legal requirements of this Act and fully incorporates the legal requirements by reference into this Agreement as follows:

- a. This Agreement is written in layman's terms, and Executive understands and comprehends its terms;
- b. Executive has been advised of Executive's rights to consult an attorney to review the Agreement;



- c. Executive does not waive any rights or claims that may arise after the date the Release is executed;
- d. Executive is receiving consideration beyond anything of value to which he already is entitled;
- e. Executive has been given a reasonable period of time to consider this Agreement (45 days).

The Executive enters into this Release with full knowledge of its contents and enters into this Release voluntarily.

AGREED AND ACCEPTED

EXECUTIVE:

I acknowledge that I fully understand and agree that this Release may be pleaded by Wright Medical Technology, Inc. or any of its Affiliates as a complete defense to any claim released by me herein which hereafter may be asserted by me or a claim released by me herein against Wright Medical Technology, Inc. for or on account of any matter or thing whatsoever arising out of the employment relationship or my termination from active employment for which I have released such claims herein.

Timothy E. Davis, Jr.

NOTE: EXECUTIVE IS HEREBY ADVISED OF HIS OR HER RIGHT TO RESCIND AND NULLIFY THIS AGREEMENT, WHICH RIGHT MUST BE EXERCISED, IF AT ALL, WITHIN SEVEN (7) DAYS OF THE DATE OF EXECUTIVE'S SIGNATURE. EXECUTIVE MUST REVOKE RELEASE BY LETTER TO WRIGHT MEDICAL TECHNOLOGY, INC., ATTENTION: GENERAL COUNSEL, 5677 AIRLINE ROAD, ARLINGTON, TN 38002, WITHIN SEVEN (7) DAYS. NO CONSIDERATION SHALL BE CONVEYED UNTIL SUCH TIME PERIOD HAS EXPIRED.



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EXHIBIT C

MODIFIED 280G CUTBACK

Notwithstanding anything to the contrary in this Agreement, in any other agreement between or among the Executive, and the Company or in any plan maintained by the Company or any Affiliate, if there is a 280G Change in Control (as defined in Section (g)(i) below), the following rules shall apply:

(a) Except as otherwise provided in Section (b) below, if it is determined in accordance with Section (d) below that any portion of the Payments (as defined in Section (g)(ii) below) that otherwise would be paid or provided to the Executive or for his benefit in connection with the 280G Change in Control would be subject to the excise tax imposed under Section 4999 of the Code (“Excise Tax”), then such Payments shall be reduced by the smallest total amount necessary in order for the aggregate present value of all such Payments after such reduction, as determined in accordance with the applicable provisions of Section 280G of the Code and the regulations issued thereunder, not to exceed the Excise Tax Threshold Amount (as defined in Section (g)(iii) below).

(b) No reduction in any of the Executive’s Payments shall be made pursuant to Section (a) above if it is determined in accordance with Section (d) below that the After Tax Amount of the Payments payable to the Executive without such reduction would exceed the After Tax Amount of the reduced Payments payable to him in accordance with Section (a) above. For purposes of the foregoing, (i) the “After Tax Amount” of the Payments, as computed with, and as computed without, the reduction provided for under Section (a) above, shall mean the amount of the Payments, as so computed, that the Executive would retain after payment of all taxes (including without limitation any federal, state or local income taxes, the Excise Tax or any other excise taxes, any medicare or other employment taxes, and any other taxes) imposed on such Payments in the year or years in which payable; and (ii) the amount of such taxes shall be computed at the rates in effect under the applicable tax laws in the year in which the 280G Change in Control occurs, or if then ascertainable, the rates in effect in any later year in which any Payment is expected to be paid following the 280G Change in Control, and in the case of any income taxes, by using the maximum combined federal, state and (if applicable) local income tax rates then in effect under such laws.

(c) Any reduction in the Executive’s Payments required to be made pursuant to Section (a) above (the “Required Reduction”) shall be made as follows: *first*, any Payments that became fully vested prior to the 280G Change in Control and that pursuant to paragraph (b) of Treas. Reg. §1.280G-1, Q/A 24 are treated as Payments solely by reason of the acceleration of their originally scheduled dates of payment shall be reduced, by cancellation of the acceleration of their dates of payment; *second*, any severance payments or benefits, performance-based cash or performance-based equity incentive awards, or other Payments, in all cases the full amounts of which are treated as contingent on the 280G Change in Control pursuant to paragraph (a) of Treas. Reg. §1.280G-1, Q/A 24, shall be reduced; and *third*, any cash or equity incentive awards, or nonqualified deferred compensation amounts, that vest solely based on the Executive’s continued service with the



Company, and that pursuant to paragraph (c) of Treas. Reg. §1.280G-1, Q/A 24 are treated as contingent on the 280G Change in Control because they become vested as a result of the 280G Change in Control, shall be reduced, first by cancellation of any acceleration of their originally scheduled dates of payment (if payment with respect to such items is not treated as automatically occurring upon the vesting of such items for purposes of Section 280G) and then, if necessary, by canceling the acceleration of their vesting. In each case, the amounts of the Payments shall be reduced in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced only to the extent necessary to achieve the Required Reduction.

(d) A determination as to whether any Excise Tax is payable with respect to the Executive's Payments and if so, as to the amount thereof, and a determination as to whether any reduction in the Executive's Payments is required pursuant to the provisions of Sections (a) and (b) above, and if so, as to the amount of the reduction so required, shall be made by no later than 15 days prior to the closing of the transaction or the occurrence of the event that constitutes the 280G Change in Control, or as soon thereafter as administratively practicable. Such determinations, and the assumptions to be utilized in arriving at such determinations, shall be made by an independent auditor (the "Auditor") jointly selected by the Executive and the Company, all of whose fees and expenses shall be borne and directly paid solely by the Company. The Auditor shall be a nationally recognized public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any of its Affiliates or for any entity effecting the 280G Change in Control. If the Executive and the Company cannot agree on the firm to serve as Auditor, then the Executive and the Company shall each select one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. The Auditor shall provide a written report of its determinations, including detailed supporting calculations, both to the Executive and to the Company. If the Auditor determines that no Excise Tax is payable with respect to the Executive's Payments, either as a result of any Required Reduction the Auditor has determined should be made thereto or because the Auditor has determined that no Required Reduction must be made thereto, the written report which the auditor furnishes to the Executive and to the Company pursuant to the preceding sentence shall be accompanied by an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to the Executive's Payments. Except as otherwise provided in Section (e) or Section (f) below, the determinations made by the Auditor pursuant to this Section (d) shall be binding upon the Executive and the Company.

(e) If, notwithstanding (1) any determination made pursuant to Section (d) above that a reduction in the Executive's Payments is not required pursuant to Section (a) above or (2) any reduction in the Executive's Payments made pursuant to Section (a) above, the IRS subsequently asserts that the Executive is liable for Excise Tax with respect to such Payments, the Payments then remaining to be paid or provided to Executive shall be reduced as provided in Sections (a) and (b) above or shall be further reduced as provided in Section (a) above, and (if still necessary after such reduction or further reduction) any Payments already made to Executive shall be repaid to the Company, to the extent necessary to eliminate the Excise Tax asserted by the IRS to be payable by the Executive. Any such reduction or further reduction or repayment (i) shall be made only if the IRS agrees that such reduction or further reduction or repayment will be effective to avoid the

imposition of any Excise Tax with respect to the Executive's Payments as so reduced or repaid and agrees not to impose such Excise Tax against the Executive if such reduction or further reduction or repayment is made, and (ii) shall be made in the manner described in Section (c) above,

(f) Notwithstanding anything to the contrary in the foregoing provisions of this Exhibit E, if (i) the Executive's Payments have been reduced pursuant to Section (a) above and the IRS nevertheless subsequently determines that Excise Tax is payable with respect to the Executive's Payments, and (ii) if the After Tax Amount of the Payments payable to the Executive, determined without any further reduction or repayment as provided in Section (e) above, and without any initial reduction as provided in Section (a) above, would exceed the After Tax Amount of the Payments payable to him as reduced in accordance with Section (a), then (A) no such further reduction or repayment shall be made with respect to the Executive's Payments pursuant to Section (e) above, and (B) the Company shall pay to Executive an amount equal to the reduction in the Executive's Payments that was initially made pursuant to Section (a). Such amount shall be paid to the Executive in a cash lump sum by no later than the 15th day of the third month following the close of the calendar year in which the IRS makes its final determination that Excise Tax is due with respect to the Executive's Payments, provided that by such day the Executive has paid the Excise Tax so determined to be due.

(g) For purposes of the foregoing, the following terms shall have the following respective meanings:

(i) "280G Change in Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 280G(b)(2) of the Code and the regulations issued thereunder.

(ii) "Payment" shall mean any payment or benefit in the nature of compensation that is to be paid or provided to the Executive or for his benefit in connection with a 280G Change in Control, to the extent that such payment or benefit is "contingent" on the 280G Change in Control within the meaning of Section 280G (b) (2) (A) (i) of the Code and the regulations issued thereunder.

(iii) "Excise Tax Threshold Amount" shall mean an amount equal to (x) three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations issued thereunder, less (y) \$1,000.



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SEPARATION PAY AGREEMENT

THIS SEPARATION PAY AGREEMENT (“Agreement”), dated as of November 6, 2012 (the “Effective Date”) is made by and between WRIGHT MEDICAL TECHNOLOGY, INC., a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002 (the “Company”), and William L. Griffin, Jr. (the “Executive”).

WHEREAS, the Company or its Affiliate (collectively referred to as the “Company”) employs the Executive as Senior Vice President, Global Operations and recognizes the Executive as performing key functions for the success of the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company to institute formalized separation arrangements for certain executives of the Company, including Executive, in the event of a separation of employment; and

WHEREAS, the Executive desires to enter into this Agreement with Company;

NOW, THEREFORE, based on the foregoing, and for and in consideration of the mutual covenants contained in this Agreement, the Company and the Executive hereby agree as follows:

1. Definitions. For the purposes of this Agreement, the following capitalized terms have the meanings set forth below:

1.1. “Affiliate” has the meaning set forth in Rule 12b-2 promulgated under the Securities Exchange Act of 1934.

1.2. “Board” means the board of directors of the Company.

1.3. “Cause” means:

1.3.1. (i) the willful failure by the Executive to substantially perform the Executive’s duties with the Company (other than any such failure resulting from the Executive’s incapacity due to physical or mental illness), as determined by the Board in its sole discretion, which failure amounts to an intentional and extended neglect of the Executive’s duties; (ii) the determination in the sole discretion of the Board that the Executive has engaged or is about to engage in conduct materially injurious to the Company; (iii) the determination by the Board that the Executive has engaged in or is about to engage in conduct that is materially inconsistent with the Company’s legal and healthcare compliance policies, programs or obligations; (iv) Executive’s bar from participation in programs administered by the United States Department of Health and Human Services or the United States Food

and Drug Administration or any succeeding agencies; (v) the Executive's conviction of or entering of a guilty or no contest plea to a felony charge (or equivalent thereof) in any jurisdiction; and/or

(vi) the Executive's participation in activities proscribed in Sections 12.1, 12.3, and 12.4 or the material breach by Executive of any other material covenants contained herein. For the purposes of clause (i) of this definition, no act, or failure to act, on the Executive's part shall be deemed to be "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interests of the Company.

1.3.2. Notwithstanding the foregoing, the Executive shall not be deemed terminated for Cause for the reasons in clauses (i) or (ii) of Section 1.3.1 unless and until the Executive shall have been provided with reasonable notice of and, if possible, a reasonable opportunity to cure the facts and circumstances claimed to provide a basis for termination of the Executive's employment for Cause..

1.4. "Change in Control" shall be deemed to have occurred on or immediately before the effective date on which any of the following occurs with regard to Company:

1.4.1. The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (for purposes of this Section 1.4, a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of common stock of the Company, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection 1.4.1, the following acquisitions shall not constitute a Change of Control: (w) any acquisition pursuant to an initial public offering of shares of common stock of the Company pursuant to a registration statement declared effective under the Securities Act of 1933, as amended; (x) any acquisition by the Company or any "affiliate" of the Company, within the meaning of 17 C.F.R. § 230.405 (an "Affiliate"); (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate; or (z) any acquisition by any corporation or business entity pursuant to a transaction which complies with clauses (A), (B), and (C) of Section 1.4.2 of this definition (persons and entities described in clauses (w), (x), (y) and (z) being referred to herein as "Permitted Holders");

1.4.2. The consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more

than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Permitted Holder referred to in clause (w), (x) or (y) of Section 1.4.1) beneficially owns, directly or indirectly, 50% or more (on a fully diluted basis) of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the incumbent Board at the time of the execution of the initial agreement providing for such Business Combination;

1.4.3. the approval by the shareholders of the Company of a complete liquidation or dissolution of the Company;

1.4.4. the sale of at least 80% of the assets of the Company; or

1.4.5 the individuals who on the date of this Agreement constitute the Board thereafter cease to constitute at least a majority thereof; provided, however, that any person becoming a member of the Board subsequent to the date of this Agreement and whose election or nomination was approved by a vote of at least two-thirds of the directors who then comprised the Board immediately prior to such vote shall be considered a member of the Board on the date of this Agreement.

1.5. “**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated there under, as in effect from time to time.

1.6. “**Compensation Committee**” means the compensation committee of the Board.

1.7. “**Competitive Business**” means the development, manufacturing, supplying, producing, selling, distributing, marketing or providing for sale of any product, device, instrument or intellectual property, created, developed, manufactured or sold by the Company or any of its Affiliates or subsidiaries and which

is material to the business of the Company, Affiliate or subsidiary, in each case as of the Executive's Date of Termination.

1.8. "Disability" means the Executive's inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities for a period of 90 consecutive days as determined by a medical doctor selected by Executive and the Company. If the parties cannot agree on a medical doctor, each party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

1.9. "Good Reason" means:

1.9.1. The occurrence of any of the following without the prior written consent of the Executive, unless such act or failure to act is corrected by the Company prior to the Date of Termination specified in the Notice of Termination (as discussed in Section 3.2.3 hereof):

1.9.1.1. The assignment to the Executive of any duties materially inconsistent with the range of duties and responsibilities appropriate to a senior Executive within the Company, such range to be determined by reference to past, current, and reasonable practices within the Company;

1.9.1.2. A material reduction in the Executive's overall standing and responsibilities within the Company, but not including a mere title change or a transfer within the Company which does not singly or together adversely affect the Executive's overall status within the Company, provided however, that no change in reporting relationship resulting from organizational realignment due to the addition of a Chief Operating Officer or Chief Commercial Officer shall be included in this definition of Good Reason;

1.9.1.3. A material reduction (i.e., more than ten percent (10%)) by the Company in the Executive's aggregate annualized compensation target (including bonus opportunity as a percentage of Base Salary) and benefits opportunities, except for an across the board reduction or modification to any benefit plan affecting all executives of the Company;

1.9.1.4. The failure by the Company to pay to the Executive any portion of the Executive's current compensation and benefits, under any plan, program or policy of, or other contract or agreement with, the Company or any of its Affiliates, within thirty (30) days of the date such compensation and/or benefits are due;

1.9.1.5. The failure by the Company to obtain a satisfactory agreement from any successor of the Company requiring such successor to assume and agree to perform the Company's obligations under this Agreement;

1.9.1.6. The failure of the Company to provide indemnification and D&O insurance protection as required in Section 9 of this Agreement;

1.9.1.7. The relocation of the Executive's principal place of employment immediately prior to such move (the "Principal Location") to a location which is more than forty (40) miles from the Principal Location; or

1.9.1.8. The material breach by the Company of any of the other provisions of this Agreement which is not cured following notice and a reasonable period of time to cure such breach.

1.9.2. Notwithstanding any of the foregoing, placing the Executive on a paid leave for up to ninety (90) days pending a determination by the Company of whether there is a basis to terminate the Executive for Cause shall not constitute a Good Reason.

1.9.3. Following a Change in Control and during the CIC Protection Period (as defined in Section 6), the Executive's determination that an act or failure to act constitutes Good Reason shall be presumed to be valid. The Executive's right to terminate the Executive's employment for Good Reason shall not be affected by the Executive's incapacity due to physical or mental illness. The Executive's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder. In all events, if the Executive fails to deliver Notice of Termination with respect to a termination of his employment for Good Reason within ninety (90) days after the Executive becomes aware of the event giving rise to such right to terminate, he shall be deemed to waive his right to terminate for Good Reason with respect to such event.

1.10. "Involuntary Termination" means (a) a termination of employment by the Company other than for Cause, death or Disability, or (b) the Executive's resignation of employment for Good Reason.

1.11. "Incentive Compensation Awards" means awards granted under the Incentive Compensation Plan(s) providing the Executive with the opportunity to earn, on a year-by-year or multi-year basis, annual and long term compensation.

1.12. "Incentive Compensation Plans" means incentive compensation plans and long term compensation plans of the Company which may include plans offering stock options, restricted stocks, and other forms of long term compensation.

1.13. "Person," unless otherwise defined, has the meaning set forth in Section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that the term shall not include (i) the Company or any of its Affiliates; (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates; (iii) an underwriter temporarily holding securities



pursuant to an offering of such securities; (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the stock in the Company or (v) a person or group as used in Rule 13d-1(b) promulgated under the Exchange Act.

2. Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any provision of this Agreement is likely to be interpreted as a personal loan prohibited by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder (the “Act”), then such provision shall be modified as necessary or appropriate so as to not violate the Act; and if this cannot be accomplished, then the Company shall use its best efforts to provide the Executive with similar, but lawful, substitute benefit(s) at a cost to the Company not to significantly exceed the amount the Company would have otherwise paid to provide such benefit(s) to the Executive. In addition, if the Executive is required to forfeit or to make any repayment of any compensation or benefit(s) to the Company under the Act or any other law, such forfeiture or repayment shall not constitute Good Reason.

3. Notice and Date of Termination

3.1. Notice. Any termination of the Executive’s employment by the Company or by the Executive prior to the Expiration Date shall be communicated by a written notice of termination to the other party (the “Notice of Termination”). Where applicable, the Notice of Termination shall indicate the specific termination provision in this Agreement relied upon for termination of the Executive’s employment under the provision so indicated.

3.2. Date. The date of the Executive’s termination of employment with the Company (“Date of Termination”) shall be determined as follows:

3.2.1. If due to the Company terminating the Executive’s employment, either with or without Cause, the Date of Termination shall be the date specified in the Notice of Termination; if other than Cause, the Date of Termination shall not be less than two (2) weeks from the date such Notice of Termination is given, unless the Company elects to pay the Executive for that period in lieu of notice. Any such payment in lieu of notice would be in addition to any payments provided pursuant to Sections 5 or 6.

3.2.2. If due to death, the Date of Termination is the date of death. If due to Disability, the Date of Termination is the date the party terminating the Executive’s employment for Disability provides written notice of termination due to Disability.

3.2.3. If due to the Executive’s resignation for Good Reason, the Date of Termination shall be determined by the Company, but shall not be less than two (2) weeks nor more than eight (8) weeks from the date Notice of Termination is given.

3.2.4. If due to the Executive’s resignation for reasons other than Good Reason or if Executive gives notice of retirement, the Date of Termination shall be determined by



the Company after the Company receives Notice of Termination or retirement, but shall not be less than two (2) weeks or more than twelve (12) weeks from the date Notice of Termination is given.

3.2.5. Notwithstanding the foregoing, for any compensation that qualifies as non-qualified compensation under Code Section 409A, the Date of Termination shall be the date the Executive experiences a “separation from service” within the meaning of Code Section 409A.

4. Termination from the Board and any Offices Held. Upon termination of the Executive’s employment for any reason, the Executive agrees the Executive’s membership on the Board of the Company, if any, the board of directors of any of the Company’s Affiliates, any committees of the Board, any committees of the board of directors of any of the Company’s Affiliates, and any and all offices held, if applicable, shall be automatically terminated. Executive hereby agrees to cooperate with the Company and execute any documents reasonably required by the Company or competent authorities to effect this provision.

5. Severance Benefits upon Involuntary Termination Prior to Change in Control and After the CIC Protection Period Expires In the event of the Involuntary Termination of the Executive’s employment prior to a Change in Control or after the expiration of the CIC Protection Period (as defined in Section 6), the Company shall, upon the execution of the Release required in Section 12.5, pay to the Executive the following Pre-Change in Control Severance Payment in the following amounts and manner:

5.1. The total severance payment will be equal to the sum of (i) the Executive’s then current annual base salary plus (ii) the Executive’s then current annual target bonus; provided that if the Executive’s annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

5.2. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, and (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this Section 5.2, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive’s

covenants outlined in Section 12. All payments will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine.

5.3. In addition to the Pre-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

5.3.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on performance for the prior incentive period, whether that period is the prior quarter or the prior calendar year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, and (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board. (The amounts specified in clauses (i), (ii), (iii), and (iv) shall be hereinafter referred to as the "Pre-Change in Control Accrued Obligations".)

5.3.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

5.3.3. Welfare Benefits. Subject to Section 10 herein, the Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for a period equal to twelve (12) months, after which the Executive will be responsible for paying the full COBRA costs of benefits.. If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

5.3.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of one (1) year following the Date of Termination.. These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

5.3.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of one (1) year following the Date of Termination, at a level consistent with the benefits provided under the Company's

financial planning program for the Executive as in effect immediately prior to the Date of Termination.

5.3.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

5.3.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 5.3.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6. Severance Benefits upon Involuntary Termination in Connection with and after a Change in Control. Notwithstanding the provisions of Section 5 above, in the event of the Involuntary Termination of the Executive within twelve (12) months following a Change in Control, (the "CIC Protection Period") the Company shall pay to the Executive the following Post-Change in Control Severance Payment in the following amounts and manner:

1. The total severance payment will be equal to two times (2x) the sum of (i) the Executive's then current annual base salary plus (ii) the Executive's then current annual target bonus; provided that if the Executive's annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

6.1.1. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this section 6.1.1, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's covenants outlined in Section 12. All payments

will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine..

6.2. In addition to the Post-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

6.2.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on most recently completed performance period, whether that period is the prior quarter or the prior year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board, and (v) an annual incentive payment at target for the year that includes the Date of Termination, prorated for the portion of the year that Executive was employed by the Company. (The amounts specified in clauses (i), (ii), (iii), (iv), and (v) shall be hereinafter referred to as the "Post-Change in Control Accrued Obligations".)

6.2.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

6.2.3. Welfare Benefits. The Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for 18 months after which the Executive will be responsible for paying the full COBRA costs of benefits. . If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

6.2.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of two (2) years following the Date of Termination. . These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

6.2.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of two (2) years following the Date of Termination, at a level consistent with the benefits provided under the Company's

financial planning program for the Executive as in effect immediately prior to the Date of Termination.

6.2.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

6.2.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 6.2.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to two times (2x) the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6.3. Notwithstanding anything contained herein, if a Change in Control occurs and the Executive's employment with the Company is terminated by reason of Involuntary Termination prior to the Change in Control Date, and if such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change in Control or (ii) otherwise arose in connection with or in anticipation of the Change in Control, then the Executive shall, in lieu of the payments described in Section 5 hereof, be entitled to the Post-Change in Control Severance Payment and the additional benefits described in this Section 6 as if such Involuntary Termination had occurred within twelve (12) months following the Change in Control.

7. Severance Benefits upon Termination by the Company for Cause or by the Executive Other than for Good Reason. If the Executive's employment shall be terminated for Cause or if the Executive terminates employment other than for Good Reason, the Company will have no further obligations to the Executive under this Agreement other than the Pre-Change in Control Accrued Obligations.

8. Severance Benefits upon Termination due to Death or Disability. If the Executive's employment shall terminate by reason of death, the Company shall pay the Executive's estate in the case of death or to the Executive in the case of Disability, the Post-Change in Control Accrued Obligations. Such payments shall be in addition to those rights and benefits to which the Executive's estate or Executive may be entitled under the relevant Company plans or programs.

9. Nonexclusivity of Rights and Indemnification. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit plan, program, policy or practice provided by the Company and for which the Executive may qualify (except with respect to any benefit to which the Executive has waived the Executive's rights in writing), including, without limitation, any and all indemnification arrangements in favor of the Executive (whether

under agreements or under the Company's charter documents or otherwise), and insurance policies covering the Executive, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any other contract or agreement entered into after the Effective Date with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any benefit, plan, policy, practice or program of, or any contract or agreement entered into with, the Company shall be payable in accordance with such benefit, plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement. At all times during the Executive's employment with the Company and thereafter, the Company shall provide the Executive with indemnification and director and officer insurance insuring the Executive against insurable events which occur or have occurred while the Executive was a director or executive officer of the Company, on terms and conditions that are at least as generous as that then provided to any other current or former director or executive officer of the Company or any Affiliate.

10. Full Settlement; Mitigation. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts (including amounts for damages for breach) payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not the Executive obtains other employment.

11. Representations. The Executive hereby represents to the Company that the Executive is legally entitled to enter into this Agreement and to perform the Executive's obligations hereunder, and that the Executive has the full right, power, and authority, subject to no rights of any third parties, to grant to the Company the rights herein.

12. Executive's Covenants. The Executive hereby agrees to the following:

12.1. Confidentiality. The Executive recognizes and acknowledges that the Company's and its predecessor's Confidential Information is a valuable, special, and unique asset of the Company's businesses, access to and knowledge of which are essential to the performance of the Executive's duties. Confidential Information shall include trade secrets and includes information acquired by the Executive in the course and scope of the Executive's job with the Company, including information acquired from third parties, that is (i) not generally known or disseminated outside the Company (such as nonpublic information), (ii) is designated or marked by the Company as "confidential" or reasonably should be considered confidential or proprietary, or (iii) the Company indicates through its policies, procedures or other instructions should not be disclosed to anyone outside the Company. Without limiting the foregoing definitions, some examples of Confidential Information under this Agreement include (a) matters of a technical nature, such as scientific, trade or engineering secrets, "know-how", formulae, secret processes, inventions, and research and development plans or projects regarding existing and prospective customers, and products and services, (b) information about costs, profits, markets, sales, customer lists, customer needs, customer preferences and customer purchasing histories, supplier lists, internal financial data, personnel evaluations, nonpublic information about medical devices or products of the Company (including future plans about them), information

and material provided by third parties in confidence and/or with nondisclosure restrictions, computer access passwords, and internal market studies or surveys, and (c) any other information or matters of a similar nature. The Executive shall not, during or after the Executive's employment by the Company, in whole or in part, disclose such Confidential Information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, nor shall the Executive make use of any such property for the Executive's own purposes or for the benefit of any person, firm, corporation, association or other entity (except the Company) under any circumstances during or after the Executive's employment by the Company; provided, however, that after the Executive's employment by the Company ceases these restrictions shall not apply to such Confidential Information, if any, which are then in the public domain, and provided further that the Executive was not responsible, directly or indirectly, for such Confidential Information entering the public domain without the Company's consent.

12.2. Inventions. The Executive hereby sells, transfers and assigns to the Company or to any person or entity designated by the Company all of the right, title, and interest of the Executive in and to all inventions, ideas, disclosures, and improvements, whether patented or unpatented, and copyrightable material, made or conceived by the Executive, solely or jointly, during the Executive's employment by the Company or any of its predecessors which relate to methods, apparatus, designs, products, processes or devices sold, leased, used or under consideration or development by the Company or any of its predecessors, or which otherwise relate to or pertain to the business, functions or operations of the Company or any of its predecessors, or which arise from the efforts of the Executive during the Executive's employment with the Company or any of its predecessors. The Executive shall, during and after the Executive's employment with the Company, communicate promptly and disclose to the Company, in such form as the Company requests, all information, details, and data pertaining to the aforementioned inventions, ideas, disclosures, and improvements. The Executive shall, during and after the Executive's employment by the Company, execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be necessary by the Company to file and prosecute the patent applications and, as to copyrightable material, to obtain copyright thereof. Any invention relating to the business of the Company and disclosed by the Executive within one (1) year after the Executive's employment with the Company ceases shall be deemed to fall within the provisions of this Section 12.2 unless proved to have been first conceived and made following such termination or expiration.

12.3. Non-Solicitation of Employees. The Executive recognizes that the Executive possesses and will possess confidential information about other employees of the Company and its Affiliates relating to their education, experience, skills, abilities, compensation and benefits, and interpersonal relationships with customer(s) of the Company and its Affiliates. The Executive recognizes that the information the Executive possesses and will possess about these other employees is not generally known, is of substantial value to the Company and its Affiliates in

developing their business and in securing and retaining customers, and has been and will be acquired by the Executive because of the Executive's business position with the Company and its Affiliates. The Executive agrees that at all times during the Executive's employment with the Company and for a period of twelve (12) months thereafter, the Executive will not, directly or indirectly, solicit or recruit any employee of the Company or its Affiliates for the purpose of being employed by the Executive or by any competitor of the Company or its Affiliates on whose behalf the Executive is acting as an agent, representative or employee and that the Executive will not convey such confidential information or trade secrets about other employees of the Company and its Affiliates to any other Person; provided, however, that it shall not constitute a solicitation or recruitment of employment in violation of this paragraph to discuss employment opportunities with any employee of the Company or its Affiliates if Executive has first discussed with and received the written approval of the Company's Vice President, Human Resources (or, if such position is vacant, the Company's then Chief Executive Officer), prior to making such discussions, solicitation or recruitment. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such solicitation or recruitment in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.4. Non-Interference and Non-Competition. During the Executive's employment by the Company and its Affiliates and for a period of twelve (12) months after such employment ceases, the Executive shall not, directly or indirectly (whether as an officer, director, owner, employee, partner or other participant), engage in any Competitive Business. During this period, the Executive shall not solicit or entice any agent, supplier, consultant, distributor, contractor, lessors or lessees of the Company or its Affiliates to make any changes whatsoever in their current relationships with the Company or its Affiliates, and will not assist any other Person or entity to interfere with or dispute such relationship. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such interference or competitive actions in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.5. Release. The Executive agrees that if the Executive's employment is terminated by the Company for any reason other than Cause, Disability or death, the Executive will execute a release of all claims substantially in the form attached hereto as Exhibit A within forty-five (45) days after the applicable Date of Termination. In the event that the Executive is covered under the Age Discrimination in Employment Act ("ADEA"), the Executive also agrees to execute the ADEA Release

of all ADEA claims substantially in the form attached hereto as Exhibit B within forty-five (45) days after the applicable Date of Termination. These two documents are collectively referred to in this Agreement as the “Release.”

The Executive recognizes and agrees that, notwithstanding any other Section to the contrary, the Release must be executed and not revoked within the time provided prior to the commencement of any post employment payments of any kind under this Agreement other than the Accrued Obligations set forth in Section 5.3.1.

12.6. Cooperation with Legal Matters. Executive agrees to cooperate with the Company and its designated attorneys, representatives, and agents in connection with any actual or threatened judicial, administrative or other legal or equitable proceeding in which the Company is or may become involved. Upon reasonable notice, Executive agrees to meet with and provide to the Company or its designated attorneys, representatives or agents all information and knowledge Executive may have relating to the subject matter of any such proceeding. The Company agrees to reimburse Executive for any reasonable costs incurred by Executive in providing such cooperation.

13. Specific Remedies for Executive Breach of the Covenants as outlined in Section 12. Without limiting the rights and remedies available to the Company, in the event of any breach by the Executive of the covenants set forth in Section 12 above, the following actions may be taken by the Company:

13.1. If the Company believes a breach has occurred, it will deliver to the Executive a summary of the breach and a demand for explanation or agreement that such breach has occurred; the Executive shall have ten (10) business days to respond in writing to this demand, whereupon the Company will make a decision as to whether the breach has, in fact, occurred; if it is determined such a breach has occurred, then

13.2. the Company’s obligation to make any payment or provide any benefits to the Executive under Sections 5, 6, 7 or 8 of this Agreement shall cease immediately and permanently, which shall not have any impact whatsoever on the Executive’s continuing obligations under Sections 12.3 and 12.4; and

13.3. the Executive shall repay to the Company, within ten (10) days after the Executive receives written demand therefore, an amount equal to ninety percent (90%) of the payments and benefits previously received by the Executive under this Agreement, plus interest on such amount at an annual rate equal to the lesser of ten percent (10%) or the maximum non-usurious rate under applicable law, from the dates on which such payments and benefits were received to the date of repayment to the Company.

13.4. It is the desire and intent of the parties that the provisions of this Section 13 be enforced to the fullest extent permissible under the applicable laws in each jurisdiction in which enforcement is sought. Accordingly, if any portion of this Section 13 is adjudicated to be invalid or unenforceable, this Section 13 shall be deemed curtailed, whether as to time or location, to the minimum extent required for its validity under applicable law and shall be binding and enforceable with respect to the Executive as so curtailed, such curtailment to apply only with respect to the operation of this Section 13 in the jurisdiction in which such adjudication is made. If a court in any jurisdiction, in adjudicating the validity of this Section 13, imposes any additional terms or restrictions with respect to this Section 13, this Section 13 shall be deemed amended to incorporate such additional terms or restrictions.

13.5. Executive agrees and acknowledges that Executive has received good and adequate consideration for the covenants set forth in Sections 12 and 13 in the form of employment, compensation, and benefits separate and independent of any payments or potential payments in this Agreement.

14. Potential Impact of Accounting Restatements on Certain Bonuses and Profits.

14.1. If the Company is required to prepare an accounting restatement of the Company's consolidated balance sheet or statement of operations affecting any reporting period that transpires during the term of employment ("the Term") due to the material noncompliance of the Company with any financial requirements under the Federal securities laws and if such material non-compliance is a direct result of the Executive's knowing, intentional, fraudulent or illegal conduct, then the Board can require the Executive to reimburse the Company for (i) any bonus or other incentive-based or equity-based compensation received by the Executive from the Company during the Term and (ii) any profits realized from the sale of securities of the issuer by the Executive during the Term.

14.2. In making the determination whether to seek reimbursement from Executive and in making the determination of what portion of Executive's compensation and/or profits should be returned to the Company, the Board will seek to achieve a result that is fair to the Executive and the Company and, in that connection, the Board will consider whether any bonus, incentive payment, equity award or other compensation has been awarded or received by the Executive during the Term, whether the Executive realized any profits from the sale of securities during the Term, whether and the extent to which such compensation and/or profits were based on financial results and operating metrics that were satisfied as a result of Executive's knowing, intentional, fraudulent or illegal conduct, and what the Executive's compensation and/or profits would have been in the absence of the reporting issue. The Board has the sole discretion in determining whether Executive's conduct has or has not met the standard for such forfeiture and the amount of the forfeiture.

14.3. If the Board of Directors determines that forfeiture is appropriate as set forth in Section 14.1, such amounts shall be withheld from any future amounts owed to the Executive as

compensation. The Company may also commence legal action to collect such sums as the Board determines is owed to the Company.

14.4. The parties agree that this Section will be amended as necessary to comply with any new rules or regulations issued by the Securities Exchange Commission during the Term which are or become mandatorily applicable to this Agreement.

15. Successors.

15.1. Assignment by the Executive. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

15.2. Successors and Assigns of the Company. This Agreement shall inure to the benefit of and be binding upon the Company, its successors, and assigns. The Company may not assign this Agreement to any person or entity (except for a successor described in Section 16.3 below) without the Executive's written consent.

15.3. Assumption. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it as if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise.

16. Administration Prior to Change in Control. Prior to a Change in Control, the Compensation Committee shall have full and complete authority to construe and interpret the provisions of this Agreement, to determine an individual's entitlement to benefits under this Agreement, to make in its sole and absolute discretion all determinations contemplated under this Agreement, to investigate and make factual determinations necessary or advisable to administer or implement this Agreement. All determinations made under this Agreement by the Compensation Committee shall be final and binding on all interested persons. Prior to a Change in Control, the Compensation Committee may delegate responsibilities for the operation and administration of this Agreement to one or more officers or employees of the Company. The provisions of this Section 16 shall terminate and be of no further force and effect upon the occurrence of a Change in Control.

17. Miscellaneous.

17.1. Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of Tennessee without regard to conflicts-of-laws

principles that would require the application of any other law. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

17.2. Selection of Venue. Any action to enforce the terms of this Agreement shall be brought in the state or federal courts located in Shelby County, Tennessee and both parties agree to submit to and not contest such jurisdiction and venue in such courts.

17.3. Amendment. This Agreement may not be amended, modified, repealed, waived, extended or discharged except by an agreement in writing executed by all parties. No person, other than pursuant to a resolution of the Board or the Compensation Committee, shall have authority on behalf of the Company to agree to amend, modify, repeal, waive, extend or discharge any provision of this Agreement or anything in reference thereto.

17.4. Insurance. The Company may, at its election and for its benefit, insure the Executive against accidental loss or death, and the Executive shall submit to such physical examination and supply such information to the insurance company as may be required in connection therewith; provided, however, that no specific information concerning the Executive's physical examination will be provided to the Company or made available to the Company by the insurance company.

17.5. Waiver of Breach. A waiver by the Company or the Executive of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the other party.

17.6. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17.7. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by personal delivery, by a nationally recognized overnight courier (provided a written acknowledgement of receipt is obtained) or by certified or express mail to the Executive at his home address or to the Company at Wright Medical Technology, Inc., Attention: General Counsel, 5677 Airline Road, Arlington, Tennessee 38002, or to such other address as either party shall notify the other. Notices and communications shall be effective when actually received by the addressee.

17.8. Taxes.

17.8.1. General. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

17.8.2. Code Section 409A.





17.8.2.1. Notwithstanding anything else to the contrary herein, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Code Section 409A or in compliance therewith, as applicable. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Code Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Code Section 409A). In addition, to the extent that any regulations or guidance issued under Code Section 409A (after application of the previous provision of this paragraph) would result in the Executive being subject to the payment of interest or any additional tax under Code Section 409A, the Company and the Executive agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Code Section 409A, which amendment shall have the least possible economic effect on the Executive as reasonably determined in good faith by the Company and the Executive; provided however, that the Company and the Executive shall not be required to substitute a cash payment for any non-cash benefit herein.

17.8.2.2. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment, unless such termination is also a “separation from service” within the meaning of Code Section 409A and the payment thereof prior to a “separation from service” would violate Code Section 409A. For purposes of any such provision of this Agreement relating to any such payments or benefits, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.”

17.8.2.3. For purposes of Code Section 409A, the Executive’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company, as the case may be.

17.8.2.4. With respect to any payment constituting nonqualified deferred compensation subject to Code Section 409A: (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company’s policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.

17.8.2.5. If the Executive is deemed on the Date of Termination to be a “specified employee” within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit shall be made or provided on the first business day following the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such “separation from service” of the Executive, and (B) the date of the Executive’s death (the “Delay Period”). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

17.8.3. Section 280G. The provisions set forth in Exhibit C hereto are hereby incorporated into this Agreement by this reference, and the Executive shall be entitled to the benefit of those provisions. This Section 17.8.3 and the provisions set forth in Exhibit C hereto shall be expressly assumed by any successor to the Company.

17.9 Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter referred to herein and supersedes any and all prior negotiations, understandings, arrangements, letters of intent, and agreements, whether written or oral, between the Executive and the Company and its Affiliates, or any of its or their directors, officers, employees or representatives with respect thereto. This Agreement shall be effective and binding on the parties as of the date it is executed. In the event of any conflict between any provisions of this Agreement (including its Exhibits) and the provisions of any plan, program or policy of the Company or any of its Affiliates, the Agreement and its Exhibits shall govern.

17.10 Survivability. Except as otherwise expressly set forth in this Agreement, upon the termination or the expiration of the Term, the respective rights of the parties shall survive such termination or expiration to the extent necessary to carry out the intentions of the parties hereto. The Agreement shall continue in effect until there are no further rights or obligations of the parties hereto outstanding hereunder and shall not be terminated by any party without the express written consent of all parties.

17.11 No Right of Employment. Nothing in this Agreement shall be construed as giving the Executive any right to be retained in the employ of the Company or shall interfere in any way with the right of the Company to terminate the Executive’s employment at any time, with or without Cause.

17.12 Unfunded Obligation. The obligations under this Agreement shall be unfunded. Benefits payable under this Agreement shall be paid from the general assets of the Company. The Company shall have no obligation to establish any fund or to set aside any assets to provide benefits under this Agreement.

17.13 Attorneys' Fees. In any legal action by the Company to enforce the covenants set forth in Section 12 of this Agreement and in any other legal action by either party prior to a Change in Control to enforce any term of this Agreement, the prevailing party shall be entitled to recover all reasonable attorney's fees and litigation costs. Following a Change in Control, should either party file any action to enforce any term of this Agreement other than an action by the Company to enforce the covenants of Section 12 of this Agreement, the Company shall pay all reasonable attorney's fees and litigation costs incurred by Executive. Following a Change in Control, the payment of fees and litigation costs will be made on a quarterly basis following the commencement of the action upon presentation of fee statements from legal counsel of the Executive without regard to which party may ultimately be the prevailing party.

17.14 Execution. This Agreement and its Exhibits may be executed in several counterparts each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement and its Exhibits may be executed by signatures delivered by facsimile or in pdf or other electronic format, which shall be deemed to be an original.

18. Term. The term of this Agreement shall commence from the Effective Date and shall continue until the close of business of the day preceding the third (3rd) anniversary of the Effective Date; provided, however, that commencing on the second (2nd) anniversary of the Effective Date (and each anniversary of the Effective Date thereafter), the term of this Agreement shall automatically be extended for one (1) additional year, unless at least ninety (90) days prior to such date, the Company or the Executive shall give written notice to the other party that it or he, as the case may be, does not wish to so extend this Agreement. Notwithstanding the foregoing, if the Company gives such written notice to the Executive less than one (1) year after a Change in Control, the term of this Agreement shall be automatically extended until the later of (a) the date that is one (1) year after the anniversary of the Effective Date that follows such written notice or (b) the second (2nd) anniversary of the Change in Control Date.

[SIGNATURE PAGE AND EXHIBITS TO FOLLOW]



Wright Medical Technology, Inc.

Separation Pay Agreement

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IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

AGREED AND ACCEPTED

WRIGHT MEDICAL TECHNOLOGY, INC.

EXECUTIVE

By: /s/ Robert J. Palmisano

Robert J. Palmisano, President and Chief

Executive Officer

/s/ William L. Griffin, Jr.

William L. Griffin, Jr.



EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement (this “Agreement”), is made and entered into this __ day of _____, _____, by and between Wright Medical Technology, Inc. (the “Company ”), a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002, and William L. Griffin, Jr. (the “Executive”).

The Executive, on behalf of the Executive and the Executive’s heirs, executors, administrators, successors and assigns, whether herein named or referred to or not, does hereby release, discharge, and acquit and by these presents does hereby release, acquit, and forever discharge the Company, its parent(s), successors and assigns, their agents, servants, and employees, its subsidiaries, divisions, subdivisions, and affiliates (collectively, the “Company”), of and from any and all past, present, and future claims, counterclaims, demands, actions, causes of action, liabilities, damages, costs, loss of services, expenses, compensation, third-party actions, suits at law or in equity, of every nature and description, whether known or unknown, suspected or unsuspected, foreseen, or unforeseen, real or imaginary, actual or potential, and whether arising at law or in equity, under the common law, state or federal law, or any other law, or otherwise, arising out of or relating to the Executive’s employment with the Company or the termination thereof, hereinafter collectively referred to as claims. It is the intention of the parties hereto to affect a full and final general release of all such claims. It is expressly understood and agreed that this release and agreement is intended to cover, and does cover, not only all now known injuries, losses, and damages, but any future injuries, losses, and damages not now known or anticipated, but which may later develop or be discovered, including all the effects and consequences thereof. The Executive is not releasing and “claims” shall not include any rights or claims the Executive has (1) pursuant to the Employment Agreement between the Company and the Executive, any equity award granted to the Executive by the Company or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company’s corporate documents or be covered under any applicable directors’ and officers’ liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any claims which arise after the date this Release is executed by the Executive.

The Executive does hereby declare that the Executive does understand, covenant, and agree that the Executive will not make any claims or demands, or file any legal proceedings against the Company or join the Company as a party with respect to any claims released by the Executive herein nor shall the Executive proceed against any other party, person, firm, or corporation on the claims released above except as is necessary to enforce the terms and conditions of this Release and the Employment Agreement between the Executive and the Company. The Executive further declares that he is voluntarily forfeiting any right to recover or receive compensation in any form resulting



from a legal action or demand against the Company by any other person or persons with respect to the claims released by the Executive herein.

THE FILING OF ANY CLAIM, DEMAND OR ANY AND ALL OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE AGAINST THE COMPANY WITH RESPECT TO CLAIMS RELEASED BY THE EXECUTIVE HEREIN SHALL BE DEEMED TO BE A MATERIAL BREACH OF THE TERMS OF THIS AGREEMENT. SUCH BREACH SHALL IMMEDIATELY TERMINATE COMPANY'S DUTY TO PAY ANY FURTHER SUMS TO EXECUTIVE. ADDITIONALLY, EXECUTIVE SHALL INDEMNIFY AND HOLD HARMLESS THE COMPANY FROM ANY AND ALL JUDGMENTS, COSTS, EXPENSES, OR ATTORNEY FEES WHATSOEVER ARISING ON ACCOUNT OF THE FILING OF ANY SUCH CLAIM, DEMAND, OR OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE WITHIN RESPECT TO THE CLAIMS HE HAS RELEASED HEREIN.

It is further understood and agreed that the Company will pay and the Executive is accepting severance payments and benefits more fully described in the Employment Agreement between the parties in full accord and satisfaction of any obligations, claims, and/or disputes that Executive may have with the Company with respect to the claims released by the Executive herein.

And the parties hereby declare, understand, covenant, and agree that the terms of the Employment Agreement, and the severance payments and benefits stated therein, are the sole consideration for this Release Agreement and that the Executive voluntarily accepts said consideration for the purpose of making a full and final compromise, adjustment, and settlement of all claims for injuries, losses, and damages resulting, or to result, from the claims released by the Executive herein.

It is further understood and agreed that this is the full and complete understanding of the parties, that it is the integrated memorial of their agreement, and that there are no other written or oral understandings, agreements, covenants, promises or arrangements, directly or indirectly connected with this release, that are not incorporated herein. The terms of this release are contractual and are not mere recitals.

Notwithstanding the foregoing, nothing in this Release shall release any party from obligations resulting from the Employment Agreement nor prohibit any party from seeking the enforcement of the Employment Agreement.



Wright Medical Technology, Inc.

Separation Pay Agreement

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IN WITNESS WHEREOF, the parties executed this Release as of the date set forth above.

AGREED AND ACCEPTED

EXECUTIVE

William L. Griffin, Jr.





EXHIBIT B

ADEA RELEASE

In further consideration for the payment of severance payments and benefits provided under the Separation Pay Agreement between (i) William L. Griffin, Jr. (hereinafter referred to as "Executive") and (ii) Wright Medical Group, Inc.. (hereafter referred to as "Company"), Executive, for himself and Executive's heirs, executors, administrators, and assigns, hereby unconditionally releases and forever discharges the Company and each of the Company's stockholders, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, subsidiaries, affiliates, and all persons acting by, through, under, or in concert with any of them from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected arising out of or relating to his employment with the Company or his termination of such employment, including, but not limited to, rights under the Age Discrimination in Employment Act of 1967, as amended from time to time, and other federal, state, or local laws prohibiting discrimination, any claims the employee may have with regard to Executive's hiring, employment, and termination of employment, and any claims growing out of any legal restrictions on the Company's right to terminate its employees ("Claim" or Claims"), which Executive now has, owns or holds, or claims to have owned or held, or which Executive at any time hereinafter may have owned or held or claimed to have owned or held against the Company. Executive is not releasing and "claims" shall not include any rights or claims Executive has (1) pursuant to the Employment Agreement among Executive and the Company, any equity award granted to Executive by the Company, or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or to be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any Claims which arise after the date this Release is executed by Executive.

To comply with the Older Workers Benefit Protection Act of 1990, as amended from time to time, this Release has advised Executive of the legal requirements of this Act and fully incorporates the legal requirements by reference into this Agreement as follows:

- a. This Agreement is written in layman's terms, and Executive understands and comprehends its terms;
- b. Executive has been advised of Executive's rights to consult an attorney to review the Agreement;



- c. Executive does not waive any rights or claims that may arise after the date the Release is executed;
- d. Executive is receiving consideration beyond anything of value to which he already is entitled;
- e. Executive has been given a reasonable period of time to consider this Agreement (45 days).

The Executive enters into this Release with full knowledge of its contents and enters into this Release voluntarily.

AGREED AND ACCEPTED

EXECUTIVE:

I acknowledge that I fully understand and agree that this Release may be pleaded by Wright Medical Technology, Inc. or any of its Affiliates as a complete defense to any claim released by me herein which hereafter may be asserted by me or a claim released by me herein against Wright Medical Technology, Inc. for or on account of any matter or thing whatsoever arising out of the employment relationship or my termination from active employment for which I have released such claims herein.

William L. Griffin, Jr.

NOTE: EXECUTIVE IS HEREBY ADVISED OF HIS OR HER RIGHT TO RESCIND AND NULLIFY THIS AGREEMENT, WHICH RIGHT MUST BE EXERCISED, IF AT ALL, WITHIN SEVEN (7) DAYS OF THE DATE OF EXECUTIVE'S SIGNATURE. EXECUTIVE MUST REVOKE RELEASE BY LETTER TO WRIGHT MEDICAL TECHNOLOGY, INC., ATTENTION: GENERAL COUNSEL, 5677 AIRLINE ROAD, ARLINGTON, TN 38002, WITHIN SEVEN (7) DAYS. NO CONSIDERATION SHALL BE CONVEYED UNTIL SUCH TIME PERIOD HAS EXPIRED.



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EXHIBIT C

MODIFIED 280G CUTBACK

Notwithstanding anything to the contrary in this Agreement, in any other agreement between or among the Executive, and the Company or in any plan maintained by the Company or any Affiliate, if there is a 280G Change in Control (as defined in Section (g)(i) below), the following rules shall apply:

(a) Except as otherwise provided in Section (b) below, if it is determined in accordance with Section (d) below that any portion of the Payments (as defined in Section (g)(ii) below) that otherwise would be paid or provided to the Executive or for his benefit in connection with the 280G Change in Control would be subject to the excise tax imposed under Section 4999 of the Code (“Excise Tax”), then such Payments shall be reduced by the smallest total amount necessary in order for the aggregate present value of all such Payments after such reduction, as determined in accordance with the applicable provisions of Section 280G of the Code and the regulations issued thereunder, not to exceed the Excise Tax Threshold Amount (as defined in Section (g)(iii) below).

(b) No reduction in any of the Executive’s Payments shall be made pursuant to Section (a) above if it is determined in accordance with Section (d) below that the After Tax Amount of the Payments payable to the Executive without such reduction would exceed the After Tax Amount of the reduced Payments payable to him in accordance with Section (a) above. For purposes of the foregoing, (i) the “After Tax Amount” of the Payments, as computed with, and as computed without, the reduction provided for under Section (a) above, shall mean the amount of the Payments, as so computed, that the Executive would retain after payment of all taxes (including without limitation any federal, state or local income taxes, the Excise Tax or any other excise taxes, any medicare or other employment taxes, and any other taxes) imposed on such Payments in the year or years in which payable; and (ii) the amount of such taxes shall be computed at the rates in effect under the applicable tax laws in the year in which the 280G Change in Control occurs, or if then ascertainable, the rates in effect in any later year in which any Payment is expected to be paid following the 280G Change in Control, and in the case of any income taxes, by using the maximum combined federal, state and (if applicable) local income tax rates then in effect under such laws.

(c) Any reduction in the Executive’s Payments required to be made pursuant to Section (a) above (the “Required Reduction”) shall be made as follows: *first*, any Payments that became fully vested prior to the 280G Change in Control and that pursuant to paragraph (b) of Treas. Reg. §1.280G-1, Q/A 24 are treated as Payments solely by reason of the acceleration of their originally scheduled dates of payment shall be reduced, by cancellation of the acceleration of their dates of payment; *second*, any severance payments or benefits, performance-based cash or performance-based equity incentive awards, or other Payments, in all cases the full amounts of which are treated as contingent on the 280G Change in Control pursuant to paragraph (a) of



Treas. Reg. §1.280G-1, Q/A 24, shall be reduced; and *third*, any cash or equity incentive awards, or nonqualified deferred compensation amounts, that vest solely based on the Executive's continued service with the Company, and that pursuant to paragraph (c) of Treas. Reg. §1.280G-1, Q/A 24 are treated as contingent on the 280G Change in Control because they become vested as a result of the 280G Change in Control, shall be reduced, first by cancellation of any acceleration of their originally scheduled dates of payment (if payment with respect to such items is not treated as automatically occurring upon the vesting of such items for purposes of Section 280G) and then, if necessary, by canceling the acceleration of their vesting. In each case, the amounts of the Payments shall be reduced in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced only to the extent necessary to achieve the Required Reduction.

(d) A determination as to whether any Excise Tax is payable with respect to the Executive's Payments and if so, as to the amount thereof, and a determination as to whether any reduction in the Executive's Payments is required pursuant to the provisions of Sections (a) and (b) above, and if so, as to the amount of the reduction so required, shall be made by no later than 15 days prior to the closing of the transaction or the occurrence of the event that constitutes the 280G Change in Control, or as soon thereafter as administratively practicable. Such determinations, and the assumptions to be utilized in arriving at such determinations, shall be made by an independent auditor (the "Auditor") jointly selected by the Executive and the Company, all of whose fees and expenses shall be borne and directly paid solely by the Company. The Auditor shall be a nationally recognized public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any of its Affiliates or for any entity effecting the 280G Change in Control. If the Executive and the Company cannot agree on the firm to serve as Auditor, then the Executive and the Company shall each select one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. The Auditor shall provide a written report of its determinations, including detailed supporting calculations, both to the Executive and to the Company. If the Auditor determines that no Excise Tax is payable with respect to the Executive's Payments, either as a result of any Required Reduction the Auditor has determined should be made thereto or because the Auditor has determined that no Required Reduction must be made thereto, the written report which the auditor furnishes to the Executive and to the Company pursuant to the preceding sentence shall be accompanied by an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to the Executive's Payments. Except as otherwise provided in Section (e) or Section (f) below, the determinations made by the Auditor pursuant to this Section (d) shall be binding upon the Executive and the Company.

(e) If, notwithstanding (1) any determination made pursuant to Section (d) above that a reduction in the Executive's Payments is not required pursuant to Section (a) above or (2) any reduction in the Executive's Payments made pursuant to Section (a) above, the IRS subsequently asserts that the Executive is liable for Excise Tax with respect to such Payments, the Payments then remaining to be paid or provided to Executive shall be reduced as provided in Sections (a) and (b) above or shall be further reduced as provided in Section (a) above, and (if still necessary after such reduction or further reduction) any Payments already made to Executive shall be

repaid to the Company, to the extent necessary to eliminate the Excise Tax asserted by the IRS to be payable by the Executive. Any such reduction or further reduction or repayment (i) shall be made only if the IRS agrees that such reduction or further reduction or repayment will be effective to avoid the imposition of any Excise Tax with respect to the Executive's Payments as so reduced or repaid and agrees not to impose such Excise Tax against the Executive if such reduction or further reduction or repayment is made, and (ii) shall be made in the manner described in Section (c) above,

(f) Notwithstanding anything to the contrary in the foregoing provisions of this Exhibit E, if (i) the Executive's Payments have been reduced pursuant to Section (a) above and the IRS nevertheless subsequently determines that Excise Tax is payable with respect to the Executive's Payments, and (ii) if the After Tax Amount of the Payments payable to the Executive, determined without any further reduction or repayment as provided in Section (e) above, and without any initial reduction as provided in Section (a) above, would exceed the After Tax Amount of the Payments payable to him as reduced in accordance with Section (a), then (A) no such further reduction or repayment shall be made with respect to the Executive's Payments pursuant to Section (e) above, and (B) the Company shall pay to Executive an amount equal to the reduction in the Executive's Payments that was initially made pursuant to Section (a). Such amount shall be paid to the Executive in a cash lump sum by no later than the 15th day of the third month following the close of the calendar year in which the IRS makes its final determination that Excise Tax is due with respect to the Executive's Payments, provided that by such day the Executive has paid the Excise Tax so determined to be due.

(g) For purposes of the foregoing, the following terms shall have the following respective meanings:

(i) "280G Change in Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 280G(b)(2) of the Code and the regulations issued thereunder.

(ii) "Payment" shall mean any payment or benefit in the nature of compensation that is to be paid or provided to the Executive or for his benefit in connection with a 280G Change in Control, to the extent that such payment or benefit is "contingent" on the 280G Change in Control within the meaning of Section 280G (b) (2) (A) (i) of the Code and the regulations issued thereunder.

(iii) "Excise Tax Threshold Amount" shall mean an amount equal to (x) three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations issued thereunder, less (y) \$1,000.



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SEPARATION PAY AGREEMENT

THIS SEPARATION PAY AGREEMENT (“Agreement”), dated as of November 6, 2012 (the “Effective Date”) is made by and between WRIGHT MEDICAL TECHNOLOGY, INC., a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002 (the “Company”), and Eric A. Stookey (the “Executive”).

WHEREAS, the Company or its Affiliate (collectively referred to as the “Company”) employs the Executive as President, Extremities/Biologics and recognizes the Executive as performing key functions for the success of the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company to institute formalized separation arrangements for certain executives of the Company, including Executive, in the event of a separation of employment; and

WHEREAS, the Executive desires to enter into this Agreement with Company;

NOW, THEREFORE, based on the foregoing, and for and in consideration of the mutual covenants contained in this Agreement, the Company and the Executive hereby agree as follows:

1. Definitions. For the purposes of this Agreement, the following capitalized terms have the meanings set forth below:

1.1. “Affiliate” has the meaning set forth in Rule 12b-2 promulgated under the Securities Exchange Act of 1934.

1.2. “Board” means the board of directors of the Company.

1.3. “Cause” means:

1.3.1. (i) the willful failure by the Executive to substantially perform the Executive’s duties with the Company (other than any such failure resulting from the Executive’s incapacity due to physical or mental illness), as determined by the Board in its sole discretion, which failure amounts to an intentional and extended neglect of the Executive’s duties; (ii) the determination in the sole discretion of the Board that the Executive has engaged or is about to engage in conduct materially injurious to the Company; (iii) the determination by the Board that the Executive has engaged in or is about to engage in conduct that is materially inconsistent with the Company’s legal and healthcare compliance policies, programs or obligations; (iv) Executive’s bar from participation in programs administered by the United States Department of Health and Human Services or the United States Food and Drug Administration or any succeeding agencies; (v) the Executive’s conviction



of or entering of a guilty or no contest plea to a felony charge (or equivalent thereof) in any jurisdiction; and/or (vi) the Executive's participation in activities proscribed in Sections 12.1, 12.3, and 12.4 or the material breach by Executive of any other material covenants contained herein. For the purposes of clause (i) of this definition, no act, or failure to act, on the Executive's part shall be deemed to be "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interests of the Company.

1.3.2. Notwithstanding the foregoing, the Executive shall not be deemed terminated for Cause for the reasons in clauses (i) or (ii) of Section 1.3.1 unless and until the Executive shall have been provided with reasonable notice of and, if possible, a reasonable opportunity to cure the facts and circumstances claimed to provide a basis for termination of the Executive's employment for Cause..

1.4. "Change in Control" shall be deemed to have occurred on or immediately before the effective date on which any of the following occurs with regard to Company:

1.4.1. The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (for purposes of this Section 1.4, a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of common stock of the Company, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection 1.4.1, the following acquisitions shall not constitute a Change of Control: (w) any acquisition pursuant to an initial public offering of shares of common stock of the Company pursuant to a registration statement declared effective under the Securities Act of 1933, as amended; (x) any acquisition by the Company or any "affiliate" of the Company, within the meaning of 17 C.F.R. § 230.405 (an "Affiliate"); (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate; or (z) any acquisition by any corporation or business entity pursuant to a transaction which complies with clauses (A), (B), and (C) of Section 1.4.2 of this definition (persons and entities described in clauses (w), (x), (y) and (z) being referred to herein as "Permitted Holders");

1.4.2. The consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively,



of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; (B) no Person (excluding any Permitted Holder referred to in clause (w), (x) or (y) of Section 1.4.1) beneficially owns, directly or indirectly, 50% or more (on a fully diluted basis) of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination; and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the incumbent Board at the time of the execution of the initial agreement providing for such Business Combination;

1.4.3. the approval by the shareholders of the Company of a complete liquidation or dissolution of the Company;

1.4.4. the sale of at least 80% of the assets of the Company; or

1.4.5 the individuals who on the date of this Agreement constitute the Board thereafter cease to constitute at least a majority thereof; provided, however, that any person becoming a member of the Board subsequent to the date of this Agreement and whose election or nomination was approved by a vote of at least two-thirds of the directors who then comprised the Board immediately prior to such vote shall be considered a member of the Board on the date of this Agreement.

1.5. “**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated there under, as in effect from time to time.

1.6. “**Compensation Committee**” means the compensation committee of the Board.

1.7. “**Competitive Business**” means the development, manufacturing, supplying, producing, selling, distributing, marketing or providing for sale of any product, device, instrument or intellectual property, created, developed,



manufactured or sold by the Company or any of its Affiliates or subsidiaries and which is material to the business of the Company, Affiliate or subsidiary, in each case as of the Executive's Date of Termination.

1.8. "Disability" means the Executive's inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities for a period of 90 consecutive days as determined by a medical doctor selected by Executive and the Company. If the parties cannot agree on a medical doctor, each party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

1.9. "Good Reason" means:

1.9.1. The occurrence of any of the following without the prior written consent of the Executive, unless such act or failure to act is corrected by the Company prior to the Date of Termination specified in the Notice of Termination (as discussed in Section 3.2.3 hereof):

1.9.1.1. The assignment to the Executive of any duties materially inconsistent with the range of duties and responsibilities appropriate to a senior Executive within the Company, such range to be determined by reference to past, current, and reasonable practices within the Company;

1.9.1.2. A material reduction in the Executive's overall standing and responsibilities within the Company, but not including a mere title change or a transfer within the Company which does not singly or together adversely affect the Executive's overall status within the Company, provided however, that no change in reporting relationship resulting from organizational realignment due to the addition of a Chief Operating Officer or Chief Commercial Officer shall be included in this definition of Good Reason;

1.9.1.3. A material reduction (i.e., more than ten percent (10%)) by the Company in the Executive's aggregate annualized compensation target (including bonus opportunity as a percentage of Base Salary) and benefits opportunities, except for an across the board reduction or modification to any benefit plan affecting all executives of the Company;

1.9.1.4. The failure by the Company to pay to the Executive any portion of the Executive's current compensation and benefits, under any plan, program or policy of, or other contract or agreement with, the Company or any of its Affiliates, within thirty (30) days of the date such compensation and/or benefits are due;

1.9.1.5. The failure by the Company to obtain a satisfactory agreement from any successor of the Company requiring such successor to assume and agree to perform the Company's obligations under this Agreement;



1.9.1.6. The failure of the Company to provide indemnification and D&O insurance protection as required in Section 9 of this Agreement;

1.9.1.7. The relocation of the Executive's principal place of employment immediately prior to such move (the "Principal Location") to a location which is more than forty (40) miles from the Principal Location; or

1.9.1.8. The material breach by the Company of any of the other provisions of this Agreement which is not cured following notice and a reasonable period of time to cure such breach.

1.9.2. Notwithstanding any of the foregoing, placing the Executive on a paid leave for up to ninety (90) days pending a determination by the Company of whether there is a basis to terminate the Executive for Cause shall not constitute a Good Reason.

1.9.3. Following a Change in Control and during the CIC Protection Period (as defined in Section 6), the Executive's determination that an act or failure to act constitutes Good Reason shall be presumed to be valid. The Executive's right to terminate the Executive's employment for Good Reason shall not be affected by the Executive's incapacity due to physical or mental illness. The Executive's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder. In all events, if the Executive fails to deliver Notice of Termination with respect to a termination of his employment for Good Reason within ninety (90) days after the Executive becomes aware of the event giving rise to such right to terminate, he shall be deemed to waive his right to terminate for Good Reason with respect to such event.

1.10. "Involuntary Termination" means (a) a termination of employment by the Company other than for Cause, death or Disability, or (b) the Executive's resignation of employment for Good Reason.

1.11. "Incentive Compensation Awards" means awards granted under the Incentive Compensation Plan(s) providing the Executive with the opportunity to earn, on a year-by-year or multi-year basis, annual and long term compensation.

1.12. "Incentive Compensation Plans" means incentive compensation plans and long term compensation plans of the Company which may include plans offering stock options, restricted stocks, and other forms of long term compensation.

1.13. "Person," unless otherwise defined, has the meaning set forth in Section 3(a)(9) of the Exchange Act, as modified and used in sections 13(d) and 14(d) thereof, except that the term shall not include (i) the Company or any of its Affiliates; (ii) a trustee or other fiduciary holding securities

under an employee benefit plan of the Company or any of its Affiliates; (iii) an underwriter temporarily holding securities

pursuant to an offering of such securities; (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the stock in the Company or (v) a person or group as used in Rule 13d-1(b) promulgated under the Exchange Act.

2. Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any provision of this Agreement is likely to be interpreted as a personal loan prohibited by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder (the “Act”), then such provision shall be modified as necessary or appropriate so as to not violate the Act; and if this cannot be accomplished, then the Company shall use its best efforts to provide the Executive with similar, but lawful, substitute benefit(s) at a cost to the Company not to significantly exceed the amount the Company would have otherwise paid to provide such benefit(s) to the Executive. In addition, if the Executive is required to forfeit or to make any repayment of any compensation or benefit(s) to the Company under the Act or any other law, such forfeiture or repayment shall not constitute Good Reason.

3. Notice and Date of Termination

3.1. Notice. Any termination of the Executive’s employment by the Company or by the Executive prior to the Expiration Date shall be communicated by a written notice of termination to the other party (the “Notice of Termination”). Where applicable, the Notice of Termination shall indicate the specific termination provision in this Agreement relied upon for termination of the Executive’s employment under the provision so indicated.

3.2. Date. The date of the Executive’s termination of employment with the Company (“Date of Termination”) shall be determined as follows:

3.2.1. If due to the Company terminating the Executive’s employment, either with or without Cause, the Date of Termination shall be the date specified in the Notice of Termination; if other than Cause, the Date of Termination shall not be less than two (2) weeks from the date such Notice of Termination is given, unless the Company elects to pay the Executive for that period in lieu of notice. Any such payment in lieu of notice would be in addition to any payments provided pursuant to Sections 5 or 6.

3.2.2. If due to death, the Date of Termination is the date of death. If due to Disability, the Date of Termination is the date the party terminating the Executive’s employment for Disability provides written notice of termination due to Disability.

3.2.3. If due to the Executive’s resignation for Good Reason, the Date of Termination shall be determined by the Company, but shall not be less than two (2) weeks nor more than eight (8) weeks from the date Notice of Termination is given.

3.2.4. If due to the Executive's resignation for reasons other than Good Reason or if Executive gives notice of retirement, the Date of Termination shall be determined by

the Company after the Company receives Notice of Termination or retirement, but shall not be less than two (2) weeks or more than twelve (12) weeks from the date Notice of Termination is given.

3.2.5. Notwithstanding the foregoing, for any compensation that qualifies as non-qualified compensation under Code Section 409A, the Date of Termination shall be the date the Executive experiences a “separation from service” within the meaning of Code Section 409A.

4. Termination from the Board and any Offices Held. Upon termination of the Executive’s employment for any reason, the Executive agrees the Executive’s membership on the Board of the Company, if any, the board of directors of any of the Company’s Affiliates, any committees of the Board, any committees of the board of directors of any of the Company’s Affiliates, and any and all offices held, if applicable, shall be automatically terminated. Executive hereby agrees to cooperate with the Company and execute any documents reasonably required by the Company or competent authorities to effect this provision.

5. Severance Benefits upon Involuntary Termination Prior to Change in Control and After the CIC Protection Period Expires In the event of the Involuntary Termination of the Executive’s employment prior to a Change in Control or after the expiration of the CIC Protection Period (as defined in Section 6), the Company shall, upon the execution of the Release required in Section 12.5, pay to the Executive the following Pre-Change in Control Severance Payment in the following amounts and manner:

5.1. The total severance payment will be equal to the sum of (i) the Executive’s then current annual base salary plus (ii) the Executive’s then current annual target bonus; provided that if the Executive’s annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

5.2. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, and (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this Section 5.2, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump

sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's

covenants outlined in Section 12. All payments will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine.

5.3. In addition to the Pre-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

5.3.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on performance for the prior incentive period, whether that period is the prior quarter or the prior calendar year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, and (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board. (The amounts specified in clauses (i), (ii), (iii), and (iv) shall be hereinafter referred to as the "Pre-Change in Control Accrued Obligations".)

5.3.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

5.3.3. Welfare Benefits. Subject to Section 10 herein, the Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for a period equal to twelve (12) months, after which the Executive will be responsible for paying the full COBRA costs of benefits.. If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

5.3.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of one (1) year following the Date of Termination.. These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

5.3.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of one (1) year following the Date of Termination, at a level consistent with the benefits provided under the Company's



financial planning program for the Executive as in effect immediately prior to the Date of Termination.

5.3.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

5.3.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 5.3.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6. Severance Benefits upon Involuntary Termination in Connection with and after a Change in Control. Notwithstanding the provisions of Section 5 above, in the event of the Involuntary Termination of the Executive within twelve (12) months following a Change in Control, (the "CIC Protection Period") the Company shall pay to the Executive the following Post-Change in Control Severance Payment in the following amounts and manner:

1. The total severance payment will be equal to two times (2x) the sum of (i) the Executive's then current annual base salary plus (ii) the Executive's then current annual target bonus; provided that if the Executive's annual base salary or target bonus has been reduced during the sixty (60) day period prior to the Date of Termination, then for purposes of severance payment calculation the higher figure will be used.

6.1.1. The payment will be made as follows: (i) half in a lump sum payable at or within a reasonable period of time after the Date of Termination and subject to receipt of an executed Release that has not been revoked, (ii) the remaining half in equal consecutive monthly installments starting six (6) months after the Date of Termination with a final installment of all remaining amounts to be paid on March 15 of the calendar year following the year in which the Date of Termination occurred. The final installment will be equal to the total payment reduced by all the amounts previously paid (i.e., the lump sum payment and the sum of all the installment payments previously paid). Notwithstanding the provisions of clause (ii) to the contrary, if the six month period would cause the installments to begin to be paid after the March 15 date described in the first sentence of this section 6.1.1, then no installments will be paid, and the second payment will be a lump sum equal to half the total payment and that payment will be paid on or before March 15 of the calendar year following the year in which the Date of Termination occurred. The installment payments (or the second lump sum payment, if applicable) are specifically designated as consideration for execution of the Release required in Section 12.5 and compliance with Executive's covenants outlined in Section 12. All payments



will have applicable taxes withheld and any installment payments will be paid at such times during the month as the Company may reasonably determine..

6.2. In addition to the Post-Change in Control Severance Payment, the Executive shall be entitled to receive the following additional benefits:

6.2.1. Accrued Obligations. The Company shall pay to the Executive a lump sum amount in cash equal to the sum of (i) the Executive's annual base salary through the Date of Termination to the extent not theretofore paid, (ii) an amount equal to any annual cash Incentive Compensation Awards earned (based on most recently completed performance period, whether that period is the prior quarter or the prior year) but not yet paid, (iii) an amount equal to the value of any accrued and/or untaken vacation, if any, (iv) reimbursement for unreimbursed business expenses, if any, properly incurred by the Executive in the performance of the Executive's duties in accordance with the policies established from time to time by the Board, and (v) an annual incentive payment at target for the year that includes the Date of Termination, prorated for the portion of the year that Executive was employed by the Company. (The amounts specified in clauses (i), (ii), (iii), (iv), and (v) shall be hereinafter referred to as the "Post-Change in Control Accrued Obligations".)

6.2.2. Equity Based Compensation. All equity-based Incentive Compensation Awards (including, without limitation, stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance share awards or other related awards) held by the Executive shall be governed by the terms of the applicable Incentive Compensation Plan and Incentive Compensation Award agreement, and this Agreement shall have no effect upon them.

6.2.3. Welfare Benefits. The Executive shall be eligible for health and dental coverage as provided for under COBRA, using the normal COBRA administration process of the Company. The Company will pay all costs of these benefits for 18 months after which the Executive will be responsible for paying the full COBRA costs of benefits. . If the Executive accepts employment with another employer and is no longer eligible for COBRA coverage, these welfare benefits will cease to be provided.

6.2.4. Outplacement Benefits. The Executive shall receive outplacement assistance and services at the Company's expense for a period of two (2) years following the Date of Termination. . These services will be provided by a national firm selected by the Company whose primary business is outplacement assistance.. Notwithstanding the above, if the Executive accepts employment with another employer, these outplacement benefits shall cease on the date of such acceptance.

6.2.5. Financial Planning Services. The Executive shall receive financial planning services at the Company's expense for a period of two (2) years following the Date of Termination, at a level consistent with the benefits provided under the Company's



financial planning program for the Executive as in effect immediately prior to the Date of Termination.

6.2.6. Annual Physical. The Executive shall, within the 12 months following the Date of Termination, receive an annual physical at the Company's expense consistent with the physical provided under the Company's annual physical program as in effect immediately prior to the Date of Termination.

6.2.7. General Insurance Benefit. No later than March 15 of the calendar year following the year in which the Date of Termination occurred, provided Executive has made a request for the payment described in this section 6.2.7 on such form as the Company may require, Executive shall receive a payment for use in continuation of insurance coverage, such payment to be equal to two times (2x) the annual supplemental executive insurance benefit provided to the Executive prior to the Executive's Date of Termination. The Company will use its best efforts to make this payment at the time requested.

6.3. Notwithstanding anything contained herein, if a Change in Control occurs and the Executive's employment with the Company is terminated by reason of Involuntary Termination prior to the Change in Control Date, and if such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change in Control or (ii) otherwise arose in connection with or in anticipation of the Change in Control, then the Executive shall, in lieu of the payments described in Section 5 hereof, be entitled to the Post-Change in Control Severance Payment and the additional benefits described in this Section 6 as if such Involuntary Termination had occurred within twelve (12) months following the Change in Control.

7. Severance Benefits upon Termination by the Company for Cause or by the Executive Other than for Good Reason. If the Executive's employment shall be terminated for Cause or if the Executive terminates employment other than for Good Reason, the Company will have no further obligations to the Executive under this Agreement other than the Pre-Change in Control Accrued Obligations.

8. Severance Benefits upon Termination due to Death or Disability. If the Executive's employment shall terminate by reason of death, the Company shall pay the Executive's estate in the case of death or to the Executive in the case of Disability, the Post-Change in Control Accrued Obligations. Such payments shall be in addition to those rights and benefits to which the Executive's estate or Executive may be entitled under the relevant Company plans or programs.

9. Nonexclusivity of Rights and Indemnification. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit plan, program, policy or practice provided by the Company and for which the Executive may qualify (except with respect to any benefit to which the Executive has waived the Executive's rights in writing), including, without limitation, any and all indemnification arrangements in favor of the Executive (whether



under agreements or under the Company's charter documents or otherwise), and insurance policies covering the Executive, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any other contract or agreement entered into after the Effective Date with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any benefit, plan, policy, practice or program of, or any contract or agreement entered into with, the Company shall be payable in accordance with such benefit, plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement. At all times during the Executive's employment with the Company and thereafter, the Company shall provide the Executive with indemnification and director and officer insurance insuring the Executive against insurable events which occur or have occurred while the Executive was a director or executive officer of the Company, on terms and conditions that are at least as generous as that then provided to any other current or former director or executive officer of the Company or any Affiliate.

10. Full Settlement; Mitigation. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts (including amounts for damages for breach) payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not the Executive obtains other employment.

11. Representations. The Executive hereby represents to the Company that the Executive is legally entitled to enter into this Agreement and to perform the Executive's obligations hereunder, and that the Executive has the full right, power, and authority, subject to no rights of any third parties, to grant to the Company the rights herein.

12. Executive's Covenants. The Executive hereby agrees to the following:

12.1. Confidentiality. The Executive recognizes and acknowledges that the Company's and its predecessor's Confidential Information is a valuable, special, and unique asset of the Company's businesses, access to and knowledge of which are essential to the performance of the Executive's duties. Confidential Information shall include trade secrets and includes information acquired by the Executive in the course and scope of the Executive's job with the Company, including information acquired from third parties, that is (i) not generally known or disseminated outside the Company (such as nonpublic information), (ii) is designated or marked by the Company as "confidential" or reasonably should be considered confidential or proprietary, or (iii) the Company indicates through its policies, procedures or other instructions should not be disclosed to anyone outside the Company. Without limiting the foregoing definitions, some examples of Confidential Information under this Agreement include (a) matters of a technical nature, such as scientific, trade or engineering secrets, "know-how", formulae, secret processes, inventions, and research and development plans or projects regarding existing and prospective customers, and products and services, (b) information about costs, profits, markets, sales, customer lists, customer needs, customer preferences and customer purchasing

histories, supplier lists, internal financial data, personnel evaluations, nonpublic information about medical devices or products of the Company (including future plans about them), information

and material provided by third parties in confidence and/or with nondisclosure restrictions, computer access passwords, and internal market studies or surveys, and (c) any other information or matters of a similar nature. The Executive shall not, during or after the Executive's employment by the Company, in whole or in part, disclose such Confidential Information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, nor shall the Executive make use of any such property for the Executive's own purposes or for the benefit of any person, firm, corporation, association or other entity (except the Company) under any circumstances during or after the Executive's employment by the Company; provided, however, that after the Executive's employment by the Company ceases these restrictions shall not apply to such Confidential Information, if any, which are then in the public domain, and provided further that the Executive was not responsible, directly or indirectly, for such Confidential Information entering the public domain without the Company's consent.

12.2. Inventions. The Executive hereby sells, transfers and assigns to the Company or to any person or entity designated by the Company all of the right, title, and interest of the Executive in and to all inventions, ideas, disclosures, and improvements, whether patented or unpatented, and copyrightable material, made or conceived by the Executive, solely or jointly, during the Executive's employment by the Company or any of its predecessors which relate to methods, apparatus, designs, products, processes or devices sold, leased, used or under consideration or development by the Company or any of its predecessors, or which otherwise relate to or pertain to the business, functions or operations of the Company or any of its predecessors, or which arise from the efforts of the Executive during the Executive's employment with the Company or any of its predecessors. The Executive shall, during and after the Executive's employment with the Company, communicate promptly and disclose to the Company, in such form as the Company requests, all information, details, and data pertaining to the aforementioned inventions, ideas, disclosures, and improvements. The Executive shall, during and after the Executive's employment by the Company, execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be necessary by the Company to file and prosecute the patent applications and, as to copyrightable material, to obtain copyright thereof. Any invention relating to the business of the Company and disclosed by the Executive within one (1) year after the Executive's employment with the Company ceases shall be deemed to fall within the provisions of this Section 12.2 unless proved to have been first conceived and made following such termination or expiration.

12.3. Non-Solicitation of Employees. The Executive recognizes that the Executive possesses and will possess confidential information about other employees of the Company and its Affiliates relating to their education, experience, skills, abilities, compensation and benefits, and interpersonal relationships with customer(s) of the Company and its Affiliates. The Executive recognizes that the information the Executive possesses and will possess about these other employees is not generally known, is of substantial value to the Company and its Affiliates in



developing their business and in securing and retaining customers, and has been and will be acquired by the Executive because of the Executive's business position with the Company and its Affiliates. The Executive agrees that at all times during the Executive's employment with the Company and for a period of twelve (12) months thereafter, the Executive will not, directly or indirectly, solicit or recruit any employee of the Company or its Affiliates for the purpose of being employed by the Executive or by any competitor of the Company or its Affiliates on whose behalf the Executive is acting as an agent, representative or employee and that the Executive will not convey such confidential information or trade secrets about other employees of the Company and its Affiliates to any other Person; provided, however, that it shall not constitute a solicitation or recruitment of employment in violation of this paragraph to discuss employment opportunities with any employee of the Company or its Affiliates if Executive has first discussed with and received the written approval of the Company's Vice President, Human Resources (or, if such position is vacant, the Company's then Chief Executive Officer), prior to making such discussions, solicitation or recruitment. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such solicitation or recruitment in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.4. Non-Interference and Non-Competition. During the Executive's employment by the Company and its Affiliates and for a period of twelve (12) months after such employment ceases, the Executive shall not, directly or indirectly (whether as an officer, director, owner, employee, partner or other participant), engage in any Competitive Business. During this period, the Executive shall not solicit or entice any agent, supplier, consultant, distributor, contractor, lessors or lessees of the Company or its Affiliates to make any changes whatsoever in their current relationships with the Company or its Affiliates, and will not assist any other Person or entity to interfere with or dispute such relationship. In view of the nature of the Executive's employment with the Company, the Executive likewise agrees that the Company and its Affiliates would be irreparably harmed by any such interference or competitive actions in violation of the terms of this paragraph and that the Company and its Affiliates shall therefore be entitled to preliminary and/or permanent injunctive relief prohibiting the Executive from engaging in any activity or threatened activity in violation of the terms of this paragraph and to any other relief available to them.

12.5. Release. The Executive agrees that if the Executive's employment is terminated by the Company for any reason other than Cause, Disability or death, the Executive will execute a release of all claims substantially in the form attached hereto as Exhibit A within forty-five (45) days after the applicable Date of Termination. In the event that the Executive is covered under the Age Discrimination in Employment Act ("ADEA"), the Executive also agrees to execute the ADEA Release



of all ADEA claims substantially in the form attached hereto as Exhibit B within forty-five (45) days after the applicable Date of Termination. These two documents are collectively referred to in this Agreement as the "Release."

The Executive recognizes and agrees that, notwithstanding any other Section to the contrary, the Release must be executed and not revoked within the time provided prior to the commencement of any post employment payments of any kind under this Agreement other than the Accrued Obligations set forth in Section 5.3.1.

12.6. Cooperation with Legal Matters. Executive agrees to cooperate with the Company and its designated attorneys, representatives, and agents in connection with any actual or threatened judicial, administrative or other legal or equitable proceeding in which the Company is or may become involved. Upon reasonable notice, Executive agrees to meet with and provide to the Company or its designated attorneys, representatives or agents all information and knowledge Executive may have relating to the subject matter of any such proceeding. The Company agrees to reimburse Executive for any reasonable costs incurred by Executive in providing such cooperation.

13. Specific Remedies for Executive Breach of the Covenants as outlined in Section 12. Without limiting the rights and remedies available to the Company, in the event of any breach by the Executive of the covenants set forth in Section 12 above, the following actions may be taken by the Company:

13.1. If the Company believes a breach has occurred, it will deliver to the Executive a summary of the breach and a demand for explanation or agreement that such breach has occurred; the Executive shall have ten (10) business days to respond in writing to this demand, whereupon the Company will make a decision as to whether the breach has, in fact, occurred; if it is determined such a breach has occurred, then

13.2. the Company's obligation to make any payment or provide any benefits to the Executive under Sections 5, 6, 7 or 8 of this Agreement shall cease immediately and permanently, which shall not have any impact whatsoever on the Executive's continuing obligations under Sections 12.3 and 12.4; and

13.3. the Executive shall repay to the Company, within ten (10) days after the Executive receives written demand therefore, an amount equal to ninety percent (90%) of the payments and benefits previously received by the Executive under this Agreement, plus interest on such amount at an annual rate equal to the lesser of ten percent (10%) or the maximum non-usurious rate under applicable law, from the dates on which such payments and benefits were received to the date of repayment to the Company.



13.4. It is the desire and intent of the parties that the provisions of this Section 13 be enforced to the fullest extent permissible under the applicable laws in each jurisdiction in which enforcement is sought. Accordingly, if any portion of this Section 13 is adjudicated to be invalid or unenforceable, this Section 13 shall be deemed curtailed, whether as to time or location, to the minimum extent required for its validity under applicable law and shall be binding and enforceable with respect to the Executive as so curtailed, such curtailment to apply only with respect to the operation of this Section 13 in the jurisdiction in which such adjudication is made. If a court in any jurisdiction, in adjudicating the validity of this Section 13, imposes any additional terms or restrictions with respect to this Section 13, this Section 13 shall be deemed amended to incorporate such additional terms or restrictions.

13.5. Executive agrees and acknowledges that Executive has received good and adequate consideration for the covenants set forth in Sections 12 and 13 in the form of employment, compensation, and benefits separate and independent of any payments or potential payments in this Agreement.

14. Potential Impact of Accounting Restatements on Certain Bonuses and Profits.

14.1. If the Company is required to prepare an accounting restatement of the Company's consolidated balance sheet or statement of operations affecting any reporting period that transpires during the term of employment ("the Term") due to the material noncompliance of the Company with any financial requirements under the Federal securities laws and if such material non-compliance is a direct result of the Executive's knowing, intentional, fraudulent or illegal conduct, then the Board can require the Executive to reimburse the Company for (i) any bonus or other incentive-based or equity-based compensation received by the Executive from the Company during the Term and (ii) any profits realized from the sale of securities of the issuer by the Executive during the Term.

14.2. In making the determination whether to seek reimbursement from Executive and in making the determination of what portion of Executive's compensation and/or profits should be returned to the Company, the Board will seek to achieve a result that is fair to the Executive and the Company and, in that connection, the Board will consider whether any bonus, incentive payment, equity award or other compensation has been awarded or received by the Executive during the Term, whether the Executive realized any profits from the sale of securities during the Term, whether and the extent to which such compensation and/or profits were based on financial results and operating metrics that were satisfied as a result of Executive's knowing, intentional, fraudulent or illegal conduct, and what the Executive's compensation and/or profits would have been in the absence of the reporting issue. The Board has the sole discretion in determining whether Executive's conduct has or has not met the standard for such forfeiture and the amount of the forfeiture.

14.3. If the Board of Directors determines that forfeiture is appropriate as set forth in Section 14.1, such amounts shall be withheld from any future amounts owed to the Executive as

compensation. The Company may also commence legal action to collect such sums as the Board determines is owed to the Company.

14.4. The parties agree that this Section will be amended as necessary to comply with any new rules or regulations issued by the Securities Exchange Commission during the Term which are or become mandatorily applicable to this Agreement.

15. Successors.

15.1. Assignment by the Executive. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

15.2. Successors and Assigns of the Company. This Agreement shall inure to the benefit of and be binding upon the Company, its successors, and assigns. The Company may not assign this Agreement to any person or entity (except for a successor described in Section 16.3 below) without the Executive's written consent.

15.3. Assumption. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it as if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise.

16. Administration Prior to Change in Control. Prior to a Change in Control, the Compensation Committee shall have full and complete authority to construe and interpret the provisions of this Agreement, to determine an individual's entitlement to benefits under this Agreement, to make in its sole and absolute discretion all determinations contemplated under this Agreement, to investigate and make factual determinations necessary or advisable to administer or implement this Agreement. All determinations made under this Agreement by the Compensation Committee shall be final and binding on all interested persons. Prior to a Change in Control, the Compensation Committee may delegate responsibilities for the operation and administration of this Agreement to one or more officers or employees of the Company. The provisions of this Section 16 shall terminate and be of no further force and effect upon the occurrence of a Change in Control.

17. Miscellaneous.

17.1. Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of Tennessee without regard to conflicts-of-laws

principles that would require the application of any other law. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

17.2. Selection of Venue. Any action to enforce the terms of this Agreement shall be brought in the state or federal courts located in Shelby County, Tennessee and both parties agree to submit to and not contest such jurisdiction and venue in such courts.

17.3. Amendment. This Agreement may not be amended, modified, repealed, waived, extended or discharged except by an agreement in writing executed by all parties. No person, other than pursuant to a resolution of the Board or the Compensation Committee, shall have authority on behalf of the Company to agree to amend, modify, repeal, waive, extend or discharge any provision of this Agreement or anything in reference thereto.

17.4. Insurance. The Company may, at its election and for its benefit, insure the Executive against accidental loss or death, and the Executive shall submit to such physical examination and supply such information to the insurance company as may be required in connection therewith; provided, however, that no specific information concerning the Executive's physical examination will be provided to the Company or made available to the Company by the insurance company.

17.5. Waiver of Breach. A waiver by the Company or the Executive of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the other party.

17.6. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17.7. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by personal delivery, by a nationally recognized overnight courier (provided a written acknowledgement of receipt is obtained) or by certified or express mail to the Executive at his home address or to the Company at Wright Medical Technology, Inc., Attention: General Counsel, 5677 Airline Road, Arlington, Tennessee 38002, or to such other address as either party shall notify the other. Notices and communications shall be effective when actually received by the addressee.

17.8. Taxes.

17.8.1. General. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

17.8.2. Code Section 409A.

17.8.2.1. Notwithstanding anything else to the contrary herein, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from Code Section 409A or in compliance therewith, as applicable. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Code Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Code Section 409A). In addition, to the extent that any regulations or guidance issued under Code Section 409A (after application of the previous provision of this paragraph) would result in the Executive being subject to the payment of interest or any additional tax under Code Section 409A, the Company and the Executive agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Code Section 409A, which amendment shall have the least possible economic effect on the Executive as reasonably determined in good faith by the Company and the Executive; provided however, that the Company and the Executive shall not be required to substitute a cash payment for any non-cash benefit herein.

17.8.2.2. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment, unless such termination is also a “separation from service” within the meaning of Code Section 409A and the payment thereof prior to a “separation from service” would violate Code Section 409A. For purposes of any such provision of this Agreement relating to any such payments or benefits, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.”

17.8.2.3. For purposes of Code Section 409A, the Executive’s right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company, as the case may be.

17.8.2.4. With respect to any payment constituting nonqualified deferred compensation subject to Code Section 409A: (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company’s policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.

17.8.2.5. If the Executive is deemed on the Date of Termination to be a “specified employee” within the meaning of that term under Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit shall be made or provided on the first business day following the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such “separation from service” of the Executive, and (B) the date of the Executive’s death (the “Delay Period”). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

17.8.3. Section 280G. The provisions set forth in Exhibit C hereto are hereby incorporated into this Agreement by this reference, and the Executive shall be entitled to the benefit of those provisions. This Section 17.8.3 and the provisions set forth in Exhibit C hereto shall be expressly assumed by any successor to the Company.

17.9 Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter referred to herein and supersedes any and all prior negotiations, understandings, arrangements, letters of intent, and agreements, whether written or oral, between the Executive and the Company and its Affiliates, or any of its or their directors, officers, employees or representatives with respect thereto. This Agreement shall be effective and binding on the parties as of the date it is executed. In the event of any conflict between any provisions of this Agreement (including its Exhibits) and the provisions of any plan, program or policy of the Company or any of its Affiliates, the Agreement and its Exhibits shall govern.

17.10 Survivability. Except as otherwise expressly set forth in this Agreement, upon the termination or the expiration of the Term, the respective rights of the parties shall survive such termination or expiration to the extent necessary to carry out the intentions of the parties hereto. The Agreement shall continue in effect until there are no further rights or obligations of the parties hereto outstanding hereunder and shall not be terminated by any party without the express written consent of all parties.

17.11 No Right of Employment. Nothing in this Agreement shall be construed as giving the Executive any right to be retained in the employ of the Company or shall interfere in any way with the right of the Company to terminate the Executive’s employment at any time, with or without Cause.

17.12 Unfunded Obligation. The obligations under this Agreement shall be unfunded. Benefits payable under this Agreement shall be paid from the general assets of the Company. The Company shall have no obligation to establish any fund or to set aside any assets to provide benefits under this Agreement.



17.13 Attorneys' Fees. In any legal action by the Company to enforce the covenants set forth in Section 12 of this Agreement and in any other legal action by either party prior to a Change in Control to enforce any term of this Agreement, the prevailing party shall be entitled to recover all reasonable attorney's fees and litigation costs. Following a Change in Control, should either party file any action to enforce any term of this Agreement other than an action by the Company to enforce the covenants of Section 12 of this Agreement, the Company shall pay all reasonable attorney's fees and litigation costs incurred by Executive. Following a Change in Control, the payment of fees and litigation costs will be made on a quarterly basis following the commencement of the action upon presentation of fee statements from legal counsel of the Executive without regard to which party may ultimately be the prevailing party.

17.14 Execution. This Agreement and its Exhibits may be executed in several counterparts each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement and its Exhibits may be executed by signatures delivered by facsimile or in pdf or other electronic format, which shall be deemed to be an original.

18. Term. The term of this Agreement shall commence from the Effective Date and shall continue until the close of business of the day preceding the third (3rd) anniversary of the Effective Date; provided, however, that commencing on the second (2nd) anniversary of the Effective Date (and each anniversary of the Effective Date thereafter), the term of this Agreement shall automatically be extended for one (1) additional year, unless at least ninety (90) days prior to such date, the Company or the Executive shall give written notice to the other party that it or he, as the case may be, does not wish to so extend this Agreement. Notwithstanding the foregoing, if the Company gives such written notice to the Executive less than one (1) year after a Change in Control, the term of this Agreement shall be automatically extended until the later of (a) the date that is one (1) year after the anniversary of the Effective Date that follows such written notice or (b) the second (2nd) anniversary of the Change in Control Date.

[SIGNATURE PAGE AND EXHIBITS TO FOLLOW]



IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

AGREED AND ACCEPTED

WRIGHT MEDICAL TECHNOLOGY, INC.

EXECUTIVE

By: /s/ Robert J. Palmisano
Robert J. Palmisano, President and Chief

/s/ Eric A. Stookey
Eric A. Stookey

Executive Officer



EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement (this "Agreement"), is made and entered into this ___ day of _____, _____, by and between Wright Medical Technology, Inc. (the "Company"), a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 5677 Airline Road, Arlington, Tennessee 38002, and Eric A. Stookey (the "Executive").

The Executive, on behalf of the Executive and the Executive's heirs, executors, administrators, successors and assigns, whether herein named or referred to or not, does hereby release, discharge, and acquit and by these presents does hereby release, acquit, and forever discharge the Company, its parent(s), successors and assigns, their agents, servants, and employees, its subsidiaries, divisions, subdivisions, and affiliates (collectively, the "Company"), of and from any and all past, present, and future claims, counterclaims, demands, actions, causes of action, liabilities, damages, costs, loss of services, expenses, compensation, third-party actions, suits at law or in equity, of every nature and description, whether known or unknown, suspected or unsuspected, foreseen, or unforeseen, real or imaginary, actual or potential, and whether arising at law or in equity, under the common law, state or federal law, or any other law, or otherwise, arising out of or relating to the Executive's employment with the Company or the termination thereof, hereinafter collectively referred to as claims. It is the intention of the parties hereto to affect a full and final general release of all such claims. It is expressly understood and agreed that this release and agreement is intended to cover, and does cover, not only all now known injuries, losses, and damages, but any future injuries, losses, and damages not now known or anticipated, but which may later develop or be discovered, including all the effects and consequences thereof. The Executive is not releasing and "claims" shall not include any rights or claims the Executive has (1) pursuant to the Employment Agreement between the Company and the Executive, any equity award granted to the Executive by the Company or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any claims which arise after the date this Release is executed by the Executive.

The Executive does hereby declare that the Executive does understand, covenant, and agree that the Executive will not make any claims or demands, or file any legal proceedings against the Company or join the Company as a party with respect to any claims released by the Executive herein nor shall the Executive proceed against any other party, person, firm, or corporation on the claims released above except as is necessary to enforce the terms and conditions of this Release and the Employment Agreement between the Executive and the Company.

The Executive further declares that he is voluntarily forfeiting any right to recover or receive compensation in any form resulting



from a legal action or demand against the Company by any other person or persons with respect to the claims released by the Executive herein.

THE FILING OF ANY CLAIM, DEMAND OR ANY AND ALL OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE AGAINST THE COMPANY WITH RESPECT TO CLAIMS RELEASED BY THE EXECUTIVE HEREIN SHALL BE DEEMED TO BE A MATERIAL BREACH OF THE TERMS OF THIS AGREEMENT. SUCH BREACH SHALL IMMEDIATELY TERMINATE COMPANY'S DUTY TO PAY ANY FURTHER SUMS TO EXECUTIVE. ADDITIONALLY, EXECUTIVE SHALL INDEMNIFY AND HOLD HARMLESS THE COMPANY FROM ANY AND ALL JUDGMENTS, COSTS, EXPENSES, OR ATTORNEY FEES WHATSOEVER ARISING ON ACCOUNT OF THE FILING OF ANY SUCH CLAIM, DEMAND, OR OTHER LEGAL PROCEEDINGS BY THE EXECUTIVE WITHIN RESPECT TO THE CLAIMS HE HAS RELEASED HEREIN.

It is further understood and agreed that the Company will pay and the Executive is accepting severance payments and benefits more fully described in the Employment Agreement between the parties in full accord and satisfaction of any obligations, claims, and/or disputes that Executive may have with the Company with respect to the claims released by the Executive herein.

And the parties hereby declare, understand, covenant, and agree that the terms of the Employment Agreement, and the severance payments and benefits stated therein, are the sole consideration for this Release Agreement and that the Executive voluntarily accepts said consideration for the purpose of making a full and final compromise, adjustment, and settlement of all claims for injuries, losses, and damages resulting, or to result, from the claims released by the Executive herein.

It is further understood and agreed that this is the full and complete understanding of the parties, that it is the integrated memorial of their agreement, and that there are no other written or oral understandings, agreements, covenants, promises or arrangements, directly or indirectly connected with this release, that are not incorporated herein. The terms of this release are contractual and are not mere recitals.

Notwithstanding the foregoing, nothing in this Release shall release any party from obligations resulting from the Employment Agreement nor prohibit any party from seeking the enforcement of the Employment Agreement.



IN WITNESS WHEREOF, the parties executed this Release as of the date set forth above.

AGREED AND ACCEPTED

EXECUTIVE

Eric A. Stookey



EXHIBIT B

ADEA RELEASE

In further consideration for the payment of severance payments and benefits provided under the Separation Pay Agreement between (i) Eric A. Stookey (hereinafter referred to as "Executive") and (ii) Wright Medical Group, Inc.. (hereafter referred to as "Company"), Executive, for himself and Executive's heirs, executors, administrators, and assigns, hereby unconditionally releases and forever discharges the Company and each of the Company's stockholders, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, subsidiaries, affiliates, and all persons acting by, through, under, or in concert with any of them from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected arising out of or relating to his employment with the Company or his termination of such employment, including, but not limited to, rights under the Age Discrimination in Employment Act of 1967, as amended from time to time, and other federal, state, or local laws prohibiting discrimination, any claims the employee may have with regard to Executive's hiring, employment, and termination of employment, and any claims growing out of any legal restrictions on the Company's right to terminate its employees ("Claim" or Claims"), which Executive now has, owns or holds, or claims to have owned or held, or which Executive at any time hereinafter may have owned or held or claimed to have owned or held against the Company. Executive is not releasing and "claims" shall not include any rights or claims Executive has (1) pursuant to the Employment Agreement among Executive and the Company, any equity award granted to Executive by the Company, or the Indemnification Agreement between the Company and the Executive; (2) to be indemnified and advanced expenses in accordance with applicable law, or the Company's corporate documents or to be covered under any applicable directors' and officers' liability insurance policies; (3) with respect to any rights which have accrued or become vested as of the date of this Release, including any rights to any outstanding equity awards; and (4) with respect to any Claims which arise after the date this Release is executed by Executive.

To comply with the Older Workers Benefit Protection Act of 1990, as amended from time to time, this Release has advised Executive of the legal requirements of this Act and fully incorporates the legal requirements by reference into this Agreement as follows:

- a. This Agreement is written in layman's terms, and Executive understands and comprehends its terms;
- b. Executive has been advised of Executive's rights to consult an attorney to review the Agreement;





- c. Executive does not waive any rights or claims that may arise after the date the Release is executed;
- d. Executive is receiving consideration beyond anything of value to which he already is entitled;
- e. Executive has been given a reasonable period of time to consider this Agreement (45 days).

The Executive enters into this Release with full knowledge of its contents and enters into this Release voluntarily.

AGREED AND ACCEPTED

EXECUTIVE:

I acknowledge that I fully understand and agree that this Release may be pleaded by Wright Medical Technology, Inc. or any of its Affiliates as a complete defense to any claim released by me herein which hereafter may be asserted by me or a claim released by me herein against Wright Medical Technology, Inc. for or on account of any matter or thing whatsoever arising out of the employment relationship or my termination from active employment for which I have released such claims herein.

Eric A. Stookey

NOTE: EXECUTIVE IS HEREBY ADVISED OF HIS OR HER RIGHT TO RESCIND AND NULLIFY THIS AGREEMENT, WHICH RIGHT MUST BE EXERCISED, IF AT ALL, WITHIN SEVEN (7) DAYS OF THE DATE OF EXECUTIVE'S SIGNATURE. EXECUTIVE MUST REVOKE RELEASE BY LETTER TO WRIGHT MEDICAL TECHNOLOGY, INC., ATTENTION: GENERAL COUNSEL, 5677 AIRLINE ROAD, ARLINGTON, TN 38002, WITHIN SEVEN (7) DAYS. NO CONSIDERATION SHALL BE CONVEYED UNTIL SUCH TIME PERIOD HAS EXPIRED.



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EXHIBIT C

MODIFIED 280G CUTBACK

Notwithstanding anything to the contrary in this Agreement, in any other agreement between or among the Executive, and the Company or in any plan maintained by the Company or any Affiliate, if there is a 280G Change in Control (as defined in Section (g)(i) below), the following rules shall apply:

(a) Except as otherwise provided in Section (b) below, if it is determined in accordance with Section (d) below that any portion of the Payments (as defined in Section (g)(ii) below) that otherwise would be paid or provided to the Executive or for his benefit in connection with the 280G Change in Control would be subject to the excise tax imposed under Section 4999 of the Code (“Excise Tax”), then such Payments shall be reduced by the smallest total amount necessary in order for the aggregate present value of all such Payments after such reduction, as determined in accordance with the applicable provisions of Section 280G of the Code and the regulations issued thereunder, not to exceed the Excise Tax Threshold Amount (as defined in Section (g)(iii) below).

(b) No reduction in any of the Executive’s Payments shall be made pursuant to Section (a) above if it is determined in accordance with Section (d) below that the After Tax Amount of the Payments payable to the Executive without such reduction would exceed the After Tax Amount of the reduced Payments payable to him in accordance with Section (a) above. For purposes of the foregoing, (i) the “After Tax Amount” of the Payments, as computed with, and as computed without, the reduction provided for under Section (a) above, shall mean the amount of the Payments, as so computed, that the Executive would retain after payment of all taxes (including without limitation any federal, state or local income taxes, the Excise Tax or any other excise taxes, any medicare or other employment taxes, and any other taxes) imposed on such Payments in the year or years in which payable; and (ii) the amount of such taxes shall be computed at the rates in effect under the applicable tax laws in the year in which the 280G Change in Control occurs, or if then ascertainable, the rates in effect in any later year in which any Payment is expected to be paid following the 280G Change in Control, and in the case of any income taxes, by using the maximum combined federal, state and (if applicable) local income tax rates then in effect under such laws.

(c) Any reduction in the Executive’s Payments required to be made pursuant to Section (a) above (the “Required Reduction”) shall be made as follows: *first*, any Payments that became fully vested prior to the 280G Change in Control and that pursuant to paragraph (b) of Treas. Reg. §1.280G-1, Q/A 24 are treated as Payments solely by reason of the acceleration of their originally scheduled dates of payment shall be reduced, by cancellation of the acceleration of their dates of payment; *second*, any severance payments or benefits, performance-based cash or performance-based equity incentive awards, or other Payments, in all cases the full amounts of which are treated as contingent on the 280G Change in Control pursuant to paragraph (a) of Treas. Reg. §1.280G-1, Q/A 24, shall be reduced; and *third*, any cash or equity incentive awards, or nonqualified deferred

compensation amounts, that vest solely based on the Executive's continued service with the Company, and that pursuant to paragraph (c) of Treas. Reg. §1.280G-1, Q/A 24 are treated as contingent on the 280G Change in Control because they become vested as a result of the 280G Change in Control, shall be reduced, first by cancellation of any acceleration of their originally scheduled dates of payment (if payment with respect to such items is not treated as automatically occurring upon the vesting of such items for purposes of Section 280G) and then, if necessary, by canceling the acceleration of their vesting. In each case, the amounts of the Payments shall be reduced in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced only to the extent necessary to achieve the Required Reduction.

(d) A determination as to whether any Excise Tax is payable with respect to the Executive's Payments and if so, as to the amount thereof, and a determination as to whether any reduction in the Executive's Payments is required pursuant to the provisions of Sections (a) and (b) above, and if so, as to the amount of the reduction so required, shall be made by no later than 15 days prior to the closing of the transaction or the occurrence of the event that constitutes the 280G Change in Control, or as soon thereafter as administratively practicable. Such determinations, and the assumptions to be utilized in arriving at such determinations, shall be made by an independent auditor (the "Auditor") jointly selected by the Executive and the Company, all of whose fees and expenses shall be borne and directly paid solely by the Company. The Auditor shall be a nationally recognized public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any of its Affiliates or for any entity effecting the 280G Change in Control. If the Executive and the Company cannot agree on the firm to serve as Auditor, then the Executive and the Company shall each select one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. The Auditor shall provide a written report of its determinations, including detailed supporting calculations, both to the Executive and to the Company. If the Auditor determines that no Excise Tax is payable with respect to the Executive's Payments, either as a result of any Required Reduction the Auditor has determined should be made thereto or because the Auditor has determined that no Required Reduction must be made thereto, the written report which the auditor furnishes to the Executive and to the Company pursuant to the preceding sentence shall be accompanied by an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to the Executive's Payments. Except as otherwise provided in Section (e) or Section (f) below, the determinations made by the Auditor pursuant to this Section (d) shall be binding upon the Executive and the Company.

(e) If, notwithstanding (1) any determination made pursuant to Section (d) above that a reduction in the Executive's Payments is not required pursuant to Section (a) above or (2) any reduction in the Executive's Payments made pursuant to Section (a) above, the IRS subsequently asserts that the Executive is liable for Excise Tax with respect to such Payments, the Payments then remaining to be paid or provided to Executive shall be reduced as provided in Sections (a) and (b) above or shall be further reduced as provided in Section (a) above, and (if still necessary after such reduction or further reduction) any Payments already made to Executive shall be repaid to the Company, to the extent necessary to eliminate the Excise Tax asserted by the IRS to be payable by the Executive. Any such reduction or further reduction or repayment (i) shall be made only if the



IRS agrees that such reduction or further reduction or repayment will be effective to avoid the imposition of any Excise Tax with respect to the Executive's Payments as so reduced or repaid and agrees not to impose such Excise Tax against the Executive if such reduction or further reduction or repayment is made, and (ii) shall be made in the manner described in Section (c) above,

(f) Notwithstanding anything to the contrary in the foregoing provisions of this Exhibit E, if (i) the Executive's Payments have been reduced pursuant to Section (a) above and the IRS nevertheless subsequently determines that Excise Tax is payable with respect to the Executive's Payments, and (ii) if the After Tax Amount of the Payments payable to the Executive, determined without any further reduction or repayment as provided in Section (e) above, and without any initial reduction as provided in Section (a) above, would exceed the After Tax Amount of the Payments payable to him as reduced in accordance with Section (a), then (A) no such further reduction or repayment shall be made with respect to the Executive's Payments pursuant to Section (e) above, and (B) the Company shall pay to Executive an amount equal to the reduction in the Executive's Payments that was initially made pursuant to Section (a). Such amount shall be paid to the Executive in a cash lump sum by no later than the 15th day of the third month following the close of the calendar year in which the IRS makes its final determination that Excise Tax is due with respect to the Executive's Payments, provided that by such day the Executive has paid the Excise Tax so determined to be due.

(g) For purposes of the foregoing, the following terms shall have the following respective meanings:

(i) "280G Change in Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 280G(b)(2) of the Code and the regulations issued thereunder.

(ii) "Payment" shall mean any payment or benefit in the nature of compensation that is to be paid or provided to the Executive or for his benefit in connection with a 280G Change in Control, to the extent that such payment or benefit is "contingent" on the 280G Change in Control within the meaning of Section 280G (b) (2) (A) (i) of the Code and the regulations issued thereunder.

(iii) "Excise Tax Threshold Amount" shall mean an amount equal to (x) three times the Executive's "base amount" within the meaning of Section 280G(b)(3) of the Code and the regulations issued thereunder, less (y) \$1,000.

FOR IMMEDIATE RELEASE

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Wright Medical Group, Inc. Appoints Pascal E.R. Girin as Executive Vice President and Chief Operating Officer

Company also Announces New U.S. Divisional Structure

Eric Stookey Promoted to President of Extremities Division and Ted Davis Promoted to President of OrthoRecon Division

ARLINGTON, Tenn. - November 6, 2012 - Wright Medical Group, Inc. (NASDAQ: WMGI) today announced that Pascal E.R. Girin has been appointed Executive Vice President and Chief Operating Officer. In this newly created position, Mr. Girin will have global operating responsibility for Wright's Extremities, OrthoRecon and International businesses and Clinical, Regulatory and Quality, reporting directly to the Chief Executive Officer. Mr. Girin's first day of employment will be the later of November 19, 2012 or the date the transfer of his visa is finalized.

"I'm delighted to announce Pascal's appointment to this new position to lead our global businesses," stated Robert Palmisano, President and Chief Executive Officer of Wright Medical. "Pascal is a proven leader with significant operational experience. While working with me at ev3, Pascal was a major contributor to the company's growth and success, including the rapid expansion of ev3's worldwide neurovascular business to the #2 overall revenue share position, the successful acquisition of Chestnut Medical, and the growth of ev3's peripheral vascular and international businesses at rates that significantly outpaced the market."

Palmisano continued, "In addition to Pascal's appointment, we have made some important changes to the way our business is organized and structured. In the U.S., we will now have an Extremities division and an OrthoRecon division. In conjunction with this new structure, I'm pleased to announce the promotion of Eric Stookey to be the President of the Extremities division and Ted Davis to be the President of the OrthoRecon division. Both Eric and Ted will report to Pascal Girin in his newly created role of Executive Vice President and Chief Operating Officer. During their tenure with Wright, both Eric and Ted have demonstrated their knowledge of our markets, their understanding of our customers and their leadership within the company. I'm confident that Pascal's appointment, as well as our new structure, will further bolster our ability to capitalize on the growth opportunities in front of us and accelerate our market performance."

Prior to joining Wright Medical, Mr. Girin served as Chief Executive Officer of Keystone Dental Inc. from February 2011 to June 2012 and Executive Vice President and Chief Operating Officer of Keystone Dental Inc. from October 2010 to February 2011. Prior to Keystone, Mr. Girin served in several executive roles at ev3 Inc. from September 2003 to September 2010, including Executive Vice President and Chief Operating Officer; Executive Vice President and President, Worldwide Neurovascular and International; Senior Vice President and President, International; and General Manager, Europe. From September 1998 to August 2003, Mr. Girin served in various capacities at BioScience Europe Baxter Healthcare



Corporation. Mr. Girin received an engineering education at the French Ecole des Mines. Mr. Girin previously served on the board of directors of Tornier N.V. from November 2010 to November 2012.

Wright Medical also announced today that in connection with Mr. Girin's appointment as Executive Vice President, Chief Operating Officer and as an inducement to his employment with Wright, the Compensation Committee of its Board of Directors approved the grant of a stock option to Mr. Girin, which will be made on his initial date of employment, to purchase up to 184,500 shares of Wright's common stock, priced at fair market value as of the grant date. The stock option vests and becomes exercisable in four equal, annual installments beginning on the first anniversary of the grant, conditioned on Mr. Girin's continued employment. The stock option has a ten year term and is subject to the terms and conditions of the stock option agreement pursuant to which the option was granted.

This press release is being made in accordance with NASDAQ Listing Rule 5635(c)(4).

About Wright Medical

Wright Medical Group, Inc. is a global orthopaedic medical device company and a leading provider of surgical solutions for the foot and ankle market. The Company specializes in the design, manufacture and marketing of devices and biologic products for extremity, hip and knee repair and reconstruction. The Company has been in business for more than 60 years and markets its products in over 60 countries worldwide. For more information about Wright Medical, visit the Company's website at www.wmt.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release may contain "forward-looking statements" as defined under U.S. federal securities laws. These statements reflect management's current knowledge, assumptions, beliefs, estimates, and expectations and express management's current view of future performance, results, and trends. Forward looking statements may be identified by their use of terms such as anticipate, believe, could, estimate, expect, intend, may, plan, predict, project, will, and other similar terms. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to materially differ from those described in the forward-looking statements. The reader should not place undue reliance on forward-looking statements. Such statements are made as of the date of this press release, and we undertake no obligation to update such statements after this date. Risks and uncertainties that could cause our actual results to materially differ from those described in forward-looking statements are discussed in our filings with the Securities and Exchange Commission (including those described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2011 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, in each case under the heading "Risk Factors" and elsewhere in such filings). By way of example and without implied limitation, such risks and uncertainties include: future actions of the United States Attorney's office, the FDA, the Department of Health and Human Services or other U.S. or foreign government authorities that could delay, limit or suspend our development, manufacturing, commercialization and sale of products, or result in seizures, injunctions, monetary sanctions or criminal or civil liabilities; any actual or alleged breach of the Corporate Integrity Agreement to which we are subject through September 2015 which could expose us to significant liability including exclusion from Medicare, Medicaid and other federal healthcare programs, potential criminal prosecution, and civil and criminal fines or penalties; adverse outcomes in existing product liability litigation; new product liability claims; inadequate insurance coverage; the possibility of private securities litigation or shareholder derivative suits; demand for and market acceptance of our new and existing products; potentially burdensome tax measures; lack of suitable business development opportunities; product quality or patient safety issues; challenges to our

intellectual property rights; geographic and product mix impact on our sales; our inability to retain key sales representatives,

independent distributors and other personnel or to attract new talent; inventory reductions or fluctuations in buying patterns by wholesalers or distributors; inability to realize the anticipated benefits of restructuring initiatives; negative impact of the commercial and credit environment on us, our customers and our suppliers; and the potentially negative effect of our ongoing compliance enhancements on our relationships with customers, and on our ability to deliver timely and effective medical education, clinical studies, and new products.

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