

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### **STRYKER CORP**

CIK: [310764](#) | IRS No.: [381239739](#) | State of Incorporation: **MI** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: [000-09165](#) | Film No.: **071295704**  
SIC: **3841** Surgical & medical instruments & apparatus

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

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**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) **December 5, 2007**

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**STRYKER CORPORATION**

(Exact name of registrant as specified in its charter)

**Michigan**

**0-9165**

**38-1239739**

(State or other jurisdiction

(Commission

(IRS Employer

of incorporation)

File Number)

Identification No.)

**2825 Airview Boulevard, Kalamazoo, Michigan**

**49002**

(Address of principal executive offices)

(Zip Code)

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 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On December 5, 2007, the Board of Directors of the Company approved a form of Indemnification Agreement to be entered into with Dean H. Bergy (Vice President and Chief Financial Officer), Luciano Cattani (Vice President; Group President, International), Curtis E. Hall (Vice President and General Counsel), Stephen Si Johnson (Vice President; Group President, MedSurg), James E. Kemler (Vice President; Group President, Biotech, Spine, Osteosynthesis and Development), and Michael W. Rude (Vice President, Human Resources). The Indemnification Agreements with such officers are effective as of October 24, 2007 and provide, among other things, the indemnitees with rights to indemnification and advancement of expenses to the fullest extent permitted by law in connection with proceedings related to the indemnitees' service to the Company in their current positions or actions taken during such service.

The foregoing description of the Indemnification Agreements does not purport to be complete and is qualified in its entirety by reference to the form of Indemnification Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

#### ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

(b) and (e) Pursuant to an agreement entered into on December 7, 2007 with Luciano Cattani, who currently serves as Vice President; Group President, International of the Company, commencing January 1, 2008, Mr. Cattani's role and responsibilities with the Company will be reduced, and he will no longer serve as Vice President; Group President, International of the Company. Commencing on January 1, 2008, Mr. Cattani will serve as Executive Vice President, International Public Affairs of the Company. He will also continue to be a director of our Italian subsidiary. Subject to earlier termination of the agreement, Mr. Cattani has agreed to devote an average of at least three full working days a week to his new responsibilities in 2008, two full working days a week during 2009 and one full working day a week in 2010 through expiration of the agreement on July 1, 2010. His compensation will be 386,500 Euros in 2008, 257,600 Euros in 2009 and 64,400 Euros for the six-month period in 2010. The agreement provides that the Company will continue to contribute to the costs of life, accident, health insurance and the Italian government pension program for Mr. Cattani and provide him with a car and driver for business purposes. The

agreement provides a one-year period after termination during which Mr. Cattani will not engage in competition with Stryker or solicit any of its employees, consultants or agents of the Company.

The foregoing summary description of the agreement with Mr. Cattani does not purport to be complete and is qualified in its entirety by reference to the full text of the agreement, a copy of which is attached hereto as Exhibit 10.2 and incorporated herein by reference.

#### ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

10.1 Indemnification Agreement for Certain Officers

10.2 Agreement between Stryker Corporation, Stryker Italia S.r.l. and Luciano Cattani, dated as of December 7, 2007.

#### SIGNATURES

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.

STRYKER CORPORATION  
(Registrant)

December 10, 2007  
Date

/s/ THOMAS R. WINKEL  
Thomas R. Winkel  
Vice President and Secretary

#### EXHIBIT INDEX

10.1 Indemnification Agreement for Certain Officers

10.2 Agreement between Stryker Corporation, Stryker Italia S.r.l. and Luciano Cattani, dated as of December 7, 2007.

Stryker Corporation has entered into an Indemnification Agreement, effective as of October 24, 2007, with each of Dean H. Bergy (Vice President and Chief Financial Officer), Luciano Cattani (Vice President; Group President, International), Curtis E. Hall (Vice President and General Counsel), Stephen Si Johnson (Vice President; Group President, MedSurg), James E. Kemler (Vice President; Group President, Biotech, Spine, Osteosynthesis and Development), and Michael W. Rude (Vice President, Human Resources). All such indemnification agreements are substantially identical in all material respects to the agreement attached hereto.

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## INDEMNIFICATION AGREEMENT

INDEMNIFICATION AGREEMENT (this "Agreement"), effective as of October 24, 2007, between Stryker Corporation, a Michigan corporation (the "Company"), and [Indemnitee] (the "Indemnitee").

WHEREAS, it is essential to the Company to retain and attract as its principal officers the most capable persons available;

WHEREAS, Indemnitee is [Title] of the Company;

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against officers of public companies in today's environment;

WHEREAS, the By-laws of the Company require the Company to indemnify and advance expenses to certain officers as designated by the Board of Directors to the full extent permitted by law and the officer position in which the Indemnitee currently serves is one of the officer positions that has been designated by the Board of Directors for such indemnification as long as the Indemnitee continues to serve in such position;

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner and the increasing difficulty in obtaining satisfactory director and officer liability insurance coverage, and in part to provide Indemnitee with specific contractual assurance that the protection provided by such By-laws will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such By-laws or any change in the composition of the Company's Board of Directors or acquisition transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee in connection with the Indemnitee's continued service as [Title] of the Company to the fullest extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies;

NOW, THEREFORE, in consideration of the premises and of Indemnitee continuing to serve the Company directly or, at its request, another enterprise, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain Definitions:

- (a) Change in Control: shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation

owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 30% or more of the total voting power represented by the Company's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all the Company's assets.

- (b) Claim: any threatened, pending or completed action, suit or proceeding, or any inquiry or investigation, whether instituted by the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other and whether formal or informal.
- (c) Expenses: include attorneys' fees and all other costs, expenses and obligations paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Claim relating to any Indemnifiable Event.
- (d) Indemnifiable Event: any event or occurrence related to the fact that Indemnitee is or was [Title] of the Company or, during the period that the Indemnitee continues to serve as [Title], is or was serving at the request of the Company as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, or by reason of anything done or not done by Indemnitee in any such capacity.
- (e) Independent Legal Counsel: an attorney or firm of attorneys, selected in accordance with the provisions of Section 3, who shall not have otherwise performed services for the Company or Indemnitee within the last five years (other than with respect to matters concerning the rights of Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements).
- (f) Voting Securities: any securities of the Company which vote generally in the election of directors.

2. Basic Indemnification Arrangement. In the event Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify Indemnitee to the fullest extent permitted by law, as soon as practicable but in any event no later than thirty days after written demand is presented to the Company, against any and all Expenses, judgments, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid in settlement) of such Claim. If so requested by Indemnitee, the Company shall advance (within five business days of such request) any and all Expenses to Indemnitee (an "Expense Advance").

Indemnitee undertakes and agrees to repay such Expense Advances if and only to the extent that it shall ultimately be determined by final judgment of a court of competent jurisdiction (as to which all rights of appeal have been exhausted or lapsed) that Indemnitee is not entitled to be indemnified by the Company under applicable law for the applicable Indemnifiable Event. This undertaking to repay such Expense Advances shall be unsecured and interest-free and without regard to Indemnitee's ability to repay the expenses. Notwithstanding anything in this Agreement to the contrary, except as otherwise provided in Section 4 hereof, Indemnitee shall not be entitled to indemnification or advancement of expenses pursuant to this Agreement in connection with any Claim initiated by Indemnitee unless the Board of Directors has authorized or consented to the initiation of such Claim.

3. Change in Control. The Company agrees that if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Company's Board of Directors who were directors immediately prior to such Change in Control) then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and Expense Advances under this Agreement or any other agreement or Company By-law now or hereafter in effect relating to Claims for Indemnifiable Events, the Company shall seek legal advice only from Independent Legal Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). The Company agrees to pay the reasonable fees of the Independent Legal Counsel referred to above and to indemnify fully such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

4. Indemnification for Additional Expenses. The Company shall indemnify Indemnitee against any and all expenses (including attorneys' fees) and, if requested by Indemnitee, shall (within five business days of such request) advance such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for (i) indemnification or advance payment of Expenses by the Company under this Agreement or any other agreement or Company By-law now or hereafter in effect relating to Claims for Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

5. Partial Indemnity, Etc. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines, penalties and amounts paid in settlement of a Claim but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

6. Burden of Proof. In connection with any determination by the Company (including, without limitation, the Board of Directors, any committee of the Board of Directors, legal counsel or the stockholders) or otherwise as to whether Indemnitee is entitled to be indemnified hereunder the burden of proof shall be on the Company to establish that Indemnitee is not so entitled.

7. No Presumptions. For purposes of this Agreement, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Company (including, without limitation, the Board of Directors, any committee of the Board of Directors, legal counsel or the stockholders) to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Company (including, without limitation, the Board of Directors, any committee of the Board of Directors, legal counsel or the stockholders) that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be

indemnified under applicable law shall be a defense to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief.

8. Nonexclusivity, Etc. The rights of the Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Company's By-laws or the Michigan Business Corporation Act or otherwise. To the extent that a change in the Michigan Business Corporation Act (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's By-laws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

9. Liability Insurance. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

10. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

11. Amendments, Etc. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

12. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

13. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, By-law or otherwise) of the amounts otherwise indemnifiable hereunder.

14. Defense of Claims. The Company shall be entitled to participate in the defense of any Claim relating to an Indemnifiable Event or to assume the defense thereof, with counsel reasonably satisfactory to the Indemnitee; provided that if Indemnitee believes, after consultation with counsel selected by Indemnitee, that (i) the use of counsel chosen by the Company to represent Indemnitee would present such counsel with an actual or potential conflict of interest, (ii) the named parties in any such Claim (including any impleaded parties) include both the Company and Indemnitee and Indemnitee concludes that there may be one or more legal defenses available to him or her that are different from or in addition to those available to the Company, or (iii) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, then Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel in respect of any particular Claim) at the Company's expense. The Company shall not be liable to Indemnitee under this Agreement for any amounts paid in settlement of any Claim relating to an Indemnifiable Event effected without the Company's prior written consent. The Company shall not, without the prior written consent of the Indemnitee, effect any settlement of any Claim relating to an Indemnifiable Event which the Indemnitee is or could have been a party unless such settlement solely involves the payment of money and includes a complete and unconditional release of Indemnitee from all liability on all claims that are the subject matter of such Claim. Neither the Company nor Indemnitee shall unreasonably



withhold its or his or her consent to any proposed settlement; provided that Indemnitee may withhold consent to any settlement that does not provide a complete and unconditional release of Indemnitee.

15. Binding Effect, Termination, Etc. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, executors and personal and legal representatives. This Agreement shall continue in effect after Indemnitee ceases to serve as [Title] of the Company only with respect to Claims by reason of (or arising in part out of) an Indemnifiable Event. Except as provided in the preceding sentence, this Agreement shall automatically terminate upon Indemnitee ceasing to serve as [Title] of the Company.

16. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

17. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed in such state without giving effect to the principles of conflicts of laws.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this day of December 5, 2007.

STRYKER CORPORATION

By: \_\_\_\_\_  
Name: Thomas R. Winkel  
Title: Vice President and Secretary

\_\_\_\_\_  
[Indemnitee]

**AGREEMENT**

This Agreement entered into at the place and on the date of the last signature affixed hereto

by and between

**STRYKER CORPORATION**, with its headquarters at 2825 Airview Boulevard, Kalamazoo, Michigan 49002 (hereinafter referred to as the "Company" or "Stryker"),

and

**STRYKER ITALIA S.r.l.**, with registered office in Via Ghisalba 158 - 00188, Rome (Italy), (hereinafter referred to as the "Italian Subsidiary of the Company"),

on the one side and

**MR. LUCIANO CATTANI**, an Italian national residing

at \_\_\_\_\_, Tax Code CTTLCN45H16H647B (hereinafter referred to as "Mr. Cattani")

on the other side.

The Company and the Italian Subsidiary of the Company shall be jointly referred to as the "Companies"; the Companies and Mr. Cattani shall be jointly referred to as the "Parties."

- whereas Mr. Cattani is currently a Group President of Stryker and the parties agree that Mr. Cattani's position as Group President and other positions with the organization will cease except as set forth herein;
- whereas the Company intends to continue to secure the services and experience of Mr. Cattani as Executive Vice President for International Public Affairs of the Company and as a Director of the Italian Subsidiary of the Company;
- whereas Mr. Cattani is willing to perform such services in such capacity on behalf of the Company and the Italian Subsidiary of the Company;

Now therefore, the parties agree as follows:

1. Object

(a) Up until the close of business on December 31, 2007, Mr. Cattani will remain in his current role as Group President and Corporate Officer of Stryker Corporation, reporting to the Chief Executive Officer of Stryker Corporation. Other than the positions set forth herein and particularly his position as Board Member of the Italian Subsidiary of the Company, Mr. Cattani shall cease his position as Group President and all other positions, either as a director or as an employee, that Mr. Cattani holds with Stryker and any other affiliated entities that are directly or indirectly controlled by Stryker, as of December 31, 2007. Mr. Cattani will execute such paperwork necessary to confirm these changes.

(b) Mr. Cattani accepts serving in the capacity as Executive Vice President for International Public Affairs of the Company effective January 1, 2008, for the term mentioned here below in article 2 of this Agreement and the Company shall cause Mr. Cattani to be appointed as Executive Vice President for International Public Affairs of the Company. Mr. Cattani shall leave the position of President of the Board of Director of the Italian Subsidiary of the Company as of January 1, 2008, but will continue to be a member of the Board of Directors of the Italian Subsidiary of the Company. For this purpose, also pursuant to Art. 1381 of the Italian civil code, the Company undertakes to obtain the proper corporate resolutions of the Italian Subsidiary of the Company. Additionally, Mr. Cattani will be given the title of Honorary President of the Board of Directors of the Italian Subsidiary of the Company. Mr. Cattani acknowledges that the title as Honorary President is for internal purposes only and does not bestow upon him any duties, responsibilities or authority as the President of the Board of the Italian Subsidiary or related powers.

(c) Mr. Cattani shall perform his office while based at the Italian Subsidiary's premises in Rome, Italy, but may be required to travel from time to time to any other location, to attend corporate events and/or perform activity related to his office, such as representing Stryker at Eucomed, Advamed and at any other Medical Devices Trade Association with which Stryker International entertains commercial and business contacts. In his role as Executive Vice President for International Public Affairs of the Company and as Director of the Italian Subsidiary of the Company, Mr. Cattani will receive feedback from and support by Mr. Ed Rozynski, VP Global Governmental Affairs of the Company, as well as by the team coordinated by Mr. Rozynski. To perform his duties, Mr. Cattani shall be entitled to avail himself of the assistance of the same personal assistant employed by the Italian Subsidiary of the Company at the Rome office, who will work part-time. It is further understood that, if consistent with the activities to be performed, Mr. Cattani shall be allowed to work also from his home office.

(d) During the term of this agreement, Mr. Cattani shall devote on average at least three (3) full working days in 2008, two (2) full working days in 2009 and one (1) full working day in 2010, per week to the performance of his duties as Executive Vice President for International Public Affairs of the Company and as Director of Italian Subsidiary of the Company, with such authority, duties and responsibility as it will be decided from time to time by the CEO of the Company. Mr. Cattani shall not be bound to prefixed working hours but will dedicate as much time as may be required to perform the specific requirements of Mr. Cattani's job and of the specific issues on which he will be working.

## 2. Term and termination

(a) Mr. Cattani shall be appointed, by the competent corporate body, as Executive Vice President for International Public Affairs of the Company effective January 1, 2008. The initial term of this Agreement for both the Executive Vice President for International Public Affairs and as the Director of the Italian Subsidiary of the Company shall be for one (1) year, starting from January 1, 2008, and may be renewed, subject to the approval of both Parties, annually each following month of December and will inherently terminate on July 1, 2010, without prior written notice or indemnity in-lieu-of notice thereof.

(b) Either party hereto may elect to terminate this Agreement at will, at any time, by giving to the other party twelve (12) months of advance written notice by means of registered letter with return receipt, any termination indemnity for Mr. Cattani being excluded for whatever reason the termination may occur. During such notice period the Company shall have the right to cancel at any time Mr. Cattani's appointment as Executive Vice President for International Public Affairs of the Company and/or Director of the Italian Subsidiary of the Company and dispense Mr. Cattani from performance of his services hereunder, it being understood that Mr. Cattani's emoluments under article 3 below and Mr. Cattani's covenant not to compete under article 7 below shall survive and remain effective until expiration. It is understood that Mr. Cattani and/or Company and/or the Italian Subsidiary of the Company may terminate this Agreement at any time without notice, should the termination occur for cause (giusta causa) including, but not limited to: (i) breach of the confidentiality covenant contained in article 6; (ii) breach of the exclusivity covenant contained in

article 7; (iii) conviction of felony or embezzlement assessed with a res judicata; (iv) improper use of corporate funds or property.

(c) Subject to the preceding paragraphs of this article and subject to article 3 below, no additional compensation or indemnity shall be due to Mr. Cattani as a consequence or in connection with the termination of this Agreement and Mr. Cattani hereby waives any claim for further payment, indemnity or damage in connection with the termination of this Agreement and/or his appointment as Executive Vice President for International Public Affairs of the Company and/or the Director of the Italian Subsidiary of the Company.

(d) Termination of this Agreement shall entail the cancellation of Mr. Cattani's appointment both as Executive Vice President for International Public Affairs of the Company and as Director of the Italian Subsidiary of the Company unless previously cancelled as provided in clause (b) above. Mr. Cattani shall refrain from acting on behalf of the Company and the Italian Subsidiary of the Company in all respects as soon as the termination of this Agreement is effective.

### 3. Office emolument and bonus

(a) Mr. Cattani expressly waives any office emolument as Executive Vice President for International Public Affairs of the Company and as Director of the Italian Subsidiary of the Company except for the compensation hereby expressly agreed.

(b) The Italian Subsidiary of the Company, at the direction of the Company shall pay Mr. Cattani the gross annual compensation of €386.500,00 (three hundred eighty six thousand / five hundred Euro) for the calendar year ending December 31, 2008, by monthly instalments, net of any applicable withholding tax and social security contribution under Italian law, by means of bank or postal transfer to the account that Mr. Cattani shall indicate. Subject to the renewal of this Agreement as provided for above in article 2 (a), the Company shall pay Mr. Cattani, by monthly instalments, net of any applicable withholding tax and social security contribution under Italian law: (i) for the calendar year ending December 31, 2009, a gross annual compensation of €257.600,00 (two hundred fifty seven thousand / six hundred Euro); (i) for the period running from January 1, 2010 through July 1, 2010, a gross compensation of €64.400,00 (sixty four thousand four hundred Euro). The compensation set forth herein is intended to include all the termination compensation due under the agreement currently in force and Stryker shall have no other obligation to make payments for notice period indemnities, non competition indemnities, non disclosure/non solicitation obligations, or any other compensation obligations under such agreement, which shall be terminated as of the close of business on December 31, 2007.

### 4. Expenses, benefits and equipment.

(a) The Italian Subsidiary of the Company, at the direction of the Company shall pay or reimburse Mr. Cattani for all reasonable travel and other business expenses incurred in connection with the performance of his duties, according to the current policy of the Company as it may be reasonably amended from time to time, upon presentation of expense statements duly documented in accordance with the tax provisions of Italian law on deductible expenses.

(b) As long as Mr. Cattani will hold the position of Director of the Italian Subsidiary of the Company and of Executive Vice President for International Public Affairs of the Company, the Italian Subsidiary of the Company, at the direction of the Company shall: (i) contribute into life, accident and health insurance policies and Italian government pension program for Mr. Cattani, by making relevant payments; and (ii) provide Mr. Cattani with the same type and level of company car already assigned and driver, the latter to be used for business purposes only.

(c) Mr. Cattani will not receive any further stock option grants from the Company. It is understood that stock options already granted to Mr. Cattani shall continue to vest according to the terms of the 1998 Stock Option Plan of

Stryker Corporation and paragraph 5 (b) (iii), "retirement", of the said Plan shall apply, the latter contingent upon his termination of service as a director or employee of the Company or any of its subsidiaries, on or after his 65<sup>th</sup> birthday.

(d) Mr. Cattani will take vacation time as needed, preferably in the period going from July to the end of August, provided that he dedicates enough time when necessary to perform his obligations provided for in this agreement, as indicated in article 1 (d) above.

## 5. Ownership of Work

All business and technical data and information including trade secrets, all inventions and all works of authorship (including illustrations, writings, mask works, software and computer programs), created or conceived by Mr. Cattani during the term of this Agreement and related to the existing or contemplated business activity of the Italian Subsidiary of the Company and/or of any company of Stryker Corporation, shall belong to the Company and/or the Italian Subsidiary of the Company and/or its designees. Mr. Cattani shall promptly disclose to the Company and/or to the Italian Subsidiary of the Company all data, information, inventions and works of authorship belonging to the Company and/or the Italian Subsidiary of the Company pursuant to this paragraph and - to the maximum extent permitted by applicable law - assign to the Company and/or to Italian Subsidiary of the Company all of his interest in such inventions and works of authorship and execute any papers and do any acts which the Company and/or the Italian Subsidiary of the Company may consider necessary to secure any and all rights relating to such inventions and works of authorship, including all patents and copyrights in any country.

## 6. Confidentiality

(a) Mr. Cattani acknowledges that his relationship with the Company and the Italian Subsidiary of the Company has fiduciary and confidential aspects. Mr. Cattani will carry out his work with regularity, diligence, and professional responsibility in compliance with the policies of the Companies, the provisions of which Mr. Cattani hereby acknowledges, the instructions issued by the CEO of the Company, and the responsibilities connected to his position and duties.

(b) All information concerning past, actual or anticipated activities or business of the Company and the Italian Subsidiary of the Company or any company of Stryker Corporation shall be considered Confidential Information for the purposes of this clause, unless indicated otherwise. Confidential Information shall include, but shall not be limited to, all technical and non technical information including patents, copyrights, trade secrets, proprietary information, techniques, drawings, models, inventions, know how, processes, apparatus, equipment, algorithms, software programs, software source documents, information concerning research, experimental work, development, design, details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising and marketing plans and information.

(c) Mr. Cattani acknowledges that all classes of Confidential Information are the exclusive property of the Company and/or of the Italian Subsidiary of the Company. Mr. Cattani shall not, without the prior written consent of the Company and/or of the Italian Subsidiary of the Company, divulge to any third party or use to his own benefit, or for any purpose other than the exclusive benefit of the Company or the Italian Subsidiary of the Company, any Confidential Information.

(d) Mr. Cattani agrees to keep as the Company's or the Italian Subsidiary of the Company's property and to treat as Confidential Information all memoranda, books, papers, letters, and all other data in any way relating to the business and affairs of the Italian Subsidiary, and all copies thereof and therefrom, whether made by Mr. Cattani or otherwise coming into Mr. Cattani's possession or control. Mr. Cattani shall immediately surrender such materials to the Company or to the Italian Subsidiary of the Company on the termination of this Agreement irrespective of the grounds therefore, or upon Company's and/or Italian Subsidiary of the Company's first demand.

(e) By signing this Agreement, Mr. Cattani represents and acknowledges the contents of Stryker Corporation's Code of Conduct and agrees to comply with its terms.

## 7. Covenant Not to Compete and Non-Solicitation

(a) During the term of this Agreement, Mr. Cattani will use his best endeavours to satisfy and promote the interests of Stryker and its affiliated companies. No other remunerated activity in competition with the activities of the Companies is permitted during the term of this Agreement unless prior approval from the CEO of the Company has been received. Other non competing remunerated activities, including participation in Board of non competing companies, however, will be permitted, subject to prior notice to the CEO. For this purpose, it is understood that the competitiveness of such different companies with the Companies must be verified as of the moment in which the engagement is accepted. It is furthermore understood that any commitment in activity for companies other than the Italian Subsidiary of the Company, the Company and/or any other Group company shall be possible and approved provided that such commitment (a) does not impede Mr. Cattani from dedicating the time, as provided for above in article 1 (e), required to diligently perform his duties as provided for in this Agreement for the Company and for the Italian Subsidiary of the Company, or (b) is not a conflict of interest with respect to the services provided by Mr. Cattani under this Agreement.

(b) For one year after termination of Mr. Cattani's relationship with the Company and/or the Italian Subsidiary of the Company, for whatever reason this may occur, Mr. Cattani agrees that he shall not take up or otherwise be engaged in any professional activity, directly or indirectly, as proprietor, partner, shareholder, director, officer, employee, agent, consultant, or in any other capacity or manner whatsoever, whether the same are in competition with the Company and/or the Italian Subsidiary of the Company, without the prior written authorization of the Company or the Italian Subsidiary of the Company.

(c) For one year after the termination of Mr. Cattani's relationship with the Company and/or the Italian Subsidiary of the Company, for whatever reason this may occur, Mr. Cattani will not, directly or indirectly, hire, offer to hire, entice away or in any manner persuade or attempt to persuade any officer, employee, director, consultant, or agent of the Companies and/or any other company directly or indirectly affiliated with Stryker, to terminate or discontinue his/her contract of service or other business relationship with such company.

## 8. Notices

Any and all notices or any other communications regarding this Agreement shall be in writing and shall be deemed given when sent by telefax or e-mail, always followed by registered mail with return receipt, addressed to each of the parties hereto at the address set next to the name of each of them in the premises hereof or to such other address as any party hereto shall have designated by written notice to the other in the manner specified above. Either party may change its address for receipt of notices and copies by notice duly given to the other party.

## 9. Headings

The descriptive words or phrases at the head of the various articles hereof are inserted only as a convenience and for reference and in no way are intended to be a part of this Agreement, or in any way define, limit or describe the scope or intent of the particular article to which they refer.

## 10. Language

This Agreement shall be executed in three (3) originals, in English.

11. Whole agreement

This Agreement replaces and supersedes all other agreements (formerly identified as "co.co.co."), both in writing and orally reached among the Parties and shall be in effect starting January 1, 2008 till July 1, 2010 if the parties agree to extend the Agreement annually as indicated in article 2(a), save for early termination as otherwise provided, and shall constitute the sole and exclusive agreement among the Parties during the above mentioned timeframe.

[THIS SECTION INTENTIONALLY LEFT BLANK]

12. Governing Law and Jurisdiction

This Agreement shall be governed by the Italian law and any dispute arising from or related to validity, interpretation and enforcement of this contract shall be exclusively submitted to the Courts of Rome, Italy.

Issued in Kalamazoo, Michigan  
December 6, 2007

By: /s/ Michael W. Rude

/s/ Luciano Cattani

Dec. 6, 2007

Michael W. Rude  
Vice President, Human Resources  
Stryker Corporation

Mr. Luciano Cattani

date

December 7, 2007

By: /s/ Valter Annibaldi

Valter Annibaldi  
Managing Director  
Stryker Italia S.r.l.

For the purposes of article 1341 Italian Civil Code, the Parties expressly approve and agree on the following clauses of this Agreement: article 2 (b) (Termination with notice); 2 (c) (Termination without notice); 5 (Ownership of work); 6 (Confidentiality); 7 (Covenant not-to-compete and non solicitation); 12 (Governing law and jurisdiction).

Issued in Kalamazoo, Michigan  
December 6, 2007

By: /s/ Michael W. Rude  
Michael W. Rude  
Vice President, Human Resources  
Stryker Corporation

/s/ Luciano Cattani  
Mr. Luciano Cattani

Dec. 6, 2007  
date

December 7, 2007

By: /s/ Valter Annibaldi  
Valter Annibaldi  
Managing Director  
Stryker Italia S.r.l.