

THIRD PARTY PAYOR SETTLEMENT AND RELEASE AGREEMENT

This Third Party Payor Settlement and Release Agreement (“Settlement Agreement”) is entered into this _____ day of _____, 2003 by _____ (“Third Party Payor”) and the Sulzer Claims Administrator on behalf of the Released Parties, as defined herein.

RECITALS

WHEREAS, on March 13, 2002, Sulzer Orthopedic Inc. (“SOUS”) received final approval of a Class Action Settlement for certain claims arising in connection with the Inter-Op Shell and the Tibial Baseplate from the United States District Court for the Northern District of Ohio (the “Court”), and styled In re: Sulzer Hip Prosthesis and Knee Prosthesis Liability Litigation (MDL No. 1401) (the “Class Action Settlement”). All capitalized terms not expressly defined herein shall have the same meaning as given in the Class Action Settlement;

WHEREAS, under the Class Action Settlement, SOUS has established a Subrogation and Uninsured Expenses Sub-Fund of the Professional Services Fund to be funded in the amount of sixty Million (\$60) Dollars for the resolution of certain subrogation claims;

WHEREAS, SOUS admits that it manufactured the Affected Products but denies that it is liable for any subrogation or other claims related to the payment of medical items and services furnished to any Class Member; and

WHEREAS, Third Party Payor enters into this Settlement Agreement in order to settle, compromise and forever and finally resolve all present and future claims that the company has or may have under state or federal law for medical items and services that have been furnished to the Class Member(s) identified herein.

NOW THEREFORE, for and in consideration of the release granted hereby, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed that:

1. Class Member(s). Third Party Payor certifies that it has a claim of subrogation against SOUS, Sulzer Medica Ltd., and/or Sulzer AG, (the “Released Parties”) for the payment of Covered Revision Surgeries furnished to certain Class Member(s) set forth on Attachment A. Third Party Payor certifies that it has provided Claims Administrator with accurate and true information demonstrating the actual amount(s) it has incurred paying for Covered Revision Surgery(ies) furnished to Class Member and any other reasonable information necessary for Claims Administrator to satisfy Third Party Payor’s claim against the Sulzer Settlement Trust.

2. Payment. On behalf of the Sulzer Settlement Trust, the Claims Administrator shall pay to Third Party Payor an amount equal to the lesser of the actual amounts paid by Third Party Payor for the Class Member(s) identified on Attachment A or \$15,000 within sixty (60) days after execution of this Settlement Agreement. The specific amounts to be paid for each Class Member and accepted by Third Party Payor as payment in full are set forth on Attachment A.

3. Release. Upon satisfaction of any payment obligations under this Settlement Agreement for a Class Member whose name appears on Attachment A, the Third Party Payor shall release and forever discharge the Release Parties as follows;

a. The release and discharge is given on behalf of Third Party Payor its present and former divisions, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, heirs, administrators, and executors, together with all present and former agents, shareholders, directors, officers, employees, owners, representatives and attorneys of all such entities and all persons acting by, through, under or in concert with any of them;

b. The release and discharge provided by Third Party Payor in exchange for the payment outlined above covers all claims, demands, damages, lawsuits, and causes of action of whatsoever character and kind, whether known or unknown, whether for reimbursement, subrogation or otherwise, Third Party Payor have now or in the future, related to or arising from an Affected Product covered under the Class Action Settlement, including future claims for costs of Covered Revision Surgeries, and claims for costs of the original Affected Product, as against the Class Member, his/her heirs, assigns, administrators, executors, and all persons acting through, under or in concert with him/her and as against Released Parties, the Sulzer Settlement Trust and/or the Sulzer Claims Administrator including their present and former divisions, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, heirs, administrators, and executors, together with all present and former agents, shareholders, directors, officers, employees, owners, representatives and attorneys of all such entities and all persons acting by, through, under or in concert with any of them.

c. Upon satisfaction of the payment obligations under this Settlement Agreement, the Third Party Payor shall discontinue any efforts to recoup payment for medical items and services related to an Affected Product directly from such Class Member or any other party including any provider or supplier that furnished medical items and services in connection with the Affected Product Recipient's Covered Revision Surgery.

4. No Admission of Liability or Wrongdoing. This Settlement Agreement and Release will not be used or construed by any person or entity or offered in

evidence in any action or proceeding as an admission or confession of liability or wrongdoing on the part of any Released Party.

5. Entire Agreement. Except as provided herein, this Settlement Agreement and Release comprises the entire agreement and understanding of the parties with respect to the subject matter and there are no agreements or understandings other than those contained herein.

6. Severability. The provisions of this Settlement Agreement shall be deemed severable, and the invalidity or unenforceability of any provision (or part thereof) of this Settlement Agreement shall in no way affect the validity or enforceability of any other provisions (or remaining part thereof).

7. Successors. This Settlement Agreement shall be binding upon and inure to the benefit of the parties and their predecessors, successors, purchasers and assigns.

8. Governing Law. This Settlement Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without reference to its conflicts of law provision.

9. Venue. Third Party Payor waives any objections and agrees to submit to the jurisdiction of the United States District Court for the Northern District of Ohio to resolve any and all disputes arising in connection with this Settlement Agreement.

10. Modifications. The Settlement Agreement is intended to be a binding contract. No change, modification, termination or attempted waiver of any of the provisions of the Settlement Agreement shall be binding upon any party hereto unless reduced to writing and signed by the party against whom enforcement is sought.

11. Voluntarily Entered. This Settlement Agreement is voluntarily made after ample opportunity to review the document with any individuals, advisors and counsel so desired.

12. No Third-Party Beneficiaries. Nothing in this Settlement Agreement creates any rights in any third parties.

13. Counterparts and Facsimile. The parties may execute this Settlement Agreement in counterpart hereto. The parties hereby warrant and covenant: (a) that each has taken all action necessary to authorize execution of this Settlement Agreement; (b) that this Settlement Agreement and each of its terms is binding; (c) that each has the requisite power and authority to perform the acts stated herein; (d) that the undersigned signatory for each party has the authority to bind that party; (e) that it has not assigned or delegated to any third party all or any part of the rights and obligations set forth herein; and (f) that it owns and has not assigned, conveyed, pledged, encumbered, or otherwise transferred, in whole or in part, any of the causes

of action, claims, or debts released herein. The parties may exchange signatures to this Settlement Agreement by facsimile and such signatures shall be deemed to be original and effective to bind the parties.

IN WITNESS WHEREOF, the parties have hereto executed the Settlement Agreement on the ___ day of _____, 2003.

CLAIMS ADMINISTRATOR

By: _____

Name: _____

Title: _____

[THIRD PARTY PAYOR]

By: _____

Name: _____

Title: _____

ATTACHMENT A

CLASS MEMBER NAME

PAYMENT AMOUNT
