

CODE OF CONDUCT FOR DISTRIBUTORS OF ERBE ELEKTROMEDIZIN GMBH

The distributor undertakes to comply with the following code of conduct:

1. General principles, legal rules and law

With regard to all its entrepreneurial activities, the distributor undertakes to respond in every way to its social responsibility and to observe in all its business activities and decisions the respectively applicable laws as well as all other relevant provisions of the countries within which he is active.

Business partners must be dealt with fairly. Contracts must be complied with.

2. Corruption

In its dealings with business partners (e.g. customers, sales intermediaries) and state institutions, the distributor shall ensure that the interests of the companies and the private interests of its employees are kept strictly separate from one another on both sides. Any actions and business decisions are to proceed independent of considerations which do not concern the business at hand and which involve personal interests.

The respectively applicable criminal law on corruption must be complied with.

Amongst other things, the following is to be observed:

a) Criminal offenses in connection with officials

Offers, promises and grants of personal benefits (in particular of a monetary nature such as payment and loans, including the granting of smaller gifts over an extended period of time) by the distributor or its employees to any officials (such as civil servants or public officials) with the objective to obtain benefits for the distributor itself or any third party are prohibited and criminal offenses.

b) Offenses in business dealings

The distributor and its employees are not permitted to offer, promise, grant or approve any monetary personal benefits as a consideration for any preference in business dealings towards customers and other business partners. Neither are the distributor and its employees permitted to demand, allow themselves to be promised or accept any personal benefits of value when dealing with their business partners. The distributor must demand from its employees that they comply with these requirements; for example, the distributor will ensure that its employees do not offer or grant the customer or the employees of the customer any such corresponding benefits.

In their business dealings the management and employees of the distributor must not offer, promise, grant, demand, allow themselves to be promised or accept any presents, payments, invitations or services with the intention to influence a business relationship in any non-permissible way. This conduct must also be avoided and not engaged in if there is only the risk thereby to detrimentally affect the professional independence of the business partner.

c) Conduct in business dealings with Erbe

Specifically in business dealings with Erbe, the distributor takes into account the following standards:

Erbe permits its employees to accept presents with the equivalent value of a maximum of 10.00 EUR. For invitations to business dinners in connection with a business-related motive, the value limit is currently a maximum amount of 60.00 EUR. The details, and in particular the current value limits, are specified in the Erbe Anti-corruption Guidelines which can be inspected on the Erbe web site.

Erbe employees are not permitted to accept any presents or invitations exceeding these value limits, unless an exception is approved in individual cases by the responsible superior at Erbe and/or the Erbe Compliance Officer.

d) Policy of the distributor and contact person

If the distributor issues a policy for its employees on the acceptance and granting of presents, hospitality and event invitations, the distributor will communicate these also to Erbe for information purposes.

The distributor will appoint internally a contact person to its employees, who can be contacted by the employees, if the employees find themselves in a conflict of interests or if they are uncertain, whether there is or might arise a conflict of interests.

3. Conduct towards competitors (antitrust law)

The distributor respects fair competition.

Therefore, the entire company of the distributor shall comply with all applicable legal regulations and the applicable laws protecting and promoting competition, in particular the applicable antitrust regulations and other provisions for regulating competition.

With regard to dealings with competitors (that is, in particular other distributors), these regulations and provisions prohibit in particular agreements and other activities that influence prices or terms, assign sales areas or customers or obstruct free and open competition in any non-permissible way. In addition these regulations and provisions prohibit agreements between customers and other distributors, by means of which customers are to be restricted in their freedom to determine autonomously their prices and other terms for resale (determination of prices and terms).

With regard to the fact that the distinction between prohibited ways of proceeding and permissible cooperation can be problematic, the distributor is to provide a contact person for its employees, who can be contacted in all cases of doubt.

4. Forced labor

The distributor rejects any form of forced labor.

5. Child labor

The distributor complies with all United Nations provisions and regulations on human rights and children's rights. The distributor shall undertake in particular to comply with the Convention concerning the Minimum Age for Admission to Employment (Convention 138 of the International Labor Organization) as well as the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor (Convention 182 of the International Labor Organization). If at the business location of the distributor national regulations concerning child labor provide for stricter measures, these shall have precedence.

6. Principles of social responsibility

a) Human rights

The distributor respects and supports the observance of internationally recognized human rights.

b) Discrimination

The distributor commits, within the scope of prevailing laws and statutes, to opposing all forms of discrimination. This, for example, refers to a discrimination of employees on the basis of sex, race, disability, ethnic or cultural origin, religion, belief or world view, age or sexual orientation.

c) Health protection

The distributor ensures health and safety at work within the scope of national regulations. The distributor supports continuous advancement and development towards ever further improvement of the working environment.

d) Fair working conditions

The distributor respects the right of its employees to freedom of association within the framework of applicable regulations and laws.

e) Environmental protection

The distributor is sustainably committed to the objective of environmental protection for present and future generations. Laws passed for environmental protection must be complied with. The distributor expects from its employees to act with ecological awareness and supports them in this activity.

7. Trade and business secrets

The distributor commits its employees to maintain strictest confidentiality on its own trade and business secrets as well as the trade and business secrets of Erbe and other business partners. Confidential information and confidential documents must not be passed on to any third parties without prior authorization, or made accessible in any other way, unless this has been effectively authorized by the entitled person or if this information is publicly available.

8. Sales intermediaries

The distributor is required to communicate the principles of this code of conduct to its immediate sales intermediaries, to promote compliance with the contents of the same in the best way possible among its sales intermediaries and to request its sales intermediaries to comply themselves also with this code of conduct. Additionally, the distributor is also required to recommend to its sales intermediaries that they in turn require their own sales intermediaries to comply also with this code of conduct.

9. Compliance with conduct guidelines

The distributor remains free to introduce stricter codes of conduct for itself and its employees imposing even higher requirements for ethical action and conduct.

The distributor undertakes to make known to its employees the contents regulated in this code of conduct and the obligations resulting therefrom.

The distributor undertakes to work – in particular by means of the design and, if necessary, adaptation of directives and processes, towards its company complying with the principles of this code of conduct.

The distributor must designate to Erbe a responsible contact person for this code of conduct who will be able to provide legally binding information on compliance with the code of conduct. If this designation should not be made, the senior management of the distributor shall take up this role instead. By means of suitable organizational measures the distributor must work towards ensuring that the code of conduct is complied with by the distributor, its senior management as well as its employees. This is done in particular by introducing and maintaining appropriate checks and plausibility tests.

Place, Date: _____

Place, Date: _____

Erbe Elektromedizin GmbH

Distributor