

5 October 2007

Dr Peter McCombe
Honorary Secretary
Spine Society of Australia
Level 9, Watkins Medical Centre
225 Wickham Terrace
Brisbane QLD 4000

Dear Dr McCombe

Johnson & Johnson Medical Pty Limited ("JJM") is pleased to provide **Spine Society of Australia** (the "Sponsor") with an educational grant in the amount of **\$75,000** (the "Grant") for 2008. The purpose of this letter agreement is to set forth the terms and conditions pursuant to which JJM shall provide the Grant to the Sponsor.

1. The Grant proceeds shall be used by the Sponsor for the following educational program (the "Program"):

DePuy Spine/SSA Spine Clinical Fellowship Bursary – 5 individual bursaries of \$15,000 each

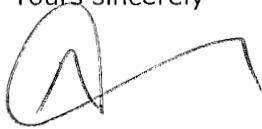
The Grant proceeds shall be used exclusively for educational expenses directly related to the Program. The Sponsor agrees that it shall not use the Grant proceeds toward any ordinary business expenses, whether or not related to the Program, including planning or general overhead expenses of the Program.

2. The Sponsor and JJM acknowledge and agree that the Grant is based on the Sponsor's proposed budget reflecting the Sponsor's good faith estimate of the direct educational costs of the Program, has not been determined in a manner that takes into account the volume or value of any business otherwise generated between the Sponsor and JJM, and shall not obligate the Sponsor to purchase, use, recommend, or arrange for the use of any product of JJM or its affiliates. The Sponsor shall permit JJM to review the Sponsor's expense records, which are related to the Program, as requested by JJM from time to time.
3. The Sponsor shall have sole and complete control over the content of the program. Any information provided at a Program regarding any products, including, without limitation, JJM's products, must be objective and based on scientific methods generally accepted in the medical community. Further, the Sponsor shall ensure that JJM's support of the Program is disclosed to attendees of the Program.
4. The Sponsor agrees that any handouts or other visual aids referencing a JJM product that will be used during a Program must be approved by JJM prior to their distribution or use.

5. This letter agreement may immediately be terminated by JJM in the event of a material breach by the Sponsor, which breach is not rectified by the Sponsor within thirty (30) days after written notice thereof from JJM. In the event that this letter agreement is terminated as provided in this paragraph, the Sponsor shall immediately return to JJM the remainder of the Grant proceeds which have not been expended as of the effective date of termination.
6. The Sponsor and JJM agree that this letter agreement shall be governed by and interpreted under the laws in force in the State of New South Wales.
7. The Sponsor and JJM further agree that this letter agreement sets forth their entire understanding regarding the subject matter hereof, supersedes all prior agreements or understandings, whether written or oral, between the Sponsor and JJM, and can only be modified upon the prior mutual written agreement of the Sponsor and JJM.
8. If any provision of this letter agreement is found to be wholly or partly unenforceable then:
 - (a) if the provision is capable of being read down to make it valid and enforceable without changing its effect it must be read down to the extent necessary to achieve that result; otherwise,
 - (b) the provision must be severed from this letter agreement and the remaining provisions will continue to be valid and enforceable.

If the terms of this letter agreement are acceptable to the Sponsor, please acknowledge the Sponsor's agreement to the terms of this letter agreement by countersigning the attached copy and returning it to my attention.

Yours sincerely



Namal Nawana
General Manager, DePuy Australia
Johnson & Johnson Medical Pty Limited

Agreed and acknowledged this 5th day of October, 2007

Spine Society of Australia

Signed By: Peter Mearns (PETER MEARNS)
Title: VICE PRESIDENT SPINE SOCIETY AUSTRALIA