

**THIS AMENDING AND EXTENSION AGREEMENT** is dated effective the 1<sup>st</sup> day of April, 2022 (the “Agreement”).

**BETWEEN:**

**ALBERTA HEALTH SERVICES**

(“AHS”)

- and -

**WOMAN’S HEALTH OPTIONS LTD.**

(the “Operator”)

(collectively, the “Parties” and each of them, a “Party”)

**RECITALS:**

- A. The Parties have entered into an Agreement for Provision of Facility Services Relating to Insured Pregnancy Termination Surgical Services (referenced as CLM200236), dated April 1, 2014, with Ministerial Order 8/2014, as amended by an agreements dated: April 1, 2017, with Ministerial Order 7/2017, October 1, 2018 with Ministerial Order 612/2018, April 1, 2020 with Ministerial Order 602/2020 and April 1, 2021 (the “Initial Agreement”).
- B. The Parties wish to amend the Initial Agreement on the terms and subject to the conditions set forth in this Agreement;
- C. The Initial Agreement is set to expire March 31, 2022; and
- D. The parties wish to further extend the term of the Initial Agreement for a period of five (5) years.

**NOW THEREFORE** for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree on the terms and subject to the conditions set forth in this Agreement as follows:

#### **ARTICLE 1 MINISTERIAL APPROVAL**

- 1.1** It is an express condition precedent to this Agreement having any force or effect that the Minister of Health for Alberta shall have approved this Agreement. If this condition is not fulfilled as at the date of this Agreement then, notwithstanding any other provision to the contrary, this Agreement shall not come into effect unless and until the Minister of Health for Alberta’s said approval is granted and neither Party shall have rights or obligations relative to this Agreement until that time.

**ARTICLE 2  
EXTENSION OF TERM**

**2.1** The Parties hereby agree to extend the term of the Initial Agreement for a period of **five (5) years**, commencing **April 1, 2022** and ending **March 31, 2027** (the “**Extension Term**”).

**ARTICLE 3  
AMENDMENTS**

**3.1 Amendments to Initial Agreement**

(a) Schedule “A” of the Initial Agreement is deleted and replaced with Schedule “A” which is attached to this Agreement.

**ARTICLE 4  
GENERAL**

**4.1 Capitalized Terms**

Unless otherwise defined, the capitalized terms used in this Agreement have the respective meanings ascribed to them in the Initial Agreement.

**4.2 Effect of Agreement**

Other than as expressly provided for herein, this Agreement does not serve to amend any terms or conditions of the Initial Agreement, the terms and conditions of which shall remain in full force and effect otherwise unamended. This Agreement is entered into as a supplementary document to the Initial Agreement and is subject to the other terms and conditions of the Initial Agreement and, in particular, all provisions and terms of general interpretation, construction and application (including but not limited to those relating to governing law, amendments, enurement, calculation of time periods and dispute resolution) are hereby incorporated by reference and deemed to be made a part hereof.

**4.3 Entire Agreement**

This Agreement and the Initial Agreement and any other agreements and documents that have been, or are required or contemplated to be, delivered pursuant hereto or thereto constitute the entire agreement between the Parties, setting out all the covenants, warranties, representations, conditions, understandings and agreements between the Parties pertaining to the subject matter of the Initial Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written.

**4.4 Further Assurances**

Each Party shall, with reasonable diligence, do all such things, provide all such reasonable assurances and execute and deliver such further documents or instruments as may be required by the other Party in order to give effect to and carry out the provisions of this Agreement or which otherwise may be reasonably necessary or desirable to effect the purpose of this Agreement.

**4.5 Execution in Counterparts**

This Agreement may be executed by the Parties in counterparts and may be executed and delivered by facsimile or other means of electronic transmission and all such counterparts shall together constitute one and the same agreement.

**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed by their duly authorized representatives as of the dates set forth below.

**ALBERTA HEALTH SERVICES**

By: Original Signed

Name:

Title:

Date:

By: Original Signed

Name:

Title:

Date:

**WOMAN'S HEALTH OPTIONS LTD.**

By: Original Signed

Name:

Title:

Date:

**SCHEDULE "A"**  
**SERVICES AND FUNDING**

**I. Description of Services**

AHS requires the services of Woman's Health Options Ltd., an accredited Chartered Surgical Facility, to provide specified pregnancy termination procedures under the Alberta Health Care Insurance Plan.

**II. Service Fees**

*Pricing and procedure details provided in the original signed agreement.*

**III. Maximum Amount Payable**

1. The maximum amount payable by AHS to the Operator (the "**Maximum Payable**") in the contract period April 1, 2022 to March 31, 2023 (a "**Contract Year**") will be calculated as follows:
  - (a) for purposes of this Section III, capitalized terms shall have the following meanings:
    - (i) "**Estimated Volume**" for each Type of Procedure shall mean the previous year's Estimated Volume for that Type of Procedure plus or minus an adjustment equal to the average of the Percentage Change for that Type of Procedure in each of the previous three twelve month periods commencing April 1 and ending March 31.
    - (ii) "**Percentage Change**" shall mean the increase or decrease in the actual volume of each Type of Procedure performed by the Operator in a Contract Year over the preceding twelve month period, expressed as a percentage.
    - (iii) "**Type of Procedure**" means any of those procedure categories listed in Section II "Service Fees" of this Schedule "B".
  - (b) For the Contract Year April 1, 2022 to March 31, 2023, the Maximum Payable shall be \$ 3,247,211.42, plus a 10% contingency amount of \$324,721.19, for a total of \$ 3,571,932.61. The Maximum Payable is subject to change and is based on the reconciliation process outlined in Section 3.
  - (c) No portion of the 10% contingency may be billed for without prior written approval from AHS for use of the contingency. Contingency funding is for extenuating purposes only.
  - (d) The Maximum Payable for the Contract Year shall be calculated using the Estimated Volume of each Type of Procedure for the Contract Year multiplied by the applicable rate for the Type of Procedure, as set out in Section II above, provided that the Maximum Payable shall not exceed \$ 4,200,000.00.
2. The Maximum Payable during the Contract Years will be paid in equal monthly instalments payable in accordance with Section 5.2 of this Agreement, subject to the receipt by AHS, within fifteen (15) days of the beginning of each month, of an invoice from the Operator

setting out the amount payable for that month together with a statement detailing the actual number of each Type of Procedure performed in the prior month.

3. At the end of each Contract Year, the amount paid by AHS to the Operator the Contract Year, will be reconciled against the actual number of each Type of Procedure carried out by the Operator in that Contract Year. Each reconciliation will be calculated as follows:
  - (a) if the actual volume of all Types of Procedures combined performed during the Contract Year is less than 98% of the Estimated Volume for that Contract Year, the Operator will reimburse AHS for the difference between what AHS paid for that Type of Procedure and what AHS would have paid for that Type of Procedure if it had only been invoiced for the actual amount of that Type of Procedures performed in that Contract Year; and
  - (b) if the actual volume of all Types of Procedures combined performed during the Contract Year exceeds 102% of the Estimated Volume for the that Contract Year, AHS will pay the Operator for the difference between what AHS paid for that Type of Procedure and what AHS would have paid for that Type of Procedure if it had been invoiced for the actual amount of that Type of Procedure performed in that Contract Year, provided that:
    - (i) notwithstanding the foregoing, the maximum amount payable by AHS for all Types of Procedures combined in any year shall not exceed the Maximum Payable, notwithstanding the contingency funding, for that year; and
    - (ii) the Operator has obtained AHS' prior written approval to exceed the Maximum Payable for that year or AHS feels the excess is reasonable due to extenuating purposes.
4. The Operator shall provide all information related to any reconciliation for any given year within fifteen (15) days of the end of the Fiscal Year. Where amounts are due the Operator, the Operator shall also provide an invoice for the amount due within such fifteen (15) day period and AHS will pay any amount due within thirty (30) days of the receipt of the reconciliation details and Operator's invoice. Where Operator owes money to AHS as a result of any reconciliation, the amount due will be paid within forty-five (45) days of the end of the Fiscal Year to which reconciliation applies.
5. The Estimated Volumes determined by AHS should in no way be taken to be a representation, warranty or guarantee by AHS that the Operator will have sufficient insured procedures to achieve the Maximum Payable for the given Contract Year during the term of this Agreement. In accordance with section 3.5 of this Agreement, AHS does not guarantee that any minimum number of procedures will be performed in the Facility, or that any minimum amount of Service Fees will be payable to the Operator during the term of this Agreement.