

## **RATIONALE FOR AMENDMENT**

### **RATIONALE FOR THE STANDARD AMENDMENT**

This document is intended to explain, in plain language, how the referenced agreement works, why each section exists, and how the agreement is designed to be fair and practical for both parties.

It is not part of the agreement itself. It does not modify the agreement, create obligations, or grant rights. The agreement itself is the binding legal document.

This document is also not legal advice. It reflects intent and rationale in using this agreement and is provided for informational and explanatory purposes only. Parties should rely on the agreement itself and may seek independent legal advice if they wish.

#### **What this document is and why it exists**

Alescent strongly prefers that its agreements be executed in standard or template form. This approach is intentional.

Standard agreements:

- reduce ambiguity and interpretation risk;
- accelerate contracting cycles;
- improve internal governance and consistency;
- simplify downstream administration, compliance, and audit; and
- ensure that deviations from established positions are deliberate rather than incidental.

Where commercial, operational, or legal realities require variation from a standard agreement, Alescent documents those variations in a standalone Amendment rather than modifying the base agreement itself.

This preserves the integrity of the original agreement while making all negotiated variance explicit, traceable, and reviewable.

#### **What the Amendment is**

The Amendment is a controlled mechanism for recording agreed deviations from an existing agreement, whether those deviations take the form of:

- amendments to existing provisions;
- additions of new provisions; or
- deletions of existing provisions.

The Amendment is designed to be precise, exhaustive, and self-contained with respect to those deviations.

#### **What the Amendment is not**

The Amendment is not:

- a restatement of the Original Agreement;
- a renegotiation of provisions not expressly addressed in the Amendment;
- a novation or replacement of the Original Agreement; or
- an implied waiver of rights or obligations.

Anything not explicitly amended remains exactly as agreed in the Original Agreement.

## Background and Intent

The Background and Intent section establishes the philosophy and boundaries of the Amendment.

Its purpose is to:

- clearly identify the Original Agreement being amended;
- state that only specific, enumerated deviations are intended; and
- prevent arguments that the Amendment reflects a broader reopening of the contract.

This framing is deliberate and conservative. It narrows interpretive risk and aligns expectations before any operative language is applied.

## Regarding Amendment numbering

Where multiple amendments may exist, the Amendment is numbered.

Numbering:

- improves traceability;
- simplifies reference in later amendments or disputes; and
- avoids ambiguity when multiple deviations exist.

Amendment numbering is an operational and governance choice rather than a legal requirement.

## Defined Terms

The Amendment intentionally relies on the defined terms of the Original Agreement wherever possible.

This approach:

- avoids redefining concepts unnecessarily;
- ensures semantic consistency across documents; and
- reduces the risk of conflicting interpretations.

Only terms that must be newly introduced would ever be defined within the Amendment itself.

## Amendments to the Original Agreement

The Amendment separates changes into three explicit categories:

- Amended Provisions
- Added Provisions
- Deleted Provisions

This structure mirrors how lawyers, judges, and commercial operators analyze contract changes.

### Amended Provisions

Amended Provisions are provisions of the Original Agreement that are being replaced in full.

The Amendment uses a full restatement approach rather than redlining fragments. This:

- eliminates uncertainty about which portions remain operative;
- avoids interpretive disputes over partial changes; and
- creates a clean, readable contractual record.

## **Added Provisions**

Added Provisions introduce obligations, rights, or mechanics that did not previously exist in the Original Agreement.

The Amendment accommodates two practical forms of additions:

- Inline additions, where the new provision is short and naturally fits within the body of the agreement.
- Additions by Schedule, where the provision is lengthy, technical, or better managed as an attachment.

## **Deleted Provisions**

Deleted Provisions are expressly removed from the Original Agreement.

Explicit deletion is intentional. Silence is not relied upon to infer removal. This:

- prevents arguments that a provision was implicitly waived;
- avoids confusion when reviewing historical versions; and
- ensures both Parties share a common understanding of what no longer applies.

## **No Other Modifications**

This section is central to the Amendment's discipline.

It confirms that:

- only the changes expressly listed apply;
- all other provisions remain intact; and
- the Amendment is not a waiver, novation, or restatement.

## **Order of Precedence**

The Order of Precedence clause resolves conflicts narrowly and intentionally.

The Amendment prevails only where it explicitly addresses subject matter. In all other respects, the Original Agreement governs.

## **Execution and Counterparts**

Counterparts and electronic execution are expressly permitted.

This reflects modern commercial practice and avoids technical enforceability arguments based on execution mechanics rather than substance.

## **Governing Law**

The Amendment inherits the governing law of the Original Agreement.

This preserves jurisdictional consistency and avoids fragmenting dispute resolution across documents.

## **Entire Amendment**

The Entire Amendment clause confirms that the Amendment is complete with respect to the changes it introduces.

It is intended to be read together with the Original Agreement as a single, integrated contractual framework.

## Common Questions

### **Does this Amendment reopen the entire Original Agreement?**

No. The Amendment is intentionally narrow. It changes only what is expressly stated. All other provisions of the Original Agreement remain unchanged and fully effective.

### **Why not just edit the Original Agreement directly?**

Editing the base agreement obscures what is standard versus what is negotiated. Using a standalone Amendment preserves the integrity of the standard form and makes all variance explicit, traceable, and reviewable.

### **Can an Amendment add entirely new obligations?**

Yes. Added Provisions are a deliberate mechanism for introducing new rights, obligations, or mechanics that did not previously exist, either inline or by Schedule, with full contractual force.

### **Can an Amendment delete provisions without replacing them?**

Yes. Deleted Provisions are expressly removed in their entirety. Silence is not relied upon to infer deletion.

### **Can different changes in the same Amendment have different effective dates?**

Yes. While the Amendment has a single execution date, individual amended provisions may expressly specify prospective or retroactive effect. Absent such specificity, changes apply prospectively.

### **If there is a conflict, which document governs?**

The Amendment governs only with respect to the subject matter it expressly addresses. In all other respects, the Original Agreement governs.

### **Is amendment numbering legally required?**

No. Numbering is not required for enforceability. It is used to improve operational clarity, traceability, and governance when multiple amendments exist.