

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 20, 1997

THE FEMALE HEALTH COMPANY

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction or incorporation)

0-18849

39-1144397

(Commission File Number)

(I.R.S. Employer I.D. Number)

919 North Michigan Avenue
Suite 2208
Chicago, Illinois

60611

(Address of Principal Executive
Offices)

(Zip Code)

312-280-2281

(Registrant's telephone number; including area code)

Item 9. Sales of Equity Securities Pursuant to Regulation S.

On February 20, 1997, The Female Health Company (the "Company") closed a sale of \$2,020,000 of 8% convertible debentures and related warrants to eight foreign investors pursuant to an exemption from the securities registration requirement provided by Regulation S promulgated under the Securities Act of 1933, as amended. The convertible debentures mature on January 31, 2000 and bear interest at 8% per annum, payable semiannually.

The convertible debentures are convertible at the election of the investors into shares of the \$.01 par value common stock of the Company as follows: (1) commencing 45 days after the closing of the sale of the debentures, one-half of the principal amount of the debentures, plus accrued interest, is convertible into shares of the Company's common stock; and (2) commencing 65 days after the closing, the balance of the principal amount, plus accrued interest, is convertible into shares of the Company's common stock. The conversion price for conversion of the debentures is equal to the lesser of (a) \$ 3.00 (representing the "market price" on the date of closing) or (b) 80% of the "market price" on the conversion date. The "market price" is equal to the average last sale price of the common stock for the five trading days immediately preceding the closing date or the conversion date, as applicable. In connection with this offering, the foreign investors also received warrants to purchase up to 67,333 shares of the Company's common stock at an exercise price of \$5.00 per share. These warrants are exercisable commencing May 1, 1997 and for a period of 36 months thereafter.

As required by Regulation S, the Company offered and sold the convertible debentures and warrants in an offshore transaction only to non-U.S. persons. The Company did not use the services of an underwriter in this offering but, rather, European American Securities, Inc. acted as distributor for the offering. For its services as the distributor, European American Securities, Inc. received a placement fee of 7% of the principal amount of the debentures sold (\$141,400). In addition, the Company agreed to pay the legal fees of the distributor's counsel, which the Company anticipates will be less than \$4,000. In addition, the Company paid an escrow fee of one-half of 1% of the aggregate amount subscribed for (for a total escrow fee of \$10,100) to the law firm of Krieger & Prager, Esqs., who acted as escrow agent for the offering. Accordingly, the Company received \$1,868,500 of net proceeds from this offering, before deducting the Company's expenses in this offering, including the legal fees of the distributor's counsel, which are estimated to be approximately \$15,000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, The Female Health Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 28, 1997

THE FEMALE HEALTH COMPANY

BY /s/ O.B. Parrish

O.B. Parrish, Chairman and
Chief Executive Officer

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99.5 Irrevocable Instructions to Transfer Agent	

JOINT ESCROW INSTRUCTIONS

Dated as of the date of the Offshore
Securities Subscription Agreement to
Which These Joint Escrow
Instructions Are Attached

Krieger & Prager, Esqs.
319 Fifth Avenue
New York, New York 10016

Attention: Samuel M. Krieger, Esq.

Dear Mr. Krieger:

As escrow agent for both The Female Health Company, Inc., a Wisconsin corporation (the "Company"), and the Purchaser (the "Purchaser") of 8% Convertible Debentures (the "Debentures") of the Company, who is named in the Offshore Securities Subscription Agreement between the Company and the Purchaser to which a copy of these Joint Escrow Instructions is attached as ANNEX II (the "Agreement"), you (hereafter, the "Escrow Agent") are hereby authorized and directed to hold the documents and funds (together with any interest thereon, the "Escrow Funds") delivered to the Escrow Agent pursuant to the terms of the Agreement in accordance with the following instructions:

1. The Escrow Agent shall, as promptly as feasible, notify the Company of receipt of the purchase price from the Purchaser, and notify the Purchaser (or such agent as the Purchaser may designate in writing) of receipt of Debentures. As promptly as feasible upon receipt of notice (whether oral or in written form) from the Company and the Purchaser that the respective conditions precedent to the purchase and sale have been satisfied (which notice shall not be unreasonably withheld), the Escrow Agent shall, after reduction by the amounts referred to in the next succeeding sentence of this paragraph, release the Escrow Funds to or upon the order of the Company, and shall release the Debentures to the Purchaser. After receipt of such notice, an amount equal to the fees due to the Distributor and the Escrow Agent shall be released to or upon the order of Escrow Agent. If such Debentures are not deposited with the Escrow Agent within ten (10) days after receipt by the Company of notice of receipt by the Escrow Agent of the funds from the Purchaser, Escrow Agent shall notify the Purchaser and Purchaser shall be entitled to cancel the subscription and demand repayment of the funds. If the Company or the Purchaser notify the Escrow Agent that on the proposed Closing Date

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(as defined in the Agreement) the conditions precedent to the obligations of the Company or the Purchaser, as the case may be, under the Agreement were not satisfied or waived, then the Escrow Agent shall return the Escrow Funds to the Purchaser and shall return the Debentures to the Company. Prior to return of the Escrow Funds to the Purchaser, the Purchaser shall furnish such tax reporting or other information as shall be appropriate for the Escrow Agent to comply with applicable United States laws. The Escrow Agent shall deposit all funds received hereunder in the Escrow Agent's attorney escrow account at The Bank of New York.

2. The Escrow Agent's duties hereunder may be altered, amended, modified or revoked only by a writing signed by the Company, the Purchaser and the Escrow Agent.

3. The Escrow Agent shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by the Escrow Agent to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent shall not be personally liable for any act the Escrow Agent may do or omit to do hereunder as Escrow Agent while acting in good faith, and any act done or omitted by the Escrow Agent pursuant to the advice of the Escrow Agent's attorneys-at-law shall be conclusive evidence of such good faith.

4. The Escrow Agent is hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or corporation, excepting only orders or process of courts of law and is hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case the Escrow Agent obeys or complies with any such order, judgment or decree, the Escrow Agent shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

5. The Escrow Agent shall not be liable in any respect on account of the identity, authorities or rights of the parties executing or delivering or purporting to execute or deliver the Agreement or any documents or papers deposited or called for hereunder.

6. The Escrow Agent shall be entitled to employ such legal counsel and other experts as the Escrow Agent may deem necessary properly to advise the Escrow Agent in connection with the Escrow Agent's duties hereunder, may rely upon the advice of such counsel, and may pay such counsel reasonable compensation therefor. The Escrow Agent has acted as legal counsel for one or more of the financial advisors herein, and may continue to act as legal counsel for one or more of the financial advisors herein, from time to time, notwithstanding its duties as Escrow Agent hereunder.

7. The Escrow Agent's responsibilities as Escrow Agent hereunder shall terminate if the Escrow Agent shall resign by written notice to the Company and the Purchaser. In the

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event of any such resignation, the Purchaser and the Company shall appoint a successor Escrow Agent.

8. If the Escrow Agent reasonably requires other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

9. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the documents or Escrow Funds held by the Escrow Agent hereunder, the Escrow Agent is authorized and directed in the Escrow Agent's sole discretion (1) to retain in the Escrow Agent's possession without liability to anyone all or any part of said documents or Escrow Funds until such disputes shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but the Escrow Agent shall be under no duty whatsoever to institute or defend any such proceedings or (2) to deliver the Escrow Funds and any other property and documents held by the Escrow Agent hereunder to a state or federal court having competent subject matter jurisdiction and located in the State and City of New York in accordance with the applicable procedure therefor.

10. The Company and the Purchaser agree jointly and severally to indemnify and hold harmless the Escrow Agent from any and all claims, liabilities, costs or expenses in any way arising from or relating to the duties or performance of the Escrow Agent hereunder other than any such claim, liability, cost or expense to the extent the same shall (a) have been tax obligations in connection with Escrow Agent's fee hereunder, or (b) have been determined by final, unappealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Escrow Agent, or (c) be a liability, or arise from liability, to either the Company or the Purchaser.

11. Any notice required or permitted hereunder shall be given in writing (unless otherwise specified herein) and shall be deemed effectively given upon personal delivery or three business days after deposit in the United States Postal Service, by registered or certified mail with postage and fees prepaid, addressed to each of the other parties thereunto entitled at the following addresses, or at such other addresses as a party may designate by ten days advance written notice to each of the other parties hereto.

COMPANY: The Female Health Company, Inc.
919 N. Michigan Avenue
Chicago, Illinois
ATT:Chief Financial Officer

PURCHASER: At the address set forth on the first page of the Agreement.
ESCROW AGENT: Krieger & Prager, Esqs.

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319 Fifth Avenue
New York, New York 10016
Telecopier No. (212) 213-2077

12. By signing these Joint Escrow Instructions, the Escrow Agent becomes a party hereto only for the purpose of these Joint Escrow Instructions; the Escrow Agent does not become a party to the Agreement. The Company and the Purchaser have become parties hereto by their execution and delivery of the Agreement, as provided therein.

13. This instrument shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns and shall

be governed by the laws of the State of New York without giving effect to principles governing the conflicts of laws. A facsimile transmission of these instructions signed by the Escrow Agent shall be legal and binding on all parties hereto.

14. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided in the Agreement.

15. The rights and obligations of any party hereto are not assignable without the written consent of the other parties hereto. These Joint Escrow Instructions constitute the entire agreement amongst the parties with respect to the subject matter hereof.

THE FEMALE HEALTH COMPANY, INC.

By: _____
Its _____

ACCEPTED BY ESCROW AGENT:

KRIEGER & PRAGER

By: _____
Date: _____

OFFSHORE SECURITIES SUBSCRIPTION AGREEMENT

This Offshore Securities Subscription Agreement ("Agreement") is executed in reliance upon the transaction exemption afforded by Regulation S ("Regulation S") as promulgated by the Securities and Exchange Commission ("SEC"), under the Securities Act of 1933, as amended ("1933 Act").

This Agreement has been executed by the undersigned in connection with the private placement of up to \$3,000,000 8% Convertible Debentures due January 31, 2000 (hereinafter referred to as the "Debentures") of The Female Health Company, a corporation organized and existing under the laws of the State of Wisconsin, U.S.A., American Stock Exchange Symbol "FHC" (hereinafter referred to as the "COMPANY"). The Debentures being sold pursuant to this Agreement, and the Shares (as defined below), have not been registered under the 1933 Act and may not be offered or sold in the United States or to U.S. Persons, other than distributors (as such terms are defined in Regulation S), unless the Debentures or the Shares, as the case may be, are registered under the 1933 Act, or an exemption from the registration provisions of the 1933 Act is available. The terms on which the Debentures may be converted into common stock (the "Shares") and the other terms of the Debentures are set forth in the pro forma Debenture in ANNEX I annexed hereto. This subscription and, if accepted by the COMPANY, the offer and sale of Debentures and the Shares issuable upon conversion thereof (collectively the "Securities"), are being made in reliance upon the provisions of Regulation S ("Regulation S") under the 1933 Act.

The undersigned

NAME: _____
(Print Name Exactly As It Will Appear On Debenture And Stock Certificates)

ADDRESS: _____

(Jurisdiction of Organization or residence)

if applicable, a [Corporation][Partnership][Trust] organized under the laws of _____, a non USA jurisdiction (hereinafter referred to as the "PURCHASER")

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hereby represents and warrants to, and agrees with, the COMPANY as follows:

1. AGREEMENT TO SUBSCRIBE.
 - a. SUBSCRIPTION AMOUNT. The undersigned hereby subscribes for \$_____ in principal amount of 8% Debentures.
 - b. FORM OF PAYMENT. The PURCHASER shall pay the purchase price for the Debentures by delivering good funds in United States Dollars to the escrow agent identified in the Joint Escrow Instructions attached hereto as ANNEX II (the "Escrow Agent"). Delivery of such funds to the COMPANY by the Escrow Agent shall be made against delivery by the COMPANY of one or more Debentures in accordance with this Agreement. By signing this Agreement, the PURCHASER and the COMPANY each agrees to all of the terms and conditions of, and becomes a party to, the Joint Escrow Instructions attached hereto as ANNEX II, all of the provisions of which are incorporated herein by this reference as if set forth in full.
 - c. METHOD OF PAYMENT. Payment of the purchase price for the Debentures shall be made by wire transfer of funds to:

Bank of New York
350 Fifth Avenue
New York, New York 10001

ABA# 021000018
for credit to the account of Krieger & Prager, Attorneys
Escrow Account No. 105-0036843

Not later than three (3) business days after acceptance and execution of this Agreement by the COMPANY, the PURCHASER shall deposit with the

Escrow Agent the aggregate subscription price for the Debentures.

2. SUBSCRIBER REPRESENTATIONS AND COVENANTS; ACCESS TO INFORMATION;
INDEPENDENT INVESTIGATION.

- a. OFFSHORE TRANSACTION. PURCHASER represents, warrants and covenants to COMPANY as follows:
- (i) PURCHASER is not a U.S. Person as that term is defined under Regulation S, as set forth in Annex III.
 - (ii) PURCHASER is outside the United States as of the date of the execution and delivery of this Agreement.

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- (iii) PURCHASER is purchasing the Debentures for its own account and not on behalf of any U.S. Person, and PURCHASER is the sole beneficial owner of the Debentures, and has not pre-arranged any sale with any purchaser or purchasers in the United States.
- (iv) PURCHASER represents and warrants and hereby agrees that all offers and sales of the Debentures prior to the expiration of a period commencing on the date of the receipt of funds by the COMPANY and ending 40 days thereafter (the "Restricted Period") shall only be made in compliance with the safe harbor contained in Regulation S, pursuant to the registration provisions under the 1933 Act or pursuant to an exemption from registration, and all offers and sales after the expiration of the 40-day period shall be made only pursuant to such registration or to an exemption from registration.
- (v) PURCHASER acknowledges that the purchase of the Debentures involves a high degree of risk, is aware of the risks and further acknowledges that it can bear the economic risk of the purchase of the Debentures, including the total loss of its investment.
- (vi) PURCHASER understands that the Debentures are being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. securities laws and that the COMPANY is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgements and understandings of PURCHASER set forth herein in order to determine the applicability of such exemptions and the suitability of PURCHASER to acquire the Debentures, and the Shares issuable upon conversion thereof. PURCHASER represents and warrants that the information contained herein is complete and accurate. PURCHASER further represents and warrants that it will notify the COMPANY immediately upon the occurrence of any material change therein occurring prior to the issuance of Shares upon conversion of the Debenture.
- (vii) PURCHASER is sufficiently experienced in financial and business matters to be capable of evaluating the merits and risks of its investments, and to make an informed decision relating thereto.
- (viii) In evaluating its investment, PURCHASER has consulted its own investment and/or legal and/or tax advisors. PURCHASER is not relying on the COMPANY respecting the tax and other

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economic considerations of an investment in the Debentures.

- (ix) PURCHASER understands that in the view of the SEC the statutory basis for the exemption claimed for this transaction would not be present if the offering of Debentures, and the Shares issuable upon conversion thereof, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. PURCHASER is acquiring the Debentures for investment purposes and has

no present intention to sell the Debentures, or the Shares issuable upon conversion thereof, in the United States or to a U.S. Person or for the account or benefit of a U.S. Person either now or after the expiration of the Restricted Period.

- (x) PURCHASER is not an underwriter of, or dealer in, the Securities, and PURCHASER is not participating, pursuant to a contractual agreement, in the distribution of the Securities.
 - (xi) During the period commencing on the Closing Date (as defined herein) and ending on the 45th day following such date, neither PURCHASER nor any of its affiliates will, directly or indirectly, maintain any short position in the securities of the COMPANY.
 - (xii) During the period commencing on the Closing Date (as defined herein) and ending on the 45th day following such date, PURCHASER will not sell, commit or agree to sell or pledge any shares of Common Stock of the COMPANY or any other securities convertible into or exercisable for shares of Common Stock of the COMPANY.
 - (xiii) PURCHASER has taken no action which would give rise to any claim by any person for brokerage commission, finders' fees or the like relating to this Agreement or the transactions contemplated hereby.
- b. CURRENT PUBLIC INFORMATION. PURCHASER acknowledges that PURCHASER has been furnished with or has acquired copies of the COMPANY'S Form S-1 Registration Statement Prospectus dated June 17, 1996, its most recent Annual Report on the Form 10-K filed with the SEC, and its forms 10-Q and 8-K filed thereafter (collectively the "SEC Filings"). PURCHASER is not relying upon any representations or other information (whether oral or written) other than as set forth in the

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SEC filings or in Annex IV.

- c. INDEPENDENT INVESTIGATION; ACCESS. PURCHASER acknowledges that PURCHASER, in making the decision to purchase the Debentures subscribed for, has relied upon independent investigations made by it and its representatives, if any, and PURCHASER and such representatives, if any, have, prior to any sale to it, been given access and the opportunity to examine all material publicly available, books and records of the COMPANY, all material contracts and documents relating to this offering and an opportunity to ask questions of, and to receive answers from the COMPANY or any person acting on its behalf concerning the terms and conditions of this offering. PURCHASER and its advisors, if any, have been furnished with access to all publicly available materials relating to the business, finances and operation of the COMPANY and materials relating to the offer and sale of the Debentures which have been requested. PURCHASER and its advisors, if any, have received complete and satisfactory answers to any such inquiries.
- d. NO GOVERNMENT RECOMMENDATION OR APPROVAL. PURCHASER understands that no federal or state agency has passed on or made any recommendation or endorsement of the Debentures.
- e. ENTITY PURCHASERS. If PURCHASER is a partnership, corporation or trust, the person executing this Agreement on its behalf represents and warrants that:
- (i) He or she has made due inquiry to determine the truthfulness of the representations and warranties made pursuant to this Agreement.
 - (ii) He or she is duly authorized (if the undersigned is a trust, by the trust agreement) to make this investment and to enter into and execute this Agreement on behalf of such entity.
- f. INDIVIDUAL PURCHASERS. PURCHASER, if an individual, represents that he or she has reached the age of 21 and has adequate means for providing for his or her current and anticipated financial needs and possible contingencies for emergencies and has no need for liquidity in the proposed investment.

- g. BINDING COMMITMENT. This Agreement constitutes a legal, valid and binding obligation of the PURCHASER. The PURCHASER has full

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power, right and authority to enter into and perform this Agreement. The execution and delivery and performance of this Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the PURCHASER is a party or by which it is bound. If the PURCHASER is an entity, it was not formed for the specific purpose of acquiring the Debenture.

- h. FOREIGN LAWS. PURCHASER hereby covenants that it will comply with all laws and regulations in each foreign jurisdiction in which it purchases, offers, sells or deliver the Securities, or has in its possession or distributes any offering material.

3. COMPANY REPRESENTATIONS.

- a. REPORTING COMPANY STATUS. The COMPANY is a reporting issuer as defined by Rule 902 of Regulation S. The COMPANY is in full compliance, to the extent applicable, with all reporting obligations under either Section 12(b), 12(g) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The COMPANY has registered its common stock pursuant to Section 12 of the Exchange Act and the common stock trades on the AMERICAN STOCK EXCHANGE, and has received no notice, either oral or written, with respect to its continued eligibility for such listing.
- b. OFFSHORE TRANSACTION. The COMPANY has not offered these securities to any person in the United States or to any U.S. Person as that term is defined in Regulation S.
- c. NO DIRECTED SELLING EFFORTS. In regard to this transaction, the COMPANY has not conducted any "directed selling efforts" as that term is defined in Rule 902 of Regulation S nor has the COMPANY conducted any general solicitation relating to the offer and sale of the within securities to persons resident within the United States or elsewhere.
- d. TERMS OF DEBENTURES. The COMPANY will issue the Debentures in accordance with the terms of ANNEX I attached hereto.
- e. LEGALITY. The COMPANY has the requisite corporate power and authority to enter into this Agreement and to sell and deliver the Debentures; this Agreement and the issuance of the Debentures have been duly and validly authorized by all necessary corporate action by the COMPANY; this Agreement has been duly and validly executed and

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delivered by and on behalf of the COMPANY, and is a valid and binding agreement of the COMPANY, enforceable against it in accordance with its terms, except as enforceability may be limited by general equitable principles, bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws affecting creditors rights generally.

- f. NON-CONTRAVENTION. The execution and delivery of this Agreement and the consummation of the issuance of the Debentures, and the consummation of the transactions contemplated by this Agreement by the COMPANY do not and will not conflict with or result in a breach by the COMPANY of any of the terms or provisions of, or constitute a default under, the Articles of Organization or by-laws of the COMPANY, or any material indenture, mortgage, deed of trust, or other material agreement or instrument to which the COMPANY is a party or by which it or any of its properties or assets are bound or (assuming that the representations and warranties of the PURCHASER in Section 2 hereof, are true and correct), any existing applicable U.S. law, rule, or regulation or any applicable decrees, judgment or order of any U.S. court, federal or state regulatory body, administrative agency or other U.S. governmental body having jurisdiction over the COMPANY or any of its properties or assets, the conflict, breach, violation or default of or under which would have a material adverse effect on the COMPANY'S business or financial condition.
- g. FILINGS. The COMPANY undertakes and agrees to make all necessary filings in connection with the sale of the Debentures as required

by United States laws and regulations or any domestic securities exchange or trading market, with a copy to counsel for Distributor.

- h. ABSENCE OF CERTAIN CHANGES. Since September 30, 1996, there has been no material adverse development in the assets, liabilities, business, properties, operations, financial condition or results of operations of the COMPANY, except as disclosed in the SEC Filings or in Annex V.
- i. The Company has legally available sufficient authorized and unissued Shares as may be reasonably necessary to effect the conversion of the Debentures.

4. TRANSFER AGENT INSTRUCTIONS.

- a. Debentures. Upon the conversion of the Debentures, the PURCHASER thereof shall submit such Debenture and the COMPANY's Transfer

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Agent shall, pursuant to Irrevocable Instructions to Transfer Agent annexed hereto, within three (3) business days of receipt of such Debenture issue one or more certificates representing that number of shares of Common Stock into which the Debenture or Debentures are convertible in accordance with the provisions regarding conversion set forth in ANNEX I hereto. The COMPANY shall act as Debenture Registrar and shall maintain an appropriate ledger containing the necessary information with respect to each Debenture.

- b. Subject to the completeness and accuracy of the PURCHASER'S representations and warranties herein, upon the conversion of any Debenture by a person who is a non-U.S. Person, the COMPANY'S transfer agent shall issue stock certificates without restrictive legend in the name of PURCHASER (or its nominee (being a non-U.S. Person) or such non-U.S. Persons as may be designated by PURCHASER) and in such denominations to be specified at conversion representing the number of shares of Common Stock issuable upon such conversion, as applicable; provided, however, that if the nominee or other non-U.S. Person in whose name a certificate or certificates for shares are requested to be registered is other than PURCHASER, or if there has been a regulatory development including, but not limited to, an amendment or proposed amendment of Regulation S, or any "no-action" or interpretive guidance whether oral or written from the Securities and Exchange Commission, which call into question the ability of COMPANY to issue to PURCHASER the Securities without registration under the United States Securities Act of 1933, COMPANY may require prior to issuance of a certificate in the name of PURCHASER or such other person, that it receive reasonable transfer documentation including opinions of counsel acceptable to COMPANY that the issuance of certificates without restrictive legend and/or in such other name does not and will not cause a violation of the Act or any applicable state or foreign securities laws. The COMPANY warrants that no instructions other than these instructions, instructions to impose a "stop transfer" instruction with respect to the Debenture until the end of the Restricted Period and the Irrevocable Instructions to Transfer Agent annexed hereto have been or will be given to the transfer agent and that the Shares will not be subject to any transfer limitations other than those imposed by applicable securities laws. Nothing in this Section 4, however, shall affect in any way PURCHASER'S or such nominee's obligations and agreement to comply with all applicable securities laws upon resale of the Securities.

- c. If upon conversion of the Debentures effected by the PURCHASER

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pursuant to the terms of this Agreement and the Form of Debenture following the expiration of the Restricted Period, the COMPANY fails to issue certificates for Shares issuable upon such conversion to the PURCHASER bearing no restrictive legend for any reason other than the COMPANY'S reasonable good faith belief that the representations and warranties made by the PURCHASER in this Agreement were untrue when made, the COMPANY shall pay to the PURCHASER by wire transfer, as liquidated damages for such failure and not as a penalty, an amount in cash equal to \$50,000 provided, however, that the payment of such liquidated damages shall not relieve the COMPANY from its obligations to register the Shares pursuant to Section 9.

5. EXEMPTION; RELIANCE ON REPRESENTATION. PURCHASER understands that the

offer and sale of the Debentures, and the Shares issuable upon conversion thereof, is not being registered under the 1933 Act. The COMPANY is relying on the rules governing offers and sales made outside the United States pursuant to Regulation S. Rules 901 through 904 of Regulation S govern this transaction.

6. CLOSING DATE AND ESCROW AGENT. The date of the issuance of the Debentures and the sale of the Debentures as evidenced by receipt by the COMPANY from the Escrow Agent of PURCHASER'S purchase funds (the "Closing Date") shall be no later than ten (10) business days after execution hereof by all parties or such other mutually agreed to time. PURCHASER shall, within three (3) business days after acceptance and execution of this Agreement by the COMPANY, deliver the necessary funds as indicated in Paragraph 1 to the Escrow Agent. Debentures will be delivered to the Escrow Agent at the instructions of the COMPANY. PURCHASER agrees that the Escrow Agent has no liability as a result of any fraudulent or unlawful conduct of any other party, and agrees to hold the Escrow Agent harmless for costs arising out of such fraudulent or unlawful conduct of others.

7. WARRANTS. The Company agrees to issue to PURCHASER within ten (10) days after the Closing Date, transferable divisible warrants (the "Warrants") under Regulation S for Shares of Common Stock equal to 10% of the number of shares of Common Stock into which the Debentures would be convertible as at such Closing Date. Such Warrants shall bear an exercise price per share of Common Stock equal to \$5.00, and shall be exercisable commencing May 1, 1997 and for a period of 36 months thereafter, in the form annexed hereto as Exhibit VI.

8. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL. PURCHASER understands that COMPANY'S obligation to sell the Debentures is conditioned upon:

- a. PURCHASER'S and the Company's execution of this Agreement;
- b. Delivery to the Escrow Agent by each PURCHASER of good funds as

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payment in full for the purchase of the Debentures; and

- c. The accuracy on the Closing Date of the representations and warranties of PURCHASER contained in this Agreement and the performance by PURCHASER on or before the Closing Date of all covenants and agreements of PURCHASER required to be performed on or before the Closing Date.
- d. There shall not be in effect any law, rule or regulation prohibiting or restricting the transactions contemplated hereby, or requiring any consent or approval which shall not have been obtained.

9. CONDITIONS TO PURCHASER'S OBLIGATION TO PURCHASE. The COMPANY understands that PURCHASER'S obligation to purchase the Debentures is conditioned upon:

- a. The receipt and acceptance by the COMPANY of this Agreement as evidenced by execution of this Agreement by the President or any Vice President of the COMPANY. The acceptance of funds by the COMPANY shall be deemed to be constructive acceptance of this Agreement;
- b. Delivery of Debentures and Warrants to Escrow Agent as herein set forth;
- c. The accuracy on the Closing Date of the representations and warranties of the COMPANY contained in this Agreement and the performance by the COMPANY on or before the Closing Date of all covenants and agreements of the COMPANY required to be performed on or before the Closing Date; and
- d. Delivery to the Escrow Agent of (a) duly executed Irrevocable Instructions to Transfer Agent and (b) an opinion of counsel for the COMPANY, dated the Closing Date and addressed to PURCHASER, in the form attached hereto as ANNEX III.

10. REGISTRATION OF THE SECURITIES. COMPANY hereby agrees that, upon demand of a majority in interest of holders of the Securities as a result of a regulatory development including, but not limited to, an amendment or proposed amendment of Regulation S, or any "no-action" or interpretive guidance whether oral or written from the Securities and Exchange Commission, which call into question the ability of PURCHASER to resell the Securities without registration, COMPANY will file, and use its reasonable best efforts to cause to become effective a registration statement on Form S-3 or other appropriate form under the 1933 Act covering the resale of the Shares issuable upon conversion of the Debentures. The Company shall use its best efforts to keep any such registration statement effective for up to twelve (12) months, or until all of

the Securities are sold, whichever is earlier. The

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COMPANY shall provide the PURCHASER with such number of copies of the prospectus as shall be reasonably requested to facilitate the sale of the Shares issuable upon conversion of the Debentures. The COMPANY shall bear and pay all expenses incurred in connection with any such registration, excluding discounts and commissions.

11. FURTHER OFFERINGS. Other than issuing shares in acquisitions or as compensation for services rendered by employees and consultants, and in the exercise of existing options or warrants issued and outstanding as of the date hereof or issued hereafter, the COMPANY agrees that if all \$3 million of Debentures are sold it will not for a period of 90 days after the Closing Date, offer for sale or sell any securities other than the Shares issuable upon conversion of the Debentures issued to the PURCHASER and to other purchasers contemporaneously herewith. COMPANY hereby warrants that it has not engaged in any such offering during the six months prior to the Closing Date, except for the sales pursuant to the Company's public offering under its Form S-1 Registration Statement dated June 17, 1996, a Regulation S offering of 8% convertible debentures dated September 12, 1996 in the principal amount of \$2,000,000, and certain warrants and bridge loans as disclosed in such Registration Statement or as otherwise disclosed in ANNEX V hereof.

12. GOVERNING LAW. This Agreement shall be governed by and construed under the laws of the State of Wisconsin without giving effect to principles governing the conflicts of laws. Each of the parties consents to the jurisdiction of the federal courts whose districts encompass any part of Milwaukee or the state courts of the State of Wisconsin sitting in the City of Milwaukee in connection with any dispute arising under this Agreement and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on forum non conveniens, to the bringing of any such proceeding in such jurisdictions. A facsimile transmission of this signed Agreement shall be legal and binding on all parties hereto. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement or the validity or enforceability of this Agreement in any other jurisdiction. This Agreement may be amended only by an instrument in writing signed by the party to be charged with enforcement. This Agreement supersedes all prior agreements and understandings among the parties hereto with respect to the subject matter hereof.

13. NOTICES. Any notice required or permitted hereunder shall be given in writing (unless otherwise specified herein) and shall be deemed effectively given upon personal delivery or three business days after deposit in the United States Postal Service, by registered or certified mail with postage and fees prepaid, addressed to each of the other parties thereunto entitled at the following addresses, or at such other addresses as a party may designate by ten days advance written notice to each of the other parties hereto.

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COMPANY: The Female Health Company
919 N. Michigan Avenue
Chicago, Illinois
ATT:Chief Financial Officer

PURCHASER: At the address set forth on the first page of this Agreement.

ESCROW AGENT: Krieger & Prager, Esqs.
319 Fifth Avenue
New York, New York 10016

14. Survival of Representations and Warranties. PURCHASER'S representations and warranties shall survive the execution and delivery hereof of this Agreement and the delivery of the Debenture.

15. Each of the parties shall pay its own fees and expenses in connection with this Agreement and the transactions contemplated hereby whether or not consummated.

SIGNATURE(S) FOR INDIVIDUAL SUBSCRIBER(S)

IN WITNESS WHEREOF, the undersigned represents that the foregoing statements are true and correct and that he, she or they have executed this Offshore Securities Subscription Agreement this _____ day of _____, 1997.

Printed Name (exactly as will appear on Debentures and Shares) Signature

Jurisdiction of Organization or Residence)

Printed Name (exactly as will appear on Debentures and Shares) Signature

(Jurisdiction of Organization or Residence)

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SIGNATURES FOR ENTITIES

IN WITNESS WHEREOF, the undersigned represents that the foregoing statements are true and correct and that it has caused this Offshore Securities Subscription Agreement to be duly executed on its behalf this _____ day of _____, 1997.

Printed Name of Subscriber (Exactly as will appear on Debentures and Shares)

(Jurisdiction of Organization or Residence)

By: _____
(Signature of Authorized Person)

Printed Name and Title

Accepted this _____ day of the month of _____, 199__.

THE FEMALE HEALTH COMPANY

By: _____
Title: _____

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All correspondence and delivery of certificates and confirmations should be addressed to the above named person and sent by the COMPANY to his _____ business _____ home address (check one).

Capacity of Subscriber (check one):

- Individual _____
- Corporation _____
- Partnership _____
- Other _____ (please specify)

Ownership of Debentures (check one):

- Individual _____
- Joint Tenants, with right of survivorship _____*
- Tenants in Common _____*
- Tenants in Entirety _____*
- Community Property _____*

Country of Citizenship: _____

Country of incorporation or formation: _____

* If you are purchasing Debentures with only your spouse as co-owner, both you and your spouse must sign the signature page. If any co-owner is not your spouse, all co-owners must sign the signature page.

Name of PURCHASER Representative, if any: _____

Address: _____

Telephone: _____

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FULL NAME AND ADDRESS OF PURCHASER FOR REGISTRATION PURPOSES:

NAME: _____

ADDRESS: _____

TEL. NO. _____

FAX. NO. _____

CONTACT NAME: _____

JURISDICTION OF
ORGANIZATION OR
RESIDENCE: _____

DELIVERY INSTRUCTIONS (IF DIFFERENT FROM REGISTRATION NAME):

NAME: _____

ADDRESS: _____

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TEL. NO. _____

FAX. NO. _____

CONTACT NAME: _____

SPECIAL
INSTRUCTIONS: _____

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EXHIBIT B

INDEMNIFICATION AGREEMENT

In consideration of the agreement of European American Securities, Inc. ("Distributor") to act on behalf of THE FEMALE HEALTH COMPANY, INC. (the "Company") pursuant to the Distribution Agreement (the "Agreement") dated _____, 1997, the Company agrees to indemnify and hold harmless Distributor, its affiliates, and each of their respective partners, directors, officers, agents, consultants, employees and controlling persons (within the meaning of the Securities Act of 1933) (Distributor and each such other person or entity are hereinafter referred to as an "Indemnified Person"), from and against any losses, claims, damages, expenses and liabilities or actions in respect thereof (collectively "Losses"), as they may be incurred including all reasonable legal fees and other expenses incurred in connection with investigating, preparing, defending, paying, settling or compromising any Losses (whether or not in connection with any pending or threatened litigation in which any Indemnified Person is a named party) to which any of them may become subject

(including in any settlement effected with the Company's consent) and which are related to or arise out of any act, omission, transaction or event, required of the Company as contemplated by the Agreement. The Company will not, however, be responsible under the foregoing provisions with respect to any Losses (a) from actions taken or omitted to be taken by an Indemnified Person due to its gross negligence, bad faith, willful misconduct, violation of the provisions of the Agreement and related agreements, or breach of the representations or warranties made by the Indemnified Person in the Agreement or the related agreements, or (b) resulting from one or more decreases in the market price of the Company's common stock.

If the indemnity referred to in this agreement should be, for any reason whatsoever, unenforceable, unavailable or otherwise insufficient to hold such Indemnified Person harmless, the Company shall pay to or on behalf of each Indemnified Person contributions for Losses so that each Indemnified Person ultimately bears only a portion of such Losses as is appropriate (i) to reflect the relative benefits received by each such Indemnified Person, respectively, on the one hand and the Company on the other hand in connection with the transaction, or (ii) if the allocation on that basis is not permitted by applicable law, to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of each such Indemnified Person, respectively, and the Company as well as any other relevant equitable considerations; provided, however, that in no event shall the aggregate contribution of all Indemnified Persons to all Losses in connection with any transaction exceed the value of the consideration actually received by Distributor pursuant to the Agreement. The respective relative benefits received by Distributor and the Company in connection with any transaction shall be deemed to be in

the same proportion as the aggregate consideration received by Distributor in connection with the transaction bears to the total consideration of the transaction. The relative fault of each Indemnified Person and the Company shall be determined by reference to, among other things, whether the actions or omissions to act were by such Indemnified Person or the Company, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action or omission to act.

The Company also agrees that no Indemnified Person shall have any liability to the Company or its affiliates, directors, officers, employees, agents or shareholders, directly or indirectly, related to or arising out of the Agreement, except that each Indemnified Person shall indemnify and hold harmless the Company, its directors, officers, agents, consultants and controlling persons from and against any Losses, which result from actions taken or omitted to be taken by such Indemnified Person due to its gross negligence, bad faith, willful misconduct, violation of the provisions of the Agreement or the related agreements, or breach of the Indemnified Person's representations and warranties in the Agreement or the related agreements. In no event, regardless of the legal theory advanced, shall the Company or any Indemnified Person be liable for any consequential, indirect, incidental or special damages of any nature.

If any action is brought against any Indemnified Person in respect of which indemnity may be sought against the Company hereunder, such Indemnified Person shall promptly notify the Company in writing of such action and the Company shall be entitled to participate therein and, to the extent the Company shall wish, assume the defense thereof. Upon the request of an Indemnified Person, the Company shall retain counsel reasonably satisfactory to such Indemnified Person (the parties agreeing that the firm of Reinhart, Boerner, Van Deuren, Norris & Reiselbach, s.c. is satisfactory) to represent such Indemnified Person and any others the Company may designate in such action and shall pay the reasonable fees and expenses of such counsel related thereto as they are incurred. In any such action, an Indemnified Person shall have the right to retain its own counsel at its own expense, except that the Company shall pay as they are incurred the reasonable fees and expenses of counsel retained by the indemnified party only in the event that (i) the Company and such Indemnified Person shall have mutually agreed to the retention of such counsel or (ii) the Company has directed counsel to represent one or more parties in addition to such Indemnified Person in such action and representation of both such Indemnified Person and such other party or parties by the same counsel would be inappropriate, in the reasonable opinion of such Indemnified Person, due to actual or potential differing interests between them, it being understood that the Company shall not be liable for the reasonable fees and expenses of more than one separate firm for all the Indemnified Persons. No indemnification provided for herein shall be available to any Indemnified Person that fails to give notice as provided above if the Company was unaware of the action to which such notice would have related and was substantially prejudiced by such failure or to any Indemnified Person that retains its own counsel in accordance with the immediately preceding sentence except in the circumstances set forth in clauses (i) and (ii) thereof. The Company agrees that without Distributor's prior written consent, which shall not

be unreasonably withheld, it shall not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding related to the Distribution Agreement unless the settlement, compromise or consent also includes an express unconditional release of all Indemnified Persons from all liability and obligations arising therefrom.

The respective obligations of the Company and the Indemnified Persons referred to above shall be in addition to any rights that any Indemnified Person or the Company, as the case may be, may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of any Indemnified Person and the Company. It is understood that the respective obligations of the Company and the Indemnified Persons will remain operative regardless of any termination or completion of Distributor's services pursuant to the Agreement.

EUROPEAN AMERICAN SECURITIES, INC.

By: _____
Title: _____

THE FEMALE HEALTH COMPANY, INC.

By: _____
Title: _____

NEITHER THESE SECURITIES NOR THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE OR UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SECURITIES ARE RESTRICTED AND MAY NOT BE OFFERED, RESOLD, PLEDGED OR TRANSFERRED EXCEPT IN ACCORDANCE WITH REGULATIONS UNDER THE ACT, OR AS PERMITTED UNDER THE ACT PURSUANT TO REGISTRATION OR EXEMPTION OR SAFE HARBOR THEREFROM.

NNo. _____

US \$ _____

THE FEMALE HEALTH COMPANY

8% CONVERTIBLE DEBENTURE DUE January 31, 2000

THIS DEBENTURE is one of a duly authorized issue of \$3,000,000 in Debentures of THE FEMALE HEALTH COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (the "Company") designated as its 8% Convertible Debenture Due January 31, 2000.

FOR VALUE RECEIVED, the Company promises to pay to _____, the registered holder hereof (the "Holder"), the principal sum of _____ (US \$ _____) on January 31, 2000 (the "Maturity Date") and to pay interest on the principal sum outstanding from time to time in arrears on _____, 19__ and semi-annually thereafter, at the rate of 8% per annum accruing from the date of initial issuance. Accrual of interest shall commence on the first such business day to occur after the date hereof until payment in full of the principal sum has been made or duly provided for. Subject to the provisions of Paragraph 4 below, the principal of, and interest on, this Debenture are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, at the address last appearing on the Debenture Register of the Company as designated in writing by the Holder from time to time. The Company will pay the principal of and interest upon this Debenture on the Maturity Date, less any amounts required by law to be deducted, to the registered holder of this Debenture as of the tenth day prior to the Maturity Date and addressed to such holder at the last address appearing on the Debenture Register. The forwarding of such check shall constitute a payment of interest hereunder and shall satisfy and discharge the liability for principal and interest on this Debenture to the extent of the sum represented by such check plus any amounts so deducted.

This Debenture is subject to the following additional provisions:

1. The Debentures are issuable in denominations of Fifty Thousand Dollars (US\$ 50,000) and integral multiples thereof. The Debentures are exchangeable for an equal aggregate principal amount of Debentures of different authorized denominations, as requested by the Holders surrendering the same. No service charge will be made for such registration or transfer or exchange.

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2. The Company shall be entitled to withhold from all payments of principal of, and interest on, this Debenture any amounts required to be withheld under the applicable provisions of the United States income tax laws or other applicable laws at the time of such payments, and Holder shall execute and deliver all required documentation in connection therewith, prior to any payment herein.

3. This Debenture has been issued subject to investment representations of the original purchaser hereof and may be transferred or exchanged only in compliance with the Securities Act of 1933, as amended (the "Act"), and other applicable state and foreign securities laws. In the event of any proposed transfer of this Debenture, the Company may require, prior to issuance of a new Debenture in the name of such other person, that it receive reasonable transfer documentation including opinions that the issuance of the Debenture in such other name does not and will not cause a violation of the Act or any applicable state or foreign securities laws. Prior to due presentment for transfer of this Debenture, the Company and any agent of the Company may treat the person in whose name this Debenture is duly registered on the Company's Debenture Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Debenture be overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

4. The Holder of this Debenture is entitled, at its option, to convert at any time (a) commencing forty-five (45) days after the closing of the sale of the Debenture (the "Closing"), one-half (1/2) of the principal amount of this Debenture, and (b) commencing sixty-five (65) days after the Closing, the balance of the principal amount, provided that the principal amount is at least

US \$50,000 (unless if at the time of such election to convert the aggregate principal amount of all Debentures registered to the Holder is less than Fifty Thousand Dollars (US \$50,000), then the whole amount thereof, or unless the Company agrees to the conversion of a lesser amount), into shares of Common Stock of the Company at a conversion price for each share of Common Stock equal to the lesser of (a) the Market Price on the Closing, or (b) 80% of the Market Price on the Conversion Date. For purposes of this Section 4, the Market Price shall be the average last sale price of the Common Stock on the five (5) trading days immediately preceding the Closing or Conversion Date, as may be applicable, as reported in the Wall Street Journal. Conversion shall be effectuated by surrendering the Debentures to be converted to the Company's Transfer Agent, Firstar Trust Company, Corporate Trust Services, 615 East Michigan Street, Milwaukee, Wisconsin 53202, with the form of conversion notice attached hereto as Exhibit A, executed by the Holder of the Debenture evidencing such Holder's intention to convert this Debenture or a specified portion (as above provided) hereof, and accompanied, if required by the Company, by proper assignment hereof in blank. Interest accrued or accruing from the prior interest payment date to the date of conversion shall, at the option of the Holder, be paid in cash or kind upon conversion. No fraction of Shares or scrip representing fractions of shares will be issued on conversion, but the number of shares issuable shall be rounded to the nearest whole share. The date on which notice of conversion is given (the "Conversion Date") shall be deemed to be the date on which the Holder has delivered this Debenture, with the conversion notice duly executed, to the Company's Transfer Agent or, if earlier, the date set forth in such notice of conversion if the Debenture is received by the Transfer Agent within three (3) business days therefrom. Facsimile delivery of the conversion notice shall be accepted by the Transfer Agent at telephone number (414) 276-4226. Certificates representing Common Stock upon conversion will be mailed by express courier within three (3) business days from the date the notice of conversion and original Debentures are delivered to the Transfer Agent.

5. Except for a conversion of the Debenture, no provision of this Debenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and interest on, this Debenture at the time, place, and rate, and in the coin or currency, herein proscribed. This Debenture and all other Debentures now or hereafter issued of similar terms are direct obligations of the

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Company. This Debenture ranks equally with all other Debentures, excluding Senior Debt (hereinafter defined) now or hereafter issued under the terms set forth herein.

6. (a) If the Market Price on any Conversion Date is \$1.00 or less, the Company shall have the right, in its sole discretion, upon receipt of a notice of conversion to redeem in whole or in part, any Debenture submitted for conversion.

(b) The Company shall effect each such redemption by giving notice of its election to redeem, by facsimile within one (1) business day following receipt of a Notice of Conversion with a copy by 2-day courier, to the holder of the Debentures submitted for conversion at the address and facsimile number of such holder appearing in the Company's register for the Debentures. Such redemption notice shall indicate whether the Company will redeem all or part of the Debentures submitted for conversion and the applicable redemption price. The Company shall not be entitled to send any notice of redemption and begin the redemption procedure unless it has the full amount of the redemption price, in cash or liquid assets, available in a demand or other immediately available account in a bank or similar financial institution on the date the redemption notice is sent to shareholders.

(c) The redemption price per Debenture shall be the principal amount submitted for conversion and accrued interest. The redemption price shall be paid to the Holder of Debentures within five (5) business days of the delivery of the notice of such redemption to such holder.

7. No recourse shall be had for the payment of the principal of, or the interest on, this Debenture, or for any claim based hereon, or otherwise in respect hereof, against any incorporator, shareholder, officer or director, as such, past, present or future, of the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

8. If the Company merges or consolidates with another corporation or sells or transfers all or substantially all of its assets to another person and the holders of the Common Stock are entitled to receive stock, securities or property in respect of or in exchange for Common Stock, then as a condition of such merger, consolidation, sale or transfer, the Company and any such successor, purchaser or transferee shall amend this Debenture to provide that it may thereafter be converted on the terms and subject to the conditions set forth above into the kind and amount of stock, securities or property receivable upon such merger, consolidation, sale or transfer by a holder of the number of shares

of Common Stock into which this Debenture might have been converted immediately before such merger, consolidation, sale or transfer, subject to adjustments which shall be as nearly equivalent as may be practicable. In the event of any proposed merger, consolidation or sale or transfer of all or substantially all of the assets of the Company (a "Sale"), the Holder hereof shall have the right to convert by delivering a Notice of Conversion to the Company within fifteen (15) days of receipt of notice of such Sale from the Company. In the event the Holder hereof shall elect not to convert, the Company may prepay all outstanding principal and accrued interest on this Debenture, less all amounts required by law to be deducted, upon which tender of payment following such notice, the right of conversion shall terminate.

9. The Holder of the Debenture, by acceptance hereof, agrees that this Debenture is being acquired for investment and that such Holder will not offer, sell or otherwise dispose of this Debenture or the Shares of Common Stock issuable upon conversion thereof except under circumstances which will not result in a violation of the Act or any applicable state Blue Sky or foreign laws or similar laws relating to the sale of securities.

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10. This Debenture shall be governed by and construed in accordance with the laws of the State of Wisconsin.

11. The following shall constitute an "Event of Default":

- a. The Company shall default in the payment of principal or interest on this Debenture; or
- b. Any of the representations or warranties made by the Company herein, in the Subscription Agreement, or in any certificate or financial or other written statements heretofore or hereafter furnished by or on behalf of the Company in connection with the execution and delivery of this Debenture or the Subscription Agreement shall be false or misleading in any material respect at the time made; or
- c. The Company shall fail to perform or observe, in any material respect, any other covenant, term, provision, condition, agreement or obligation of the Company under this Debenture and such failure shall continue uncured for a period of thirty (30) days after written notice from the Holder of such failure; or
- d. The Company shall (1) admit in writing its inability to pay its debts generally as they mature; (2) make an assignment for the benefit of creditors or commence proceedings for its dissolution; or (3) apply for or consent to the appointment of a trustee, liquidator or receiver for its or for a substantial part of its property or business; or
- e. A trustee, liquidator or receiver shall be appointed for the Company or for a substantial part of its property or business without its consent and shall not be discharged within sixty (60) days after such appointment; or
- f. Any governmental agency or any court of competent jurisdiction at the instance of any governmental agency shall assume custody or control of the whole or any substantial portion of the properties or assets of the Company and shall not be dismissed within sixty (60) days thereafter; or
- g. Any money judgment, writ or warrant of attachment, or similar process in excess of Two Hundred Thousand (\$200,000) Dollars in the aggregate shall be entered or filed against the Company or any of its properties or other assets and shall remain unpaid, unvacated, unbonded or unstayed for a period of sixty(60) days or in any event later than five (5) days prior to the date of any proposed sale thereunder; or
- h. Bankruptcy, reorganization, insolvency or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Company and, if instituted against the Company, shall not be dismissed within sixty (60) days after such institution or the Company shall by any action or answer approve of, consent to, or acquiesce in any such proceedings or admit the material allegations of, or default in answering a petition filed in any such proceeding; or

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- i. The Company shall have its Common Stock suspended or delisted from an exchange or over-the-counter market from trading.

Then, or at any time thereafter during which the applicable Event of Default is continuing, and in each and every such case, unless such Event of Default shall have been waived in writing by the Holder (which waiver shall not be deemed to be a waiver of any subsequent default) at the option of the Holder and in the Holder's sole discretion, the Holder may consider this Debenture immediately due and payable, without presentment, demand, protest or notice of any kinds, all of which are hereby expressly waived, anything herein or in any note or other instruments contained to the contrary notwithstanding, and the Holder may immediately, and without expiration of any period of grace, enforce any and all of the Holder's rights and remedies provided herein or any other rights or remedies afforded by law.

12. Nothing contained in this Debenture shall be construed as conferring upon the Holder the right to vote or to receive dividends or to consent or receive notice as a shareholder in respect of any meeting of shareholders or any rights whatsoever as a shareholder of the Company, unless and to the extent converted in accordance with the terms hereof.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by an officer thereunto duly authorized.

Dated: _____, 1997

THE FEMALE HEALTH COMPANY

By: _____

(Print Name)

(Title)

ATTEST:

NEITHER THESE SECURITIES NOR THE SECURITIES ISSUABLE UPON
CONVERSION HEREOF HAVE BEEN REGISTERED WITH THE UNITED STATES
SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF
ANY STATE OR UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE
SECURITIES ARE RESTRICTED AND MAY NOT BE OFFERED, RESOLD,

WARRANT TO PURCHASE

SHARES

THE FEMALE HEALTH COMPANY, INC.
(A WISCONSIN COMPANY)

WARRANT FOR THE PURCHASE OF
COMMON STOCK, \$0.01 PAR VALUE PER SHARE

THIS WARRANT WILL BE VOID
AFTER 12:00 MIDNIGHT ON OCTOBER 30, 1999

This certifies that, for value received, _____, or registered assigns, is entitled, at any time prior to 12:00 midnight Eastern time on October 30, 1999 (the "Expiration Date"), to purchase from The Female Health Company, Inc., a Wisconsin corporation, hereinafter referred to as the "Company", the number of shares shown above (the "Warrant Shares") of common stock, par value \$0.01, of the Company (the "Common Stock") by surrendering this warrant with the purchase form attached hereto, duly executed, at the principal office of the Company in Chicago, Illinois, and by paying in full and in lawful money of the United States of America by cash or cashiers' check, the purchase price of the Warrant Shares as to which this warrant is exercised, on all the terms and conditions hereinafter set forth.

1. The purchase price at which the Warrant Shares are purchasable (hereinafter referred to as the "Warrant Price") is \$_____ per share.
2. On the exercise of all or any portion of this warrant in the manner provided above, the person exercising the same shall be deemed to have become a holder of record of Common Stock (or of the other securities or properties to which he or it is entitled on such exercise) for all purposes, and certificates for the securities so purchased shall be delivered to the purchaser within a reasonable time, but in no event longer than ten (10) days after the warrants shall have been exercised as set forth above. If this warrant shall be exercised in respect to only a part of the Warrant Shares covered hereby, the holder shall be entitled to receive a similar warrant of like tenor and date covering the number of Warrant Shares with respect to which this warrant shall not have been exercised.
3. This warrant is exchangeable, on the surrender hereby by the holder at the office of the Company, for new warrants of like tenor and date representing in the aggregate the right to subscribe for and purchase the number of Warrant Shares which may be subscribed for and purchased hereunder.
4. The Company covenants and agrees that the Warrant Shares which may be issued on the exercise of the rights represented by this warrant will, on issuance, be fully paid and nonassessable, and free from all taxes, liens, and charges with respect to the issue thereof. The Company further covenants and agrees that during the period within which the rights represented by this warrant may be exercised, the Company will have authorized and reserved a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this warrant.

5. The Warrant Price and number of Warrant Shares purchasable pursuant to this warrant may be subject to adjustment from time to time as follows:

- (a) If the Company shall take a record of the holders of its Common Stock for the purpose of entitling them to receive a dividend in shares, the Warrant Price in effect immediately prior to such record date shall be proportionately decreased, such adjustment to become effective immediately after the opening of business on the day following such record date.
- (b) If the Company shall subdivide the outstanding shares of Common Stock into a greater number of shares, combine the outstanding shares of Common Stock into a smaller number of shares, or issue by reclassification any of its shares, the Warrant Price in effect immediately prior thereto shall be adjusted so that the holder of the warrant hereafter surrendered for exercise shall be entitled to receive, after the occurrence of any of the events described, the number of Warrant Shares to which the holder would have been entitled had such warrant been exercised immediately prior to the occurrence of such event. Such adjustment shall become effective immediately after the opening of business on the day following the date on which such subdivision, combination or reclassification, as the case may be, becomes effective.
- (c) If any capital reorganization or reclassification of the

Company's Common Stock, or consolidation or merger of the Company with another corporation or the sale of all or substantially all of its assets to another corporation shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or assets with respect to or in exchange for Common Stock, then, as a condition of such reorganization, reclassification, consolidation, merger, or sale, lawful adequate provisions shall be made whereby the holder of this warrant shall thereafter have the right to acquire and receive an exercise hereof such shares of stock, securities, or assets as would have been issuable or payable (as part of the reorganization, reclassification, consolidation, merger, or sale) with respect to or in exchange for such number of outstanding shares of the Company's Common Stock as would have been received on exercise of this warrant immediately before such reorganization, reclassification, consolidation, merger, or sale. In any such case, appropriate provision shall be made with respect to the rights and interests of the holder of this warrant to the end that the provisions hereby shall thereafter be applicable in relation to any shares of stock, securities, or assets thereafter deliverable on the exercise of this warrant. In the event

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of a merger or consolidation of the Company with or into another corporation or the sale of all or substantially all of its assets as a result of which a number of shares of common stock of the surviving or purchasing corporation greater or less than the number of shares of Common Stock of the Company outstanding immediately prior to such merger, consolidation, or purchase are issuable to holders of Common Stock of the Company, then the Warrant Price in effect immediately prior to such merger, consolidation, or purchase shall be adjusted in the same manner as thought there was a subdivision or combination of the outstanding shares of Common Stock of the Company. The Company will not effect any such consolidation, merger or sale unless prior to the consummation thereof the successor corporation resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument mailed or delivered to the holder hereof at its last address appearing on the books of the Company, the obligation to deliver to such holder such shares of stock, securities, or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire an exercise of this warrant.

(d) No fraction or a share shall be issued on exercise, but, in lieu thereof, the Company, notwithstanding any other provision hereof, may pay therefor in cash at the fair value of any such fractional share at the time of exercise.

(e) Neither the purchase or other acquisition by the Company of any shares of Common Stock nor the sale or other disposition by the Company of any shares of Common Stock shall affect any adjustment of the Warrant Price or be taken into account in computing any subsequent adjustment of the Warrant Price.

6. This warrant and the shares issuable on exercise of this warrant (the "Warrant Shares"), are being sold in reliance on the safe harbor from registration set forth in Regulation S promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Accordingly, _____ hereby represents, warrants, and agrees as follows:

(a) _____ is not a U.S. Person as that term is defined under Regulation S promulgated under the Securities Act.

(b) _____ is outside of the United States as of the date of the execution and delivery of this Agreement.

(c) _____ is purchasing this warrant for its own account and not on behalf of or for the account of any U.S. Person, and _____ is the sole beneficial owner of this warrant and has not prearranged any sale with purchasers in the United States.

(d) _____ represents, warrants and covenants that all offers and sales of this Warrant prior to the expiration of a period commencing on the date hereof and ending forty days thereafter shall only be made in compliance with the safe harbor contained in Regulation S, pursuant to the registration provisions under the Securities Act, or

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pursuant to an exemption from registration, and all offers and sales after the expiration of the forty-day period shall be made only pursuant to such safe harbor or to such registration or to such exemption from registration.

(e) During the forty-day period following the date hereof, _____ represents, warrants and covenants that neither _____ nor any of its affiliates will, directly or indirectly, maintain any short position in the securities of the Company.

7. Subject to the restrictions set forth in paragraph 6 above, this warrant is transferable at the offices of the Company. On such transfer, every holder hereof agrees that the Company may deem and treat the registered holder of this warrant as the true and lawful owner thereof for all purposes, and the Company shall not be affected by any notice to the contrary.

8. As used herein, the term "Common Stock" shall mean and include the Company's Common Stock authorized on the date of the original issue of this warrant, and shall also include any capital stock of any class of the Company thereafter authorized that shall not be limited to a fixed sum or percentage in respect of the rights of the holders thereof to participate in dividends and in the distribution of assets on the voluntary or involuntary liquidation, dissolution, or winding up of the Company; provided, that the Warrant Shares purchasable pursuant to this warrant shall include only shares of the class designated in the Company's articles of incorporation as Common Stock on the date of the original issue of this warrant or, in the case of any reorganization, reclassification, consolidation, merger or sale of assets of the character referred to in paragraph 5(c) hereof, the stocks, securities, or assets provided for in such paragraph.

9. This agreement shall be construed under and be governed by the laws of the State of New York.

10. Any notices required or permitted hereunder shall be sufficiently given if delivered by hand or sent by registered or certified mail, postage prepaid, addressed as follows:

If to _____, to:

with a copy to:

Samuel M. Krieger, Esq.
Krieger & Prager, Esqs.
319 Fifth Avenue
New York, New York 10016

If to the Company, to:

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The Female Health Company, Inc.
919 N. Michigan Avenue
Chicago, Illinois

or such other address as shall be furnished in writing by any party to the other, and any such

notice or communication shall be deemed to have been given as of the date so delivered or three days after being so deposited in the mails.

EFFECTIVE as of this _____ day of _____, 1996.

THE FEMALE HEALTH COMPANY, INC.

By: _____
Title: _____

By: _____
Title: _____

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FORM OF PURCHASE

(TO BE SIGNED ONLY UPON EXERCISE OF WARRANT)

TO: THE FEMALE HEALTH COMPANY, INC.

The undersigned, the owner of the attached warrant, hereby irrevocably elects to exercise the purchase rights represented by the warrant for, and to purchase thereunder, [number] of shares of common stock (the "Warrant Shares")

of The Female Health Company, Inc. ("Company") and herewith makes payment of _____ therefor, and requests that the certificate(s) for the Warrant Shares be delivered to _____ at _____, and if such shall not be all of the shares purchasable hereunder, that a new warrant of like tenor for the balance of the shares purchasable under the attached warrant be delivered to the undersigned. In connection with such exercise, the undersigned represents, warrants and covenants as follows:

(a) The undersigned is not a U.S. Person as that term is defined under Regulation S promulgated under the Securities Act.

(b) The undersigned is outside of the United States as of the date of the execution and delivery of this exercise form.

(c) The undersigned is purchasing the Warrant Shares for its own account and not on behalf of or for the account of any U.S. Person, and the undersigned is the sole beneficial owner of the Warrant Shares and has not prearranged any sale with purchasers in the United States.

(d) The undersigned represents, warrants and covenants that all offers and sales of the Warrant Shares shall only be made in compliance with the safe harbor contained in Regulation S, pursuant to the registration provisions under the Securities Act, or pursuant to an exemption or safe harbor from registration.

(e) During the forty-day period following the date payment of the purchase price for the Warrant Shares is made to the Company, the undersigned represents, warrants and covenants that neither the undersigned nor any of its affiliates will, directly or indirectly, maintain any short position in the securities of the Company.

Dated this _____ day of _____, 19 ____.

Signature

THE FEMALE HEALTH COMPANY, INC.

IRREVOCABLE INSTRUCTIONS TO TRANSFER AGENT

These irrevocable instructions ("Irrevocable Instructions"), dated as of , 1997, are given by The Female Health Company, Inc., a Wisconsin corporation (the "Company"), to its registrar and transfer agent, Firststar Trust Company ("Transfer Agent"), with respect to the following:

R E C I T A L S

A. The Company is offering to sell up to \$3,000,000 8% Convertible Debentures due January 31, 2000 (the "Debentures") of the Company under the terms set forth in Debentures (the "Debentures") and the "Offshore Securities Subscription Agreement" (the "Subscription Agreement") executed by the Company and the other signatories thereto (the "Subscribers").

B. Any Subscriber issued Debentures pursuant to a Subscription Agreement is entitled to convert its Debentures into shares of Common Stock of the Company, \$.01 par value (the "Converted Stock"), on the terms and conditions set forth in Section 4 of the Debenture.

C. Assuming that each Subscriber warrants that the representations and warranties made by the Subscriber in the Subscription Agreement (except for those representations and warranties in the Subscription Agreement which are not applicable), are true on the date the Subscriber presents the Debenture for transfer, conversion or legend removal, as applicable, including the fact that he, she or it is not or was not engaged in a plan or scheme to evade the registration provisions of the Securities Act of 1933, as amended, and delivers to the Transfer Agent either a duly executed Notice of Conversion (in the case of conversion into shares of unrestricted Conversion Stock) or a duly executed letter requesting legend removal (together with evidence of a bona fide pledge or intention to deposit in a margin account, if applicable) (in the case of legend removal) then,

(i) at any time beginning forty-five (45) days following the Last Closing Date, any Subscriber issued Debentures pursuant to a Subscription Agreement is entitled to submit one-half (1/2) of its Debentures held by such Holder to the Transfer Agent to convert such Subscribers' Debentures into shares of Converted Stock, the certificates for which shall bear no Restrictive Legend; and

(ii) at any time beginning sixty-five (65) days following the Last Closing Date, any Subscriber issued Debentures pursuant to a Subscription Agreement is entitled to submit all of its Debentures held by such Holder to the Transfer Agent to convert such Subscribers' Debentures into shares of Converted Stock, the certificates for which shall bear no Restrictive Legend (the time beginning sixty-five (65) days after the Last Closing is referred to as the "Unrestricted Conversion Period").

D. Any conversion of the Debenture shall be at the conversion prices (the "Conversion Price") specified in Section 4 of the Debenture (which Section is set forth in this Irrevocable Instructions Agreement at Exhibit A). Any such conversion shall be accomplished by delivering the Debentures, duly executed for transfer, to be converted along with the notice required by said Section 5 ("Notice of Conversion") to the Transfer Agent. The Debenture so delivered will be converted into shares of Converted Stock.

E. The Company and Subscribers have agreed that Company will provide the Transfer Agent with irrevocable instructions to convert one or more of any Subscriber's Debenture into shares of Converted Stock upon receipt of a Notice of Conversion from a Subscriber and the Debenture, duly executed for transfer. The number of shares of Converted Stock into which the Debenture may be converted is hereinafter referred to as the "Conversion Rate" for such Debenture.

F. The Transfer Agent has agreed to act as conversion transfer agent on behalf of the Company on the terms and conditions set forth in these Irrevocable Instructions;

NOW, THEREFORE, in consideration of the premises, the Company and Transfer Agent agree and the Company irrevocably instructs Transfer Agent as follows:

1. ISSUANCE OF UNRESTRICTED CONVERTED SHARES. Upon receipt by the Transfer Agent of one or more Debentures at a time permitted for conversion hereunder, which the Holder desires to convert into Common Stock of the Company, duly executed for transfer as to such Debentures and a duly executed Notice of Conversion specifying the number of shares of Converted Stock to which that Subscriber is entitled (which number is determined by the formula in Section 4

of the Debenture which Section 4 is attached to this Irrevocable Instructions Agreement as Exhibit A and by this reference is incorporated in this document as though set forth in full herein) the Company irrevocably directs the Transfer Agent to (a) calculate the number of shares of Converted Stock to which the Subscriber is entitled (which number is determined by the provisions contained in Section 4 of the Debenture), (b) notify the Company in writing, by facsimile, including a facsimile of the conversion documents presented to the Transfer Agent, within three (3) business days after receipt of a facsimile of the Notice of Conversion, of the number of shares of Converted Stock to be issued, and (c) subject to the provisions of Section 4 hereof, issue and mail via express courier the appropriate number of shares of Converted Stock directly to the Subscriber within

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three (3) business days of the date of receipt of the Notice of Conversion and the Debenture, duly executed for transfer, to be converted in accordance with Section 4 of the Debenture. The certificates representing the Converted Stock issued in the name of the Subscriber (during the Unrestricted Conversion Period as to the Debentures submitted for conversion) shall not bear a Restrictive Legend.

2. DISPUTE AS TO NUMBER OF CONVERTED SHARES TO BE ISSUED. In the event that the number of shares that the Transfer Agent reasonably calculates to be due a particular Subscriber upon conversion is different from the number of shares claimed by the Subscriber, the Transfer Agent shall nevertheless issue and deliver to the Subscriber a number of shares equal to the lesser of the two numbers, and shall proceed in good faith to resolve the dispute with the Holder and the Company. If the dispute cannot be resolved, either the Company or the Holder can request that the dispute be submitted to the Company's usual outside accounting firm ("Accountant") for determination of the number of shares of Converted Stock to be issued. In the event of such a dispute, the Company agrees to instruct its Accountant, at the Company's expense, to resolve any such dispute and notify the parties of the result within three (3) business days after receipt of notice of such dispute. Within three (3) business days of its receipt of the Accountant's results, the Transfer Agent shall issue and deliver to the Subscriber any additional shares to which the Subscriber is entitled, based upon the Accountant's results. The Transfer Agent is authorized to rely on the Accountant's results.

3. FEES. The Company hereby agrees to pay the Transfer Agent for all services rendered hereunder.

4. NOTICES. Any notice or demand to be given or that may be given under this Agreement shall be in writing and shall be (a) delivered by hand, or (b) delivered through or by expedited mail or package service, or (c) transmitted by telecopy, in which case with personal deliver acknowledged, addressed to the parties as follows:

As to the Company:

The Female Health Company, Inc.
919 N. Michigan Avenue
Chicago, Illinois
ATT: Chief Financial Officer
Tel:
Fax:

As to the Transfer Agent:

Firststar Trust Company
675 East Michigan Street
Milwaukee, Wisconsin

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Tel: (414) 287-3971
Fax: (414) 276-4226

5. CANCELLATION OF DEBENTURES. Upon issuance of any Converted Stock, the Company shall mark on the face of the Debenture so converted the word "cancelled".

6. INDEMNIFICATION. The Company agrees to indemnify and hold harmless the Transfer Agent, each officer, director, employee and agent of the Transfer Agent, and each person, if any, who controls the Transfer Agent within the meaning of the Securities Act of 1933, as amended (the "Act") or the Securities Exchange Act of 1934, as amended (the "Exchange Act") against any losses, claims, damages or liabilities, joint or several, to which it, they or any of them, or such controlling person, may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon the performance by the Transfer Agent of its duties pursuant to this Agreement; and will reimburse the Transfer

Agent, and each officer, director, employee and agent of the Transfer Agent, and each such controlling person for any legal or other expenses reasonably incurred by it or any of them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company will not be liable in any case if such loss, claim, damage or liability arises out or is based upon any action not taken in good faith, or any action or omission that constitutes gross negligence or willful misconduct.

Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action giving rise to indemnification hereunder, such indemnified party will notify the Company, in writing, of the commencement thereof. The failure to so notify the Company will relieve the Company from any liability under this Section as to the particular item for which indemnification is then being sought, but not from any other liability which it may have to any indemnified party. In case any such action is brought against any indemnified party, and it notifies the Company of the commencement thereof, the Company will be entitled, at its option, to assume the defense thereof, with counsel who shall be to the reasonable satisfaction of such indemnified party (the parties hereby agree that the firm of Reinhart, Boerner, Van Deuren, Norris and Reiselbach, s.c. is acceptable), and after notice from indemnifying party to such indemnified party under this Section that it will assume the defense, the Company shall not be liable for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof. The Company shall not be liable to any such indemnified party on account of any settlement of any claim of action effected without the consent of the company.

7. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin without giving effect to conflicts of law provisions.

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8. ENTIRE AGREEMENT; AMENDMENTS. This Agreement, together with the Exhibits hereto, the Subscription Agreement and the Debentures constitute the full and entire understanding of the parties with respect to the subject matter hereof. Neither this Agreement nor any term hereof may be amended, waived, discharged or terminate other than by a written instrument signed by the party against whom enforcement of such amendment, waiver discharge or termination is sought. Each of the undersigned acknowledge that Holders of Debenture are third party beneficiaries to this Agreement and that, notwithstanding the above, no provision herein that adversely affects the rights of the Holders of Debentures or the Common Stock issuable upon conversion of Debentures may be amended without the consent of all Holders of the then outstanding Debentures.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement this ___ day of _____, 1997.

THE FEMALE HEALTH COMPANY, INC.

By: _____
Title: _____
Date Signed: _____

FIRSTAR TRUST COMPANY

By: _____
Title: _____
Date Signed: _____

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