

**EXECUTION VERSION**

**MASTER HOSPITAL AGREEMENT**

This Master Hospital Agreement (this “*Agreement*”) is made and entered into effective this 14<sup>th</sup> day of January, 2014 (the “*Effective Date*”), by and among:

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation of the State of Louisiana, represented herein by F. King Alexander, President of the Louisiana State University System, duly authorized by virtue of a Resolution of the Board of Supervisors, adopted June 19, 2013, a copy of which is attached hereto, with a mailing address of 3810 West Lakeshore Drive, Louisiana State University, Baton Rouge, Louisiana 70808 (Federal I.D. No. XX-XXX0848) (hereinafter referred to as “*LSU*”);

**DIVISION OF ADMINISTRATION** for the State of Louisiana, acting by and through the Commissioner of Administration (hereinafter referred to as the “*Division*”);

**THE STATE OF LOUISIANA, THROUGH THE DIVISION OF ADMINISTRATION**, herein represented and appearing through Kristy H. Nichols, Commissioner of Administration, Division of Administration, Office of the Governor, State of Louisiana, under the authority granted pursuant to La. R.S. 39:11 and other applicable law, whose mailing address is Post Office Box 94095, Baton Rouge, Louisiana 70804-9095, (hereinafter referred to as the “*State*”); and

**OUR LADY OF THE ANGELS HOSPITAL, INC.**, a Louisiana nonprofit corporation, represented herein by Robert Burgess, its President and Chief Executive Officer, duly authorized by virtue of a resolution adopted June 26, 2013, a copy of which is attached hereto, with a mailing address of 4200 Essen Lane, Baton Rouge, Louisiana 70809 (hereinafter referred to as “*OLAH*”),

provides as follows:

**WITNESSETH**

**WHEREAS**, LSU is a public constitutional corporation organized and existing under the laws of the State of Louisiana, and LSU’s institutions, including its medical schools and hospitals, are under LSU’s supervision and management pursuant to La. Const. Art. VIII, Section 7 and La. R.S. 17:3215;

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**WHEREAS**, LSU shall, until the Commencement Date (as defined below), operate the state hospital and clinic facilities located in Bogalusa, Louisiana, known as LSU Bogalusa Medical Center (the “*Hospital*”), with the public purpose of providing efficient and effective health care to the community;

**WHEREAS**, pursuant to that certain Cooperative Endeavor Agreement (the “*CEA*”) executed effective as of even date herewith, by and among OLAH, LSU, the Division and the Louisiana Department of Health and Hospitals (“*DHH*”), on the Commencement Date and thereafter during the term of the CEA, OLAH shall continue the provision of health care to the indigent and high-risk Medicaid populations in the Bogalusa area at the Hospital, which includes an inpatient care facility and several clinic, administrative and other support buildings at the following locations: (i) premises located at 433 Plaza Street and 420 Avenue F, Bogalusa, Louisiana (collectively, the “*Plaza Facility*”); (ii) premises located at 400 Memphis Street, Bogalusa, Louisiana (the “*Memphis Facility*”); and (iii) premises located at 104 Avenue B, Bogalusa, Louisiana (the “*Administrative Facility*”, together with the Plaza Facility and the Memphis Facility, collectively the “*Facilities*”);

**WHEREAS**, the Facilities consist of hospital space, medical office space, clinic space, urgent care space, storage space and related space, which will be leased and/or subleased by LSU to OLAH pursuant to the CEA, this Agreement and leases substantially in the form of the Exhibits attached hereto;

**WHEREAS**, LSU is the fee simple owner of the Memphis Facility and the Administrative Facility, which each shall be leased to OLAH in accordance with the CEA, the provisions of this Agreement and the provisions of the Lease Agreement attached hereto as **Exhibit “A”** (the “*Lease*”);

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**WHEREAS**, the Plaza Facility is leased to LSU by Bogalusa Community Medical Center, a non-profit corporation ("**BCMC**"), pursuant to an Amended and Restated Lease Agreement dated September 28, 2007 (the "**Prime Lease**");

**WHEREAS**, to the extent that certain improvements or portions thereof located on the Land (as defined in the Prime Lease) on which the Plaza Facility is located are not included in the Prime Lease, BCMC will allow OLAH to use and occupy such improvements pursuant to a Right of Use and Occupancy Agreement of even date herewith (the "**Right of Use**"). The Right of Use is not one of the OLAH Leases (defined herein);

**WHEREAS**, LSU shall sublease the Plaza Facility to OLAH in accordance with the CEA, the provisions of this Agreement and the provisions of the Agreement of Sublease attached hereto as **Exhibit "B"** (the "**Sublease**");

**WHEREAS**, LSU is the owner of certain equipment and movable property (the "**Equipment**") located within and about the Facilities;

**WHEREAS**, LSU shall lease the Equipment to OLAH in accordance with the CEA, the provisions of this Agreement and the provisions of the Equipment Lease attached hereto as **Exhibit "C"** (the "**Equipment Lease**");

**WHEREAS**, this Agreement is an integral part of the CEA and furthers the above stated public purposes; and

**WHEREAS**, this Agreement furthers the educational and public service missions of LSU;

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**NOW, THEREFORE**, in consideration of LSU's obligation to lease and/or sublease, as the case may be, the Facilities and the Equipment, the rent to be paid by OLAH during the term of this Agreement, and the mutual benefits accruing to the parties under this Agreement and the CEA, the parties do enter into this Master Hospital Agreement, on the following terms and conditions:

### ARTICLE I. TERM

**Section 1.01 The Initial Term**. The term of the Lease, the Sublease and the Equipment Lease (individually, collectively and interchangeably, the "*OLAH Leases*") shall be for a period commencing on March 17, 2014 at 12:00:00 a.m. (the "*Commencement Date*") and ending on March 16, 2024 (the "*Initial Term*", and together with any Renewal Terms as provided below, the "*Lease Term*"); provided, however, it is expressly agreed that each OLAH Lease is subject to termination in accordance with its applicable terms and conditions and as provided in the CEA; and, provided further, that any termination of the Lease and/or the Sublease shall be subject to the Wind Down Provisions as set forth in the CEA.

**Section 1.02 Renewal Options**. If the term of the CEA is extended by a Renewal Term as provided in Section 13.1 of the CEA, then the term of each OLAH Lease shall also automatically extend for a Renewal Term.

### ARTICLE II. RENT

**Section 2.01 Total Rent**.

(a) *Initial Total Rent*. In consideration for the rental of the Facilities and the Equipment, access to LSU's workforce, the opportunity to operate the Hospital at the Facilities and other related values and benefits, OLAH shall pay to LSU a total base rent for all

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of the OLAH Leases of \$5,215,000.00 per year (the “*Annual Total Base Rent Amount*”), subject to adjustment as provided in Section 2.01(b) below and credit as provided in Section 2.02(b) below, plus any additional costs to be paid by OLAH to LSU as specifically set forth in the OLAH Leases. A portion of the Annual Total Base Rent Amount shall be payable to LSU as set forth in this Agreement (the “*Master Lease Payment*”) and the remaining portion of the Annual Total Base Rent Amount (defined below as the Annual Sublease Base Rent Amount) shall be payable to LSU as set forth in the Sublease. The sum of the Master Lease Payment plus the Sublease Base Rent Amount shall equal the Annual Total Base Rent Amount. The Master Lease Payment shall be payable to LSU, in advance, in equal monthly installments on or before the first (1<sup>st</sup>) day of each month of the Term. The initial annual amount of the Master Lease Payment is \$2,688,427.95 and the initial installment amount for the Master Lease Payment is \$224,035.66 per month, subject to credit for certain Operating Cost payments as provided in Section 2.02(b) below. To the extent that the Term includes any partial months, the portion of the Master Lease Payment due for such partial month shall be prorated accordingly and, with respect to the first month of the Term, paid on the first (1<sup>st</sup>) day of the immediately subsequent month. In addition to the Master Lease Payment, OLAH shall pay to LSU any and all additional charges, fees and/or costs set forth in the Lease and the Equipment Lease.

(b) *Adjustments to Total Rent.* At the conclusion of the Initial Term and/or at the conclusion of any Renewal Term (each an “*Adjustment Date*”), the Annual Total Base Rent Amount may be reviewed and adjusted to the then current fair market value for the rental of the Facilities and the Equipment (to the extent the Equipment is still leased), access to LSU’s workforce, the opportunity to operate the Hospital at the Facilities and other related values and benefits (the “*Fair Market Rental Value*”), so that the Master Lease Payment and the

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Annual Sublease Base Rent Amount (as defined below) shall be adjusted accordingly; provided, however, that the parties agree and acknowledge that in no event shall the Annual Sublease Base Rent Amount be less than the largest “*Debt Service Component of the Base Rent*” (as defined in the Prime Lease) that is due between Adjustment Dates. Any calculation of Fair Market Rental Value for the Annual Total Base Rent Amount shall assume that the terms and conditions of this Agreement, other than the amount of the Annual Total Base Rent Amount, shall continue to apply. LSU and OLAH shall make good faith efforts to agree as to any adjustment of the Annual Total Base Rent Amount to account for a change in value. In the event LSU and OLAH cannot agree in writing as set forth above no later than four (4) months prior to an Adjustment Date, either LSU or OLAH may initiate the following procedure to have the Annual Total Base Rent Amount for the subsequent five (5) year period determined by independent appraisal:

- (i) Either LSU or OLAH may initiate the appraisal process by providing a written notice that is invoking the procedure described in this Section 2.01(b).
- (ii) Within twenty (20) days after the date of the written notice by one party to the other that it intends to revalue the Annual Total Base Rent Amount, LSU and OLAH each shall appoint an appraiser having at least ten (10) years’ experience appraising commercial real estate in the Bogalusa area and who is a member of the Appraisal Institute or a comparable successor entity (hereinafter, a “*Qualified Appraiser*”). Each Qualified Appraiser shall make an estimate of the Fair Market Rental Value as of the beginning of such five (5) year period. Each party shall notify the other of the appointment of its Qualified Appraiser within ten (10) days after the appointment. Each party shall deliver to the other party a copy of its Qualified Appraiser’s written report no later than sixty (60) days after the appointment of its Qualified Appraiser. If only one party appoints its Qualified Appraiser and delivers its Qualified Appraiser’s report within sixty (60) days of the appointment of its Qualified Appraiser, then the Fair Market Rental Value shall be the value determined by that Qualified Appraiser. If neither party appoints a Qualified Appraiser or neither party delivers its Qualified Appraiser’s report within sixty (60) days after the

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appointment of its Qualified Appraiser, then OLAH shall pay the Annual Total Base Rent Amount calculated for the previous five (5) year period.

- (iii) If the difference between the Fair Market Rental Value conclusions of the Qualified Appraisers is less than ten (10%) percent of the lower of the Fair Market Rental Value conclusions, the Annual Total Base Rent Amount shall be set at the average of the two.
- (iv) If the difference between the Fair Market Rental Value conclusions of the Qualified Appraisers is greater than ten (10%) percent of the lower of the Fair Market Rental Value conclusions, then the two Qualified Appraisers shall agree on a third Qualified Appraiser who shall be furnished the appraisal reports of the first two Qualified Appraisers along with any additional evidence the third Qualified Appraiser shall deem reasonably appropriate. The Fair Market Rental Value conclusion and report of such third Qualified Appraiser shall be conclusive as to the Fair Market Rental Value for the applicable five (5) year period. Should this process not be complete by the applicable Adjustment Date, the Annual Total Base Rent Amount for the previous five (5) year period shall continue until the third Qualified Appraiser has delivered his written Fair Market Rental Value conclusion and report to LSU and OLAH, and the Annual Total Base Rent Amount for any partial month shall be prorated accordingly.
- (v) The fees of the initial two Qualified Appraisers shall be borne by the party hiring them, and the fee of the third Qualified Appraiser shall be borne equally by LSU and OLAH.

### **Section 2.02 Allocation of Rent.**

(a) *Sublease Annual Rent.* For the convenience of the parties, a portion of the Annual Total Base Rent Amount has been allocated to the Sublease Base Rent (as defined in the Sublease) (the “*Annual Sublease Base Rent Amount*”) based on an appraisal of the Plaza Facility. The initial Annual Sublease Base Rent Amount is \$2,526,572.05 (\$16.075 per square foot per year multiplied by 157,174 square feet) per year, subject to the adjustment provisions set forth in Section 2.01(b) hereof, and is payable as set forth in the Sublease.

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(b) *Additional Sublease Payments and Improvements.* In addition to the Annual Sublease Base Rent Amount, OLAH shall pay to LSU any and all additional charges, fees and/or costs as set forth in the Sublease, including, but not limited to, the Operating Costs (as defined in the Sublease). The parties acknowledge and agree that certain improvements to the HVAC system at the Plaza Facility (the “*HVAC Improvements*”) have been undertaken by BCMC and that the budget for Operating Costs currently includes a line item for “Capital Improvements Repayment (HVAC)” in the amount of \$500,000.00 per year until such time as BCMC has been reimbursed for the cost of the HVAC Improvements (the “*HVAC Reimbursement Amount*”). The current balance of the HVAC Reimbursement Amount is approximately \$1,500,000.00. The parties further acknowledge and agree that the value of the HVAC Improvements was taken into consideration in determining the current Fair Market Rental Value as reflected in the current Annual Total Base Rent Amount. OLAH agrees that the HVAC Reimbursement Amount is an Operating Cost for which OLAH is responsible pursuant to the Sublease. Because the value of the HVAC Improvements was taken into account in determining the Annual Total Base Rent Amount, however, the parties agree that for any HVAC Reimbursement Amounts paid by OLAH to LSU as an Operating Cost under the Sublease in any given LSU fiscal year (which fiscal year commences on July 1<sup>st</sup> of each year), OLAH shall receive a dollar-for-dollar credit in the following LSU fiscal year against the Master Lease Payment. The credit shall be applied on a monthly basis as follows: any HVAC Reimbursement Amounts paid by OLAH to LSU shall be credited against the monthly Master Lease Payment in the following fiscal year in an amount equal to (i) the full HVAC Reimbursement Amount paid by OLAH to LSU in the applicable LSU fiscal year, divided by (ii) twelve (12). The foregoing credit shall apply to HVAC Reimbursement Amounts paid during the remainder of the LSU



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fiscal year that ends on June 30, 2014 and to fiscal years thereafter in which HVAC Reimbursement Amounts are paid. The parties also acknowledge and agree that BCMC is undertaking certain improvements to the emergency department at the Plaza Facility (the “*Emergency Department Improvements*”) and that the value of the Emergency Department Improvements was taken into consideration in determining the current Fair Market Rental Value as reflected in the current Annual Total Base Rent Amount, but because the cost of the Emergency Department Improvements is being funded through the State’s capital outlay budget, no costs attributable to the Emergency Department Improvements may be included as Operating Costs under the Sublease. Finally, the parties acknowledge and agree that notwithstanding any provision of the Prime Lease or Sublease to the contrary, OLAH’s obligation to pay as part of Operating Expenses (or otherwise) any item identified as “Consulting Fees – Support Services” or for any comparable services (regardless of how identified) as part of Operating Expenses or otherwise shall be limited to \$45,000.00 during the LSU fiscal year ending on June 30, 2014 and \$45,000.00 during the LSU fiscal year ending on June 30, 2015; OLAH shall not be obligated to pay as part of Operating Expenses (or otherwise) any item identified as “Consulting Fees – Support Services” or for any comparable services (regardless of how identified) accruing on or after July 1, 2015.

(c) *Sublease Fair Market Value.* The parties hereto agree and acknowledge that the Annual Sublease Base Rent Amount is the fair market value for the sublease rights provided under the Sublease with respect to the Plaza Facility.

(d) *No Further Allocation.* The Annual Total Base Rent Amount has been determined pursuant to a valuation of all of the premises and other assets referenced in and subject to this Agreement. With the exception of the Annual Sublease Base Rent Amount, the

parties have determined that it is not necessary to specifically allocate the Annual Total Base Rent Amount among the OLAH Leases.

**Section 2.03 Advance Rent Payment.**

(a) *Advance Rent Amount; Treatment.* No later than three (3) business days after the Effective Date, OLAH shall pre-pay to LSU \$5,152,820.18 (the “*Advance Rent*”), which shall be attributable to the last twenty-three (23) installments of the Master Lease Payment for the Initial Term of the OLAH Leases (other than the Sublease). The Advance Rent shall be considered a payment of all of the monthly base rent payments due under the OLAH Leases (other than the Sublease) for the last twenty-three (23) months of the Initial Term.

(b) *Early Termination; Reimbursement.* Should this Agreement or any of the OLAH Leases (other than the Sublease) terminate for any reason other than a default by OLAH, to the extent allowed by applicable law, and in addition to any other amounts that may be due to OLAH in consideration of the State’s obligations pursuant to the CEA to assist in preserving LSU’s medical education programs, to provide health care to the community and to seek to reduce the financial burden on the State of providing this assistance, the Division and LSU will refund to OLAH all of the Advance Rent (with appropriate proration, as determined by the parties good-faith efforts and negotiations, to the extent that: (i) this Agreement or an OLAH Lease is terminated during the final twenty-three [23] months of the Initial Term; or (ii) only one of the OLAH Leases [other than the Sublease] is terminated), but only to the extent such refund is funded by the State in accordance with Section 3.09 hereof; provided, however any obligation of the State to fund, and the Division and LSU to refund, the Advance Rent shall be reduced on a dollar-for-dollar basis to the extent any funds of the State, the Division and/or LSU are expended to improve the Facilities subsequent to the Commencement Date of this Agreement because of a

failure by OLAH to satisfy its obligations under the Lease, the Sublease and/or the Equipment Lease.

**Section 2.04 Rent Payments.** All rent payments due under this Agreement and the Exhibits attached hereto, including the Advance Rent payment, shall be paid to LSU at the following address P.O. Box 91308, Baton Rouge, Louisiana 70821, or such other address as LSU may provide to OLAH in writing.

ARTICLE III.  
MISCELLANEOUS

**Section 3.01 Incorporation of Recitals.** The parties hereto agree and acknowledge that the foregoing recitals are true and correct, are incorporated herein by reference and are made a part hereof in their entirety.

**Section 3.02 Incorporation of Exhibits.** The parties hereto agree and acknowledge that the terms, conditions and provisions of the Exhibits attached hereto are incorporated herein by reference and are made a part hereof in their entirety; provided, however, that in the event that any provision set forth on an Exhibit hereto contradicts any provision set forth in this Agreement the specific provision of the Exhibit shall govern the relationship of the parties with respect to said Exhibit.

**Section 3.03 Governing Law.** This Agreement and the Exhibits attached hereto shall be construed under and enforced in accordance with the laws of the State of Louisiana, and, in the event of a court proceeding in connection with this Agreement and/or any of the Exhibits attached hereto, any such proceeding shall be filed in accordance with Section 16.7 of the CEA (entitled "Jurisdiction; Service of Process").

**Section 3.04 Severability.** The terms and provisions of this Agreement and the Exhibits attached hereto are severable. If any term or provision of this Agreement or any Exhibit attached

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hereto or the application thereof is invalid or unenforceable, the remainder of this Agreement and the Exhibits attached hereto, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term or provision shall be valid and enforceable to the fullest extent permitted by law.

**Section 3.05 Notices.** Any and all notice required or appropriate under this Agreement or any Exhibit attached hereto shall be in writing and shall be sent by: (a) personal delivery; (b) recognized overnight delivery service with proof of delivery; or (c) certified United States mail, postage prepaid, receipt requested, to the following addresses:

**OLAH:** Our Lady of the Angels Hospital, Inc.  
4200 Essen Lane  
Baton Rouge, LA 70809  
Attn: President and CEO

*With a copy to:* Our Lady of the Angels Hospital, Inc.  
4200 Essen Lane  
Baton Rouge, LA 70809  
Attn: General Counsel

**LSU:** Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Attn: Executive Vice President for Health Care

*With a copy to:* LSU System Office  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Attn: Vice President of Health Affairs

*With a copy to:* Taylor, Porter, Brooks & Phillips, L.L.P.  
Attn: Nancy C. Dougherty  
451 Florida St., 8<sup>th</sup> Floor  
Baton Rouge, Louisiana 70801

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**Division of Administration:** Commissioner of Administration  
Division of Administration  
Claiborne Building  
1201 North Third Street  
Baton Rouge, Louisiana 70801

*With a copy to:* Director  
Office of Facility Planning and Control  
Division of Administration  
Claiborne Building  
1201 North Third Street  
Baton Rouge, Louisiana 70801

**State of Louisiana:** Division of Administration  
Claiborne Building  
1201 North Third Street  
Baton Rouge, Louisiana 70801

Any such notice or communication shall be deemed to have been given: (a) at the time of delivery; (b) one (1) business day after being deposited with a nationally recognized overnight courier; or (c) three (3) business days after being deposited with the United States Postal Service in accordance with the provisions above.

Each party shall promptly inform all other parties in accordance with the notice procedures set forth above of any changes in personnel or address for the purpose of sending required notices.

**Section 3.06 Attorneys' Fees.** In the event any party defaults in any of its respective obligations under this Agreement or any of the Exhibits attached hereto, it shall also be liable to pay any and all of the reasonable attorneys' fees incurred by the non-defaulting party(ies') related to any negotiations, compromises and/or enforcement of the non-defaulting party's(ies') rights hereunder.

**Section 3.07 Entire Agreement.** This Agreement, together with all Exhibits attached hereto, as well as the CEA and any and all agreements delivered in connection therewith, sets

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forth the entire agreement of the parties with respect to the matters set forth herein, and no verbal commitments, except those reduced to writing in this Agreement, the Exhibits attached hereto or the CEA (and contemplated documents), have any binding effect. Any amendments to this Agreement or any Exhibit attached hereto must be reduced to writing and signed by both parties. All of the agreements and stipulations contained herein and all the obligations herein assumed shall inure to the benefit of and be binding upon the successors and permitted assigns of the respective parties hereto, provided that any such assignment was made in a manner consistent with the terms of this Agreement and/or the respective Exhibit attached hereto.

**Section 3.08 Authorized Representatives of the Parties.** In any instance in which the approval or consent of a party is required, it may be given on behalf of LSU by the then President of the LSU System or by his/her designee, and on behalf of OLAH by its then President or by his/her designee.

**Section 3.09 Appropriation of Funds.** Notwithstanding anything to the contrary contained in this Agreement or any Exhibit attached hereto, all State, Division and LSU obligations under this Agreement or any Exhibit attached hereto to make payments of any kind in a future fiscal year, shall be subject to appropriation by the Louisiana Legislature of sufficient funds therefor and the availability of funds following Legislative appropriation; provided, however, and notwithstanding anything to the contrary contained in this Agreement, any Exhibit attached hereto, or in the CEA, any and all obligations of the Division and/or LSU to refund or make payments to OLAH shall be subject to, and contingent upon, appropriation by the Louisiana Legislature of sufficient funds specifically and expressly appropriated for refunding/paying of such sums by LSU and/or the Division to OLAH (the "*Appropriation*"), and any such obligation by LSU and/or the Division is limited only to the portion of said

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Appropriation which the respective obligor receives. In the event that OLAH is due a payment/refund pursuant to the provisions of Section 2.03(b), the State, the Division and LSU agree to make good faith, best efforts to seek specific appropriation for such refund by the Louisiana Legislature, and the Division and/or LSU shall include in one or more of their annual budget requests, a request for the appropriation of funds for the purpose of making such refund of the Advance Rent to OLAH pursuant to this Agreement.

**Section 3.10 Provision of Records.** Until the expiration of four (4) years after the furnishings of any services under this Agreement or any Exhibit attached hereto and in the event the services provided by the parties under this Agreement or any Exhibit attached hereto are valued at Ten Thousand Dollars (\$10,000) or more during any 12-month period, the parties shall make available, upon written request of the Secretary of the United States Department of Health and Human Services, or upon the written request of the United States Comptroller General, or any of their duly authorized representatives, all contracts, books, documents or records that are necessary to certify the nature and extent of any and all charges, costs and payments made or received under this Agreement or any Exhibit attached hereto.

**Section 3.11 Consent.** In any instance in which the consent or approval from a party to this Agreement is required under this Agreement or any Exhibit attached hereto, then, unless specifically stated otherwise in such provision, such party agrees not to unreasonably withhold, delay or condition such consent or approval.

**Section 3.12 Recordation.** It shall be the responsibility of OLAH to prepare an extract of the Sublease and an extract of the Lease, both of which each party agrees to execute for recordation in the Office of the Parish Recorder of the Parish of Washington. The form of the Extract of Sublease and the Extract of Lease shall require the approval of LSU. OLAH shall

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provide LSU with a copy of the recorded Extract of Sublease and the recorded Extract of Lease. Recordation of the Extract of Sublease and the Extract of Lease shall be at OLAH's expense.

**Section 3.13 Relationship of the Parties.** Nothing contained in this Agreement or any Exhibit attached hereto shall be deemed or construed by the parties, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties. It is understood and agreed that no provision contained in this Agreement or any Exhibit attached hereto nor any employees, agents, members or shareholders of the parties hereto creates a relationship other than a relationship of lessor/sublessor and lessee/sublessee or as described in the CEA.

**Section 3.14 Waiver.** LSU and OLAH agree that either party's failure to insist on strict performance of any term or condition of this Agreement or any Exhibit attached hereto shall not constitute a waiver of that term or condition, even if the party accepting or acquiescing in the non-conforming performance knows of the nature of the performance and fails to object to it. No waiver or breach shall affect or alter this Agreement or any Exhibit attached hereto but each of the terms of this Agreement and the Exhibits attached hereto shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. No waiver of any default hereunder by either party shall be implied from any omission by the non-defaulting party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver for the time and to the extent therein stated. One or more waivers shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition.

**Section 3.15 Legal Representation of the Parties.** This Agreement and the Exhibits attached hereto were negotiated by the signatories hereto with the benefit of legal representation,



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and any rule of construction or interpretation otherwise requiring this Agreement and/or the Exhibits attached hereto to be construed or interpreted against any signatory hereto shall not apply to any construction or interpretation hereof.

**Section 3.16 Captions.** The captions contained in this Agreement and the Exhibits attached hereto are used solely for convenience and shall not be deemed to define or limit the provisions of this Agreement or any Exhibit attached hereto.

**Section 3.17 Expenses.** Except as otherwise provided in this Agreement or any Exhibit attached hereto, each party to this Agreement will bear its respective fees and expenses incurred in connection with the preparation, negotiation, execution and performance of this Agreement and the Exhibits attached hereto, including all fees and expenses of its representatives. If this Agreement or any Exhibit attached hereto is terminated, the obligation of each party to pay its own fees and expenses will be subject to any rights of such party arising from a breach of this Agreement or any Exhibit attached hereto by another party.

**Section 3.18 Authority.** Each party represents and warrants that it has the right, authority and power to enter into this Agreement and the Exhibits attached hereto. Each individual who has executed this Agreement is of the full age of majority, is competent, and has the authority to execute this Agreement on behalf of the entity which he/she represents.

**Section 3.19 Additional Assurances.** The provisions of this Agreement and the Exhibits attached hereto shall be self-operative and shall not require further agreement by the parties except as may be specifically provided to the contrary in this Agreement or any Exhibit attached hereto. Notwithstanding the foregoing, each of the parties shall, at any time and from time to time at and after the execution of this Agreement, upon the reasonable request of another party, take any and all steps reasonably necessary to consummate this Agreement and the

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transactions contemplated hereby, and will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required to consummate this Agreement and the transactions contemplated hereby.

**Section 3.20 Counterparts.** This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original, but all of which together will constitute only one agreement.

**Section 3.21 Capitalized Terms.** Any capitalized terms used in this Agreement and/or the Exhibits attached hereto that are not defined in this Agreement and/or the respective Exhibit attached hereto shall have the meaning ascribed to that capitalized, defined term in the CEA.

**Section 3.22 Sublease Maintenance and Utilities.** Notwithstanding any provision of the Prime Lease and/or the Sublease, OLAH shall be fully and totally responsible for: (i) any and all maintenance, inspection and/or repair obligations of LSU under the Sublease, including, but not limited to, those set forth in Article 12 of the Sublease; and (ii) the payment for all utilities, such as electricity, gas, water and sewer, medical waste disposal, septic tank service, pickup and disposal for dumpster service for trash and garbage, air conditioning and heating, certain telecommunication services, certain security services, pest control, janitorial services, including restroom and custodial supplies, and landscape upkeep utilized and/or performed at or on the Plaza Facility.

**[The Remainder of this Page is Intentionally Left Blank;**

**Signatures are on the Following Page.]**

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[Signature Page for Master Hospital Agreement]

IN WITNESS WHEREOF, LSU has signed its name on this 14<sup>th</sup> day of January,

2014, in the presence of the undersigned competent witnesses:

WITNESSES:

**BOARD OF SUPERVISORS OF LOUISIANA STATE  
UNIVERSITY AND AGRICULTURAL AND  
MECHANICAL COLLEGE**

Nancy C Dougherty  
Printed Name: Nancy C. Dougherty

Kay Miller  
Printed Name: Kay Miller

By: Dr. F. King Alexander  
Dr. F. King Alexander, President  
Louisiana State University System

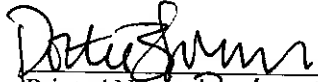
**EXECUTION VERSION**

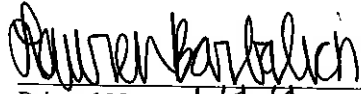
[Signature Page for Master Hospital Agreement]

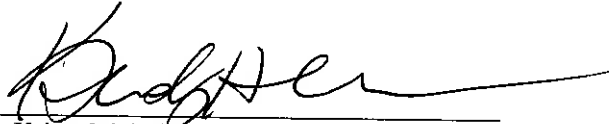
IN WITNESS WHEREOF, the State has signed its name on this 14 day of January, 2014, in the presence of the undersigned competent witnesses:

WITNESSES:

**STATE OF LOUISIANA, through DIVISION OF  
ADMINISTRATION**

  
Printed Name: Portia Johnson

  
Printed Name: LA-14


By:   
Kristy Nichols  
Commissioner of Administration


**EXECUTION VERSION**

[Signature Page for Master Hospital Agreement]


IN WITNESS WHEREOF, the Division has signed its name on this 14 day of January, 2014, in the presence of the undersigned competent witnesses:

WITNESSES:

  
Printed Name: Portia Johnson

  
Printed Name: Lauren Barbatic

**DIVISION OF ADMINISTRATION  
STATE OF LOUISIANA**

By:   
Kristy Nichols  
Commissioner of Administration

**EXECUTION VERSION**


[Signature Page for Master Hospital Agreement]

IN WITNESS WHEREOF, OLAH has signed its name on this 14<sup>th</sup> day of January,

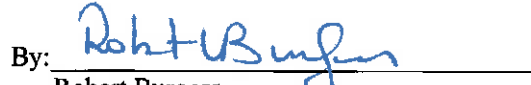
2014, in the presence of the undersigned competent witnesses:

WITNESSES:

**OUR LADY OF THE ANGELS HOSPITAL, INC.**

  
Printed Name: Sean Taylor

  
Printed Name: CAROLINE CONERLY

By:   
Robert Burgess,  
President and Chief Executive Officer