

EQUIPMENT LEASE AGREEMENT

This Equipment Lease Agreement (this "Lease") is made and entered into effective the 30th day of September, 2013 by and between **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 Resolutions of the Board of Supervisors, adopted May 28 and June 7, 2013, 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" or "Lessor"); and **BRF HOSPITAL HOLDINGS, L.L.C.**, a Louisiana limited liability company, represented herein by Stephen F. Skrivanos, its Chairman, duly authorized by virtue of a resolution adopted September 25, 2013, with a mailing address of 1505 Kings Highway, Shreveport, Louisiana 71133 (Federal I.D. No. XX-XXX9229) (hereinafter referred to as "Lessee").

WITNESSETH

WHEREAS, LSU is a public corporation organized and existing under the constitution and 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; and,

WHEREAS, Lessee is a limited liability company organized and existing under the laws of the State of Louisiana pursuant to La R.S. 12:1301 ,et seq., committed to provide healthcare and hospital services and furthering the development of medical and clinical professionals in the State of Louisiana and, in particular, its service area; and,

WHEREAS, LSU, Lessee, the Biomedical Research Foundation of Northwest Louisiana (“BRF”), the State of Louisiana through the Division of Administration (the “State”) and the Louisiana Department of Health and Hospitals (“DHH”) are parties to a Cooperative Endeavor Agreement dated September 30, 2013 (as the same may be amended from time to time, the “CEA”), pursuant to which LSU, Lessee, BRF, the State and DHH will collaborate for Lessee to provide hospital services to patients and maintain nationally recognized graduate medical education programs; and,

WHEREAS, pursuant to the CEA, LSU, Lessee, the State and the Division of Administration for the State of Louisiana propose to enter into that certain Master Hospital Lease Agreement (the “Hospital Lease”), a form of which is attached hereto as Exhibit A, pursuant to which Lessee will lease from LSU certain Leased Premises (as defined and described more particularly in the Hospital Lease);

WHEREAS, Lessor operates the hospital facilities and associated outpatient clinics known as LSU Medical Center–Shreveport in Shreveport, Louisiana (“Shreveport Hospital”) and E.A. Conway Medical Center in Monroe, Louisiana (“E.A. Conway” and together with Shreveport Hospital, referred to herein as the “Hospitals”); and,

WHEREAS, Lessor is the owner of certain furniture, fixtures, equipment and other personal property that is used by Lessor in connection with the operation of the Hospitals and the Leased Premises, which furniture, fixtures, equipment and personal property Lessor desires to lease to Lessee pursuant to this Lease;

WHEREAS, this Lease is an integral aspect of the CEA and furthers the above stated goals of the parties under the CEA; and,

WHEREAS, this Lease furthers the educational and public service missions of Lessor.

NOW, THEREFORE, in consideration of Lessor's obligation to lease the Leased Equipment, the payments to be made by Lessee during the term of this Lease, and the mutual benefits accruing to the parties under this Lease and the CEA, the parties do hereby enter into this Lease on the following terms and conditions:

**ARTICLE I
LEASED EQUIPMENT; TERM**

Section 1.01 Leased Equipment. For the consideration and upon the terms and conditions hereinafter expressed, Lessor leases unto Lessee, here present and accepting the same, commencing on the Commencement Date (as defined below), for the Term (as defined below), unless otherwise terminated sooner in accordance with the terms and conditions set forth in this Lease or in the CEA, all of the furniture, fixtures, equipment and personal property of Lessor identified in Exhibit B-1, with respect to the Shreveport Hospital, as amended from time to time pursuant to this Lease, and in Exhibit B-2, with respect to E.A. Conway, as amended from time to time pursuant to this Lease (collectively, the "Leased Equipment"). Lessee or Lessee's agent has had an opportunity to visually inspect the Leased Equipment and acknowledges that the Leased Equipment appears in good and acceptable condition as of the execution of this Lease.

Section 1.02 Term of Lease. The term of this Lease shall begin on the Commencement Date, and, unless earlier terminated in accordance with Section 9.03, shall continue for a period of five (5) years (the "Term"). Notwithstanding anything in this Lease to the contrary, the parties acknowledge that any early termination or the expiration of the CEA or the Hospital Lease shall cause this Lease to simultaneously terminate; provided, however, any such termination of this Lease shall be subject to the Wind Down Period (as defined and described in the CEA).

Section 1.03 Commencement Date. For purposes of this Lease, the term “Commencement Date” shall mean 12:00 a.m. on October 1, 2013, unless mutually extended by the parties by written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE II LEASE PAYMENTS

Section 2.01 Lease Payment. As of the Commencement Date, the annualized lease payment for the Leased Equipment (the “Lease Payment”) shall be \$5,936,108.62, consisting of: (a) \$5,055,082.94 annual base rent for the Shreveport Leased Equipment, and (b) \$881,025.68 annual base rent for the Monroe Leased Equipment; the Lease Payment will be updated based on the net book value of the Leased Equipment as of the Commencement Date for any changes in equipment to be leased; provided, however, that the Lease Payment shall be subject to adjustment as provided in Section 2.03. The Lease Payment shall be payable by Lessee to LSU in twelve (12) equal monthly installments, with the rent for the first two months of the Initial Term being due and payable on November 1, 2013, and the remaining installments being due and payable, respectively on the first (1st) day of each calendar month thereafter during the Term. In the event the Commencement Date should fall on a date other than the first day of a calendar month, the first Lease Payment shall be prorated based on the actual number of days in such calendar month from and including the Commencement Date to and including the last day of such calendar month. In the event that the last day of the Term is a day other than the last day of a calendar month, the last Lease Payment shall be prorated based on the actual number of days in such calendar month from and including the first day of such calendar month to and including the last day of the Term.

Section 2.02 Address for Payments. All Lease Payments are payable by Lessee to Lessor (i) at the following address, until notified differently in writing by Lessor: P. O. Box 91308, Baton Rouge, Louisiana 70821, or (ii) by wire transfer pursuant to the wiring instructions given to Lessee by Lessor.

Section 2.03 Adjustments to Lease Payments.

(a) Commencing with the first anniversary of the Commencement Date, the Leased Payment shall be adjusted upward or downward every anniversary of the Commencement Date, using the Index by dividing the Current Index by the Base Index and multiplying the resulting quotient by the annual Leased Payment payable under Section 2.01 of this Lease. Notwithstanding the foregoing, the Leased Payment shall not be adjusted downward to a level below the initial Leased Payment amount.

(b) For purposes of this Lease, the term "Base Index" shall mean the Index for the month of September 2013.

(c) For purposes of this Lease, the term "Current Index" shall mean the Index for the month of September immediately preceding each anniversary date of the Commencement Date.

(d) For purposes of this Lease, the term "Index" shall mean the Consumer Price Index — U.S. City Average For All Items For All Urban Consumers (1982-1984 = 100) (the "Index"), published monthly in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor, or if the current Index is no longer available or is no longer published at a frequency needed to calculate the aforementioned adjustment, then the current equivalent of the Index.

Section 2.04 No Adjustments or Offsets.

(a) This Lease is intended to be a net lease. Except as provided for in the CEA, the Lessor shall not be responsible for, and the Lease Payments provided for herein shall be paid to Lessor without deduction for, any expenses, charges, insurance, taxes or set-offs whatsoever of any kind, character or nature including, without limitation, any of the following:

- (i) the Leased Equipment being damaged, lost, stolen, in need of maintenance or repair, or not in Lessee's possession;
- (ii) Lessee or any other person being insolvent;
- (iii) the impossibility or the lack of power or authority of Lessee to enter into and perform this Lease; or
- (iv) any transfer or assignment of this Lease by Lessor.

(b) It is understood and agreed by Lessee that as between Lessee and Lessor, Lessee shall bear responsibility for the payment of all costs and expenses associated with maintenance and repairs to the Leased Equipment, including without limitation all costs and expenses described in Article IV. Under no circumstances will Lessor be required to make any payment to Lessee or on Lessee's behalf or for Lessee's benefit under this Lease, or assume any monetary obligation of Lessee or with respect to the Leased Equipment under this Lease.

**ARTICLE III
POSSESSION AND SURRENDER OF LEASED EQUIPMENT; USE OF LEASED
EQUIPMENT; OWNERSHIP**

Section 3.01 Possession and Surrender of Leased Equipment. Lessee shall take possession of the Leased Equipment on the Commencement Date. Lessor shall also, at no expense to Lessee and at Lessee's request, exercise any and all rights it may have under any

warranties and guaranties for the Lease Equipment. Except as otherwise provided herein, at the expiration or on the earlier termination of this Lease, Lessee shall surrender the Leased Equipment to Lessor by transferring possession of the Leased Equipment to Lessor or its agent in good condition and working order, ordinary wear and tear, casualty unrelated to the fault of the Lessee and obsolescence excepted, as such existed at the Commencement Date.

Section 3.02 Use of Leased Equipment. The Leased Equipment shall be used by Lessee in a careful and proper manner and in connection with the operation of the Hospitals and the Leased Premises, together with any uses that are accessory to any of the foregoing (the “Permitted Use”). Lessee will use, maintain and store the Leased Equipment in compliance with all applicable federal, state, local and parish rules, laws, ordinances and governmental regulations, orders, codes and decrees (individually or collectively, the “Law”) and in accordance with the provisions of the CEA and all manufacturer or vendor guidelines and specifications. Except as otherwise provided herein, Lessee shall not attempt to sell or dispose of the Leased Equipment in any way. Lessee shall ensure that the Leased Equipment remains free and clear of encumbrances, other than any encumbrances attributable to Lessor as of the Commencement Date, unless approved in advance and in writing by Lessor.

Section 3.03 Ownership of Leased Equipment.

(a) Notwithstanding anything in this Lease or the CEA to the contrary, Lessee acknowledges that the Leased Equipment is and shall remain the exclusive property of the Lessor. Without limiting the generality of the foregoing, this Lease gives Lessee the right to use the Leased Equipment during the Term, and only if and so long as no Event of Default shall have occurred and be continuing under this Lease.

(b) Lessor may transfer, assign or encumber the Leased Equipment or Lessor's interest in this Lease or file, subject to Lessee's review, any filing or notification of interest to protect the interests of Lessor. Lessor shall ensure that any such transfer, encumbrance or filing does not impair or otherwise unreasonably affect Lessee's use and possession of the Leased Equipment or materially alter the obligations of Lessee under this Lease.

(c) Any new parts that are used to repair the Leased Equipment or that are replaced in or on the Leased Equipment during the course of maintaining and repairing the Leased Equipment pursuant to Article IV or any accessions to the Leased Equipment that are acquired by Lessee shall be deemed immediately to become part of the Leased Equipment and shall become and be the property of Lessor.

(d) Notwithstanding the foregoing, Lessee may purchase such additional or replacement personal property, fixtures, equipment, medical equipment, furniture and other unattached items of personal property which Lessee may like to place in the Leased Premises including, but not limited to, counters, shelving, chairs and other unattached movable machinery, equipment and inventory (collectively, the "Lessee Personal Property"), and the Lessee Personal Property shall be owned by Lessee and may be removed from the Lease Premises by Lessee at

the end of this Lease; provided, however, that Lessee shall repair any damage to the Leased Premises caused by such removal. The Lessee Personal Property shall not include the original equipment leased by Lessor to Lessee pursuant to this Lease or any replacements parts for such original equipment.

**ARTICLE IV
MAINTENANCE AND REPAIR; DAMAGE AND LOSS**

Section 4.01 Maintenance and Repair.

(a) Lessee shall, during the Term, at its sole cost and expense, keep and maintain the Leased Equipment in good working order and repair regardless of whether any maintenance and repairs are ordinary or extraordinary, routine or major, foreseeable or unforeseeable. All maintenance and repairs shall be sufficient to maintain the Leased Equipment in as good condition as existed at the Commencement Date, ordinary wear, tear, casualty unrelated to the fault of the Lessee and obsolescence excepted, and shall comply with all manufacturer or vendor guidelines and specifications.

(b) If any material piece of the Leased Equipment is lost, stolen, destroyed, confiscated or damaged beyond repair, Lessee shall notify Lessor promptly of such event in writing. Lessee, at its sole cost and expense, shall replace any affected Leased Equipment with equipment of at least equivalent capability and of similar make, model, quality and function as the Leased Equipment being replaced.

(c) Once a material piece of the Leased Equipment is in the last two years of its useful life, should such material piece of Leased Equipment be lost, stolen, destroyed, confiscated or damaged beyond repair or be in need of any maintenance or repairs, then Lessee shall have the following options:

- (i) To maintain or repair such piece of Leased Equipment;
- (ii) To replace such piece of Leased Equipment with Leased Equipment of equivalent capability and of similar make, model, quality and function (whether used or new); or
- (iii) if Lessee determines using reasonable business principles that such Leased Equipment is no longer of any use to the Hospitals or essential to their operations, to not replace or repair such Leased Equipment.

Lessee shall notify Lessor in writing of its decision with regard to the repair, replacement or removal of such piece of Leased Equipment within five (5) days of making such decision. Any new or used movable property purchased by Lessee shall remain the property of Lessee at the expiration or earlier termination of this Lease and Lessor shall have no claim to ownership of such new equipment. Any piece of Leased Equipment is removed from service by Lessee shall be returned to Lessor or disposed of in the manner directed by Lessor.

(d) Once a piece of the Leased Equipment has exceeded its useful life, then Lessee shall have the following options:

- (i) To replace such piece of Leased Equipment with equipment of equivalent capability and of similar make, model, quality and function as utilized by other hospitals (whether used or new); or
- (ii) if Lessee determines using reasonable business principles that such Leased Equipment is no longer of any use to the Hospitals or essential to their operations, to not replace or repair such Leased Equipment.

Lessee shall notify Lessor in writing of its decision with regard to the replacement or removal of such piece of Leased Equipment within five (5) days of making such decision. Any new or used movable property purchased by Lessee shall remain the property of Lessee at the expiration or earlier termination of this Lease and Lessor shall have no claim to ownership of such new equipment. Any piece of Leased Equipment that is removed from service by Lessee shall be returned to Lessor or disposed of in the manner directed by Lessor.

(e) Except as set forth below, Lessee shall be entitled to receive all amounts which are payable by an insurer or other person as a result of an event described in Section 4.01(b). Lessee will apply such amounts against costs incurred in repairing or replacing the affected Leased Equipment pursuant to Section 4.01(b) unless Lessee decides not to repair or replace such Leased Equipment as provided above. If Lessee decides not to repair or replace such Leased Equipment as provided above, such amounts shall be paid to Lessor.

(f) If Lessee fails to commence any maintenance, repairs or restoration to any Leased Equipment required above within sixty (60) days of receipt of Lessor's notice that such maintenance, repairs or restoration is necessary, Lessor may, but shall not be obligated to, perform or cause to be performed such maintenance, repairs or restoration, at Lessee's expense, unless the Lessee provides evidence in the form of a qualified technician's report or comparable report that the maintenance, repair or restoration is unnecessary. Lessee shall be required to pay any such amounts to Lessor within thirty (30) days of the date of a written demand therefor by the Lessor. The exercise of any right under this Section 4.01(e) by Lessor does and shall not be deemed to waive, reduce or remove any liability Lessee may have to Lessor for failing to perform its obligations under this Lease.

(g) Lessee accepts the Leased Equipment in "as is, where is, with all faults" condition, without representation or warranty, express or implied, in fact or in Law, oral or written, by Lessor.

Section 4.02 Compliance. With respect to the Leased Equipment, Lessee shall perform and comply with all of the procedures, processes, policies and protocols established for property

control by the Louisiana Commissioner of Administration (the “Commissioner”) and the Louisiana Property Assistance Agency (the “LPAA”), in the manner provided by the Commissioner and the LPAA, including but not limited to the following:

(a) Lessee shall designate one of its officers or employees as property manager for the Leased Equipment and shall notify LSU and the LPAA in writing of the designation. Lessee shall ensure that the property manager has the necessary time, supplies, support and assistance for performance of his/her duties hereunder.

(b) Lessee and Lessee’s property manager shall maintain uniform State of Louisiana identification tags approved by the Commissioner on all items of Leased Equipment.

(c) Lessee and Lessee’s property manager shall maintain the property location index for all Leased Equipment and shall submit to the LPAA an up-to-date index each time a change or modification is made.

(d) Lessee and Lessee’s property manager shall submit monthly Louisiana Property Control Transmittal Forms to the LPAA listing all Leased Equipment transactions for the month.

(e) Lessee and Lessee’s property manager shall make a complete physical inventory of the Leased Equipment once for each fiscal year of the State of Louisiana and not more than twelve (12) calendar months since the last physical inventory, shall notify the LPAA in writing not later than thirty (30) days prior to the date the inventory is to begin and shall follow the inventory procedures prescribed by the Commissioner and the LPAA.

(f) Lessee and Lessee's property manager shall submit an inventory report to the LPAA and the Legislative Auditor for the State of Louisiana (the "Legislative Auditor") which contains a list of all Leased Equipment in Lessee's custody, together with descriptive information as set forth in Section 4.02(g). Upon completion of each annual inventory, Lessee and Lessee's property manager shall submit to the LPAA and the Legislative Auditor a certified report containing all exceptions or discrepancies found in relating physical inventory records with the State master file listing. The annual report also shall include a listing of idle or surplus items of Leased Equipment available for transfer or disposition.

(g) Lessee shall maintain a master file of the Leased Equipment. The master file shall contain the following information: (i) a description of the Leased Equipment; (ii) the manufacturer's serial number, if any; (iii) the description and location of the identification mark; (iv) the original cost of the Leased Equipment; and (v) the principal place where the Leased Equipment is housed, garaged, stored, or used.

(h) Lessee and Lessee's property manager shall keep the Leased Equipment master file updated by submitting to the LPAA monthly all Leased Equipment transactions.

(i) Lessee and Lessee's property manager shall make all Leased Equipment records and reports and the invoices, receipts and other supporting documents therefor in their possession available for examination by the LPAA and the Legislative Auditor, and by their representatives, at reasonable times and upon reasonable advance notice to Lessee.

(j) Lessee's property manager shall file with the Commissioner a bond furnished by a bonding company approved by the Commissioner and paid for by Lessee in an amount to be determined by the Legislative Auditor payable to the State of Louisiana, which bond shall serve as a guarantee or indemnity that Lessee's property manager will faithfully perform his duties.

(k) Whenever Lessee's property manager ceases for any reason to be the property manager for the Leased Equipment, Lessee shall immediately notify the LPAA and LSU in writing. The Leased Equipment and the receipts held by the outgoing property manager shall be transferred to the new property manager, who shall execute his written receipt for all Leased Equipment received by him or coming into his custody, and the new property manager shall be the custodian of all of the Leased Equipment.

(l) Whenever Lessee's property manager has knowledge or reason to believe that any Leased Equipment is lost, stolen or otherwise unaccounted for or is damaged or destroyed, Lessee's property manager shall report such knowledge or reason to Lessee, and Lessee shall immediately notify the LPAA.

(m) Lessee and Lessee's property manager shall maintain for three (3) years all inventories, forms, transmittals, letters of certification / acceptance / rejection, sequentially dated copies of all Leased Equipment transaction listings, sequential BF-11s submitted and responses received, and other records and documents regarding the Leased Equipment created after the Commencement Date.

**ARTICLE V
ASSIGNMENT; SUBLEASE**

Section 5.01 No Assignment. Lessee may not, without the prior written consent of LSU, which consent shall not be unreasonably withheld or delayed, assign or otherwise encumber in whole or in part this Lease or any interest therein; provided, Lessee may, with prior written notice to LSU, but without the consent of LSU, assign its interest under this Lease to a nonprofit corporation, nonprofit limited liability company, nonprofit limited liability partnership, or other nonprofit legal entity wholly owned or controlled by Lessee, provided that in the case of any assignment, the assignee shall agree to assume in writing Lessee's obligations hereunder without release of Lessee, all in form and substance approved by LSU.

Section 5.02 No Subletting. Lessee may not, without the prior written consent of LSU, which consent shall not be unreasonably withheld or delayed, sublet in whole or in part this Lease or any interest therein; provided, Lessee may, with prior written notice to LSU, but without the consent of LSU, assign its interest under this Lease to a nonprofit corporation, nonprofit limited liability company, nonprofit limited liability partnership, or other nonprofit legal entity wholly owned or controlled by Lessee, provided that in the case of any assignment, the assignee shall agree to assume in writing Lessee's obligations hereunder without release of Lessee, all in form and substance approved by LSU.

Section 5.03 Lessee Remains Liable. In no event shall any assignment or sublease with respect to this Lease, if permitted, release Lessee from any obligations under this Lease, unless such release shall be evidenced by Lessor's express written agreement at the time of such assignment or sublease, which agreement may be granted or withheld in Lessor's sole discretion.

Lessee shall not permit any act or omission with respect to the Leased Equipment that would adversely affect Lessor's title and rights thereto.

ARTICLE VI INSURANCE

Section 6.01 Lessee Responsibility for Insurance Coverage. Throughout the Term of this Lease, Lessee shall at all times maintain or cause to be maintained, with respect to the Leased Equipment, the following insurance (or, in each case and with Lessor's advance written approval, commercially reasonable programs of self-insurance coupled with commercially reasonable excess insurance):

(a) Property insurance against loss and/or damage to the Leased Equipment, including but not limited to loss or damage caused by fire, lightning, earthquake, collapse, sewer backup, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for property of similar character and location, which insurance shall be in an amount not less than the actual cash value (full replacement cost less depreciation) of the Leased Equipment.

(b) Commercial general liability insurance for injuries to persons (including bodily injury and death) and/or property damage caused by, attributed to, or incurred in connection in any manner with the lease, use, operation, management, maintenance, replacement, or repair of the Leased Equipment, and for injuries to persons and/or property occurring in or about the Leased Equipment, in the minimum amount of \$5,000,000 combined single limit per occurrence. Such comprehensive public liability

insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability and water damage legal liability.

Section 6.02 Additional Requirements.

(a) All insurance required by Section 6.01 and all renewals of such insurance shall be issued by companies authorized to transact business in the State of Louisiana, and rated at least A- Class VII by Best's Insurance Reports or as approved by Lessor, such approval not to be unreasonably conditioned, delayed or withheld. All insurance policies provided by Lessee shall expressly provide that the policies shall not be canceled or materially altered without thirty (30) days prior written notice to Lessor.

(b) All policies of liability insurance Lessee maintains according to this Lease will name Lessor and its board members, officers, employees and agents, and such other persons or firms as Lessor reasonably specifies from time to time as additional insureds (collectively, the "LSU Insured Parties"), and Lessor shall also be named as a loss payee on any property damage insurance. In the event that LSU approves Lessee's use of a commercially reasonable program of self-insurance, Lessee shall extend the coverage afforded thereby and all protections and benefits associated therewith to the LSU Insured Parties as fully as though the LSU Insured Parties were named as additional insureds and loss payees, as applicable, on a policy of commercial insurance.

(c) Lessor reserves the right to reasonably request copies of original policies (together with copies of the endorsements naming Lessor, and any others reasonably specified by Lessor, as additional insureds). Certificates of insurance and the declaration page for each policy shall be delivered to Lessor upon delivery of the Leased Equipment. All insurance required

hereby shall provide that any failure of Lessee to comply with reporting requirement of a policy required hereby shall not affect coverage provided to the LSU Insured Parties.

(d) All liability policies maintained by Lessee pursuant to this Lease shall be written as primary policies, not contributing with and not in excess of coverage that Lessor may carry, if any.

(e) All insurance required hereby shall provide that the insurance companies issuing such required policies shall have no recourse against LSU for payment of premiums or for assessments under any form of the policies.

(f) The coverage required hereunder shall contain no special limitations on the scope of protection afforded to the LSU Insured Parties.

(g) All insurance required hereunder shall be occurrence coverage. Claims-made policies are not allowed.

(h) Any deductibles or self-insured retentions must be declared to and accepted by LSU, which acceptance shall not be unreasonably denied, withheld or delayed. Lessee shall be responsible for all deductibles and self-insured retentions.

(i) Lessee shall not: (i) do anything or fail to do anything which would allow an insurer insuring the Leased Equipment to refuse or reduce a claim; (ii) vary any required insurance in a manner that would adversely affect Lessor's interests without Lessor's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed; or (iii) enforce, conduct, settle or compromise a claim relating to the Leased Equipment without the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed.

**ARTICLE VII
INDEMNIFICATION**

Section 7.01 Lessee's Indemnification to Lessor.

(a) Lessee shall indemnify, defend and hold harmless Lessor and its board members, officers, agents, employees, and contractors, together with any of their respective successors and assigns (collectively, the "Lessor Indemnitees"), against any and all loss, cost, damage, liability or expense as incurred (including but not limited to reasonable attorneys' fees and actual legal costs) arising out of or related to any claim, suit or judgment brought by or in favor of any person or persons for damage, loss or expense due, but not limited, to bodily injury, including death, or property damage sustained by such person or persons, or any violation of Law, which arises out of, is occasioned by or is attributable to the acts, omissions, use, maintenance or storage of the Leased Equipment by Lessee or its officers, agents, employees, invitees, permittees, contractors or subcontractors at any time after the Commencement Date.

(b) All the foregoing indemnification provisions shall apply to Permitted Uses, as well as uses that are not permitted under this Lease.

(c) Notwithstanding any provision to the contrary contained in this Lease, Lessor acknowledges that Lessee's obligation to indemnify and hold any Lessor Indemnitees harmless under this Article VII shall not extend to any loss, damages or other claims to the extent arising out of the negligence or willful misconduct of any Lessor Indemnitees arising out of Lessor's performance of its obligations under this Lease.

Section 7.02 Lessor's Indemnification. To the extent authorized by Law, Lessor will indemnify, defend and hold harmless Lessee and its directors, officers, agents, employees and contractors, together with any of their respective successors and assigns, from and against any

claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including but not limited to reasonable attorneys' fees and actual legal costs) resulting from any injury, loss or damage to persons or property arising out of the negligent or willful misconduct of Lessor or the Lessor Indemnitees arising out of Lessor's performance of its obligations under this Lease.

ARTICLE VIII TAXES AND FEES

Lessee shall be responsible for and shall pay, and hereby indemnifies and holds Lessor harmless should Lessee fail to pay for, any and all taxes, fees, levies, imposts, duties, withholdings or other charges, including without limitation value-added taxes, *ad valorem* taxes, and any other fees, taxes or charges, if any (together with any related interest and penalties but excluding any taxes on the net income of Lessor), which may be payable or determined to be payable in connection with this Lease or the Leased Equipment.

ARTICLE IX EVENTS OF DEFAULT; REMEDIES

Section 9.01 Lessee Events of Default.

(a) Each of the following shall be an Event of Default by Lessee (each, a "Lessee Event of Default") under the terms of this Lease:

(i) failure by Lessee to make any Lease Payment to Lessor on any date on which the same is due under this Lease, and this failure shall not be cured within fifteen (15) business days after the date of written notice to Lessee of such failure;

(ii) failure by Lessee to obtain and maintain all insurance as required under this Lease and/or to furnish to Lessor evidence thereof and/or evidence of payment

thereof, if the failure is not cured within fifteen (15) business days after the date of written notice to Lessee of such violation;

(iii) a court Order for relief in any involuntary case commenced against Lessee, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, and said Order is not vacated within one hundred twenty (120) days, or the entry of a decree or order by a court having jurisdiction appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of, or for Lessee or a substantial part of the properties of Lessee or order winding up or liquidation of the affairs of Lessee, and the continuance of any such decree or order unstayed and in effect for one hundred twenty (120) consecutive days;

(iv) commencement by Lessee of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted;

(v) any failure by Lessee to comply with any of the obligations of this Lease (other than those failures described in Sections 9.01(a)(i)-(iv)), if such failure is not cured within thirty (30) days after the date of written notice to Lessee of such Lease violation or such longer period of time as may reasonably be required for Lessee to cure the violation, provided that Lessee pursues the cure of the violation with reasonable diligence; or

(vi) the occurrence of a Terminating Event under the CEA or the termination of the Hospital Lease.

Section 9.02 Lessor Events of Default. A default by Lessor (a “Lessor Event of Default”) will occur under this Lease if Lessor fails to perform any of its obligations or

covenants under this Lease, and such failure is not cured within thirty (30) business days after Lessor's receipt of written notice from Lessee of this failure; provided, however, that no Lessor Event of Default will occur if Lessor begins to cure the failure forming the basis of the Lessor Event of Default within thirty (30) business days after its receipt of such notice and continues such cure with reasonable diligence for such period as is reasonably necessary, as agreed to by Lessee, to cure the failure.

Section 9.03 Remedies.

(a) In addition to any other remedies provided by Law and except as otherwise provided herein, following the occurrence of a Lessee Event of Default, Lessor may, but shall not be obligated to, terminate this Lease; provided, however, that any early termination of this Lease and surrender of the Leased Equipment by Lessee in connection therewith shall be subject to the provisions of Section 13.4 of the CEA.

(b) At the expiration of the Term or on the earlier termination of this Lease for any reason, Lessee shall deliver and return the Leased Equipment to Lessor, including any spare parts and accessories associated with the Leased Equipment, and any and all associated documents, including without limitation manuals, maintenance records, associated software, software licenses, keys and certificates of registration and warranty, all of which shall be in good working order and condition, ordinary wear and tear excepted.

(c) Except as otherwise expressly provided in this Lease, all rights and remedies of the parties provided for in this Agreement shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former.

**ARTICLE X
NOTICES**

Section 10.01 Address for Notices. Any and all notice required or appropriate under this Lease 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 prepared, receipt requested, to the following addresses:

If to LSU:

Board of Supervisors of Louisiana State
University and Agricultural and Mechanical
College
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Attention: F. King Alexander, President

With a copy to:

Taylor, Porter, Brooks & Phillips LLP
8th Floor Chase Tower South
451 Florida Street
Baton Rouge, LA 70801
Attention: Patrick D. Seiter, Esq.

If to Lessee:

BRF Hospital Holdings, L.L.C.
c/o Biomedical Research Foundation
of Northwest Louisiana
1505 Kings Highway
Shreveport, LA 71133
Attention: Office of the President

With a copy to:

Sullivan Stolier Knight LC
909 Poydras St. Suite 2600
New Orleans, LA 70112
Attention: Stephen M. Sullivan, Esq.

Section 10.02 Timing of Notices. Any such notice or communication shall be deemed to have been given either at the time of delivery or on the business day on which delivery is first refused.

Section 10.03 Change in Notice Information. 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.

**ARTICLE XI
MISCELLANEOUS**

Section 11.01 Lessor's Right to Inspect. Lessor reserves the right, but shall be under no obligation, to inspect the Leased Equipment at any time, as long as Lessor's inspection does not unreasonably interfere with Lessee's day-to-day business operations or the provision of patient care at the Leased Premises. Lessor shall provide Lessee with reasonable advance notice of its intent to inspect the Leased Equipment. Lessee shall have the right to have a representative accompany Lessor during such entry and inspection. In furtherance of any exercise by Lessor of its inspection rights under this Section 11.01, Lessee shall not deny Lessor access to any portion of the Leased Premises in which the Leased Equipment may be located.

Section 11.02 Relationship of Parties. Except as set forth in the CEA, the relationship between the Parties is that of independently contracting Parties. Nothing should be interpreted or construed to establish a master/servant relationship between the parties, nor shall this Lease be interpreted to establish an agent/principal relationship either express or implied between the Parties.

Section 11.03 Waiver. Lessor and Lessee agree that either party's failure to insist on strict performance of any term or condition of this Lease shall not constitute a waiver of such term or condition, even if the party accepting or acquiescing in the non-conforming performance knows of the nature of the non-performance and fails to object to it. No waiver or breach shall affect or alter this Lease but each of the terms of this Lease 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 11.04 Severability. The provisions of this Lease are severable. Any terms and/or conditions that are deemed illegal, invalid or unenforceable shall not affect any other term or condition of the Lease or the CEA.

Section 11.05 Successors and Assigns. This Lease shall be binding on and will inure to the benefit of the parties to this Lease and their respective successors and assigns, provided any such assignment was made in a manner consistent with terms of this Lease.

Section 11.06 Counterparts. This Lease 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 11.07 Entire Agreement. This Lease, together with all exhibits attached hereto, sets 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 Lease or the CEA, have any binding effect. Any amendments to this Lease must be reduced to writing and signed by all of the parties hereto.

Section 11.08 Choice of Law; Venue. This Lease shall be construed under and in accordance with the Laws of the State of Louisiana without regard to any choice or conflicts of law principles (including those of the State of Louisiana) that would cause the application of the laws of any other jurisdiction. In the event of any court proceeding, the parties agree that such proceeding shall be filed in the Louisiana Nineteenth Judicial District Court.

Section 11.09 Dispute Resolution. The Parties shall in good faith attempt to resolve any controversy, dispute or disagreement arising out of or relating to this Lease, or the breach thereof, through the Consultative Process set forth in the CEA. If any such controversy, dispute or disagreement cannot be resolved by the parties through the Consultative Process the aggrieved party may pursue litigation consistent with the provisions set forth in Section 11.08 above.

Section 11.10 Force Majeure. In the event of a failure or anticipated failure by any Party to perform its obligations hereunder caused by Force Majeure, such Party shall provide notice to the other Parties within thirty (30) days of the occurrence of such Force Majeure event causing such failure or anticipated failure. A Party's failure to perform due to a Force Majeure shall not constitute a breach provided such party promptly recommences performance after a Force Majeure event.

Section 11.11 Authorized Representatives of the Parties. In any instance in which the approval or consent of a party is required, it shall be given on behalf of Lessor by the President of the LSU System or his successor or designee, and on behalf of Lessee by any duly authorized representative of Lessee.

Section 11.12 Execution Warranty. Each individual signing this Lease warrants that such execution has been duly authorized by the party for which such individual is signing, that the execution and performance of this Lease by such party has been duly authorized by all applicable laws and regulations and all necessary corporate action, if any, and that this Lease constitutes the valid and enforceable obligation of such party in accordance with the terms of this Lease and the CEA.

[Separate Signature Page to Immediately Follow.]

IN WITNESS WHEREOF, the parties hereto have signed their names as of the 30th day of September, 2013, in the presence of the undersigned competent witnesses on the date set forth under their respective signatures:

WITNESSES:

LESSOR:

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, a public constitutional corporation of the State of Louisiana

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

Date: _____

LESSEE:

BRF HOSPITAL HOLDINGS, L.L.C.

By: _____
Stephen F. Skrivanos, Chair

Date: _____

EXHIBIT A
HOSPITAL LEASE

EXHIBIT B-1

SHREVEPORT HOSPITAL LEASED EQUIPMENT

EXHIBIT B-2

E.A. CONWAY LEASED EQUIPMENT