

**GRADUATE MEDICAL EDUCATION
MASTER AFFILIATION AGREEMENT**

BY AND BETWEEN

OUR LADY OF THE LAKE HOSPITAL, INC.;

AND

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

DATED FEBRUARY 2, 2010

MASTER AFFILIATION AGREEMENT

THIS MASTER AFFILIATION AGREEMENT (“Agreement”) is made and entered into this the 2nd day of February, 2010 (“Effective Date”), by and between the **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** (“LSU”), a public constitutional corporation of the State of Louisiana, represented herein by John V. Lombardi, President of the Louisiana State University System, and **OUR LADY OF THE LAKE HOSPITAL, INC.**, a Louisiana nonprofit corporation (“LOL”) (LSU and LOL are sometimes individually referred to herein as “Party,” and collectively referred to as the “Parties”).

RECITALS

WHEREAS, LOL is a nonprofit Louisiana corporation licensed as and operating a full service and accredited hospital with acute care beds, a multi-acre campus, the LOL College and other facilities, located in Baton Rouge, Louisiana (the “LOL Campus”), and operating under the sponsorship of the Franciscan Missionaries of Our Lady;

WHEREAS, LOL is a Major Teaching Hospital committed to developing medical and clinical professionals in the State in order to improve access to healthcare in its Service Area;

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;

WHEREAS, LSU is a Sponsoring Institution that operates an ACGME accredited program to train Residents and Fellows;

WHEREAS, LOL, as a Major Teaching Hospital, meets the ACGME's definition of a Major Participating Site for LSU's GME Programs;

WHEREAS, LOL and LSU believe that they maintain shared values and assumptions that support building a new model for the relationship between a Major Teaching Hospital and a health sciences center with respect to the LSU GME Programs (the “Collaborative”) and that this new model will provide physicians and patients with a new environment of care that optimizes the use of all resources;

WHEREAS, effective February 2, 2010, LSU and LOL have entered into that certain Cooperative Endeavor Agreement (the “CEA”) whereby the Parties, through the Collaborative, agree to develop and maintain nationally recognized GME Programs with appropriate facilities, structure and funding at the LOL Campus (a copy of the CEA is attached hereto as Exhibit "A");

WHEREAS, this Agreement will provide LOL and the LOL Personnel with the intellectual stimulation that comes from the support of and the participation in a vigorous

WHEREAS, LSU recognizes the unique opportunities for clinical education in OLOL's facilities, which will create opportunities for enhancement of the quality

Parties reserves the right to make final decisions with respect to such Party's assets and operations.

Section 1.4 Meetings; Participation. The OAC shall meet as necessary, but not less than three (3) times annually, to review the clinical and financial performance and address any issues of the Collaborative. Each Party shall cause its designated representatives to regularly participate in OAC meetings and related activities and support the OAC in carrying out its purposes. Each Party may report any concerns or complaints regarding the performance or participation of a committee member to the Party appointing such committee member. Such appointing Party will promptly address any such concern or complaint and attempt to resolve such concern or complaint in good faith. If such concern or complaint is not resolved within three (3) days, the Parties will engage in the Consultative Process for thirty (30) days in an effort to resolve the issue. If the concern or complaint is not resolved as a result of the Consultative Process, either Party may request that the matter be mediated by delivering written notice of such request to the other Party within five (5) calendar days of the end of the Consultative Process. If a mediation notice is timely delivered, the Parties shall select a mutually agreeable mediator, or if the Parties cannot agree on a mediator within ten (10) days of the notice request

(a) LSU GME Budget. The FAC, with input from the Program Directors and LSU DIO, shall develop proposed annual budgets for each of the LSU GME Programs and a proposed annual overall budget for the LSU GME Program.

(b) Written Reports. The FAC will prepare and present written reports to the OAC as necessary including interim semi-annual and an annual report summarizing the overall financial performance of the Collaborative.

(c) Meetings; Participation. The FAC shall meet as necessary to review the financial performance of the Collaborative and perform its other duties. Each Party shall cause its designated representatives to regularly participate in FAC meetings and related activities and support the FAC in carrying out its purposes. Each Party may report any concerns or complaints regarding the performance or participation of a committee member to the Party appointing such committee member. Such appointing Party will promptly address any such concern or complaint and attempt to resolve such concern or complaint in good faith. If such concern or complaint is not resolved within three (3) days, the Parties will engage in the Consultative Process for thirty (30) days in an effort to resolve the issue. If the concern or complaint is not resolved as a result of the Consultative Process, either Party may request that the matter be mediated by delivering written notice of such request to the other Party within five (5) calendar days of the end of the Consultative Process. If a mediation notice is timely delivered, the Parties shall select a mutually agreeable mediator, or if the Parties cannot agree on a mediator within ten (10) days of the notice requesting mediation, each Party shall within five (5) days of the end of such ten (10) day period deliver a written notice to the other Party designating a mediator and those mediators shall within two (2) days select a mutually agreeable mediator for the Parties. If either Party fails to timely provide such notice of designation, the other Party's mediator shall perform the mediation. Such mediation shall be concluded as soon as possible, but in no event will the mediation last longer than ten (10) days from the date the mediator is identified. If the matter is not otherwise resolved through the Consultative Process or mediation, the appointing Party shall replace the committee member upon the request of complaining Party if for cause. For this purpose, "cause" shall mean: (1) physical or mental impairment or substance abuse that substantially interferes with the individual's ability to perform the functions of a committee member; (2) conviction of any felony or other crime or act of dishonesty or fraud, whether or not such act or failure to act occurred in the course of performing services under this Agreement; (3) any act or failure to act involving unprofessional conduct; (4) moral turpitude; (5) failure to satisfy the terms of this Agreement applicable to such committee member; (6) failure to comply with the OLOL Rules, including the Ethical and Religious Directives on the OLOL Campus; (7) failure to regularly participate in committee functions and responsibilities and participate in committee activities in a meaningful manner; or (8) exclusion from participation in Medicare or any "Federal health care program" as defined at 42 U.S.C. § 1320a-7b(f).

ARTICLE II
PROVISION OF GRADUATE AND/OR UNDERGRADUATE CLINICAL EDUCATION
- LSU GME PROGRAMS

Section 2.1 Descript

license and provider status with UMC, and to preserve at all times during the Term the seventy-five (75) residency caps associated with the Collaborative Residency Positions, all in accordance with CMS and ACGME requirements. Any transfer, discontinuation, restriction, modification or other change in the rights and obligations associated with the EKLMC Hospital license or any other event or transaction resulting in any party other than LSU (an “EKLMC Successor”) operating or controlling the EKLMC hospital or its operations must be approved in writing by the OLOL CEO prior to the time of such event. The EKLMC Successor must become a party to this Agreement and agree to be bound by all the terms and conditions contained herein, and must meet all ACGME and CMS requirements as they pertain to the LSU GME Programs. Further, LSU shall take all action necessary to ensure that the EKLMC successors and OLOL are a “Medicare GME affiliated group” as that term is defined in 42 C.F.R. § 413.75(b).

Section 2.2 OLOL Retains Institutional Control. Throughout the Term of this Agreement, consistent with the terms of this Agreement OLOL shall retain all authority and control over the business, policies, operation and assets of OLOL, and as it pertains to the OLOL Campus, LSU and the LSU Personnel shall perform their duties in accordance with the OLOL Rules. OLOL does not by virtue of this Agreement delegate to LSU any of the powers, duties and responsibilities vested by law or by OLOL’s bylaws in OLOL’s Board of Directors (the “OLOL Board”). OLOL, through its chief executive officer or his designee (the “OLOL CEO”), shall communicate all policies and rules and regulations to LSU. It is agreed that all medical and professional matters at the OLOL Hospital shall be the responsibility of the OLOL Board and the Medical Staff of OLOL. The agenda for all regular meetings of the medical executive committee will include a standing item for an update to be provided by t

OLOL as a Major Participating Site. LSU shall be responsible for the payment of fees applicable to Sponsoring Institutions to ACGME.

(b) Adverse Actions. Should any action or inaction on the part of LSU result in an Adverse Action by ACGME with respect to the LSU GME Programs, LSU shall, notwithstanding the time frame described in Section 16.6 of the CEA within five (5) Business Days of Knowledge of such Adverse Action, deliver to OLOL a copy of the Letter of Notification of any such Adverse Action. LSU must

timely notify LSU in the event of any action or inaction that could jeopardize the quality or viability of any of the LSU GME Programs.

(a) ACGME Compliance. OLOL, as the Major Participating Site, shall use its best efforts at all times to comply with the ACGME requirements applicable to a Major Participating Site and assist LSU in complying with the ACGME requirements applicable to the Sponsoring Institution with respect to the LSU GME Programs.

(b) Adverse Actions. Should any action or inaction on the part of OLOL result in an Adverse Action by ACGME with respect to the LSU GME Programs, OLOL shall, notwithstanding the time frame described in Section 16.6 of the CEA, within five (5) Business Days of Knowledge of such Adverse Action, deliver to LSU a copy of the Letter of Notification of any such Adverse Action. OLOL must either appeal or take such other action as may be necessary to resolve the Adverse Action in a timely manner. LSU, as the Sponsoring Institution, will assist OLOL in its communication and negotiations with the ACGME.

(c) Complaints. If OLOL is advised of the submission of a complaint involving the LSU GME Programs or becomes aware of any such complaint, OLOL shall, notwithstanding the time frame described in Section 16.6 of the CEA, within five (5) Business Days of Knowledge of such complaint, deliver to LSU a copy of the complaint to LSU. Subject to the OLOL Rules, OLOL will fully cooperate with LSU in responding to any complaints against or involving the LSU GME Programs in a timely manner.

(d) Communication with Accreditation Bodies OLOL will provide notice of and copies of all correspondence to LSU from accreditation bodies, including but not limited to ACGME and Joint Commission (or similar accrediting body), licensing bodies or Governmental Bodies to the extent such correspondence may affect the LSU GME Programs. OLOL will ~~timely~~ apprise LSU of any material coio

complaint is not resolved within three (3) days, the Parties will engage in the Consultative Process for thirty (30) days in an effort to resolve the issue. If the concern or complaint is not resolved as a result of the Consultative Process, either Party may request that the matter be mediated by delivering written notice of such request to the other Party within five (5) calendar days of the end of the Consultative Process. If a mediation notice is timely delivered, the Parties shall select a mutually agreeable mediator, or if the Parties cannot agree on a mediator within ten (10) days of the notice requesting mediation, each Party shall within five (5) days of the end of such ten (10) day period deliver a written notice to the other Party designating a mediator and those mediators shall within two (2) day

select a mutually agreeable mediator for the Parties. If either Party fails to timely provide such notice of designation, the other Party's mediator shall perform the mediation. Such mediation shall be concluded as soon as possible, but in no event will the mediation last longer than ten (10) days from the date the mediator is identified. If the matter is not otherwise resolved through the Consultative Process or mediation, OLOL shall replace the OLOL DIO upon the request of LSU for cause. For this purpose, "cause" shall mean: (1) physical or mental impairment or substance abuse that substantially interferes with the individual's ability to provide medical care to patients; (2) conviction of any felony or other crime or act of dishonesty or fraud, whether or not such act or failure to act occurred in the course of performing services under this Agreement; (3) loss or any material restriction of state licensure; (4) loss or any material restriction of medical staff membership or privileges at OLOL; (5) any act or failure to act involving unprofessional conduct; (6) moral turpitude; (7) negligence; (8) exclusion from participation in Medicare or any "Federal health care program" as defined at 42 U.S.C. § 1320a-7b(f); (9) failure to maintain professional liability insurance as required under this Agreement; (10) failure to comply with the OLOL Rules, including the Ethical and Religious Directives on the OLOL Campus; (11) failure to satisfy the requirements set forth in Section 3.2(a) that would apply if the OLOL DIO were a member of the Academic Faculty; or (12) failure to work cooperatively with OLOL staff or LSU Personnel.

(c) LSU Graduate Medical Education Co

(e) LSU Program Directors. The LSU DIO shall appoint physicians to act as the LSU program directors (the “Program Directors”), with authority and accountability for the operation of each of the LSU GME Programs. The Program Directors shall report directly to the LSU DIO. The Program Directors must meet all ACGME qualification criteria and fulfill all responsibilities as set forth in the ACGME Common Program Requirements. OLOL may report any concerns or complaints regarding the job performance of any Program Director to the LSU DIO. The LSU DIO or his/her designee will promptly address any such concern or complaint and attempt to resolve such concern or complaint in good faith. If such concern or complaint is not resolved within three (3) days, the Parties will engage in the Consultative Process for thirty (30) days in an effort to resolve the issue. If the concern or complaint is not resolved as a result of the Consultative Process, either Party may request that the matter be mediated by delivering written notice of such request to the other Party within five (5) calendar days of the end of the Consultative Process. If a mediation notice is timely delivered, the Parties shall select a mutually agreeable mediator, or if the Parties cannot agree on a mediator within ten (10) days of the notice requesting mediation, each Party shall within five (5) days of the end of such ten (10) day period deliver a written notice to the other Party designating a mediator and those mediators shall within two (2) days select a mutually agreeable mediator for the Parties. If either Party fails to timely provide such notice of designation, the other Party’s mediator shall perform the mediation. Such mediation shall be concluded as soon as possible, but in no event will the mediation last longer than ten (10) days from the date the mediator is identified. If the matter is not otherwise resolved through the Consultative Process or mediation, LSU shall replace the Program Director upon the request of OLOL for cause. For this purpose, “cause” shall mean: (1) physical or mental impairment or substance abuse that substantially interferes with the individual’s ability to provide medical care to patients; (2) conviction of any felony or other crime or act of dishonesty or fraud, whether or not such act or failure to act occurred in the course of performing services under this Agreement; (3) loss or any material restriction of state licensure; (4) loss or any material restriction of medical staff membership or privileges at OLOL; (5) any act or failure to act involving unprofessional conduct; (6) moral turpitude; (7) negligence; (8) exclusion from participation in Medicare or any “Federal health care program” as defined at 42 U.S.C. § 1320a-7b(f); (9) failure to maintain professional liability insurance as required under this Agreement; (10) failure to satisfy the terms of this Agreement applicable to LSU Personnel, including but not limited to compliance with the terms of Article V of the CEA; (11) failure to comply with the OLOL Rules, including the Ethical and Religious Directives on the OLOL Campus; (12) failure to satisfy the requi

(5) recommend clinical privileges for Residents and Fellows to be assigned to OLOL in accordance with OLOL Rules; and

(6) schedule the Resident and Fellow assignments to OLOL and notify the OLOL of all changes in schedule.

Section 2.7 Program Letter of Agreement. Prior to the applicable GME Program Start Date, OLOL and LSU shall execute a requisite program letter of agreement for each LSU GME Program at OLOL in accordance with ACGME Common Program Requirements. Such program letter of agreement shall have a Rolling Five-Year Term and shall comply with all ACGME requirements.

Section 2.8 LSU Faculty. LSU shall provide a sufficient number, in LSU's sole opinion, of LSU Faculty and Adjunct Faculty with documented qualifications as outlined in Section 3.2 necessary to instruct and supervise all LSU Residents and Fellows in the LSU GME Programs. LSU will instruct LSU Faculty and Adjunct Faculty to follow all applicable laws, rules and regulations and to devote sufficient time to the educational program to fulfill their supervisory and teaching responsibilities. LSU shall be responsible for training and continuing education of LSU Faculty and Adjunct Faculty in accordance with ACGME Common Program Requirements.

Section 2.9 Number of LSU Residents. LSU agrees that it will not appoint more Residents than approved by the ACGME Review Committee for the LSU GME Programs and that the full-time equivalent of Residents assigned to rotate at OLOL will not exceed the Residency Caps assigned to OLOL as part of the Collaborative.

Section 2.10 Educational Program. LSU's educational program curriculum shall meet all ACGME requirements as set forth in the Common Program Requirements.

Section 2.11 Evaluation. LSU shall meet all evaluation requirements for LSU Personnel, including the evaluation of LSU Residents, Fellows and Academic Faculty, and the LSU GME Programs as set forth in the ACGME Common Program Requirements. Evaluations of LSU Faculty and the LSU GME Programs must be conducted annually and as needed.

Section 2.12 Resident Duty Hours. LSU, in cooperation with OLOL, will work to ensure that the LSU GME Programs promote patient safety and Residents' and Fellows' well-being in the establishment of Duty Hour assignments.

Section 2.13 On-Call Activities. LSU shall comply with ACGME on-call requirements as set forth in the ACGME Common Program Requirements.

Section 2.14 OLOL Support of LSU GME Programs.

(a) In General. OLOL shall provide to the LSU GME Programs the programmatic and financial support as provided herein to further the Parties' mutual goals of developing and maintaining nationally recognized GME Programs with appropriate facilities, structure and funding at the OLOL Campus.

(ii) The Resident or Fellow is licensed to practice medicine in the State of Louisiana without restriction or subject to any disciplinary or corrective action;

(iii) The Resident or Fellow has all customary certifications, professional memberships, and licenses required or appropriate for the practice of any medical specialty to be performed by such practitioner;

(iv) The Resident or Fellow is a valid, unrestricted and qualified participating provider in the Medicare and Medicaid programs;

(v) The Resident or Fellow is a member of the Medical Staff of OLOL in the appropriate category as defined or contemplated by the OLOL medical staff bylaws; and

(vi) The Resident or Fellow is not a Medicare excluded person.

(d)

and all OLOL staff in a courteous and professional manner in accordance with OLOL's service standards.

Section 3.6 Personal Conduct. LSU shall cause the LSU Personnel to act at all times in a professional manner, and shall refrain from any action or conduct that is disruptive, unprofessional, or harassing, including, but not limited to, conduct which is sexual in content or orientation. LSU shall cause the LSU Personnel to practice in a manner which does not interfere with the orderly and efficient rendering of services by OLOL or by other practitioners of OLOL and to work cooperatively with others.

Section 3.7 Dress Code. LSU shall require the LSU Personnel to dress in accordance with dress and personal appearance standards approved by OLOL. Such standards shall be in accordance with the OLOL's standards regarding same including all infection control issues.

Section 3.8 Health of LSU Personnel. All LSU Personnel shall pass a medical examination acceptable to OLOL prior to their participation in the LSU GME Programs. LSU shall cause all LSU Personnel to present appropriate and up-to-date health records before the first day of their services at the OLOL Campus, including without limitation the items set forth on Schedule 5.8 of the CEA. LSU shall be financially responsible for treatment and follow-up care in accordance with OLOL protocol

Section 3.12 Payer Arrangements. Each Party shall use its reasonable best efforts to participate in all arrangements with third party payers in which the other Party participates, and to support the other Party's efforts to participate in all arrangements with third party payers in which it participates.

Section 3.13 Meetings and Committees. LSU shall, consistent with the requirements of
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shall have the right to remove such LSU Personnel from the OLOL Campus and prevent such LSU Personnel from providing services under this Agreement or on the OLOL Campus, in addition to any other remedies available to OLOL. Notwithstanding the foregoing, the removal of an OAC committee member of LSU, the LSU DIO, an LSU Program Director, a QAC committee member of LSU, Residents and Fellows, and FAC committee member of LSU shall be governed by Section 14, Section 2.5(a), Section 2.5(e), Section 2.6(d), Section 10, and Section 1.5(c), respectively of the CEA.

Section 3.19 Compensation and Benefits. LSU shall be solely responsible for all compensation, benefits, and other consideration to be paid to or received by the LSU Personnel. OLOL's obligations to reimburse LSU for such costs are set forth in this Agreement.

ARTICLE IV FEES DUE TO LSU

Section 4.1 Fees to be Paid by OLOL. OLOL shall pay to LSU the fees set forth on Schedule 4.1 to this Agreement.

Section 4.2 Timing of Payment. Said payment shall be made within thirty (30) days after receipt by OLOL from LSU of a monthly invoice and supporting documentation acceptable to OLOL of the fees set forth in Schedule 4.1

this Agreement.

ARTICLE VI INSURANCE

Section 6.1. Insurance Requirements of LSU.

(a) Coverage to be Provided. LSU shall secure and keep in full force and effect and/or cause to be kept in effect, throughout the Term of this Agreement (and thereafter, if applicable) the following coverage at the sole cost and expense of LSU:

(i) Commercial General Liability Insurance or self-insurance through the State self-insurance program administered by the Office of Risk Management (“ORM”), including Contractual Liability, Broad Form Property Damage, Personal Injury Liability, Advertising Injury Liability, and public officials and employees’ liability, written on an occurrence form, with combined bodily injury and property damage limits of liability of no less than \$5,000,000 per occurrence;

(ii) Automobile Liability Insurance, including owned, non-owned and hired car liability insurance for combined limits of liability of \$5,000,000 per occurrence; and

(iii) Worker’s Compensation Insurance providing statutory benefits for LSU and its students and employees, and Employer’s Liability coverage in an amount that is no less than \$1,000,000.

(b) Professional Malpractice Liability Insurance.

(i) Coverage of LSU Physicians and Students. LSU shall provide professional malpractice liability insurance for each medical student and each physician who is employed by, acting on behalf of LSU under a contract, or acting on behalf of LSU to provide professional services to patients who are either (i) assigned to an LSU Teaching Service or (ii) uninsured and assigned to the physician in accordance with a contract for professional services

Additional Insureds on the Commercial General Liability coverage required to be maintained by LSU under this Agreement.

(d) Insurer Requirements. All required insurance policies and bonds shall be maintained with (i) insurance companies licensed within the State of Louisiana and holding an AM Best rating of no less than A-, VII by AM Best, (ii) through a captive insurance company acceptable to the Department of Insurance for the State of Louisiana, or (iii) the self-insurance program administered by ORM. Said policies shall contain a provision that the coverage will not be canceled or non-renewed, until at least thirty (30) days prior written notice has been provided to OLOL.

(e) Delivery of Certificates of Insurance. LSU shall deliver certificates in a customary form evidencing all terms of this Article of the Agreement, to OLOL, or its agent, simultaneously with the execution of these Agreements. Similar certificates shall be delivered evidencing the renewal or replacement of such insurance upon written request.

(f) Blanket Coverage. The Commercial General Liability insurance and any other insurance provided for in this Article may be maintained by means of a policy or policies of blanket insurance covering additional items or locations or insureds, provided, however that (a) the coverage afforded the indemnitors will not be reduced or diminished by reason of the use of such blanket policy(ies) of insurance; and (b) the requirements set forth in this Article of the Agreement are otherwise satisfied.

Section 6.2. Insurance Requirements of OLOL.

(a) Policies to be Provided. OLOL shall secure and keep in full force and effect and/or cause to be kept in effect, throughout the Term of

(iii) Worker's Compensation Insurance providing statutory benefits for OLOL and its employees, and Employer's Liability coverage in an amount that is no less than \$1,000,000;

(iv) Property Coverage covering damage to, or loss of use of equipment of LSU to the extent of damage or loss due to the negligence or fault of OLOL and those for whom OLOL is legally liable;

(v) Directors and Officers Liability Insurance; and

(vi) Umbrella and/or Excess Liability insurance on an occurrence basis with limits of not less than \$5,000,000 per occurrence in excess of t

coverage under the laws of the State of Louisiana. Said policies shall contain a provision that the coverage will not be canceled or non-renewed, until at least thirty (30) days prior written notice has been provided to LSU.

(e) Delivery of Certificates of Insurance. OLOL shall deliver certificates in the customary form, i.e. Accord 25, except Accord 28 for Property Insurance, evidencing all terms of this Section of the Agreement, to LSU, or its agent, simultaneously with the execution of these Agreements. Similar certificates shall be delivered evidencing the renewal or replacement of such insurance, at least ten (10) days prior to the effective date of such renewal or change of insurer.

(f) Blanket Coverage. The Commercial General Liability insurance and any other insurance provided for in this Article may be maintained by means of a policy or policies of blanket insurance covering additional items or locations or insureds, provided, however that (a) the coverage afforded the indemnitors will not be reduced or diminished by reason of the use of such blanket policy(ies) of insurance; and (b) the requirements set forth in this Article of the Agreement are otherwise satisfied.

ARTICLE VII COOPERATIVE ENDEAVOR AGREEMENT

Section 7.1 Generally. This Agreement is subject to the terms of the CEA as it may be amended from time to time. To the extent that a conflict arises between this Agreement and the CEA, the terms of the CEA shall control. Capitalized terms used throughout this Agreement shall have the meanings set forth on Exhibit 1 of the CEA.

Section 7.2 CEA Controls. To the extent that a Party to this Agreement has a duty or obligation to the other Party by virtue of being a Party to the CEA, the obligated Party shall not be relieved of such duty or obligation because such duty or obligation is not set forth in this Agreement.

ARTICLE VIII GENERAL PROVISIONS

Section 8.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;
- (c) reference to any gender includes the other gender;

(d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;

(e) reference to any Legal Requirement means such Legal Requirement as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and reference to any section or other provision of any Legal Requirement means that provision of such Legal Requirement from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision;

(f) “hereunder,” “hereof,” “hereto,” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section or other provision hereof;

(g) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term;

(h) “or” is used in the inclusive sense of “and/or”;

(i) with respect to the determination of any period of time, “from” means “from and

Agreement). OLOL and LSU will consult with each other concerning the means by which the Faculty and Residents and others having dealings with LSU GME Programs as well as the Medical Staff at OLOL will be informed of the Contemplated Transactions, and each party will have the right to be present for any such communication.

Section 8.5 Confidential Information

to the extent there is a conflict between the terms of this Agreement and such provisions, rules

If to OLOL:

7777 Hennessy Boulevard
Suite 6002
Attn: Chief Executive Officer
Baton Rouge, LA 70808-4375

With a copy to:

Franciscan Missionaries of Our Lady
Attn: General Counsel
4200 Essen Lane
Baton Rouge, LA 70810

or to such other address as such Party may from time to time specify by written notice to the other Party.

Any such notice shall, for all purposes, be deemed to be given and received:

- (i) if by hand, when delivered;
- (ii) if given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received by the Party; or
- (iii) if given by certified mail, return receipt requested, postage prepaid, three (3) Business Days after posted with the United States Postal Service.

Section 8.7 Jurisdiction; Service of Process. Any Proceeding arising out of or relating to this Agreement or any Contemplated Transaction may be brought in the 19th Judicial District for the Parish of East Baton Rouge, Louisiana, or, if it has or can acquire jurisdiction, in the United States District Court for the Middle District of Louisiana, and each of the Parties irrevocably submits to the exclusive jurisdiction of each such court in any such Proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the Proceeding shall be heard and determined only in any such court and agrees not to bring any Proceeding arising out of or relating to this Agreement or any Contemplated Transaction in any other court. The Parties agree that either or both of them may file a copy of this Section with any court as written evidence of the knowing, voluntary and bargained agreement between the Parties irrevocably to waive any objections to venue or to convenience of forum. Process in any Proceeding referred to in the first sentence of t

reasonable attorneys' fees, costs and necessary disbursements, in addition to any other relief to which such Party shall be entitled.

Section 8.9 Waiver; Remedies Cumulative. The rights and remedies of the Parties to this Agreement are cumulative and not alternative. Neither any failure nor any delay by any Party in exercising any right, power or privilege under this Agreement or any of the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

Section 8.14 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

Section 8.15

Section 8.20 Medicare/Medicaid Participation. All LSU Personnel who are medical providers are participating in or otherwise authorized to receive reimbursement from Medicare and Medicaid. All necessary certifications and contracts required for participation in such programs are in full force and effect and have not been amended or otherwise modified, rescinded, revoked or assigned, and, to LSU's Knowledge, no condition exists or event has occurred which in itself or with the giving of notice or the lapse of time or both would result in the suspension, revocation, impairment, forfeiture or non-renewal of any such third-party payer program. No LSU Personnel is an Excluded Provider. In the event it is determined that any LSU Personnel is or becomes an Excluded Provider, that individual shall be prohibited from performing services under this Agreement.

Section 8.21 Discrimination Clause. OLOL agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972.

IN WITNESS WHEREOF, OLOL and LSU have executed this Agreement as of the date first written above.

Witnesses:

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

By: _____
Dr. John V. Lombardi, President of
the Louisiana State University
System

Date: _____

**OUR LADY OF THE LAKE
HOSPITAL, INC.**, a Louisiana nonprofit
corporation

By: _____
K. Scott Wester, CEO

Date: _____

EXHIBIT A
COOPERATIVE ENDEAVOR AGREEMENT

EXHIBIT B
FORM OF MEDICARE GME AFFILIATION AGREEMENT

MAA SCHEDULE 4.1

OLOL is responsible solely for its relative share of compensation for resident stipends and fringe benefits. The term “relative share” shall be defined to mean the amount of time that the Residents are scheduled for time at OLOL. No fees shall be due with respect to Residents when they are not rotating through OLOL. Subject to the foregoing, OLOL shall pay LSU the following fees in support of the LSU GME Programs.

- Residents.
 - Stipends. Resident stipends according to LSUHSC House Officer pay scales plus 12.1% fringe benefit rate. OLOL will pay LSU, and LSU will pay the Residents. The 12.1% shall be increased according to LSU-HCSD standard, not to exceed 2 points per year (“Allowed Yearly Increase”). If LSU has any independent third party cost adjustments, those cost adjustment shall be passed on to OLOL.
 - Beeper fee: \$16 per month, per Resident FTE; paid directly to LSU.
 - Resident Administrative Fee: \$71 per month, per Resident FTE; paid directly to LSU subject to Allowed Yearly Increase.
- Supervision costs:
 - § LSU Resident Faculty Salary = #FTE Residents x faculty salary x RRC ratio; where salary is AAMC Southern average of an associate professor plus provided fringe benefits on base compensation only, if applicable. OLOL will reimburse LSU supervision costs for all resident FTEs assigned to OLOL.
 - § Program Directors Salary. 50% of the AAMC of Associate Professor level of Southern median compensation based on specialt