

EQUIPMENT LEASE

THIS EQUIPMENT LEASE (the "Lease") is made and entered into effective the 29th day of May, 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 William L. Jenkins, Interim President of the Louisiana State University System, duly authorized by virtue of a Resolution of the Board of Supervisors, adopted April 17, 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

UNIVERSITY MEDICAL CENTER MANAGEMENT CORPORATION, a Louisiana nonprofit corporation represented herein by Robert V. "Bobby" Yarborough, Chair, duly authorized by virtue of a joint unanimous written consent of its members and Board of Directors, adopted April 23, 2013, a copy of which is on file and of record with a mailing address of 200 Henry Clay Avenue, Baton Rouge, Louisiana 70808 (Federal I.D. No. XX-XXX0848) (hereinafter referred to as "UMC" or "Lessee"),

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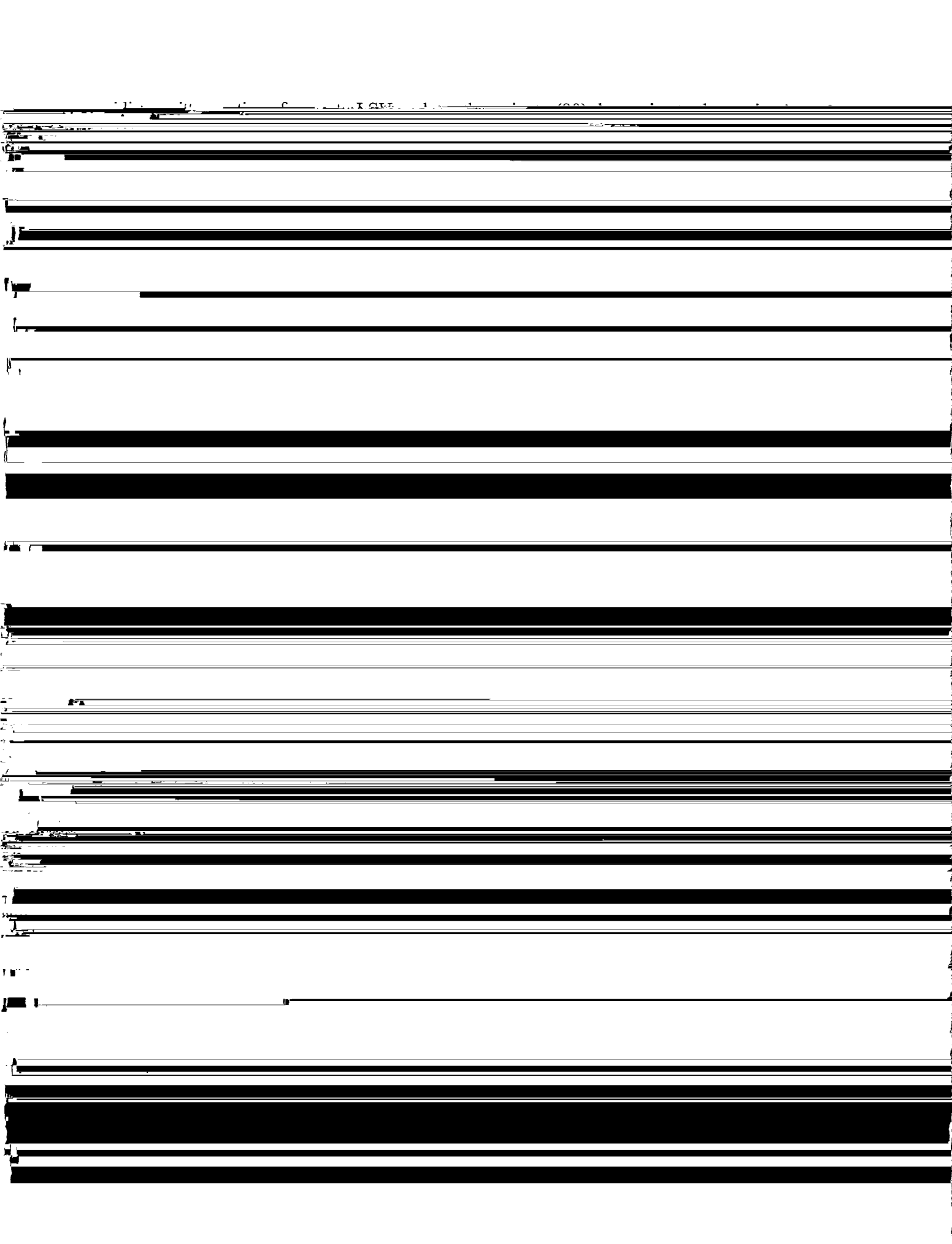
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owe no rent or other obligations, and shall have no liability of any kind with respect thereto, and Lessee shall be entitled to take as a credit against the remaining Quarterly Rent payments for the first lease year that portion of the first Quarterly Rent payment allocable to any Excluded

Equipment; provided, however, that in the event such credit exceeds the remaining Quarterly Rent payments for the first lease year, Lessee shall not be entitled to receive any refund of such excess from Lessor, and Lessor shall not be obligated to pay any refund of such excess to Lessee. The parties further acknowledge and agree that they may from time to time during the Term by mutual consent add additional equipment and personal and movable property owned by LSU to Exhibit "A," including but not limited to any additional equipment and property installed in the New Facility (as defined in the CEA), and such additional equipment and property shall be added to Exhibit "A" with a mutually agreeable rent amount and shall henceforth be considered Equipment subject to all of the terms and conditions of this Lease.

ARTICLE II TERM

Unless sooner terminated as herein provided, this Lease shall be effective for an initial term of ten (10) years (the "Initial Term") commencing on the 24th day of June, 2012.



deemed to have been reduced with respect to such Excluded Equipment effective as of the

Commencement Date and Lessee shall be entitled to take as a credit against the rental

Quarterly Rent payments for the first lease year that Lessee did not pay.

4.2 Operation. Lessee shall be solely responsible for the provision of any equipment (other than the Equipment), furnishings, supplies, facilities, services, and personnel required for the proper use, operation, and management of the Equipment in an economical and efficient manner, consistent with standards of operation and administration generally acceptable for facilities of comparable size and scope of operations.

4.3 Maintenance. Lessee shall have full and sole responsibility for the repair, maintenance and management of the Equipment (but shall not be obligated to perform any

Term shall perform commercially reasonable routine maintenance on each item of Equipment until such time as Lessee provides a Return Notice to LSU pursuant to Section 5.1 for that item of Equipment or until said item of Equipment is otherwise removed from **Exhibit "A"** pursuant

[REDACTED]

[REDACTED]

[REDACTED]

CONFIDENTIAL - SECURITY INFORMATION

[REDACTED]

[REDACTED]

year's rent for any rent paid with respect to such Equipment for the period following such date of payment.

b. In the event that Equipment is lost or stolen due to the fault or negligence of

~~Lessee, then Lessee shall promptly replace the Equipment at Lessee's expense in~~

comparable items of substantially similar specification and value, which items shall be owned by LSU, shall be added to Exhibit "A" with a rental value no less than the rental value of the lost / stolen Equipment, and shall be considered Equipment subject to this

Lease (while at the same time contemporaneously removing the lost / stolen Equipment from Exhibit "A").

c. Whenever Lessee has knowledge that any Equipment has been lost or stolen during the Term of this Lease, Lessee shall promptly notify LSU in writing and shall

comparable items of substantially similar specification and value, which items shall be

of the same type and quality as the damaged/broken/inoperable/nonworking Equipment, and shall be considered

value of the damaged/broken/inoperable/nonworking Equipment, and shall be considered

of the same type and quality as the damaged/broken/inoperable/nonworking Equipment, and shall be considered

subject to this Lease (while at the same time contemporaneously removing the damaged/broken/inoperable/nonworking Equipment from Exhibit "A").

c. Whenever Lessee has knowledge that any Equipment has been damaged during the Term of this Lease, Lessee shall promptly notify LSU in writing and shall

report such damaged Equipment as required by this Lease. In the event that Lessee's

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 Equipment.

c. Lessee and Lessee's property manager shall maintain the property location

index for all Equipment and shall maintain an IDA

also shall include a listing of idle or surplus items of Equipment available for transfer or

disposition.

g. Lessee shall maintain a master file of the Equipment. The master file shall contain the following information: (a) a description of the Equipment, (b) the manufacturer's serial number, if any, (c) the description and location of the identification

Equipment is housed, garaged, stored, or used.

1. The Lessee's equipment manager shall keep the Equipment master file

Equipment received by him or coming into his custody and the new property manager

l. Whenever Lessee's property manager has knowledge or reason to believe that any 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 years all inventories, forms, transmittals, letters of certification / acceptance / rejection,

obligations under this Section 4.8, including Lessor's employees' time and expenses, as
~~additional Rent not to exceed \$150,000.00 for any lease year, pro-rated for any partial~~

~~lease year. Lessor shall invoice Lessee semi-annually for any such costs and expenses~~

which invoices shall set forth such costs and expenses in reasonable detail.

4.9 Alienation of Equipment. Lessee shall not sell, alienate, convey, or otherwise transfer any Equipment to any person or entity other than LSU without the advance written approval of LSU. In the event that Equipment is sold, alienated, conveyed or transferred without LSU's advance written approval, such shall be null and void and without legal effect.

4.10 Taxes and Liens. Lessee shall pay as they become due all taxes (other than income taxes) and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the

for any other purpose whatsoever, except as otherwise specifically provided

for herein.

ARTICLE V
EQUIPMENT RETURN AND LESSEE PLACED EQUIPMENT

5.1 Disposition of Equipment. Throughout the Term, Lessee may remove specific items of Equipment from the Lease (and **Exhibit "A"**) if either (i) Lessee determines (in its sole discretion) that Lessee no longer needs those specific items of Equipment for the purposes set forth in the CEA, or (ii) such Equipment can no longer be used in a commercially reasonable manner for the purposes for which it was intended to be leased hereunder (taking into account

Equipment's condition and life expectancy and the cost

inventory number and other information reasonably required to specifically identify each

items, shall state where the item of Equipment is physically located at the time notice is given, and shall state where the item of Equipment may be retrieved by LSU as provided for below (a “Return Notice”); provided further that with respect to Non-Functional Equipment, the Return Notice shall reasonably specify why such Equipment can no

be used in a commercially reasonable manner for the purposes for which it was

following such receipt (or, with respect to all items of Equipment returned in connection with the New Facility Occupancy, following the Occupancy Date), take physical possession of the item of Equipment and remove the item of Equipment from Lessee's facility (or such off-site location where Lessee may have stored the Equipment in

considered as removed from **Exhibit "A"** and all of Lessee's obligations and liabilities with respect to the items of Equipment (including but not limited to Lessee's obligations and liabilities under Sections 4.3, 4.4, 4.5, 4.7 and 4.10) shall cease, except that Lessee

Equipment, and shall otherwise be responsible for any claims, costs, causes of action,
~~expenses, damages, and liabilities, in each case to the extent arising out of or~~

incurred in connection with Lessor's or Lessor's agents taking physical possession of the
Equipment and removing the Equipment from Lessee's facility (or such off-site location
where Lessee may have stored the Equipment in accordance with clause (a) above)
pursuant to this Lease.

5.2 Recalculation of Rent. With respect to items of Equipment that are returned

Functional Equipment as set forth in Exhibit "A." Lessee shall also be entitled to take as

It is further agreed that the termination of the previous lease shall not

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ARTICLE VI
INSURANCE

6.1. Required Insurance Subject to Section 6.2 hereof throughout the Term of this

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[REDACTED]

[REDACTED]

[REDACTED]

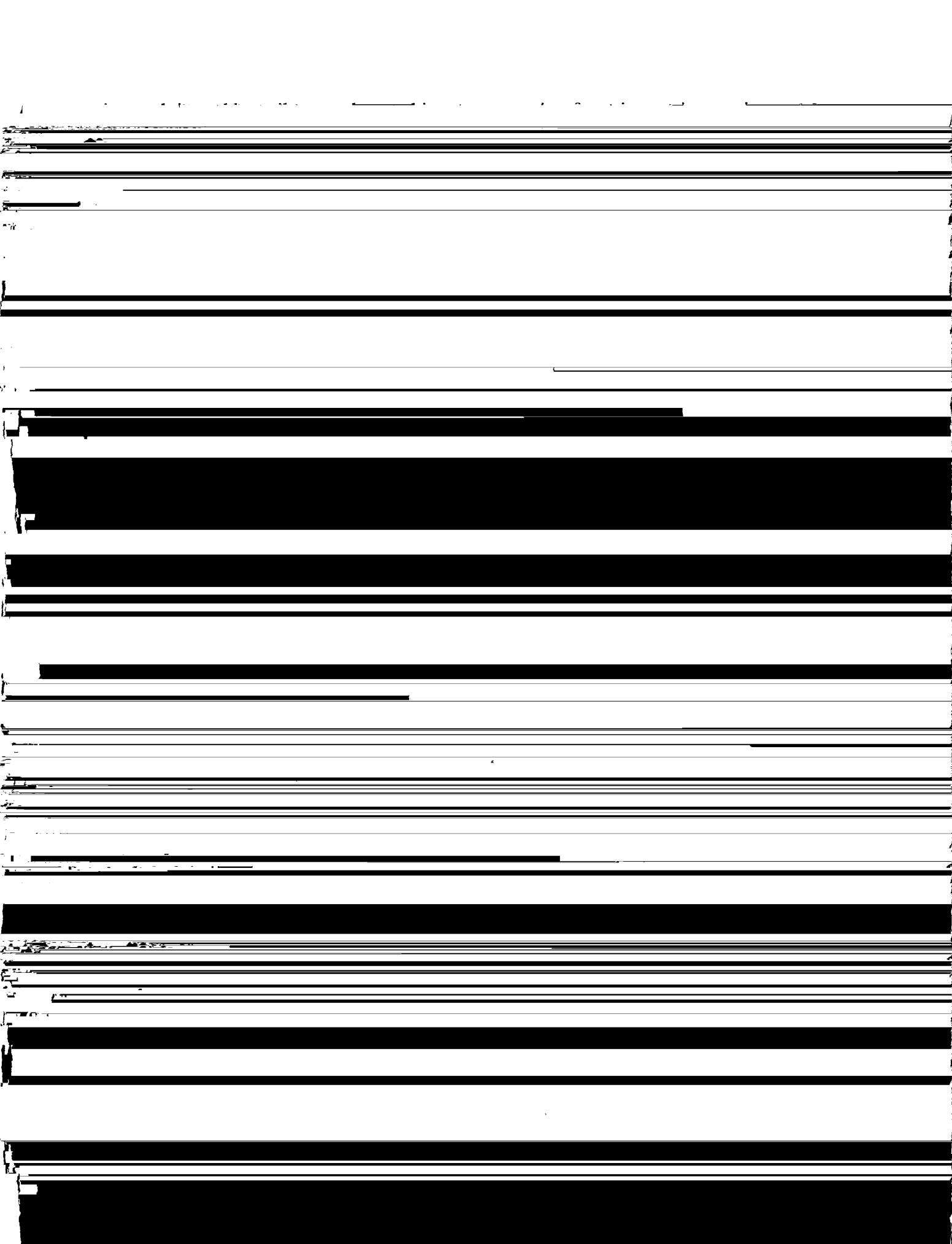
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Lessor. To the extent obtainable on a commercially reasonable basis, Lessee shall ensure that all of the Required Policies provide that (i) such policies shall not be canceled or materially altered

[REDACTED]

[REDACTED]

6.9 Occurrence Based Policies. All Required Policies shall be occurrence coverage.

Claims-made policies are not allowed.

6.10 Verification of Coverage. Lessee shall furnish LSU with declarations pages, certificates of insurance, and evidence of the payment of all premiums of all Required Policies prior to the Commencement Date. Lessee shall likewise furnish LSU with declarations pages,

to, arising out of, or based upon, directly or indirectly, (i) the lease, use, operation, management, maintenance, repair, and/or replacement of the Equipment by Lessee, its officers, agents, employees, invitees, permittees, contractors and/or subcontractors, except to the extent caused by the fault and/or negligence of LSU Indemnitees, and/or (ii) the breach by Lessee of any

to, arising out of, or based upon, directly or indirectly, (i) the lease, use, operation, management, maintenance, repair, and/or replacement of Lessee hereunder. All the foregoing

[REDACTED]

[REDACTED]

to, arising out of, or based upon, directly or indirectly, (i) the lease, use, operation, management, maintenance, repair, and/or replacement of Lessee hereunder. All the foregoing

[REDACTED]

[REDACTED]

[REDACTED]

but shall not necessarily be limited to defending Lessee Indemnitees in any legal action against them, paying in full and satisfying any claims, demands, or judgments made or rendered against

Lessee Indemnitees, and reimbursing Lessee Indemnitees for any reasonable legal expenses,

any claim or legal action arising hereunder. LSU's obligation to indemnify, defend, and hold the Lessee Indemnitees harmless shall not extend to any Losses to the extent arising out of the fault and/or negligence of the Lessee Indemnitees.

Attn: LSU Health Care Partner
451 Florida St., 8th Floor
Baton Rouge, Louisiana 70801

Foley & Lardner LLP
Attn: Mark Waxman
111 Huntington Avenue

Boston, Massachusetts 02199

Any such notice or communication shall be deemed to have been given either at the time

ARTICLE X
MISCELLANEOUS

10.1 LSU's Right to Inspect the Equipment. LSU reserves the right to enter the Leased Premises at any time to inspect the Equipment, as long as LSU's inspection does not unreasonably interfere with the operation of Lessee's business or violate any privacy or confidentiality obligations owed by Lessee to its patients or other persons. LSU shall provide

LSU shall provide 11 days notice of its intent to inspect the Equipment, unless notified

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

the same covenant, term, or condition.

10.5 Severability. The provisions of this Lease are severable. Any terms and/or

Lease shall be the Nineteenth Judicial District Court for the Parish of East Baton Rouge, State of

10.10 Attorney Fees. If either party is required to commence legal proceedings relating

reimbursement for its reasonable attorney fees and costs of suit from the non-prevailing party.

10.11 Authorization. By execution of this Lease, Lessee and LSU each represent to the

at its option and at its own expense during customary business hours and upon reasonable prior notice to Lessee, conduct internal audits of such books and records of Lessee and its contractor(s) to the extent necessary to verify compliance with this Lease or insofar as said books and records directly relate to Lessee's performance of its obligations under this Lease. Audits may be made on either a continuous or periodic basis or both and may be conducted by employees of LSU, by independent auditors retained by LSU to conduct such audit, by the Legislative Auditor or by the Office of the Comptroller, Division of Administration, Louisiana State University.

any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs of Lessee.

10.15 Casualty and Other Damage. Subject to the provisions of this Lease, during the Term (or until the earlier of such time as LSU (or its agent) takes physical possession of

10.16 Representations of LSU. To induce Lessee to execute, deliver and perform this Lease and without regard to any independent investigations made by Lessee, Lessor represents to Lessee on and as of the date of execution and delivery of this Lease and on and as of the Commencement Date as follows:

a. Lessor owns the Equipment in fee simple, free of any liens, claims or

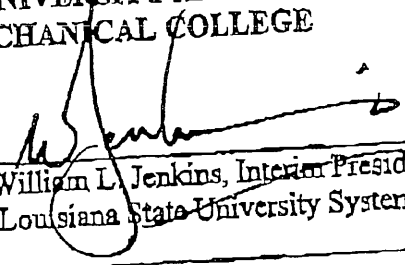
peaceful possession of Lessee during the Term.

b. There are no claims, causes of action or other litigation or proceedings pending or, to the best of Lessor's knowledge, threatened in respect to the ownership, operation or environmental condition of the Equipment or any part thereof (including disputes with mortgagees, governmental authorities, utility companies, contractors,

Signature Page For Equipment Lease

IN WITNESS WHEREOF, the parties hereto have executed this Lease effective as of the
Commencement Date.

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

By: 
William L. Jenkins, Interim President
Louisiana State University System
Date: _____

**UNIVERSITY MEDICAL CENTER
MANAGEMENT CORPORATION**

By: _____

Date: _____

Signature Page For Equipment Lease

IN WITNESS HEREOF, the parties hereto have executed this Lease effective as of the Commencement Date.

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

By: _____
William L. Jenkins, Interim President
Louisiana State University System
Date: _____

**UNIVERSITY MEDICAL CENTER
MANAGEMENT CORPORATION**

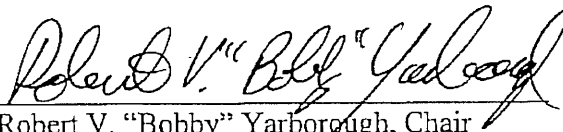
By: 
Robert V. "Bobby" Yarborough, Chair
Date: May 29th, 2013

EXHIBIT “A”

[see attached]