

**AGREEMENT OF SUBLEASE
(North Foster Clinic)**

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

This Agreement of Sublease (“Sublease”) is entered into as of the 5th day of April, 2013, 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 March 27, 2013, a copy of which is attached hereto, with a mailing address of 3810 West Lakeshore Drive, Louisiana State University, Baton Rouge, Louisiana 70808 (Federal I.D. No. XX-XXX0848) (hereinafter referred to as “LSU” or “SUBLESSOR”); and

OUR LADY OF THE LAKE HOSPITAL, INC., a Louisiana nonprofit corporation, represented herein by K. Scott Wester, its President and Chief Executive Officer, duly authorized by virtue of a Resolution of its Board of Directors, with a mailing address of 7777 Hennessy Boulevard, Plaza 2, Suite 6002, Baton Rouge, Louisiana 70808 (Federal I.D. No. XX-XXX3651) (hereinafter referred to as “OLOL” or “SUBLESSEE”);

WITNESSETH:

WHEREAS, LSU, OLOL, State of Louisiana, by and through the Division of Administration (the “Division”), and the Louisiana Department of Health and Hospitals (the “DHH”) have entered into an Amendment to the Cooperative Endeavor Agreement, (the “Amended CEA”), amending the Cooperative Endeavor Agreement, between the parties, dated February 5, 2010.

WHEREAS, pursuant to the Amended CEA, OLOL has agreed to provide the financial resources and support, operational expertise, and other necessary resources to insure that existing

LSU Clinics (as defined in the Amended CEA) continue to operate and provide health care services to the uninsured and high risk Medicaid populations.

WHEREAS, one of the LSU Clinics currently operated by LSU is located at 1401 N. Foster Drive, Baton Rouge, Louisiana 70806, and is currently leased by LSU, pursuant to the Agreement of Lease Between Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Health Care Services Foundation (“Lessor” or “Foundation”) dated effective December 19, 2003 (the “Lease”).

NOW THEREFORE, pursuant to the Amended CEA, it is hereby agreed for and in consideration of the foregoing, and of the terms, conditions and provisions of the Amended CEA, and for other good and valuable consideration, the receipt and the sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Sublease of Leased Premises. SUBLESSOR hereby subleases to SUBLESSEE all of that immovable property located at 1401 Foster Drive, Baton Rouge, Louisiana, 70806, including the land and all buildings and improvements covered by the Lease (the “Leased Premises”), which Lease affects the land described on Exhibit A, a copy of which is attached hereto. SUBLESSEE acknowledges receipt of a full, true copy of said Lease.

This Sublease shall at all times be subordinate and subject to the said Lease, and SUBLESSEE agrees to fully abide by and timely perform each and all of the obligations and covenants imposed upon SUBLESSOR in said Lease, and to assume all of SUBLESSOR’S obligations under the Lease arising on or after, and/or to be performed on or after, the Effective Date of this Sublease, and to defend, indemnify and hold SUBLESSOR free and harmless of and from any and all claims, demands and causes arising from SUBLESSEE’S violation of said Lease arising on or after, and/or to be performed on or after, the Effective Date of this Sublease.

2. Term. The term of this Sublease shall be for a period of **11 years, 2 months and 16 days** beginning on April 15, 2013 (the "Effective Date") and ending on June 30, 2024 (the "Term").

3. Capitalized Terms. All capitalized terms used herein and not otherwise defined herein shall have the same meaning as each such term has in the Lease.

4. Rent. The sublease annual rent shall initially be the sum of \$328,822.50 as a base rent, plus Operating Costs (collectively the "Sublease Base Rent") payable to LSU in equal monthly installments. The current Operating Costs are \$202,935.00 per year and therefore the initial Sublease Base Rent will be \$530,757.50 per year. However, it is agreed that the current Operating Costs are being increased effective April 15, 2013, to cover the cost of fire and extended coverage on the Leased Premises insuring the Foundation and providing liability insurance insuring the Foundation. SUBLESSEE will obtain and maintain its own general liability insurance and other insurance for its property and activities at its own costs, as required of the Lessee under the Lease.

The Sublease Base Rent shall be paid 5 days before the end of each calendar month for the ensuing month. For example, the May 2013 Sublease Base Rent is due to be paid to LSU on April 26, 2013. Upon execution of this Sublease, SUBLESSEE shall pay LSU a pro rata share of the Sublease Base Rent for April 2013. It is further agreed that the Sublease Base Rent will be adjusted as set forth in paragraph 13 of this Sublease, and shall also be adjusted for changes in the Operating Costs as provided and set forth in Article III of the Lease.

5. Rights and Obligations of SUBLESSEE. Beginning as of the Effective Date, SUBLESSEE shall fully and timely pay and perform all of the obligations of LSU as provided for in the Lease, as fully as if SUBLESSEE is/was the original lessee under the Lease, and

except as provided herein, as to the requirement for payment of Sublease Base Rent by OLOL, SUBLESSEE shall be entitled to all of the rights of SUBLESSOR in the Lease as fully as if SUBLESSEE is/was the original lessee under the Lease.

6. Approval for Improvements. SUBLESSEE shall obtain prior written approval from Lessor and from LSU before constructing any improvements on the Leased Premises, and any such improvements shall only be constructed under the “design and construction oversight” of the Division’s Office of Facility Planning and Control, as provided in and required by R.S. 17:3361.

7. Default by SUBLESSEE.

a. SUBLESSEE shall be in default under this Agreement if: (i) SUBLESSEE fails to timely make any payment, as required by this Sublease and/or to make any other payment required by LSU as Lessee under the Lease arising on or after the Effective Date, and/or (ii) SUBLESSEE fails to timely and fully perform any of its other obligations as required by this Sublease or as required to be performed by LSU under the Lease on or after the Effective Date, which failure causes Lessor to declare a default under the Lease; and/or (iii) SUBLESSEE otherwise breaches any of its other obligations, covenants, representations or warranties and fails to cure such breach within thirty (30) days of written notice.

b. In the event of a default by SUBLESSEE, SUBLESSOR will be entitled to exercise any one or more of the following rights or remedies at its discretion: (1) demand immediate payment of all rents and other sums that are past due and continue to collect all rents and other sums as they becomes due under this Sublease until the Lease terminates or expires, (2) immediately terminate this Sublease, (3) immediately evict SUBLESSEE, (4) recover all

damages sustained by SUBLESSOR, and/or (5) exercise all other rights and remedies, and recover all damages available under Louisiana and other applicable laws.

c. For the enforcement of these remedies SUBLESSOR may have recourse to any applicable legal or equitable process for the recovery of possession of the Leased Premises and the right to seek an injunction or a declaratory judgment. No act of SUBLESSOR shall be deemed an act terminating this Sublease or declaring the Term or applicable Renewal Term ended unless notice is served upon SUBLESSEE by SUBLESSOR expressly setting forth therein that SUBLESSOR elects to terminate this Sublease.

8. Governing Law. This Sublease shall be construed and enforced in accordance with the laws of the State of Louisiana.

9. Invalidity or Inapplicability of Clause. If any term or provision of this Sublease or the application thereof is invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term or provision shall be valid and enforceable to the fullest extent permitted by law.

10. Notices. All notices required, necessary or desired to be given pursuant to this Sublease shall be in writing and shall be effective upon the date when such notice is hand-delivered to the party who is the intended recipient thereof, or otherwise actually received (whether by U.S. Mail, overnight courier service or other means of delivery) by the party intended recipient, who acknowledges receipt in writing of said notice and addressed as follows:

If to Sublessor:	Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Attention: Executive Vice President for Health Care 3810 West Lakeshore Drive Baton Rouge, Louisiana 70808 Facsimile: (225) 578-5524
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Email: fopelk@lsuhsc.edu

With a copy to:

Taylor Porter, Brooks & Phillips, L.L.P.
Attention: Nancy C. Dougherty
451 Florida Blvd., Suite 800
Baton Rouge, Louisiana 70801
Facsimile: (225) 346-8049
Email: nancy.dougherty@taylorporter.com

If to Sublessee:

Our Lady of the Lake Hospital, Inc.
Attn: Chief Executive Officer
777 Hennessy Blvd., Suite 6002
Baton Rouge, Louisiana 70808
Facsimile: (225) 766-5645
Email: scott.wester@ololrhc.com

Each party may redesignate its address for notice at any time and from time to time by like written notice.

11. Attorney Fees. In the event SUBLESSEE defaults in any of its obligations under this Sublease, it shall also be liable to pay any and all of the reasonable attorney fees incurred by SUBLESSOR related to any negotiations, compromises and/or enforcement of SUBLESSOR'S rights hereunder.

12. Option to Extend. LSU has an option to extend the Lease, and LSU will exercise this option and extend the term of the Lease for the "extended term" of 10 additional years as provided in Article II, Paragraph 2.3 of the Lease, such that the Lease will be extended until June 30, 2024, provided that the base rent payable to Lessor under the Lease shall not exceed the Sublease Base Rent set forth herein.

13. Adjustments in Sublease Base Rent.

a. The Sublease Base Rent shall be increased annually, beginning effective January 1, 2015, and each January 1 thereafter (each, an "Adjustment Date") during the Term by an amount equal to the product obtained by multiplying the then current Monthly Sublease Base Rent times the CPI Fraction. (For purposes of determining the "CPI Fraction," the numerator

shall be the CPI in effect as of the Adjustment Date, and the denominator shall be the CPI in effect as of the date which was one (1) year prior to the Adjustment Date.)

b. In no event shall the Sublease Base Rent increase on any Adjustment Date as a result of a CPI adjustment by an amount greater than five (5%) percent of the Sublease Base Rent for any one calendar year.

14. Insurance and Utilities. As provided in the Lease, the Lessor pays for certain insurance and utilities, subject to being reimbursed those sums as part of the Operating Costs.

15. Maintenance. As provided in Article V of the Lease, Lessor will perform maintenance, subject to having all costs thereof reimbursed as part of the Operating Costs.

16. Operating Budget. As provided in the Lease, Lessor will annually submit a proposed annual budget to LSU, and LSU will, upon receiving the proposed annual budget, promptly give notice thereof along with a copy of the proposed budget to OLOL, and OLOL will provide LSU written notice within 10 days thereof as to its approval or of any suggested changes. If there is a disagreement between LSU and OLOL as to the proposed budget, LSU will, in good faith, consider all of OLOL's proposed suggested changes, but LSU retains the ultimate right to approve the budget. LSU hereby agrees OLOL is authorized to have direct interface with Lessor related to the annual budget.

17. Increased Rent Due to Alterations or Improvements. If Lessor agrees to make alterations or improvements to the Leased Premises pursuant to OLOL's request, and if such alterations and/or improvements are approved by LSU, LSU's Base Rent under the Lease may be increased, as provided in the Lease, and in such event, OLOL's Sublease Base Rent shall also be increased.

18. Assignment and Sublease. OLOL may not assign or encumber its rights under this Sublease or sublease all or any part of the Leased Premises without the express written consent of LSU, which may be granted or withheld in its sole discretion.

19. Prepayment. OLOL is this date prepaying LSU the sum of \$328,822.50 as prepaid Sublease Base Rent, which sum will be credited pro rata to the last 12 monthly Sublease Base Rent payments.

20. Entire Agreement. All of the agreements and stipulations contained and all the obligations herein assumed shall inure to the benefit of binding upon the successors and assigns of the respective parties hereto.

21. Amendments. Except as specifically allowed elsewhere in this Sublease, SUBLESSOR agrees not to amend the Lease without obtaining the prior, written consent of SUBLESSEE.

The remainder of this page is intentionally left blank.
[Signatures on Next Page]

[Signature page for Agreement of Sublease (North Foster Clinic)]

IN WITNESS WHEREOF, the parties hereto have signed their names, as of the 5th day of April, 2013, in the presence of the undersigned competent witnesses on the date set forth under their respective signatures:

WITNESSES:

Kay Miller
Name: Kay Miller

Linda Davis
Name: LINDA DAVIS

WITNESSES:

Johy Martin
Name: Johy Martin

Nancy C. Dougherty
Name: Nancy C. Dougherty

SUBLESSOR:

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

By: [Signature]
William L. Jenkins, Interim President
Date: 4/5/13

SUBLESEE:

OUR LADY OF THE LAKE HOSPITAL, INC.

By: [Signature]
K. Scott Wester, President and Chief Executive Officer
Date: 4/5/13

EXHIBIT A

North Foster Clinic Description of Land Tract I

A CERTAIN TRACT OR PARCEL OF GROUND situated in the City of Baton Rouge (formerly the 3rd Ward of the Parish of East Baton Rouge), State of Louisiana, lying and being in Section 78, Township 7, South, Range 1 East, Greensburg Land District of Louisiana, lying and being a part of Tract "B" of the property acquired by King H. Knox by act of partition of the Blouin-Phillips & Keener Tract from Mrs. Eola B. McCall as per act of record in Book 338, Page 480, of the Conveyance Records of the Parish of East Baton Rouge, Louisiana, said tract herein described being bounded on the East by the North Foster Drive (formerly called Greenwell Spring Road), on the North by Gus Young Avenue

(formerly called Capitol Avenue), on the South by Tract "B-S" sold by Dr. Arthur T. Prescott, Jr., to Sam Joseph Campisi in Book 711, Page 311, of the Conveyance Records of the Parish of East Baton Rouge, Louisiana, and on the West by Lands sold by King H. Knox to William T. Baynard (now N. 49th Street), said tract herein described being more specifically described as follows:

Commence at a concrete monument located on the South side of Gus Young Avenue which is the Northwest corner of the tract herein described; from said concrete monument run North 88° East a distance of two hundred ninety-seven (297) feet along the South line of Gus Young Avenue to a grate bar; thence run a distance of three hundred eighteen and 9/10 (318.9) feet in an easterly, southeasterly, and southerly direction in a curve on a radius of 203 feet at the intersection of Gus Young Avenue and North Foster Drive to a concrete monument; thence run South 2°06' East a distance of three hundred six and 7/10 (306.7) feet along the western side of the North Foster Drive to a corner marked by a gun barrel stake, which is the Southeast corner of the tract herein conveyed, being the Northeast corner of tract sold by Dr. Arthur T. Prescott, Jr., to Sam Joseph Campisi, to which is above referred; thence run South 8754' West a distance of five hundred (500) feet along the north line of Tract "B-S" (sold to Sam Joseph Campisi) to a one and 1/4 inch iron pipe on the east line of the tract sold by King E. Knox to William T. Baynard (now N. 49th Street), which is the southwest corner of the tract herein described; thence run North 2°06' West a distance of five hundred ten and 9/10 (510.9) feet to the point of beginning, marked by a concrete monument on the south side of Gus Young Avenue; said tract of land herein described being designated as TRACT B-Y, TRACT

B-W, TRACT B-V, TRACT B-U, and TRACT B-T, according to a map made by R. Swart, C.E., dated April 30, 1947.

Bearing Municipal No. 1401 Foster Drive, Baton Rouge, Louisiana 70806.