

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
FACILITY PLANNING AND CONTROL

February 20, 2014

Biomedical Research Foundation of Northwest Louisiana
Office of the President
Post Office Box 38050
Shreveport, LA 71133-8050

RE: Lease - Board of Supervisors of the Louisiana State University
and Agricultural and Mechanical College
LSU Health Sciences Center - Shreveport
1505 Kings Highway
Shreveport, Louisiana

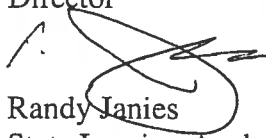
Dear Sirs:

Enclosed is one (1) copy of the above-referenced lease, along with one (1) extract of lease form. This lease and extract have been duly executed by both parties and approved by the Division of Administration.

We have forwarded two (2) copies of the lease and extract to the Lessee for their records and files. Facility Planning and Control will retain one (1) copy for our files.

Sincerely,

Mark A. Moses
Director


Randy Janies
State Leasing Analyst
Real Estate Leasing Section

/rj

enclosures

c: Mr. Danny Mahaffey, w/encl. ✓

LEASE AGREEMENT

FOR

**THE VIRGINIA K. SHEHEE
BIOMEDICAL RESEARCH INSTITUTE**

**BIOMEDICAL RESEARCH FOUNDATION
OF NORTHWEST LOUISIANA**

TO

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

**FOR THE BENEFIT OF
LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER - SHREVEPORT**

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**LEASE AGREEMENT
FOR
VIRGINIA K. SHEHEE BIOMEDICAL RESEARCH INSTITUTE**

STATE OF LOUISIANA

PARISH OF CADDO

This Lease Agreement for Virginia K. Shehee Biomedical Research Institute (“Agreement”) is made and entered into effective the 1st day of October, 2013, by and between:

Biomedical Research Foundation of Northwest Louisiana, a nonprofit corporation organized under the laws of the State of Louisiana, and domiciled in Caddo Parish, Louisiana, herein represented by its Executive Vice President, James D. Dean, authorized by resolution of the said Board of Directors, with a municipal address of 1505 Kings Highway, Shreveport, Louisiana, and mailing address of P. O. Box 38050, Shreveport, Louisiana 71133-8050 (hereinafter sometimes referred to as “Foundation” or “Lessor”); and

Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation, organized and existing pursuant to the laws of the State of Louisiana, herein represented by Dr. F. King Alexander, President of the Louisiana State University System, duly authorized by virtue of a Resolution of the Board of Supervisors, adopted June 7, 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. 72-60008-8 (hereinafter referred to as “Board,” “LSU” or “Lessee”));

for the benefit of Louisiana State University Health Sciences Center in Shreveport, provides as follows:

WITNESSETH

WHEREAS, Lessor is the owner of a ten story building, known as the Virginia K. Shehee Biomedical Research Institute (the “Building”), located at 1505 Kings Highway, Shreveport, Louisiana 71130; and a Central Plant Building (the “Central Plant Building”) located at the same address;

WHEREAS, Board owns the land on which the Building is located, and said land is leased by Board to Foundation pursuant to a Lease Agreement entered into March 1, 1990;

WHEREAS, the Building consists of 181,707 square feet of rentable square feet measured in accordance with the standards prescribed in ANSI/BOMA Z65.1-2010 Office Buildings: Standard Methods of Measurement, a portion of which space is currently under lease to Lessee pursuant to a lease between Lessor and Lessee dated March 30, 2000, whereby the Foundation leased to Lessee Floors 2 through 10 of the Building for a term ending June 30, 2015 (the “Existing Lease”);

WHEREAS, Lessor and Lessee desire to terminate the Existing Lease in its entirety and to enter into a new lease for the entire Building under the terms and conditions set forth herein;

WHEREAS, Lessee desires also to lease a portion of the Central Plant Building consisting of approximately 2314 square feet, housing a manufacturing lab and pharmacy;

WHEREAS, the Lessor and Lessee desire this new lease to encompass the entire Building, including entrances and walkways, the atrium area from the floor to the roof, and 2314 square feet of the Central Plant Building housing the manufacturing lab and pharmacy and be for a term of thirty (30) years, commencing October 1, 2013 (the "Lease"), with a ten year option to extend; and

WHEREAS, this Agreement furthers the educational and public service missions of Lessee by providing research laboratories and related space for the benefit of Louisiana State University Health Sciences Center in Shreveport.

NOW, THEREFORE, in consideration of Lessee's obligation to lease the Leased Premises and the rent to be paid by Lessee during the term of the Lease, and in consideration of the mutual benefits accruing to the parties under this Agreement, the parties do enter into this Agreement pursuant to the provisions of La. R.S. 17:3361, et seq., on the following terms and conditions:

**ARTICLE I.
LEASED PREMISES AND TERM**

SECTION 1.1 LEASED PREMISES AND TERM

For the consideration and upon the terms and conditions hereinafter expressed, Lessor hereby leases the below described property unto Lessee, here present and accepting the same, for a period of thirty (30) years, commencing October 1, 2013 (the "Commencement Date"), and ending September 30, 2043 (the "Initial Term"), with an option to extend the Initial Term, as provided in Section 1.2 herein, for a ten (10) year period ending on September 30, 2053 (collectively the "Term"):

Those certain premises consisting of 179,393 square feet of leasable space bearing Municipal No. 1505 Kings Highway, Shreveport, Louisiana, and more particularly described as follows:

- (1) The Building including all lab and office furniture and equipment located on floors 2 through 10, but not including any lab and office furniture and equipment located on the first floor or the ground floor;
- (2) 2,314 square feet in the Central Plant Building as more specifically reflected as the crosshatched area labeled "Suite 100" on Exhibit "1" hereto, not including any furniture and equipment located therein;
- (3) The atrium area from the floor to the roof and all entrances and walkways located in the Building;

(hereinafter referred to as the "Leased Premises").

SECTION 1.2 OPTION TO RENEW

Lessee shall have the right at any time prior to October 1, 2042, at its sole option, to renew this Agreement for an additional ten year period commencing October 1, 2043 on the same terms and conditions as set forth herein.

SECTION 1.3 RIGHT OF USE FOR PARKING

Furthermore, Lessor hereby grants to Lessee the right to use twenty-three (23) contiguous parking spaces, located as reflected on Exhibit 2 hereto in conjunction with the lease of the Building, and three (3) additional parking spaces to be used in conjunction with the lease of the Central Plant Building in a location contiguous to the Central Plant Building. Except as set forth in Section 2.2 hereof, this right of use is granted for the term of the Lease, and shall terminate upon the termination of the Lease.

**ARTICLE II.
RENT**

SECTION 2.1 FIXED MINIMUM RENT.

The consideration for the Lease is the payment by Lessee to Lessor of annual rental payments each in the sum of Six Million, Two Hundred Seventy-eight, Seven Hundred Fifty-five and No/100ths Dollars (\$6,278,755.00) (calculated at \$35 per square foot), payable in equal monthly installments of Five Hundred, Twenty-three Thousand, Two Hundred Twenty-Nine and No/100ths Dollars (\$523,229.00) each (the "Fixed Minimum Rent" for the first two years of the Lease, and thereafter as may be adjusted pursuant to Section 2.3). The Fixed Minimum Rent will be payable beginning on the Commencement Date, as defined in Article I herein, and the remaining payments shall be due and payable on the first (1st) day of each month thereafter, until the expiration of the Term. Fixed Minimum Rent is payable by Lessee to Lessor at the address set forth in Article XII of this Agreement, until notified in writing by Lessor of a change of mailing address.

Lessor agrees that there shall be no penalties assessed against monies owing by the Lessee until more than ninety (90) days have elapsed after Lessor's written demand for payment to Lessee has been made, after which Lessee shall be liable for judicial interest as set forth in La. R.S. 39:1695 and such other relief as may be awarded under the circumstances.

SECTION 2.2 DELAY IN OCCUPANCY

The parties acknowledge that certain parking spaces and certain portions of the Building and the Central Plan Building may remain occupied by the Lessor for up to six (6) months from the Effective Date hereof for the first floor of the Building and for up to eighteen (18) months from the Effective Date hereof for the ground floor and for 2,314 feet in the Central Plant Building. At the conclusion of said six-month period, Lessor shall vacate the first floor of the Building, and at the conclusion of such eighteen month period Lessor shall vacate the ground floor of the Building and the Central Plant Building. During such first six (6) months of the

Term, Lessee shall allocate no more than sixteen (16) of the twenty-six (26) parking spots for Lessee's use during said six (6) month period. During month seven (7) through month eighteen (18) of the Term of this Agreement. Lessee shall allocate no more than ten (10) of the twenty-six (26) parking spots for Lessee's use until the conclusion of the eighteenth month of the Term. After the eighteenth month of the Term of this Agreement, all twenty-six (26) spaces shall be provided to Lessee as a part of the Leased Premises unless otherwise agreed to by the parties. During the first eighteen (18) months of the Term of this Agreement, the Fixed Minimum Rent and the Additional Rent (as hereinafter defined) shall be reduced to account for the continued occupancy of Lessor, based on the square footage occupied by Lessor and the days of continued occupancy by Lessor. The parties agree that the ground floor contains 10,862 square feet and that the first floor contains 11,230 square feet.

SECTION 2.3 ADDITIONAL RENT

In addition to Fixed Minimum Rent, Lessee shall pay to Lessor, an amount equal to the costs incurred by Lessor and expended by Lessor for payment of those certain items of expense herein designated as "Lessee Expense(s)" (the "Additional Rent").

Within fifteen (15) days of the end of each calendar month during the Term of this Lease, Lessor shall provide Lessee with an itemized invoice for the Additional Rent (the "Additional Rent Invoice") to be paid by Lessee to Lessor based on actual Lessee Expense incurred by Lessor the prior month. All items of expense designated herein as Lessee Expense which are to be paid by Lessee to Lessor as Additional Rent shall be charged to Lessee at comparable market rates for such maintenance or services and the quality thereof. Lessee shall have the right to audit Lessor's and Lessor's agent's books, records and accounts of and pertaining to any such maintenance or service and Lessee Expense or Additional Rent, and, in the event that Lessee reasonably determines that a rate or a charge for maintenance or for a service is not at a comparable market rate, Lessee, upon prior written notice to Lessor, may assume the responsibility to perform any item or items of maintenance or service and, in that event, notwithstanding anything to the contrary set forth in this Agreement, Lessor shall not continue to perform any such maintenance or service described in said written notice from Lessee and shall not charge Lessee Additional Rent therefor until otherwise notified by Lessee.

During the Term of this Agreement, each Additional Rent amount shall be due and payable the later of (1) the first (1st) day of the month following the date on which Lessee receives an Additional Rent Invoice from Lessor, or (2) ten (10) days after receipt by Lessee of an Additional Rent Invoice from Lessor, and Lessor shall have the same remedies for Lessee's failure to pay same as for a non-payment of Fixed Minimum Rent. (Fixed Minimum Rent and Additional Rent are herein sometimes collectively referred to as "Rent".)

Except as otherwise provided herein, this Lease is intended to be a net lease, meaning that the Rent provided for herein shall be paid to Lessor without deduction for any expenses, charges, insurance, taxes or set-offs incurred by Lessee whatsoever of any kind, character or nature, except as otherwise set forth herein; it being understood and agreed to by Lessee that as between Lessee and Lessor, Lessee shall bear responsibility for the payment of all costs and expenses associated with the management, operation and ordinary maintenance of the Leased

Premises, whether by direct expenditure by Lessee or by payment of Additional Rent by Lessee to Lessor for Lessor's payment of Lessee Expenses.

Lessee shall have the right to audit all of Lessor's and/or Lessor's agents' records pertaining to Additional Rent and any matter related thereto in accordance with Section 17.1 hereof.

SECTION 2.4 CPI ADJUSTMENT

Commencing with the second anniversary of the Commencement Date, Fixed Minimum Rent shall be adjusted upward or downward every second anniversary of the Commencement Date, using the Consumer Price Index, Urban (all items) as published by the U.S. Department of Labor by dividing the Current Index by the Base Index, as hereinafter defined, and multiplying the resulting quotient by the annual Fixed Minimum Rent. Notwithstanding the foregoing, the Fixed Minimum Rent shall not be adjusted downward to a level below the initial Fixed Minimum Rent amount of Six million, two hundred seventy-eight thousand, seven hundred fifty-five and no/100 Dollars (\$6,278,755.00).

The "Base Index" shall mean the index for the month of October, 2013.

The "Current Index" shall mean the index for the month of October immediately preceding each readjustment date.

The adjusted Fixed Minimum Rent for the year following the adjustment shall be determined by using the applicable Current Index divided by the Base Index times the then Fixed Minimum Rent.

The "Rental" shall mean the total of the Fixed Minimum Rent and the Additional Rent.

SECTION 2.5 REAPPRAISAL

The parties agree that every five (5) years of the Term of this Lease (i.e., each five (5) year anniversary after the Commencement Date (each a "Fair Market Rental Value Adjustment Date")), the Fixed Minimum Rent shall be reviewed and adjusted to the Fair Market Rental Value (as hereinafter defined) for the leasehold estate of the Leased Premises to Lessee as determined by written agreement of Lessor and Lessee at least six (6) months prior to the end of each such five (5) year period of the Term. The calculation of Fair Market Rental Value shall assume that all terms and conditions of this Lease, other than the Fixed Minimum Rent, will continue to apply. In the event Lessor and Lessee cannot so agree in writing as set forth above no later than three (3) months prior to the end of any such five (5) year period of the Term, then either Lessor or Lessee may initiate the following procedure to have the Fixed Minimum Rent determined by independent appraisal:

(1) Either party may initiate the appraisal process by providing a written notice that it is invoking the procedure described in this Section 2.5.

(2) Within twenty (20) days after the date of the written notice, Lessor and Lessee shall each appoint an appraiser having at least ten (10) years' experience appraising commercial

real estate in the Shreveport area and who is a member of the Appraisal Institute (hereinafter, a "Qualified Appraiser"). Each Qualified Appraiser shall make an estimate of the fair market rental value for the leasehold estate of the Leased Premises to Lessee not including any "Lessee Expense" (as hereinafter defined) (herein the "Fair Market Rental Value") as of the beginning of such five (5) year period. Each party shall notify the other of the appointment of its Qualified Appraiser within ten (10) days after the appointment. Each party shall deliver to the other party a copy of its Qualified Appraiser's written report no later than thirty (30) days after the appointment of its Qualified Appraiser. If only one party appoints its Qualified Appraiser and delivers its Qualified Appraiser's report within thirty (30) days of the appointment of its Qualified Appraiser, then the Fair Market Rental Value shall be the value determined by that Qualified Appraiser. If neither party invokes the appraisal process or neither party appoints a Qualified Appraiser or neither party delivers its Qualified Appraiser's report within thirty (30) days after the appointment of its Qualified Appraiser, then Lessee shall continue to pay the Fixed Minimum Rent calculated in accordance with the terms of this Lease.

(3) If the difference between the Fair Market Rental Value conclusions of the Qualified Appraisers is less than ten (10%) percent, the Fixed Minimum Rent shall be set at the average of the two.

(4) If the difference between the Fair Market Rental Value conclusions of the Qualified Appraisers is greater than ten (10%) percent, then the two Qualified Appraisers shall agree on a third Qualified Appraiser who shall be furnished the appraisal reports of the first two Qualified Appraisers along with any additional evidence the third Qualified Appraiser shall deem reasonably appropriate. The Fair Market Rental Value conclusion and report of such third Qualified Appraiser shall be conclusive as to the Fair Market Rental Value.

(5) Until the Fair Market Rental Value is determined, Lessee shall continue to pay the Fixed Minimum Rent in accordance with the terms of this Lease. If after the new Fixed Minimum Rent is determined Lessee has overpaid or underpaid the Fixed Minimum Rent, as the case may be, Lessee shall pay the underpayment or Lessor shall refund the excess (or apply such excess as a credit against the Rent payment(s) next due), in each case without interest, upon demand.

(6) The fee of an initial Qualified Appraiser shall be borne by the party hiring said appraiser, and the fee of the third Qualified Appraiser shall be borne equally by Lessor and Lessee.

(7) The parties acknowledge that Fair Market Rental Value may be adjusted as a result of the reappraisal process to an amount less than the then current Fixed Minimum Rent. Notwithstanding the foregoing, the parties agree that the Fixed Minimum Rent shall not be reduced below the initial Fixed Minimum Rent amount. The Parties agree that the initial Fair Market Rental Value for the Leased Premises as of October 1, 2013 is \$6,278,755.

**ARTICLE III.
COMPLIANCE WITH LAW**

SECTION 3.1 COMPLIANCE WITH ACCESS REQUIREMENTS

Lessor agrees that all of the buildings, grounds and facilities composing the Leased Premises shall comply with the requirements of R.S. 40: Part V – EQUAL ACCESS TO GOVERNMENTAL AND PUBLIC FACILITIES FOR PHYSICALLY HANDICAPPED, specifically R.S. 40:1731, et seq., as of the Commencement Date.

SECTION 3.2 EXPENSES OF COMPLIANCE

Lessor agrees to make, at Lessor's expense, all changes and additions to the Leased Premises required by reason of any laws, ordinances, orders or regulations of any municipality, parish, state, federal or other public authority including the furnishing of required sanitary facilities and fire protection facilities required as of the Commencement Date. Lessor, as Lessee Expense shall thereafter maintain such compliance including, but, not limited to, the maintenance of all fire extinguishers and equipment (and purchase all necessary replacement equipment) necessary to comply with the regulations of the Louisiana State Fire Marshal and pay all costs associated with any periodic inspections and servicing of the extinguishers and equipment.

**ARTICLE IV.
MAINTENANCE AND REPAIRS**

SECTION 4.1 LESSOR MAINTENANCE EXPENSES

During the Term of this Lease, and notwithstanding anything to the contrary set forth in this Agreement, Lessor, at Lessor's expense, at all times shall have sole responsibility for and shall make and perform all major and extraordinary maintenance and replacement and repair of the roof, foundation, load bearing walls and exterior of all buildings and structures on the Leased Premises. The expenses described in this Section 4.1 shall not be Lessee Expenses and shall not be reimbursed to Lessor as Additional Rent.

SECTION 4.2 MAINTENANCE BY LESSOR CONSTITUTING LESSEE EXPENSES

Lessor shall keep the Leased Premises in a good, safe condition and, shall make and perform all maintenance, repairs and replacements to the Leased Premises during the Term of this Lease, except as otherwise set forth herein.

(1) During the Term of this Lease, Lessor shall have sole responsibility for and shall make and perform all routine, ordinary major and extraordinary maintenance, replacement and repair of the heating and air conditioning systems, including but not limited to boilers, chillers, air handlers and related equipment, all pipes, wiring, pumps and other mechanical parts and equipment necessary for the provision of utility services for and in the Leased Premises, plumbing systems (including plumbing fixtures), sewerage disposal system (including septic tanks), electrical systems, elevators, and light fixtures (not including replacement of light bulbs

and fluorescent tubes, which replacement shall either be performed by Lessee or performed by Lessor as a Lessee Expense) of the Leased Premises, and all other equipment owned or furnished by Lessor. Lessor shall maintain and repair all utility lines, pipes and services which service the Building. Lessor shall be responsible for so maintaining the Leased Premises in accordance with all state and federal laws, ordinances, and regulations throughout the term of the Lease. Lessor shall make all of the above such repairs to the Leased Premises as may become necessary because of breakage or other damages; provided, however, Lessor shall be responsible, at Lessor's sole cost and expense, for any damages to Lessee's employees, agents, invitees, visitors, and property and/or Lessee's equipment that are a result of Lessor's failure or negligence in properly maintaining the Leased Premises in accordance with its obligations in this Agreement. Furthermore, Lessor shall maintain all existing passenger elevators and freight elevators in the Leased Premises, and Lessor, at Lessor's Expense, shall enter into a maintenance elevator contract to provide such service.

(2) Except as specifically indicated otherwise, cost incurred for maintenance pursuant to Section 4.2(1) shall be Lessee Expense billed as Additional Rent as incurred, except that in the event such costs are in excess of \$10,000 per project and are considered capital expenditures under Generally Accepted Accounting Principles (GAAP), such costs will be amortized on a straight-line basis and billed as Additional Rent over the shorter of (1) the useful life as determined under GAAP; or (2) the then remaining term of this Agreement including any extensions thereof.

SECTION 4.3 LESSOR ORIGINATED CHANGES, RENOVATIONS OR IMPROVEMENTS

The parties hereto agree that no expense incurred as a result of Lessor originated changes, renovations or improvements to the Leased Premises made during the term of the Lease shall be borne by Lessee, and such expenses shall not be Lessee Expenses and shall not be reflected in the Additional Rent.

SECTION 4.4 NOTIFICATION OF NEEDED REPAIR

Lessee shall notify Lessor immediately, and in writing, upon becoming aware of a condition of the Leased Premises which would require repair by Lessor pursuant to its obligations hereunder or of any condition of the Leased Premises which Lessee believes may be in need of maintenance. In the event that the Lessor does not respond in writing to such notice and does not begin repairing or replacing such items within fifteen (15) days following notice from Lessee, Lessor shall be in default. In addition to any other remedies, in such event of default, Lessee may make such repairs or replacements and, upon Lessee presenting Lessor with copies of all invoices and/or receipts, Lessor shall be obligated to promptly reimburse Lessee for any reasonable costs or expenses incurred, and if such reimbursement does not occur promptly, Lessee, at its option, may withhold such amount from the Rent.

Unless Lessee failed to notify Lessor as provided above, Lessor shall be responsible for any damages to Lessee's employees, agents, invitees, visitors and property, and/or Lessee's equipment that are a result of Lessor's negligence to properly maintain the Leased Premises in accordance with its obligations in this Lease.

SECTION 4.5 LESSOR'S ACCESS TO LEASED PREMISES

Lessor, its officers, agents, employees, and contractors, may enter upon the Leased Premises at all reasonable times for any purposes not inconsistent with Lessee's quiet use and enjoyment of same under this Lease, including but not limited to the purpose of inspection. Lessor, where reasonably possible, agrees to give Lessee prior notice of the exercise of its rights under this section. Lessor shall not have access to and shall be denied the right to examine and inspect any and all records or other information which are confidential or private under applicable law or ethical codes. Lessor shall be responsible for any and all liabilities, costs, expenses, damages and claims incurred by Lessee arising out of the exercise by Lessor of its right of entry hereunder.

ARTICLE V. UTILITIES AND SERVICE

Lessor, as a Lessee Expense, shall furnish the following utilities and basic building services to Lessee while occupying the Leased Premises, which services shall be consistent with those currently being provided or as otherwise requested by Lessee and which shall include but not be limited to the following:

- (1) Chilled water at those points of supply reasonably acceptable to Lessee.
- (2) Janitorial service and pest control for the Leased Premises.
- (3) All building standard fluorescent bulb replacement and incandescent bulb replacement in service areas, general common areas, and on-floor common areas.
- (4) Access to and use of the utility services (including electricity, gas, and water) serving the Leased Premises; provided, however, that where possible and at Lessee's option, Lessee shall purchase utility services directly from the provider and shall directly pay the provider for such services.

To the extent that the services listed above require electricity, gas and water supplied by a public utility company, Lessor's obligation shall be to use all reasonable efforts to cause the applicable public utility company to furnish the same to Lessee. Failure by Lessor to furnish the services described in this Article V to any extent, or any cessation thereof shall not render Lessor liable in any respect for damages to either person or property and such failure shall not be construed as an eviction of Lessee, or permit an abatement of Rent, or relieve Lessee from fulfillment of any covenant or agreement hereof absent negligence or fault on the part of Lessor. Should any equipment or machinery, for any cause, cease to function properly, Lessee shall have no claim for abatement of Rent or damages on account of interruption of services resulting therefrom, unless Lessor is negligent or at fault, provided, however Lessor shall use diligent efforts to properly repair or replace such equipment or machinery and to restore the services, and if such repair, replacement or restoration constitutes maintenance pursuant to Section 4.1, Lessor shall repair or replace at Lessor's cost.

Security will be the responsibility of and provided by Lessee unless otherwise requested. To the extent requested by Lessee to be provided by Lessor, security will be provided as a Lessee Expense.

ARTICLE VI. INSURANCE

SECTION 6.1 TYPES OF INSURANCE

Lessor shall cause to be issued and maintained the following types of insurance, the cost of which, free of any built-in overhead or profit, relating, incurred or paid by Lessor in connection with its ownership and operation of the Leased Premises, shall be a Lessee Expense to-wit:

Section 6.1.1 Property Insurance.

Insurance on the Leased Premises (including without limitation, all improvements thereto hereafter made by Lessee) and all fixtures, equipment and other movable property at the Leased Premises under an "All Risks of Physical Loss" policy (hereinafter referred to as "All Risks") including, without limitation, coverage for loss or damage by water, flood, subsidence and sprinkler damage; such insurance to be written with full replacement coverage (the "Replacement Value"), i.e., in an amount equal to the greater of (1) 100% of the full costs of replacement of the Leased Premises and such fixtures, equipment and personal property (less the cost of excavations, foundations and footings below the Ground Floor) or (2) an amount sufficient to prevent Lessor from becoming a co-insurer of any loss under the applicable policy. The insurance company's determination of the amount of coverage required in clause (1) above shall be binding and conclusive on Lessor and Lessee for purposes of the coverage required by clause (1). A stipulated value or agreed amount endorsement deleting the co-insurance provision of the policy shall be provided with such insurance. If not otherwise included within the "All Risks" coverage specified above, Lessor shall carry or cause to be carried, by endorsement to such "All Risks" policy, coverage against damage due to water and sprinkler leakage and collapse and shall be written with limits of coverage reasonably required. The Replacement Value shall include the cost of debris removal and the value of grading, paving, landscaping, architects and development fees.

Section 6.1.2 Comprehensive General Liability Insurance.

Comprehensive general liability insurance with respect to the Leased Premises and the operations related thereto, whether conducted on or off the Leased Premises, against liability for personal injury, including bodily injury and death, and property damage. Such comprehensive general liability insurance shall be on an occurrence basis.

All such insurance against liability for personal injury, including bodily injury and death, and property damage as specified above shall be written for a combined single limit of not less than Ten Million Dollars (\$10,000,000). Such limit shall be subject to reasonable increase from time to time (but not more than once every 24 months) in accordance with the limits then being customarily carried on buildings of similar age and construction and similarly situated as the Leased Premises.

Section 6.1.3 Boiler and Machinery Insurance.

Boiler and Machinery Insurance with limits as from time to time customary for like property of the same type of installation as the Leased Premises and appropriate in the light of the cost of repairing potential damage.

Section 6.1.4 Miscellaneous Insurance.

Such other insurance in such amounts as from time to time reasonably may be required by Lessor against such other insurance hazards as at that time are commonly insured against in the case of premises of similar age and construction and similarly situated as the Leased Premises.

SECTION 6.2 LOSS AND DAMAGE.

Lessor shall not be liable for any damage caused by Lessee, or its sublessees ("Lessee Parties") or persons in the Leased Premises, occupants of adjacent property, or the public, or caused by operations in construction of any private, public or quasi public work not being performed by Lessor. All property of Lessee kept or stored on the Leased Premises shall be so kept or stored at the risk of Lessee only and Lessee shall hold Lessor harmless from any claims arising out of damage to the same, including subrogation claims by Lessee's insurance carrier, except to the extent such damage shall be caused by the fault or negligence of Lessor or its agents, contractors, or employees.

SECTION 6.3 NOTICE BY LESSEE.

Lessee shall give immediate notice to Lessor in case of fire or accidents located in the Leased Premises and any defects in the Leased Premises, or in any fixtures or equipment.

SECTION 6.4 INDEMNIFICATION OF LESSOR.

Lessee's taking possession of the Leased Premises constitutes an admission that Lessee has examined the Leased Premises and found them suitable and acceptable for Lessee's purposes. To the extent allowed by law, Lessee will indemnify Lessor and save it harmless from and against any and all claims, causes of action or proceedings and any liability for damages or expenses arising out of or related to the occupancy or use by Lessee of the Leased Premises or any part thereof, or caused by any act or omission of Lessee, its agents, contractors, or employees or Lessee Parties, except to the extent such loss, injury or damage results from the negligence or fault of Lessor or the failure of Lessor, after written notice, to perform any repairs or maintenance required of Lessor under the terms of this agreement. If Lessor becomes a party to any litigation asserting that Lessor is liable for personal injury, death or damage arising out of or relating to the Leased Premises, if Lessor so requests, in writing, to the extent allowed by law, Lessee shall protect and hold Lessor harmless and shall pay all costs, expenses and reasonable attorney's fees in defending Lessor under this agreement upon Lessor's written demand upon Lessee for such defense. To the extent allowed by law, Lessee shall also pay all costs, expenses and reasonable attorney fees that may be incurred or paid by Lessor in enforcing the covenants and agreements in this Lease.

SECTION 6.5 INDEMNIFICATION OF LESSEE.

Lessor will indemnify Lessee and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury, and/or damage to property to the extent it arises from or out of any act or omission of Lessor, its agents, contractors, employees, or servants, except to the extent such loss, injury or damage results from the negligence or fault of Lessee. In case Lessee should be made a party to any litigation asserting any liability of Lessee for personal injury, death or damage arising out of the foregoing, then Lessor shall protect and hold Lessee harmless and shall pay all costs, expenses and reasonable attorney's fee in defending Lessee under this hold harmless agreement upon Lessee's making formal written demand upon Lessor for such defense.

SECTION 6.6 WAIVER OF SUBROGATION.

To the extent allowed by law and, to the extent allowed, by the Office of Risk Management or by its rules, regulations or policies, Lessor and Lessee shall each obtain from their respective insurers, under all policies of insurance maintained by either of them at any time during the term hereof insuring or covering the Leased Premises, a waiver of all rights of subrogation which the insurer of one party might otherwise have, if at all, against the other party; provided, neither Lessor nor Lessee shall be required to obtain a waiver of subrogation from its own insurer greater than that obtained from the other party's insurer.

SECTION 6.7 INSURANCE COMPANIES.

All insurance provided for in this Article shall be in such form and shall be issued by such responsible insurance companies licensed to do business in the State of Louisiana; provided, however, insurance provided by Lessee may be provided by ORM and, in that event, is hereby deemed to satisfy Lessee's obligations herein related to insurance and/or indemnity. Any insurance company rated by Best's Insurance Reports (or any successor publication of comparable standing) as "A8:VI" or better (or the equivalent of such rating) shall be deemed a responsible company.

SECTION 6.8 INSUREDS.

All policies of property insurance, described in Sections 6.1.1 through 6.1.4, inclusive, shall contain a "mortgage clause" in the name of each mortgagee and a loss payable clause in the name of Lessor and Lessee as their respective interests appear.

Unless provided otherwise herein, such policies shall also be payable, if required by any mortgagee, to such fee mortgagee as the interest of any such mortgagee may appear.

SECTION 6.9 COMPLIANCE WITH POLICIES.

Lessor and Lessee shall not violate or permit to be violated any of the conditions, provisions or requirements of any insurance policy required by this Article, and Lessor and Lessee shall perform, satisfy and comply with or cause to be performed, satisfied or complied with the conditions, provisions and requirements of the insurance policies and the companies

writing such policies so that, at all times, companies reasonably acceptable to Lessor will provide the insurance required by this Article.

SECTION 6.10 PROVISIONS.

Each policy of insurance required to be carried pursuant to the provisions of this Article shall contain (i) a provision that no act or omission of Lessor or Lessee shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained, (ii) an agreement by the insurer that such policy shall not be canceled, modified or denied renewal without at least ten (10) days prior written notice to Lessor and Lessee, and (iii) an agreement that if cancellation is due to nonpayment of premiums, the insurer will so specify in the notice given in (ii) above and will reinstate the policy upon payment of the premiums by Lessor or a fee mortgagee.

ARTICLE VII. ALTERATIONS AND IMPROVEMENTS BY LESSEE

SECTION 7.1 ALTERATIONS WITHOUT CONSENT.

At Lessee's option, Lessee shall have the right, without any requirement of notice or consent on the part of the Lessor, to decorate the interior of the Leased Premises from time to time as it shall see fit, to erect and install equipment, furniture and fixtures in, upon and about said Leased Premises as in Lessee's judgment may be necessary in the conduct of its business and to change the same in its discretion and to remove all such equipment, furniture and fixtures at the end of the Lease, by restoring said Leased Premises to the condition that they were in at the time possession was given to the Lessee, ordinary wear, tear and decay excepted. Except for work by Lessee's own employees, Lessee shall contract with only licensed, bonded and insured contractors for work done by Lessee in the Leased Premises with a cost in excess of \$5,000.00. Lessee shall be responsible for obtaining all licenses and permits which may be required by municipal ordinance, federal and state laws or regulations, governmental authorities or otherwise for work done at the Leased Premises by Lessee. All redecorating, as well as all erecting and installation of equipment, furniture and fixtures, done at the Leased Premises shall be of a good quality and workmanship and shall be of a character and quality to maintain the Leased Premises as a state-of-the-art research facility.

SECTION 7.2 ALTERATIONS WITH CONSENT.

Lessee may propose any construction, modifications, alterations to be done by Lessor (other than major maintenance which Lessor is required to perform at Lessor's expense as provided in Section 4.1 hereof to the Leased Premises) and in that event Lessee shall first give written notice to Lessor of its desire for Lessor to do such construction, modification or alteration and provide the Lessor copies of any plans and specifications with respect thereto. All work shall be done by Lessor or a contractor engaged and paid by Lessor and the expense of such work shall be billed to Lessee as Additional Rent. All work and the plans and specifications for same shall require Lessor's written approval, which shall not be unreasonably withheld. Any and all subsequent amendments to the work or to said plans and specifications shall require the prior written approval of the Lessor, which approval shall not be unreasonably withheld. All

work done at the Leased Premises shall be of a good quality and workmanship and shall be of a character and quality to maintain the Leased Premises as a state-of-the-art research facility.

**ARTICLE VIII.
DAMAGE BY FIRE OR OTHER CASUALTY**

SECTION 8.1 TOTAL DAMAGE OF LEASED PREMISES.

If, prior to the termination of this Lease, through no fault, neglect or design of Lessee, the Leased Premises be destroyed by fire or other casualty, or become unfit for occupancy as a result of fire or other casualty at Lessee's sole option, then this Lease shall be cancelled ipso facto as of the date of said fire or other casualty. Alternatively, Lessee may require Lessor to reconstruct the Leased Premises using available insurance proceeds and in accordance with plans and specifications acceptable to Lessee. Lessor shall proceed diligently to so reconstruct the Leased Premises. Lessee shall be entitled to such reduction or remission of Rent in the amount of the daily rental for every day that Lessee is without possession of the Leased Premises.

SECTION 8.2 PARTIAL DAMAGE OF LEASED PREMISES.

If only a portion of the Leased Premises is rendered unfit for occupancy as a result of a fire or other casualty, but the remainder of the Leased Premises remains fit for occupancy and it is practicable for Lessee to continue to occupy and use the remaining space, this Lease shall continue in force as to that portion of the Leased Premises, and Rent shall be equitably reduced pending restoration by Lessor of the damaged area of the Leased Premises.

SECTION 8.3 CANCELLATION OF LEASE.

If this Lease is cancelled for such cause, Lessee shall be entitled to a credit corresponding to the unexpired term of this Lease, the unearned portion of Rent shall be annulled and returned to Lessee (if prepaid), and Lessor shall have the right to take possession of the Leased Premises, with both Lessee and Lessor discharged of any further obligation under this Lease.

SECTION 8.4 SLIGHT DAMAGE TO LEASED PREMISES.

If the Leased Premises is only slightly damaged by fire or other casualty as not to render the Leased Premises unfit for occupancy, Lessor agrees that same shall be repaired with reasonable diligence, in which event Lessee shall not be entitled to any reduction or remission of Rent whatsoever.

**ARTICLE IX.
ASSIGNMENT**

It is agreed that any assignment of this Lease or the proceeds thereof must be approved in advance of such assignment, in writing, by the appropriate party. If the request to assign is by the Lessee, such assignment must be approved by the Lessor. If the request to assign is by the Lessor, such assignment must be approved by the President of LSU or his designee. Approval of the requested assignment shall not be unreasonably or arbitrarily withheld by either party.

**ARTICLE X.
DEFAULT AND TERMINATION**

SECTION 10.1 DEFAULT BY LESSOR OR LESSEE.

Section 10.1.1 Default by Lessor.

In the event of failure of Lessor to perform any of the terms, conditions, or covenants of this Lease to be observed or performed by Lessor for more than ninety (90) days after receipt of written notice of such default given by Lessee to Lessor, or failure to commence reasonable efforts to cure such failure within thirty (30) days after receipt of written notice of such default given by Lessee to Lessor then, with the approval of the Division of Administration, Lessee may declare this Lease to be in default and besides all other rights or remedies Lessee may have pursuant to law or other.

Section 10.1.2 Default by Lessee.

In the event of failure of Lessee to pay any Rental due hereunder within fifteen (15) days after receipt of written notice given by Lessor to Lessee, or any failure to perform any of the other terms, conditions, or covenants of this Lease to be observed or performed by Lessee for more than sixty (60) days after receipt of written notice of such default shall have been given by Lessor to Lessee, or failure to commence reasonable efforts to cure such failure within thirty (30) days after receipt of written notice of such default shall have been given by Lessor to Lessee, or if Lessee shall become bankrupt or insolvent, or if any proceedings be filed by or against Lessee in any court pursuant to any statute of the United States or of any State in bankruptcy, or insolvency, or for reorganization, or for the appointment of a receiver or trustee for all or any portion of Lessee's property, and is not dismissed within ninety (90) days of such filing or appointment, or if Lessee makes any assignment for the benefit of creditors, or petitions for or enters into any arrangement, or suffers this Lease to be seized under any writ of execution, then Lessor may declare this Lease to be in default, and besides all other rights or remedies Lessor may have pursuant to law or other conventional obligations, at Lessor's sole option it may (1) sue seeking specific performance by Lessee of its obligations under this Lease or restrain or enjoin Lessee from continuing the activities that constitute the default of Lessee; and/or (2) terminate this Lease by a ten (10) day written notice to Lessee, collect rental and additional rental owed as of the date of delivery of the Leased Premises, provided that no such termination of this Lease shall relieve Lessee of its liability and obligations under this Lease incurred prior to such termination.

SECTION 10.2 USE OF CENTRAL PLANT AND SURVIVAL OF THE GROUND LEASE.

Upon the termination of this Agreement by expiration of its term or otherwise, Lessor shall be entitled to the use and occupancy of the 1.23 acre tract covered by the Ground Lease, pursuant to the terms and conditions of the Ground Lease, for the remainder of the term of the Ground Lease Agreement and in accordance with La. R.S. 17:3361, et seq.

During the term of this Agreement, and upon the termination of this Agreement by expiration if its term or otherwise, Lessor shall be entitled to the use of the expanded Central

Plant adjacent to the LSU School of Medicine consistent with the agreement for such use existing as of the effective date of this Agreement. Lessor shall be entitled to the use of and access to other required utilities to be metered or measured separately and charged to the Building by the Louisiana State University Medical Center at Shreveport, all in accordance with the terms and conditions of the Ground Lease.

**ARTICLE XI.
NOTICES**

All notices required under this Lease shall be in writing and shall be sent by United States Mail and in the case of notices to Lessor and Lessee shall be addressed as follows:

Lessor:	Biomedical Research Foundation of Northwest Louisiana 1505 Kings Highway P. O. Box 38050 Shreveport, Louisiana 71133-8050 Attn: Office of the President
Lessee:	Board of Supervisors of LSU 3810 West Lakeshore Drive Baton Rouge, Louisiana 70808 Attn: Executive Vice President

**ARTICLE XII.
EXTRACT OF LEASE**

Upon execution and approval of this Lease, it will be the responsibility of Lessor to have the Lease or extract of lease recorded in the office of the parish recorder of the parish where the property herein leased is located, in the form set forth in that Extract of Lease attached hereto.

Before any payments can be made on the Lease, Lessor must provide a certified copy of the recorded Lease or Extract of Lease to Lessee and to the Real Estate Leasing Section of Facility Planning and Control for inventorying purposes.

**ARTICLE XIII.
INFORMATION TECHNOLOGY AND COMMUNICATIONS**

SECTION 13.1 DESKTOPS.

All communications desktop devices (intercom/paging instruments, line status indicators, computer terminals, radio/paging consoles, telephone answer machines, consoles/sets, etc.) will be installed, maintained, and paid for by Lessee, and will remain the property of Lessee and may be removed by Lessee at any time.

SECTION 13.2 CABLE/WIRE.

New additionally required Communications cable/wire requested by LSU shall be provided in the Leased Premises by Lessor as Lessee Expense consisting of Additional Rent.

The cable/wire shall conform to a wire as specified in the "Guidelines, Requirements, Specifications, and Wiring Diagrams" (the "Guidelines") provided by the Division of Administration.

SECTION 13.3 INSTALLATION.

All new additionally required communications equipment (computer controllers, modems, multiplexers, telephone system controllers, etc.) requested by LSU will be installed, maintained, and paid for by Lessee, and will remain property of Lessee and may be removed by Lessee at any time. Lessor shall provide space and environment for this equipment according to the Guidelines. Lessor's cable/wire shall terminate in the same space as Lessee's equipment and will be placed according to said Guidelines.

SECTION 13.4 TELEPHONE SERVICE.

Lessor, as Lessee Expense constituting Additional Rent, shall have the local telephone company provide a service entrance cable into the Leased Premises. The telephone company's service shall terminate in the same room/space as the Lessor's inside cable/wire and have a minimum capacity of one pair of twisted copper wires per 100 square feet of the Leased Premises to be occupied. Lessor shall provide the pathway(s) (conduit, trench, etc.) for the service cable according to the telephone company's requirements and the Guidelines.

SECTION 13.5 DIAL TONE AND DATA SERVICE.

Lessee will order and pay for (through the Office of Telecommunications Management, if applicable) dial tone and data services from the telephone company. Lessor shall provide interconnection between the telephone company's RJ21X demarc and Lessor's wiring connection demarc as Lessee Expense constituting Additional Rent.

SECTION 13.6 ELEVATOR TELEPHONES.

If the Leased Premises has elevators, Lessor shall provide each elevator that will be used by Lessee personnel with an emergency telephone as required by building codes at Lessor's expense. All associated cable/wire shall be as specified in the Guidelines.

**ARTICLE XIV.
COMPLIANCE WITH DEQ REGULATIONS**

SECTION 14.1 IN GENERAL

All requirements of this Section shall be in accordance with the Louisiana Administrative Code, Title 33 (Environmental Quality / Part III (Air), Chapter 27 ("Asbestos-Containing Materials in Schools and State Buildings Regulations"), and regulations promulgated pursuant thereto.

Lessor shall conduct an asbestos inspection at Lessor's expense in accordance with LAC 33:III.2707.A, of the Leased Premises indicating therein locations of all materials containing more than one percent (1%) asbestos, as determined by Polarized Light Microscopy. This

inspection shall be performed by a Louisiana Department of Environmental Quality accredited inspector with current accreditation. If any asbestos is detected (friable or non-friable) and allowed to remain while the space is occupied, Lessor shall also provide an ASBESTOS MANAGEMENT PLAN WHICH HAS BEEN APPROVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY (“Management Plan”). Lessor shall remove any asbestos from the Leased Premises required by the Department of Environmental Quality to be removed. Any removal of asbestos from the Leased Premises shall be done and performed at Lessor’s expense, and the expense thereof shall not constitute Lessee Expense and shall not be reimbursed to Lessor as Additional Rent.

SECTION 14.2 MANAGEMENT PLAN

All Management Plans must be developed by a Louisiana Department of Environmental Quality accredited Management Planner and must be submitted in the format as outlined in the Department of Environmental Quality’s document “Required Elements of LEA and LSPBA Management Plans.” Lessor must maintain, update, and comply with the Management Plan to keep it current with ongoing operations and maintenance, periodic surveillance, inspections, reinspections, response action activities, and training of maintenance and custodial personnel. Any updates to the Management Plan shall be submitted to the Division of Administration for record purposes as well as updating the management Plan located at the facility that is being leased. Failure by Lessor to maintain, update, and comply with any required Management Plan will cause automatic termination of the Lease effective three (3) months after written notice to Lessor of its failure to maintain, update, and comply with all required Management Plans.

ARTICLE XV. SUBORDINATION OF LESSOR’S LIEN

When requested by Lessee, Lessor shall execute a Subordination of Lessor’s Lien with respect to equipment in favor of a third party, whenever the third party is financing the acquisition of the equipment for the use by Lessee. Lessee will supply the document to be executed.

ARTICLE XVI. FISCAL FUNDING PROVISIONS

In the event that public funding for Lessee becomes inadequate to meet the obligations of this Lease (an “Event of Nonappropriation”), Lessee may terminate the Lease without any penalty assessed against Lessee therefore or, with Lessor’s consent, reduce the space provided and the rental due by giving three hundred sixty (360) days written notice to Lessor. The rental payment due when such a reduction in space is exercised shall be on the same terms and at the same rate per square foot as for the original space under the then current Lease. Lessee, at its sole discretion, shall determine for each fiscal year whether its legislative appropriation for such fiscal year includes sufficient moneys to enable the Lessee to perform its obligations under this Agreement. If the Lessee determines that the Legislature did not appropriate sufficient moneys to enable Lessee to perform its obligations for a particular fiscal year, Lessee shall, at the earliest possible date, adopt a resolution stating that there has been insufficient appropriation by the Legislature, and the adoption of the resolution shall constitute an event of non-appropriation for

purposes of this Agreement. Lessee agrees to notify the other Parties of the Event of Nonappropriation within thirty (30) business days of Lessee's adoption of such resolution.

ARTICLE XVII. MISCELLANEOUS

SECTION 17.1 AUDITS.

Lessee may, at its option and at its own expense, and during customary business hours, conduct internal audits of all of Lessor's and/or Lessor's agents' books, bank accounts, records and accounts of and pertaining to the Leased Premises or this Agreement or to any matter related thereto. Audits may be made by employees of Lessee, by the Louisiana Legislative Auditor, or by independent auditors retained by Lessee.

SECTION 17.2 NO MODIFICATION.

Neither this Lease nor the rights or duties of Lessor or Lessee under this Lease shall be changed, modified, waived, released or discharged in any way except by an instrument in writing signed, acknowledged and delivered by Lessor and Lessee.

SECTION 17.3 QUIET ENJOYMENT.

Lessor covenants that Lessee, upon payment of the Fixed Minimum Rent, Additional Rent and other sums due by Lessee hereunder, and upon the due performance of the covenants and agreements herein contained, shall and may, pursuant to the provisions of this Lease, at all times during the Term peaceably and quietly have, hold and enjoy the Leased Premises free from the claims of Lessor, or any persons.

SECTION 17.4 GOVERNING LAW.

This Lease shall be construed under and governed by the laws of the State of Louisiana, as they apply to contracts and agreements for the lease or rental of space for the housing of State agencies, their personnel, operations, equipment, or activities (see R.S. 39:1641, et seq.).

SECTION 17.5 PAYMENT OF FEES AND EXPENSES.

To the extent allowed by law, if either party shall be in default in the performance of any of its obligations hereunder and an action shall be brought for the enforcement thereof in which it shall be determined that there has occurred an Event of Default by the other party, the defaulting party shall pay to the non-defaulting party, on demand, all reasonable expenses incurred as a result thereof.

SECTION 17.6 SEVERABILITY.

If any term, covenant, condition or provision of this Lease, or the application thereof to any person or circumstances, shall be declared invalid, unenforceable or usurious by the final ruling of a court of competent jurisdiction, not subject to appeal, the remaining terms, covenants, conditions and provisions of this Lease, or the application of such term, condition, covenant or

provision to other persons or circumstances, shall not be affected thereby and shall continue to be enforced and recognized as valid agreements of the parties, and in the place of such invalid, unenforceable or usurious provision, there shall be substituted a like, but valid, enforceable or non-usurious provision which comports to the findings of the aforesaid court and most nearly accomplishes the original intention of the parties, as evidenced by this Lease.

SECTION 17.7 SUCCESSION.

Except as otherwise expressly provided herein, this Lease, and all of the terms, conditions, covenants, provisions and agreements herein contained shall be binding upon and inure to the benefit of Lessor and Lessee, and their respective successors and assigns and successors in title to the Leased Premises. The term "Lessor" shall include the successors and assignees of Lessor, and the term "Lessee" shall include the successors and assignees of Lessee, except where expressly provided otherwise.

SECTION 17.8 ESTOPPEL CERTIFICATES.

Lessee will at any time and from time to time execute and deliver to Lessor, or to the designee of Lessor, an estoppel certificate on the form of estoppel certificate provided by the Office of Facility Planning and Control, Division of Administration, State of Louisiana, which shall be in recordable form signed by a duly authorized representative of Lessee, certifying to any of the following which may be expressed on such form: (a) Lessee has not given Lessor written notice of any dispute between Lessor and Lessee, (b) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and certifying to the modifications which are to such certificate), (c) the dates, if any, to which the Fixed Minimum Rent, Additional Rent and other sums payable under this Lease have been paid, and (d) such other information as Lessor may reasonable requires. Any such certificate may be relied upon by any prospective purchaser of the Leased Premises.

SECTION 17.9 TIME OF THE ESSENCE.

In all respects time shall be of the essence during and with respect to the operation obligations of this Lease.

SECTION 17.10 REPRESENTATIONS OF AUTHORITY.

By the execution of this Lease, Lessor and Lessee each represent to the other that each is an entity validly existing, duly constituted and in good standing under the law of the jurisdiction in which it was formed and which it presently conducts business; and that the person signing this Lease on its behalf has due authorization to do so.

SECTION 17.11 ADVERTISEMENT.

Neither party shall make use of the other party's name, logo or marks without its prior written consent.

SECTION 17.12 AMENDMENT.

No amendment, modification, or alteration of the terms of this Lease shall be binding unless the same be in writing, dated on or subsequent to the date hereof and duly executed by the parties hereto.

SECTION 17.13 NONDISCRIMINATION, EMPLOYMENT AND WAGES.

Any discrimination by Lessor, or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Lease, is prohibited.

SECTION 17.14 CONFLICT OF INTEREST.

Lessor certifies (and this Lease is made in reliance thereon) that neither the Lessor nor any person having an interest in this Lease by, through or under the Lessor, is an officer of Lessee or is affiliated in any way with Lessee, other than John L. George, President of Lessor and Robert Barish, Chancellor of Louisiana State University Medical Center in Shreveport and Board Member of Lessor.

SECTION 17.15 LESSEE'S OBLIGATIONS AT THE END OF THE TERM.

At the expiration of the Term, Lessee shall peaceably yield up to Lessor the Leased Premises in such repair as at the commencement of the Term, reasonable wear and tear and the use thereof and casualty excepted, and Lessee may, within a period of thirty (30) days thereafter, remove all of Lessee's property which it has installed or placed on the Leased Premises during the Term of this Lease, repairing any damage to the Leased Premises caused by such removal.

SECTION 17.16 COUNTERPARTS.

This Lease may be signed in several counterparts, each of which shall be deemed an original, but all of which constitute one and the same instrument.

SECTION 17.17 ENTIRE AGREEMENT AND CANCELLATION OF EXISTING LEASE.

This Lease, and the exhibits attached hereto, contain the final and entire agreement between the parties hereto with respect to the Leased Premises and contain all of the terms and conditions agreed upon with respect thereto, and no other agreements, oral or otherwise, regarding the subject matter of this Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition or representations not herein written.

The parties hereby agree that the Existing Lease shall terminate as of the Effective Date of the instant Agreement, and, as of the Effective Date of the Agreement, the Existing Lease shall no longer be valid and binding on the parties hereto.

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Signature Page for
Lease of the Virginia K. Shehee Biomedical Research Institute to
Board of Supervisors of Louisiana State University and Agricultural
and Mechanical College for the Benefit of
Louisiana State University School of Medicine in Shreveport

IN WITNESS WHEREOF, the parties hereto have signed their names on the dates listed below in the presence of the undersigned competent witnesses:

WITNESSES:

Cynthia Jackson
Printed Name: CYNTHIA JACKSON

R. Dawn Banks
Printed Name: R. Dawn Banks

WITNESSES:

Printed Name: _____

Printed Name: _____

LESSOR:

BIOMEDICAL RESEARCH FOUNDATION OF
NORTHWEST LOUISIANA

By: James D. Dean
James D. Dean, Executive Vice President

Date: 9/30/13

LESSEE:

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

By: _____
F. King Alexander, President

Date: _____

APPROVED:
OFFICE OF THE GOVERNOR
DIVISION OF ADMINISTRATION

By: [Signature]

Signature Page for
Lease of the Virginia K. Shehee Biomedical Research Institute to
Board of Supervisors of Louisiana State University and Agricultural
and Mechanical College for the Benefit of
Louisiana State University School of Medicine in Shreveport

IN WITNESS WHEREOF, the parties hereto have signed their names on the dates listed below in the presence of the undersigned competent witnesses:

WITNESSES:

Printed Name: _____

Printed Name: _____

WITNESSES:

Kay Miller
Printed Name: Kay Miller

Debbie Richards
Printed Name: Debbie Richards

LESSOR:

BIOMEDICAL RESEARCH FOUNDATION OF
NORTHWEST LOUISIANA

By: _____
James D. Dean, Executive Vice President

Date: _____

LESSEE:

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

By: F. King Alexander
F. King Alexander, President

Date: 9 / 30 / 13

APPROVED:

OFFICE OF THE GOVERNOR
DIVISION OF ADMINISTRATION

By: [Signature]

Exhibit 1

