COOPERATIVE ENDEAVOR AGREEMENT

BY AND AMONG

SOUTHERN REGIONAL MEDICAL CORPORATION;

HOSPITAL SERVICE DISTRICT NO. 1
OF THE PARISH OF TERREBONNE;

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

THE STATE OF LOUISIANA
THROUGH THE DIVISION OF ADMINISTRATION;

THE LOUISIANA DIVISION OF ADMINISTRATION;

AND

THE LOUISIANA DEPARTMENT OF HEALTH & HOSPITALS.

DATED JUNE 23, 2013

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COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT ("CEA" or "Agreement") is made and entered into this 23rd day of June, 2013 ("Effective Date"), by and among the Hospital Service District No. 1 of the Parish of Terrebonne, a body corporate created pursuant to La. R.S. 46:1051 et seq. ("Terrebonne"); Southern Regional Medical Corporation, a Louisiana nonprofit corporation in which Terrebonne is the sole Member ("SRMC"); Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU"); the Louisiana Division of Administration ("DOA"); and the State of Louisiana through the Division of Administration (the "State"). The Louisiana Department of Health & Hospitals ("DHH") joins in execution of this Agreement solely for purposes of consenting and agreeing to the terms set forth in Section 4.8 and Articles VIII, XI, XIV, XV, XVII, and XVIII. Terrebonne, SRMC, DHH, LSU, DOA, and the State are referred to together as the "Parties," and each, a "Party." Capitalized terms shall have the meanings set forth on Appendix 1.

RECITALS

WHEREAS, the State, through public and private educational institutions, facilities and health providers, has long endeavored to create and maintain a system of medical education and training of the highest quality while also providing the highest quality of health care services to all citizens of the State;

WHEREAS, it is a collective goal of the Parties to enhance the stability and competitiveness of Louisiana's medical education and training programs so that Louisiana is

positioned to continue to attract the most talented faculty, students, residents and other medical professionals;

WHEREAS, a highly competitive academic and training environment furthers the additional goal of the Parties to leverage the research capabilities of the State's public and private educational institutions, facilities and health providers;

WHEREAS, sustainable partnerships among health providers and LSU are necessary to optimize the medical training resources available in the State and to ensure that sufficient numbers of qualified health care professionals exist to address the current and future health care needs of the State;

WHEREAS, the State has traditionally relied on a state-wide public hospital system, most recently owned and operated by LSU pursuant to constitutional and statutory authority, to (i) provide health care to the State's uninsured and high-risk Medicaid populations, as well as inmate care, and (ii) serve as the primary training sites for LSU's medical education programs;

WHEREAS, the state-wide public hospital system is financially unsustainable, compromising LSU's and the State's ability to provide medical education opportunities, a full range of clinical services to all Louisiana citizens, including the uninsured and Medicaid high-risk populations, and to promote clinical research and other advances in health care;

WHEREAS, the State's health care reform effort has focused on ways to remodel the delivery of care through partnerships and cooperative efforts between the public and private sectors;

WHEREAS, LSU owns the hospital building and related facilities (the "Facility") in which LSU operates the hospital known as Leonard J. Chabert Medical Center in Houma, Louisiana, having a Medicare Provider Number 190183 (the "Hospital");

WHEREAS, the mission of the Hospital is to serve the community, the State, and the region, and its public and private academic institutions, as a site for graduate medical education to enrich the State's health care workforce, committed to its historical mission of providing care to the State's vulnerable populations, in which all Parties are aligned in their focus on key clinical service lines as the means to provide the patient-centered, data-driven, evidence-based health care required for a sustainable business model in the twenty-first century as the State and country undergo health care reform;

WHEREAS, Terrebonne has extensive experience in public, nonprofit hospital operations and finances and is committed to the charitable clinical, teaching, and research missions in the communities it serves;

WHEREAS, to maintain the viability of Hospital operations, its current range of patient care services and programs, and protect and enhance the Hospital's vital role in the community, the Parties desire to immediately bring Terrebonne's financial, operational, and relationship and other expertise and resources to the Hospital for the mutual benefit of the State, LSU, and the Medically Indigent, low-income, needy, inmate, and other populations the Hospital serves, by entering into a series of transactions in which (i) Terrebonne and SRMC, either individually or through a Manager, will take possession, use, and occupancy of the Facility and assume responsibility for Hospital operations in accordance with and subject to the terms and conditions of this CEA, (ii) Terrebonne and SRMC will purchase from LSU consumable inventory necessary for the continued operations of the Hospital; and (iii) Terrebonne and SRMC will commit to supporting LSU's academic, clinical, and research missions at the Hospital in accordance with this CEA (collectively, the "Contemplated Transactions");

WHEREAS, among other things, this CEA and the Contemplated Transactions will afford Terrebonne the opportunity to extend its management abilities and mission to additional hospital facilities serving South Central Louisiana (the "Region"), access and support a robust clinic infrastructure, create innovative health care delivery systems (such as accountable care organizations), and facilitate greater clinical integration across a broader base of providers in the Region, all of which will serve to expand and diversify Terrebonne's services to better serve its patient populations and the patient population of the Region;

WHEREAS, among other things, this CEA and the Contemplated Transactions will: (i) stabilize and enhance the medical education and training experiences and opportunities available to LSU students and residents, as well as students and residents of other educational institutions; (ii) optimize the training resources to build the State's health care workforce and further the health care enterprise in the State; (iii) based on available and reasonable means of financing, provide better access to a full range of clinical care services to the uninsured and high risk Medicaid populations; (iv) attract private and publicly financed third-party payments in order to compete in the health care marketplace; and (v) promote better health care for Louisiana citizens through an evidence-based, outcomes-driven, integrated delivery system focused on high quality, cost-effective health care;

WHEREAS, Terrebonne is willing and desires to participate with the other Parties hereto to provide the financial resources, operational expertise, and other necessary resources, and to take steps to ensure that the Hospital continues to: (i) serve as a safety-net hospital and play a central role in providing health care services to the uninsured and high-risk Medicaid populations; (ii) provide services that might not otherwise be available in the community; (iii) preserve the quality of medical education in the State through medical training partnerships and

academic affiliations with LSU; and (iv) prevent the major reductions currently contemplated for the Hospital and their devastating effects on LSU's academic programs in the health sciences and patient access to clinical care;

WHEREAS, Hospital is a Major Teaching Hospital in the State of Louisiana, housing at least 24 graduate medical education positions (also referred to herein as "Residency Positions"), and is currently the primary site at which LSU provides medical care to patients in the Region as required by Louisiana law;

WHEREAS, the Centers for Medicare and Medicaid Services ("CMS") provides, pursuant to the rules at 42 C.F.R. §§ 413.75 - 413.79 and 42 C.F.R. § 412.105, for direct graduate medical education ("DGME") payments and indirect medical education ("IME") reimbursement, to compensate Hospital for certain costs associated with the Residency Positions at Hospital;

WHEREAS, those DGME and IME payment rules establish "caps" on the number of residency positions that are reimbursable but allow the caps (the "Residency Caps") to be shared among and/or affiliated to other hospitals under certain circumstances;

WHEREAS, in order for LSU to continue to effectively provide the LSU GME Programs, LSU desires to transfer certain Residency Caps to SRMC or Terrebonne;

WHEREAS, the Parties recognize that Terrebonne's support of SRMC in its possession, use, and occupancy of the Facility and ownership of SRMC will include the commitment and the assumption of significant financial and operational investments by Terrebonne, and Terrebonne desires to assure SRMC's financial resources remain adequate to provide health services in the Region, including to the low-income, needy, Medically Indigent, uninsured, and inmate populations;

WHEREAS, it will be necessary for the Hospital to be operated in a manner consistent with the best practices of similar institutions and it must function responsibly as an independent entity;

WHEREAS, the Parties recognize the importance of and desire to ensure the continued provision of charitable care at the Hospital within the limitations described in this CEA;

WHEREAS, the State, DOA, and DHH will exercise best efforts to obtain adequate appropriations to fund the State Payment, subject to funding by the State Legislature, which they will take reasonable steps to obtain;

WHEREAS, the Louisiana Constitution in Article VII, Section 14(C), permits the State and its political subdivisions or political corporations to engage in cooperative endeavors with any public or private association, corporation, or individual;

WHEREAS, the Parties desire to enter into this CEA, as well as related agreements, to facilitate and advance the goals recited herein;

WHEREAS, in addition to this CEA and the Exhibits hereto, LSU, SRMC and Terrebonne will enter into a Right of Use Agreement to grant Terrebonne and SRMC possession, use, and occupancy of the Facility and Equipment, and a Master Collaborative Agreement (the "MCA") to address ancillary matters related to the Contemplated Transactions;

WHEREAS, the Parties recognize this CEA shall be subject to presentation and review by, and any required approval of, the Louisiana Legislature's Joint Legislative Committee on the Budget in accordance with law;

WHEREAS, the Parties intend the Contemplated Transactions will reduce the need for State General Funds expenditures below those previously contemplated;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I.
STATEMENT OF PUBLIC PURPOSE

Section 1.1 Public Purpose. In accordance with Article VII, Section 14(C) of the Constitution of the State of Louisiana, the Parties enter into this CEA for the public purpose of creating an integrated health care delivery system in which the Parties continuously work in collaboration and are committed and aligned in their actions and activities, in accordance with a sustainable business model, to serve the State and its citizens: (i) as a site for graduate medical education, capable of competing in the health care marketplace, with the goal of enriching the State's health care workforce and their training experience; (ii) in assuring access to Safety Net Services to all citizens of the State, including the Medically Indigent, high risk Medicaid and prisoner populations; and (iii) by focusing on and supporting the Core Services and Key Service Lines necessary to assure high quality medical education training and access to Safety Net Services.

Section 1.2 Monitoring. LSU shall designate an individual (the "Contract Monitor") to be responsible for monitoring compliance with this Agreement in accordance with Executive Order BJ 08-29. The Contract Monitor shall implement a plan that includes regular data collection, review, and reporting, consistent with the terms of this Agreement, which will provide for accountability to the public purpose as set forth in this Article I. The Contract Monitor shall regularly report such findings to the LSU Vice President for Health Care.

ARTICLE II.
MANAGEMENT AGREEMENT

Section 2.1 Appointment of Manager. Terrebonne and SRMC may enter into a separate Management Agreement with a third-party entity experienced in hospital operations (the "Manager"), pursuant to which Terrebonne and SRMC cause Manager to operate and manage the Hospital in conformity with the terms of this CEA.

Section 2.2 LSU's Approval Rights. In the event that Terrebonne and SRMC desire to enter into a Management Agreement with a Manager, they shall provide advance written notice of same to LSU, which notice shall: (i) identify the proposed Manager, (ii) set forth in reasonable detail the experience, qualifications, and capacity of the proposed Manager to operate the Hospital consistent with the terms of this CEA, and (iii) include a copy of the proposed Management Agreement. LSU shall then have sixty (60) days in which to approve or disapprove the Manager and to approve or disapprove the Management Agreement for compliance with this CEA, all of which approval shall not be unreasonably withheld or delayed. Notwithstanding anything contained herein to the contrary, LSU and all other Parties hereby approve of the appointment as Manager by Terrebonne and SRMC of Chabert Operational Management Company, L.L.C., a Louisiana limited liability company in which Ochsner Clinic Foundation is the sole member, or of any other wholly-owned, non-profit subsidiary of Ochsner Clinic Foundation; provided, however, that LSU reserves the right as set forth above to approve the proposed Management Agreement between Terrebonne, SRMC, and Chabert Operational Management Company, L.L.C., or such other entity.

Section 2.3 Required Content. Any Management Agreement shall without limitation obligate the Manager to: (a) operate the Hospital in conformity with the terms of this CEA, including without limitation the provisions regarding the Public Purpose, medical education,

research support, patient care for the Medically Indigent, the uninsured, and medically complex and high-risk Medicaid patients, inmate care, Core Services, Key Service Lines, and telemedicine; (b) continue operating the Hospital during any applicable Wind Down Period as set forth in Section 15.10, unless the Manager terminates the Management Agreement for failure to receive the compensation payable under the Management Agreement approved by LSU as set forth in Section 2.2 above.

Section 2.4 No Assignment / No Release. The execution of a Management Agreement by Terrebonne and SRMC shall not be considered an assignment of any interest in this CEA and the Contemplated Transactions, nor shall it operate to relieve Terrebonne and SRMC of any of their obligations, commitments, covenants, or responsibilities hereunder and thereunder unless expressly agreed to in writing by LSU.

ARTICLE III.
MEDICAL EDUCATION AND RESEARCH SUPPORT

Section 3.1 Academic Affiliations with LSU. Recognizing the special character of a teaching hospital, including the vital role the Hospital plays in medical education, research, and patient care, and the vital role LSU plays and will play in the Hospital's viability, and the interdependence between the Hospital and LSU, Terrebonne and SRMC will each enter into separate Academic Affiliation Agreements ("AAA") with LSU that set forth the terms and conditions upon which Terrebonne, SRMC and LSU specifically agree and will collaborate to strengthen LSU, the Hospital, and their respective programs. The AAAs will provide that (i) LSU maintains ultimate authority over its academic programs, policies, and procedures as they directly relate to the LSU faculty, residents, and students, and (ii) Terrebonne and SRMC maintain ultimate authority over the business, management, policies, operations, and assets of their hospitals.

(a) Academic Autonomy. Subject to the terms of the AAA, LSU will retain discretion to determine how to develop and where to place its research and education programs, including their clinical components. The LSU Board, administration, and various academic deans will retain authority over educational policy, curriculum design, educational program leadership, research policy, academic appointments, and all other academic policy matters. The AAA shall not impinge on LSU's academic integrity and independence; provided, however, that the AAA shall provide that Terrebonne and SRMC reserve the right to require LSU to withdraw or remove LSU faculty or students from their respective hospitals if, in the reasonable determination of Terrebonne/SRMC, as applicable, the LSU faculty or student: (i) fails to act in a professional manner; (ii) displays conduct that is disruptive, unprofessional, or harassing, including, but not limited to, conduct which is sexual in content or orientation; (iii) practices in a manner that interferes with the orderly and efficient rendering of services by Terrebonne/SRMC or by other practitioners at Terrebonne/SRMC; (iv) fails to work cooperatively with others at Terrebonne/SRMC; (v) fails to conform to the applicable policies, guidelines, and regulations of Terrebonne/SRMC; or (vi) any other events set forth in the AAA.

(b) Research Support. The AAA will address a method for determining Hospital support for LSU's research activities, including, without limitation, infrastructure support for funded research grants, access to data, Institutional Review Board (IRB) support, and, potentially, upon agreement of Terrebonne and SRMC, Hospital funding of LSU faculty research.

(c) Intellectual Property. The AAA will include provisions to address the ownership and use of intellectual property between Terrebonne and LSU.

(d) Residency Positions. LSU shall take such actions necessary to dedicate a minimum of 24 full time equivalent residency positions in the LSU GME Programs identified on Schedule 3.1 (the "Collaborative Residency Positions") to be affiliated with Terrebonne or SRMC and will allocate not less than 24 full-time equivalent Residency Caps with such Collaborative Residency Positions. To the extent Collaborative Residency Positions are assigned to Terrebonne, Terrebonne shall collaborate with supervision faculty to transfer or assign the Residency Caps associated with the Collaborative Residency Positions to Terrebonne such that Terrebonne will be entitled to Medicare DGME and IME payments for such Collaborative Residency Positions, as more specifically agreed upon in the AAA. The Parties will use their best efforts to collaboratively develop and grow the LSU GME Programs to result in nationally recognized GME Programs and a center of excellence for clinical education of residents and fellows. Subject to the other terms and conditions of this Agreement, LSU will assign the Collaborative Residency Positions to Terrebonne and SRMC no later than the GME Program Start Date.

ARTICLE IV.
COMMITMENTS TO PATIENT CARE

Section 4.1 Care for the Medically Indigent and Uninsured. Recognizing (i) the State's historical commitment to providing free or reduced cost health care to the uninsured and Medically Indigent populations, and (ii) LSU's mission of providing access to high quality medical care for all patients, including the Medically Indigent and uninsured populations, within available financing and approved budgets, and (iii) the need to support LSU's education and training mission and (iv) LSU's agreement to make the Facility and Equipment available to Terrebonne and SRMC without monetary rent, Terrebonne and SRMC agree, subject to receipt

of the State Payment as provided in Article VIII, to provide free or reduced cost health care to Medically Indigent and uninsured patients of the Hospital in accordance with a charity care policy that is consistent in all material respects with LSU Policy Number 2525-12 attached as Exhibit 4.1, the current policy for determining eligibility for free or reduced cost health care services at the Hospital, and shall not be amended without the mutual agreement of the Parties.

Section 4.2 Care for High-Risk Medicaid Patients. Recognizing LSU's traditional role as a high-volume provider of health care services to patients covered by Medicaid, particularly medically complex and otherwise high-risk Medicaid patients, Terrebonne, SRMC and LSU will assure that the Core Services and Key Services Lines as described in this Article IV are available to high-risk Medicaid patients in accordance with the terms of this CEA.

Section 4.3 Department of Corrections. Subject to its receipt of reasonable and appropriate cost reimbursement from the Louisiana Department of Corrections ("DOC"), Terrebonne and SRMC, with the support of LSU, will provide medically necessary health care to the patients in the custody of DOC and housed in the Region. In the event Terrebonne and SRMC do not receive reasonable and appropriate cost reimbursement, they may suspend the provision of health care services to DOC patients, and the State shall arrange for alternative sources of medically necessary health care until such time as reasonable and appropriate cost reimbursement is provided to Terrebonne and SRMC for such medically necessary services. Suspension of care to DOC patients due to lack of reasonable and appropriate cost reimbursement for such services shall not constitute a violation of this CEA. Terrebonne and SRMC will use commercially reasonable efforts to provide that telemedicine capability is available to LSU in accordance with Section 4.6 for use in providing cost-effective, medically necessary health care to DOC patients.

Section 4.4 Core Services. The Parties acknowledge and agree that the services identified on Exhibit 4.4 are core services ("Core Services") currently being provided to the Region through the Hospital, and that SRMC and Terrebonne shall continue to provide the Core Services through the Hospital or other facilities in the community on and after the Commencement Date, subject to the terms of this CEA, including receipt of the State Payment. Except for reasons of (i) Terrebonne's and SRMC's inability to reasonably obtain qualified professional staff through LSU or other resources, or (ii) a lack of State Payment, Terrebonne and SRMC will not unilaterally discontinue any Core Services currently provided at or through the Hospital. Notwithstanding the foregoing, the Core Services and Exhibit 4.4 may be amended in the future to add or delete a Core Service by mutual agreement of LSU, Terrebonne and SRMC based on community need, patient access, cost, available resources, and other relevant considerations.

Section 4.5 Key Service Lines. The Parties acknowledge and agree that the clinical service lines identified on Exhibit 4.5 ("Key Service Lines") are critical not only to comprehensive patient care, but also to the Hospital's mission of providing robust medical education and clinical research experiences. LSU, Terrebonne and SRMC agree that, subject to receipt of the State Payment as set forth herein, the Hospital will offer a baseline of services in the Key Service Lines at least at the level and scope provided at the Facility on the Commencement Date as agreed upon by Terrebonne, SRMC and LSU ("Key Service Baseline"), and Terrebonne and SRMC will work collaboratively with LSU to grow the Key Service Lines above the Key Service Baseline, provided there is funding and/or a financially sustainable payer mix sufficient to support such growth. Terrebonne and SRMC will not eliminate or substantially reduce a Key Service Line below the Key Service Baseline without first consulting LSU and

engaging in the Collaborative Process, taking into account medical education needs, services available at other Terrebonne facilities, community needs, and other relevant factors.

Section 4.6 Telemedicine. Terrebonne and SRMC will maintain the infrastructure, such as nursing support, space, and scheduling, of telemedicine services provided at the Facility in order to continue providing cost-effective care to DOC patients as provided in Section 4.3, as well as other patients in remote locations, and will take reasonable steps to sustain and improve the Hospital's telemedicine program. LSU may provide the physician support, and Terrebonne and SRMC, subject to receipt of the State Payment, will provide the infrastructure support necessary to maintain the Hospital's telemedicine program at least at the level provided as of the Commencement Date. LSU, Terrebonne and SRMC will collaborate to grow the Hospital's telemedicine program, provided that a sustainable business model can be created and subject to receipt of the State Payment as set forth herein, to serve patients in remote locations.

Section 4.7 Closure; Reduction of Services. Except as otherwise provided in this Agreement, neither Terrebonne nor SRMC will close the Hospital and the Hospital's emergency room unless such closure is approved by the Louisiana Legislature. Neither Terrebonne nor SRMC will reduce health care services provided by the Hospital in any manner which (i) would cause the Hospital's expenditures to be reduced on an annualized basis by greater than thirty-five percent (35%) of the previous fiscal year actual spending level; or (ii) if Terrebonne or SRMC reduces services at the Hospital by greater than fifteen percent (15%) in any one year, subject to its receipt of the State Payment, neither Terrebonne nor SRMC will reduce services at the Hospital by more than fifteen percent (15%) in any year for the next three (3) years unless such reduction is approved by the Louisiana Legislature.

Section 4.8 DHH Cooperative Endeavor with Terrebonne. DHH recognizes that, due to cutbacks at the Hospital in the past years and the pending transition from LSU to SRMC, Terrebonne provides significant services, and will provide even more, to the low-income and needy population in the Houma catchment area. Therefore, DHH shall make Medicaid supplemental payments to Terrebonne up to Terrebonne's federal entitlement as defined at Section 447.271 of Title 42 of the Code of Federal Regulations, as amended, either pursuant to a current supplemental payment program under which Terrebonne can qualify for such payment or through an amendment to the Louisiana Medicaid State Plan enabling such payment; provided, however, that the nonfederal share for such payment is provided to DHH by Terrebonne and that the funds Terrebonne uses for this payment constitute "Public Funds" as defined in Section 433.51 of Title 42 of the Code of Federal Regulations, as amended. DHH and the State further agree that if the Louisiana Medicaid State Plan or if a Medicaid or disproportionate share or upper payment limit cap would cause the new net funds received by Terrebonne under this provision (calculated as the total supplemental payments received in a year less the intergovernmental transfers made by Terrebonne) to be less than $4,675,000 in any given quarter (totaling $18,700,000 annually with such amounts to be adjusted annually by the MCPI) then the State shall pay Terrrebonne such shortfall by other means.

ARTICLE V.
FACILITIES AND EQUIPMENT

Section 5.1 Terrebonne's and SRMC's Possession, Use, and Occupancy of Facility and Equipment. In consideration of the commitments and obligations of SRMC and Terrebonne set forth herein, including but not limited to the commitments and obligations of Terrebonne and SRMC under Article IV, LSU agrees to take all the necessary actions required to transfer possession, use, and occupancy of the Facility and all furniture, fixtures, and equipment

contained therein (the "Equipment") to Terrebonne and SRMC as of the Commencement Date, free of any liens, claims, security interests, charges, privileges, pledges, mortgages, deeds of trust, or encumbrances, except as may be further described therein. The Right of Use Agreement shall contain any limitations on use of the Facility and Equipment, along with provisions for the maintenance and repairs of the Facility and Equipment, utilities and insurance. Once executed, the Right of Use Agreement shall be attached to this CEA as Exhibit 5.1.

Section 5.2 Medicare and Medicaid Provider Numbers. As of the Commencement Date, LSU agrees to assign, and SRMC agrees to assume, the following: (a) the Medicare Provider Agreement (the "Medicare Provider Agreement") and corresponding Medicare Provider Number 191083 (the "Medicare Provider Number"); and (b) the Medicaid Provider Agreement (the "Medicaid Provider Agreement") and corresponding Medicaid Provider Number 1739227 (the "Medicaid Provider Number"). The Parties shall cooperate and file all necessary documents and forms with CMS through Novitas Solutions, Inc., as well as all required forms with the Louisiana Department of Health and Hospitals, to ensure the transfer and assignment of the Medicare Provider Number, the Medicare Provider Agreement, the Medicaid Provider Number, and the Medicaid Provider Agreement to SRMC.

ARTICLE VI.
CONSUMABLES AND INVENTORY

Section 6.1 Purchase of Inventory. All usable inventories of supplies, drugs, food, and other disposables that are necessary for the operation of the Hospital and that are on hand at the Facility as of the Commencement Date will be transferred to Terrebonne and SRMC for fair market value pursuant to the terms and conditions set forth in the Master Collaborative Agreement.

ARTICLE VII.
HOSPITAL EMPLOYEES

Section 7.1 Employee Matters.

(a) Termination of Employment by LSU. Subsequent to the execution of this CEA by all Parties, LSU will file a layoff plan (the "Layoff Plan") with the Louisiana Civil Service Commission that will provide for LSU's Hospital employees ("LSU Personnel") to be laid off as LSU employees, subject to the approval of the Civil Service Commission, as of 11:59 p.m. on the day before the Commencement Date.

(b) Offers of Employment. All LSU Personnel may apply to SRMC, Terrebonne, or Manager for employment, and SRMC, Terrebonne, or Manager, as applicable, may, in its discretion, offer employment to LSU Personnel. At any time prior to the Commencement Date, Terrebonne, SRMC and Manager may communicate with any of the LSU Personnel currently employed in the operation of the Hospital to the extent necessary to allow LSU Personnel to apply for employment and to allow Terrebonne, SRMC, and Manager, as applicable, to offer employment to LSU Personnel in accordance with this Section. LSU shall further permit Terrebonne, SRMC and Manager, as applicable, to access and communicate with any and all LSU Personnel regarding the continued operations of the Hospital as necessary and in order to ensure an effective transition of operations of the Hospital to SRMC.

(c) SRMC Terms and Conditions of Employment. SRMC shall retain full discretion regarding the terms of employment, job classifications and job descriptions for any LSU Personnel subsequently employed at the Chabert Facility in accordance herewith. Notwithstanding the foregoing, SRMC shall establish a reasonable means through which LSU Personnel may apply for employment. Any LSU Personnel electing

to accept offers of employment at SRMC shall be employed subject to terms and conditions established by SRMC.

(d) Employee Assistance. Prior to the Commencement Date, LSU shall arrange for the Louisiana Workforce Commission ("LWC") to host a job fair at the Facility. Terrebonne, SRMC, Manager, and their agents, as well as other public and private sector employers, may conduct on-site interviews at the job fair. LSU may arrange for Louisiana Rehabilitation Services within the LWC to participate in the job fair and provide individual assistance and guidance to employees in response to the implications of an impending layoff. Other agencies or entities that may participate in the job fair include (i) the LaChip program within DHH to inform and offer assistance and services to LSU Personnel that may qualify; (ii) the Louisiana State Employees Retirement System; and (iii) banking institutions and credit unions. LSU will provide LSU Personnel with a "Frequently Asked Questions" document regarding the civil service process, retirement benefits and health benefits.

(e) LSU Wages, Other Compensation, and Employee Benefits. LSU shall retain all liabilities and obligations in respect of past, present, and future employees of LSU, including but not limited to LSU Personnel, for wages and other compensation under any LSU Benefit Plans and under applicable Laws. Without limiting the generality of the foregoing, neither SRMC, Terrebonne nor Manager shall have any liability or obligation whatsoever under any LSU Benefit Plans and/or for any wages and other compensation that may be due to LSU Personnel including any past, present and future employees of LSU.

Section 7.2 Hospital Residency Program. The Parties acknowledge that the Hospital directly operates its own internal medicine residency training program and that the residents in that program are Hospital employees who will be laid off as set forth above in Section 7.1. It is the intent of the Parties that these residents will secure employment with South Louisiana Medical Associates ("SLMA") and continue their training in the aforementioned Hospital residency program, and LSU, Terrebonne and SRMC will use their best efforts to assist therewith; provided, however, that this provision is not intended and shall not be interpreted to create any third-party beneficiary rights or any stipulation pour autrui.

ARTICLE VIII.
STATE PAYMENT

Section 8.1 Terrebonne Funding. Terrebonne will support the provision of low-income and needy care patients in the Chabert catchment area by contributing an annual amount of Seventeen Million Six Hundred Forty-One Thousand Three Hundred Forty-Six Dollars ($17,641,346) in Public Funds as the nonfederal share of Medicaid supplemental payments of Forty-Five Million Two Hundred Twenty-One Thousand Thirty-Six Dollars ($45,221,036) in Medicaid disproportionate share hospital ("Medicaid DSH") program or Medicaid supplemental payments, subject to its hospital specific limit, as calculated in accordance with Section 1923(g) of the Social Security Act, as amended, codified at Section 1396r-4(g) of Title 42 of the United States Code (the "Hospital Specific Limit"). In the event SRMC's Hospital Specific Limit is not sufficient to enable it to receive these funds, then SRMC will assess the outpatient migration of the low-income and needy population resulting from historical cuts to LSU's budget and the transition of the Hospital from State ownership and other factors including, but not limited to, the low-income and needy services provided by other hospitals collaborating with SRMC to serve the low-income and needy population below cost and, in SRMC's sole discretion, direct

Terrebonne to use some or all of the remainder of the Public Funds contemplated above as the nonfederal share of Medicaid supplemental payments to support services provided to the low-income and needy population at the hospital or hospitals SRMC determines are appropriate to receive such payments; provided, however, that the hospital or hospitals chosen by SRMC qualify to receive the funds under the current or amended Louisiana Medicaid State Plan.

Section 8.2 In General. SRMC shall serve as a major safety-net Medicaid provider in the Region. In light of its role in ensuring the availability of health care services to the Medicaid population, including high risk Medicaid patients that present for treatment, DHH shall use Twelve Million Two Hundred Seventy Five Thousand Five Hundred Three Dollars ($12,275,503) in State general funds to make Medicaid supplemental payments to SRMC of Thirty-One Million Four Hundred Seventy Thousand Four Hundred Thirty-Eight Dollars ($31,470,438), subject to its Hospital Specific Limit. In the event that SRMC's individual Hospital Specific Limit is not sufficient to receive this full amount, SRMC will assess the patient outmigration patterns resulting from State budget cuts, the transition of the Hospital and other factors as well as analyze the low-income and needy services provided by other hospitals in its catchment area and with whom SRMC is collaborating and may, in SRMC's sole discretion, direct DHH to pay the remainder of said amount to the hospital or hospitals of its choice; provided, however, that the hospital qualifies for supplemental payments under the Louisiana Medicaid State Plan.

Section 8.3 Adjustment for State Support. All Parties agree that the combined Medicaid supplemental payments emanating from the support of Terrebonne and DHH will equal approximately Seventy-Six Million Six Hundred Ninety-One Thousand Four Hundred Seventy-Four Dollars ($76,691,474) in each State Fiscal Year of the CEA. If, due to reductions

in the federal medical assistance percentage ("FMAP") or other factors such as Medicaid managed care expansion, the State reaching its aggregate funding cap under federal law as defined in Section 1923 of the Social Security Act, as amended, or in Section 447.272 of Title 42 of the Code of Federal Regulations, implementation by the State of a new hospital tax or assessment or any other factor within the control of the State the total Medicaid supplemental payments contemplated in this Article VIII are reduced by more than five percent (5%), then the State will increase its support of SRMC to ensure that the total funds equal one hundred percent of the agreed amount.

Section 8.4 MCPI Adjustment. Notwithstanding anything to the contrary in this Agreement, all funding obligations under this Agreement shall be adjusted annually for changes in the MCPI. Funding under this Article VIII shall be separate and apart from any payments SRMC may receive as Medicaid fee-for-services reimbursement from DHH or any reimbursement from the DOC for the provision of services to persons in the custody of DOC.

Section 8.5 Payment Timing. Within ten (10) business days of the start of each State Fiscal Quarter, DHH shall cause a payment to be made to Terrebonne equal in amount to one-fourth of the State Payment mentioned above, through any permissible means consistent with applicable law. In the event the Commencement Date is a day earlier than July 1, 2013, DHH agrees to adjust the first State Payment on a pro rata per day basis to account for any "stub period" days. In the event the Commencement Date occurs after July 1, 2013, the adjustment for the first quarter State Payment will result in a reduction in the amount payable utilizing the same methodology above.

(a) If Terrebonne contributes the nonfederal share for Medicaid supplemental payments to SRMC or another affiliated hospital, DHH shall ensure that the hospital

receives the maximum amounts of Medicaid payments it is individually entitled to receive under federal law.

(b) In the event Terrebonne's Medicaid supplemental entitlement exceeds the State Payment amount in any year, Terrebonne may receive its remaining Medicaid supplemental entitlement if it contributes the nonfederal share required for such reimbursement.

Section 8.6 No Diminution in System Funding. The State, acting through DOA and DHH, warrants that the payment of the funds required by this Agreement shall not result in a diminution in funding to Terrebonne or any of its Affiliates, unless any such diminution in funding is applicable to all similarly situated non-state owned private hospitals in the State of Louisiana. A violation of this Section 8.6 shall constitute a Potential Terminating Breach and Terrebonne will have the option to initiate termination of the Agreement in accordance with Article XV.

Section 8.7 Funding Methodology. So long as the assumptions of DHH and Terrebonne in determining required funding under this Agreement, including utilization, payor sources and anticipated patient volume, remain the same with respect to SRMC's operation of the Hospital, Terrebonne and DHH will continue to use the funding requirements set forth herein for services provided under this Agreement. If such assumptions change, Terrebonne or DHH may request that the funding be modified. In that case, such Party will provide the other Party and LSU with written notice (a "Funding Adjustment Notice") of such request, which notice shall include an explanation of why such Party has determined the funding is not applicable and describe the adjustments to the methodology it proposes. DHH and Terrebonne shall engage in good faith negotiations for a period of fifteen (15) Business Days in an attempt to agree on any

proposed adjustments of the funding. If DHH and Terrebonne agree on the adjustments to the funding, such adjusted funding shall be used and the Parties shall execute and deliver an amendment to this Agreement to reflect such funding adjustments. If DHH and Terrebonne do not agree on any proposed adjustments to the funding within such fifteen (15) Business Day period, either of DHH or Terrebonne will be entitled to immediately provide a written notice of termination to the other Parties, in which case this Agreement will automatically terminate, subject to the Wind Down Period. During the remainder of the Term, the methodology and rules for the funding in place immediately before the Funding Adjustment Notice shall continue to apply.

ARTICLE IX.
MASTER COLLABORATIVE AGREEMENT

Section 9.1 In General. Subsequent to the execution and consistent with the terms of this CEA, but prior to the Commencement Date, LSU, Terrebonne and SRMC will enter into a Master Collaborative Agreement ("MCA") to address key operational issues related to the transition of the Hospital from LSU to Terrebonne and SRMC in accordance with this CEA. The MCA shall address, without limitation, the mutually agreeable terms and conditions under which:

(a) Provider Numbers. SRMC shall accept the Hospital's (i) Medicare Provider Agreement and corresponding provider number 190183, and (ii) Medicaid Provider Agreement and corresponding provider number 1739227;

(b) Professional Services. Terrebonne, SRMC or Manager may contract with LSU to obtain the services of LSU physicians and related services as determined necessary to provide patient care in the Hospital and its provider-based outpatient clinics;

(c) South Louisiana Medical Associates. As determined necessary by Terrebonne and SRMC to provide patient care in the Hospital and its provider-based outpatient clinics, LSU, through its Health Care Services Division, shall contract with SLMA to obtain the services of SLMA physicians, residents, and related services, and Terrebonne and SRMC shall in turn contract with LSU, through LSU's Health Care Services Division, to obtain the services of those same SLMA physicians, residents, and related services, and will pay LSU a reasonable administrative fee in connection therewith as set forth in a Professional Services Agreement;

(d) Accountable Care Services. Subject to the receipt of reasonable funding, Terrebonne and SRMC shall contract with LSU for data warehouse, disease management, and related health care effectiveness services designed to improve quality and patient outcomes and to reduce the cost of health care services, particularly among the uninsured and high risk Medicaid populations;

(e) Medical Staff. The Hospital's medical staff will be credentialed and/or re-credentialed by SRMC's governing body upon transition of the Hospital to Terrebonne and SRMC;

(f) Transition Support Services. Terrebonne, SRMC or Manager may contract with LSU for certain support services during a transition period, including, without limitation, certain information technology, billing and collections, and other support and maintenance services if Terrebonne, SRMC or Manager conclude doing so is more cost-effective and will maintain or improve patient care to a greater extent than other options; and

(g) Medical Records. Terrebonne, SRMC and Manager shall assume custody of all Hospital medical records, including without limitation all patient charts, pathology records, x-rays, CT scans, and any and all other records, reports, slides, and images related to patient diagnosis, care, or treatment.

ARTICLE X.
LSU REPRESENTATIONS AND WARRANTIES

LSU represents and warrants that the statements contained in this Article are correct and complete as of the date of this CEA.

Section 10.1 Organization and Standing. LSU is a public constitutional corporation organized under the laws of Louisiana. LSU is validly existing and in good standing under the laws of Louisiana.

Section 10.2 Authority; No Conflict.

(a) This Agreement constitutes the legal, valid, and binding obligation of LSU, enforceable against it in accordance with its terms, and, upon the execution and delivery by LSU of any document or agreement to be executed in connection with this Agreement or the Contemplated Transactions, each other agreement will constitute the legal, valid, and binding obligation of LSU, enforceable against it in accordance with its terms. LSU's Board of Supervisors has authorized the execution and delivery of this Agreement and such other documents to which it is a party and the performance of all of LSU's obligations hereunder and thereunder. A copy of the authorizing consent resolution or meeting minutes as certified by LSU's board secretary is attached as Exhibit 10.2(a).

(b) To LSU's Knowledge, neither the execution and delivery of this Agreement nor the consummation or performance of any of the Contemplated Transactions hereby will, directly or indirectly (with or without notice or lapse of time):

(i) Breach any resolution adopted by LSU's Board of Supervisors;

(ii) Give any Governmental Body or other person the right to any successful remedy or relief under any Legal Requirement to which LSU may be subject;

(iii) Contravene, conflict with, or result in a violation or breach of any of the terms or requirements of, or give any Governmental Body applicable to LSU, the right to revoke, withdraw, suspend, cancel, terminate or modify any Governmental Authorization held by LSU;

(iv) Cause SRMC or Terrebonne to become subject to, or to become liable for, the payment of any Liability of LSU; or

(v) To LSU's Knowledge, result in the LSU GME Programs violating any rules, policies, procedures or accreditation requirements of ACGME or otherwise result in (A) the LSU GME Programs ceasing to be accredited by ACGME, (B) the LSU GME Programs ceasing to be funded by DOA, or (C) LSU ceasing to comply with or satisfy any CMS reimbursement requirements or regulations applicable to the LSU GME Programs.

(c) LSU warrants that it will not take any action, fail to take any action, enter into any agreement, or consummate any transaction that would prevent LSU from performing the Contemplated Transactions or performing its obligations under this Agreement or any agreement delivered in connection with this Agreement or otherwise

materially and adversely affect the Hospital or the LSU GME Programs without the prior written consent of an authorized representative of Terrebonne or SRMC.

Section 10.3 Employee Benefits. To LSU's Knowledge, all of its Benefit Plans, to the extent that they would meet the definition of employee benefit plans under Section 3(2) of ERISA and employee health or welfare benefit plans as defined in Section 3(1) of ERISA, qualify as governmental plans as defined and provided by Sections 4(b)(1) and 3(32) of ERISA, and all Benefit Plans have been administered in accordance with applicable law in all material respects, to the extent such Benefit Plans are established and administered by LSU. To LSU's Knowledge, no event has occurred that would result in, and consummation of the Contemplated Transactions shall not result in, SRMC, Terrebonne or Manager incurring any Liability for any Benefit Plan of LSU or to any employee of LSU with respect to such Benefit Plan of LSU, to the extent such plans are established and subject to administration by LSU. LSU has and will comply with all of the requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") with respect to all of its employees, including but not limited to the LSU Personnel, before and after the Commencement Date.

Section 10.4 Validity. All corporate actions of LSU necessary for the execution, delivery, and performance of this Agreement and the performance of the Contemplated Transactions and requiring board approvals have been taken pursuant to proper and valid board approval. The execution and delivery of this Agreement and all other documents executed in connection herewith by LSU and the consummation of the Contemplated Transactions will not result in the creation of any lien, charge, or encumbrance of any kind or the acceleration of any indebtedness or other obligation of LSU and are not and will not be prohibited by, do not and will not materially violate or conflict with any provision of, and do not and will not constitute a

default under or a breach of the governing documents of LSU, nor will it have a Material Adverse Effect upon any contract, lease, agreement, indenture, mortgage, pledge, lease, sublease, option, or commitment to which LSU is a party or by which LSU is bound.

Section 10.5 Closing Cost Reports.

(a) LSU has previously provided to Terrebonne true and correct copies of the Hospital's cost reports for its last three fiscal years for all insurance programs, including Medicare and Medicaid. The cost reports are complete and accurate for the periods indicated. All liabilities and contractual adjustments of LSU, the Hospital, and the Facility under any third-party payor or reimbursement programs have been properly reflected and adequately reserved for in the financial statements of the Hospital. Neither LSU nor the Hospital has received any notice of any offsets against future reimbursement. There are to LSU's Knowledge no pending appeals, adjustments, challenges, audits, litigation, or notices of intent to reopen or open cost reports with respect to the Medicare or Medicaid programs. Neither LSU nor the Hospital has received any notice of any violation of federal or state fraud and abuse or self-referral laws, nor does LSU have any Knowledge of any such violations in connection with the operations of the Hospital.

Section 10.6 Medical Staff. LSU has heretofore provided to Terrebonne true, correct, and complete copies of the bylaws and rules and regulations of the medical staff of the Hospital. There are no pending or, to LSU's Knowledge, threatened disputes with applicants, staff members, or health professional affiliates.

Section 10.7 Hill Burton. LSU represents that it has not received funds under the Federal Hill Burton Act, 42 U.S.C. § 291 et seq.

Section 10.8 Other Approvals. To LSU's Knowledge, except as otherwise set forth in Schedule 10.8 of the LSU Disclosure Schedules and Schedule 14.1, which sets forth the health care regulatory authorizations for permits, licenses, and other regulatory requirements, the only remaining review, consents, approvals, qualifications, orders or authorizations of, or filings with, any governmental authority, including any court or other governmental third party, required in connection with LSU's valid execution, delivery, and performance of this Agreement, and the consummation of any transaction contemplated by this Agreement, are with the Louisiana Legislature Joint Legislative Committee on the Budget, and the Louisiana Office of Contractual Review or the Commissioner's designee pursuant to Executive Order BJ 08-29.

Section 10.9 Compliance with Legal Requirements. To LSU's Knowledge, LSU Personnel have operated the Hospital and the LSU GME Programs in compliance with all Legal Requirements, including Health Care Laws. To LSU's Knowledge, in connection with LSU's operation of the Hospital and LSU GME Programs, neither (i) LSU nor any LSU Personnel has received or made any payment or any remuneration whatsoever to induce or encourage the referral of patients or the purchase of goods and/or services as prohibited under any state law or Health Care Law, nor (ii) has any Governmental Body or third-party payer formally alleged in writing or LSU received any notice of any violation of any Health Care Law within the last seven (7) years.

(a) Permits, Licenses and Accreditation. The Hospital has all permits and licenses and other Governmental Authorizations required by all Legal Requirements and is not in violation of any of said permitting or licensing requirements. The Hospital is owned and duly licensed by the State and operated by LSU as a general acute care hospital. LSU has all permits and licenses necessary for the proper operation of the

Hospital and LSU GME Programs, including a valid Medicare provider number. The LSU GME Programs are accredited by ACGME and, to LSU's Knowledge, are in compliance with the ACGME requirements necessary for accredited GME Programs.

(b) Medicare/Medicaid Participation. The Hospital and all LSU Personnel who are medical providers are participating in or otherwise authorized to receive reimbursement from Medicare and Medicaid. All necessary certifications and contracts required for participation in such programs are in full force and effect and have not been amended or otherwise modified, rescinded, revoked, or assigned, and, to LSU's Knowledge, no condition exists or event has occurred which in itself or with the giving of notice or the lapse of time or both would result in the suspension, revocation, impairment, forfeiture, or non-renewal of any such third-party payer program. No LSU Personnel is an Excluded Provider.

(c) The Joint Commission. The Facility is duly accredited by The Joint Commission ("JC") with no material contingencies. LSU has made available to Terrebonne and SRMC copies of the most recent JC accreditation survey report and deficiency list for the Facility, together with Facility's most recent statement of deficiencies and plan of correction. Except as set forth on Schedule 10.9(c), Facility has not received written notice of any threatened, pending or likely revocation, early termination, suspension, or limitation of any such accreditation.

(d) Fraud and Abuse. To LSU's Knowledge, neither the Hospital nor LSU Personnel has engaged in any activities which are prohibited under any Health Care Law, or the regulations promulgated thereunder pursuant to such statutes, or related state or local statutes or regulations, or which are prohibited by rules of professional conduct,

including the following: (i) knowingly and willfully making or causing to be made a false statement or representation of a fact in any application for any benefit or payment; (ii) knowingly and willfully making or causing to be made any false statement or representation of a fact for use in determining rights to any benefit or payment; (iii) knowingly and willingly concealing any event affecting the initial or continued right to receive any benefit or payment with intent to fraudulently secure such benefit or payment in an amount or quantity greater than that which is due or which is authorized; or (iv) knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offering to pay or receive such remuneration (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare or Medicaid or (2) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part by Medicare or Medicaid. LSU is not a party to any Corporate Integrity Agreement or similar settlement, compliance, or oversight agreement with any Governmental Body relating to LSU's services provided at the Hospital.

Section 10.10 Legal Proceedings; Orders. There is no Order to which LSU is subject that would limit or affect LSU's ability to enter into this Agreement or consummate the Contemplated Transactions. Except as set forth on Schedule 10.10, there is no Proceeding pending, or to LSU's Knowledge threatened against, or affecting the Hospital, LSU GME Programs, or any LSU Personnel.

Section 10.11 Insurance; Malpractice. All clinical LSU Personnel have been continuously insured for professional malpractice claims during the lesser of (i) the last three (3) years, or (ii) the period during which such LSU Personnel have been authorized to provide professional medical services on behalf of LSU. All clinical LSU Personnel are "qualified state health care providers" as defined in LA R.S. 40:1299.39, et seq., and are thus named insureds covered under DOA's professional liability insurance administered through the Office of Risk Management. To LSU's Knowledge, no LSU Personnel is in default with respect to any provision contained in any policy covering the professional acts of such LSU Personnel and none of them has failed to give any notice or present any claim under any such policy in a due and timely fashion. LSU has maintained in effect and continues to maintain in effect such other policies of insurance as are customary for an academic medical center of size and scope of the operations of LSU, with such limits and other terms of coverage as are commercially reasonable for an academic medical center similar in size and scope to LSU.

Section 10.12 Taxes.

(a) With respect to the Hospital, LSU has, to its Knowledge, filed all federal, state, county, and local tax returns it is required to file, including, without limitation, income, sales, single business, payroll, premium, withholding, informational, real estate, school, and personal property tax returns, and such returns have been duly prepared and filed and were true, correct, and complete. All taxes due by reason of the operations conducted by LSU with respect to the Hospital have, to LSU's Knowledge, been paid, including, without limitation, all taxes which the LSU is obligated to withhold from accounts owing to employees, creditors, and third parties. There is no tax lien, whether imposed by any federal, state, county, or local taxing authority, outstanding against the

assets, properties or businesses of LSU as they relate to the Hospital. Other than regular property assessments, there is to LSU's Knowledge no pending examination or proceeding by any authority or agency relating to the assessment or collection of any such taxes, interest, or penalties thereon, nor to LSU's Knowledge do there exist any facts that would provide a basis for any such assessment. With respect to the Hospital, LSU has not filed any consent or agreement to extend the period for assessment or collection of any such taxes.

(b) The Hospital is exempt from Federal income tax pursuant to, and the Hospital is a "hospital" within the meaning of, Section 170(b)(1)(A)(iii) of the IRC. LSU is not aware of any proceeding, pending or threatened, or of any existing circumstances, which could reasonably be anticipated to result in the loss or revocation of any of the aforementioned exemptions held by LSU or the imposition of tax liability which would have a Material Adverse Effect on the business and operations of the Hospital.

Section 10.13 Full Disclosure. No representation or warranty made by LSU in this Agreement contains or will contain any untrue statement of fact or omits or will omit to state a fact necessary to make the statements contained herein or therein not misleading.

Section 10.14 Breach. Any damages or other amounts payable by LSU as a result of a breach of any representation or warranty contained in this Article X are contingent obligations and shall be subject to appropriation by the Louisiana Legislature of sufficient funds specifically and expressly appropriated therefor and the availability of funds following Legislative appropriation.

ARTICLE XI.
STATE'S REPRESENTATIONS AND WARRANTIES

The State, through DOA and DHH, represents and warrants that the statements contained in this Article XI are correct and complete as of the date hereof.

Section 11.1 Organization and Standing.

(a) The The State of Louisiana has full power and authority to perform its obligations under this CEA.

(b) DOA is an agency within the Office of the Governor and DHH is a department of the State of Louisiana, validly existing under the laws of Louisiana with full power and authority to perform their obligations under this CEA.

Section 11.2 Enforceability; Authority; No Conflict.

(a) This Agreement constitutes the legal, valid, and binding obligation of the State, through DOA and DHH, enforceable against them in accordance with its terms. Upon the execution and delivery by DOA and DHH of any document or agreement to be executed in connection with this Agreement, each other agreement will constitute the legal, valid, and binding obligation of the State, through DOA and DHH, enforceable in accordance with its terms. DOA and DHH, through their lawfully designated agency or department heads, have the power and authority to execute and deliver this Agreement and such other documents to which they are a party and to perform their obligations under this Agreement and such other documents, subject only to oversight by the Legislature and the Legislative Auditor.

(b) To DOA's and DHH's Knowledge, neither the execution and delivery of this Agreement nor the consummation or performance of any of the Contemplated Transactions hereby will, directly or indirectly (with or without notice or lapse of time):

(i) Breach any provision of any statutory or regulatory authority which defines the powers and duties of DOA and DHH;

(ii) To DHH's or DOA's Knowledge, give any Governmental Body or other person the right to any successful remedy or relief under any Legal Requirement to which the State, DHH or DOA may be subject;

(iii) Contravene, conflict with or result in a violation or breach of any of the terms or requirements of, or give any Governmental Body applicable to the State, DHH or DOA, the right to revoke, withdraw, suspend, cancel, terminate or modify any Governmental Authorization held by the State, DHH or DOA; or

(iv) Cause Terrebonne or SRMC to become subject to, or to become liable for the payment of, any Liability of the State, DHH, or DOA.

(c) The State, DHH, and DOA each warrant that it will not take any action, fail to take any action, enter into any agreement, or consummate any transaction that would prevent the State, DHH or DOA from performing the Contemplated Transactions or performing its obligations under this Agreement or any agreement delivered in connection with this Agreement or otherwise have a Material Adverse Effect on the Hospital without the prior written consent of an authorized representative of Terrebonne and SRMC.

Section 11.3 Legal Proceedings; Orders. To DOA's and DHH's Knowledge, there is no Order to which the State, through DOA or DHH, is subject that would limit or affect DOA's or DHH's ability to enter into this Agreement or consummate the Contemplated Transactions, other than Executive Order BJ 08-29.

Section 11.4 Other Approvals. To the State's, DOA's and DHH's Knowledge, except as otherwise set forth in Schedule 10.8 and Schedule 14.1, which sets forth the health care regulatory authorizations for permits, licenses, and other regulatory requirements, the only remaining review, consents, approvals, qualifications, orders or authorizations of, or filings with, any governmental authority, including any court or other governmental third party, required in connection with the State's, DOA's and DHH's valid execution, delivery, and performance of this Agreement, and the consummation of any Contemplated Transaction, are the review of this Agreement by the Louisiana Legislature Joint Legislative Committee on the Budget, and the approval of the Agreement by the Louisiana Office of Contractual Review or the Commissioner's designee pursuant to Executive Order BJ 08-29.

Section 11.5 Full Disclosure. No representation or warranty made by the State, through DOA or DHH, in this Agreement contains or will contain any untrue statement of fact or omission of fact necessary to make the statements contained herein or therein not misleading.

ARTICLE XII.
TERREBONNE REPRESENTATIONS AND WARRANTIES

Terrebonne represents and warrants that the statements contained in this Article XII are correct and complete as of the date hereof.

Section 12.1 Organization and Good Standing. Terrebonne is a Hospital Service District, validly existing and in good standing under the laws of the State of Louisiana, with full power and authority to perform all its obligations under this Agreement.

Section 12.2 Enforceability; Authority; No Conflict.

(a) This Agreement constitutes the legal, valid, and binding obligation of Terrebonne, enforceable against it in accordance with its terms. Upon the execution and delivery by Terrebonne of any document or agreement to be executed in connection with

this Agreement or the Contemplated Transactions, each other agreement will constitute the legal, valid, and binding obligation of Terrebonne, enforceable against it in accordance with its terms. Terrebonne has the corporate right, power, and authority to execute and deliver this Agreement and such other documents to which it is a party and to perform its obligations under this Agreement and such other documents, and such action has been duly authorized by all necessary action by Terrebonne's Board of Commissioners. A copy of the authorizing consent resolution or certified meeting minutes is attached as Exhibit 12.2(a).

(b) Neither the execution and delivery of this Agreement nor the consummation or performance of any of the Contemplated Transactions will, directly or indirectly (with or without notice or lapse of time):

(i) Breach (A) any provision of any of the Governing Documents of Terrebonne or (B) any resolution adopted by Terrebonne's Board of Commissioners; or

(ii) Breach or give any Governmental Body or other Person the right to challenge the actions contemplated by this Agreement or to exercise any remedy or obtain any relief under any Legal Requirement to which Terrebonne may be subject; or

(iii) Contravene, conflict with, or result in a violation or breach of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by Terrebonne.

(c) Terrebonne warrants that it will not take any action, fail to take any action, enter into any agreement, or consummate any transaction that would adversely affect in a material way or prevent Terrebonne from performing its obligations under this Agreement or otherwise materially and adversely affect the LSU GME Programs without the prior written consent of DHH or an authorized representative of LSU.

Section 12.3 Validity. All corporate actions of Terrebonne necessary for the execution, delivery, and performance of this Agreement and the performance of the Contemplated Transactions and requiring board approvals have been taken pursuant to proper and valid board approval. This Agreement has been, and all documents to be delivered by Terrebonne shall be, duly executed and shall constitute the lawful, valid, and binding obligations of Terrebonne, enforceable in accordance with their respective terms subject as to enforcement of remedies to the discretion of courts in awarding equitable relief and to applicable bankruptcy, reorganization, insolvency, moratorium and similar laws affecting the rights of creditors generally. The execution and delivery of this Agreement and all other documents executed in connection herewith by Terrebonne and the consummation of the transactions contemplated hereby will not result in the creation of any lien, charge, or encumbrance of any kind or the acceleration of any indebtedness or other obligation of Terrebonne and are not and will not be prohibited by, do not and will not materially violate or conflict with any provision of, and do not and will not constitute a default under or a breach of (i) the Articles of Incorporation or Bylaws or similar organizing documents of Terrebonne, (ii) any judgment, decree, order, regulation or rule of any court or regulatory authority, or (iii) any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority or arbitration tribunal to which Terrebonne is subject, nor will it have a Material Adverse Effect upon any contract, lease,

agreement, indenture, mortgage, pledge, lease, sublease, option or commitment to which Terrebonne is a party or by which Terrebonne is bound.

Section 12.4 Other Approvals. To Terrebonne's Knowledge, except as otherwise set forth in Schedule 10.8 and Schedule 14.1, which sets forth the health care regulatory authorizations for permits, licenses, and other regulatory requirements for SRMC to operate the Hospital, the only remaining review, consents, approvals, qualifications, orders or authorizations of, or filings with, any governmental authority, including any court or other governmental third party, required in connection with Terrebonne's and SRMC's valid execution, delivery, and performance of this Agreement, and the consummation of any Contemplated Transaction, are the review of this Agreement by the Louisiana Legislature Joint Legislative Committee on the Budget, and the approval of the Agreement by the Louisiana Office of Contractual Review or the Commissioner's designee pursuant to Executive Order BJ 08-29.

Section 12.5 Compliance with Legal Requirements. To Terrebonne's Knowledge, Terrebonne has operated and shall operate in compliance with all Legal Requirements, including Health Care Laws. To Terrebonne's Knowledge, Terrebonne has not received or made any payment or any remuneration whatsoever to induce or encourage the referral of patients or the purchase of goods and/or services as prohibited under any state law or Health Care Law, nor has any Governmental Body or third-party payer formally alleged in writing any violation of Health Care Law by Terrebonne or any Terrebonne Personnel within the last seven (7) years. Without limiting the generality of the foregoing:

(a) Permits and Licenses. Terrebonne has or shall have at the time such services are performed all permits and licenses and other Governmental Authorizations

required by all Legal Requirements for the operation of Terrebonne and is not in violation of any of said permitting or licensing requirements.

(b) Medicare/Medicaid Participation. Neither Terrebonne nor any director, commissioner, officer, employee, or agent of Terrebonne is an Excluded Provider.

(c) Fraud and Abuse. To Terrebonne's Knowledge, neither Terrebonne nor any Terrebonne Personnel has engaged in any activities which are prohibited under any Health Care Law, or the regulations promulgated thereunder pursuant to such statutes, or related state or local statutes or regulations, or which are prohibited by rules of professional conduct, including the following: (i) knowingly and willfully making or causing to be made a false statement or representation of a fact in any application for any benefit or payment; (ii) knowingly and willfully making or causing to be made any false statement or representation of a fact for use in determining rights to any benefit or payment; (iii) knowingly and willingly concealing any event affecting the initial or continued right to receive any benefit or payment with intent to fraudulently secure such benefit or payment in an amount or quantity greater than that which is due or which is authorized; or (iv) knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offering to pay or receive such remuneration (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare or Medicaid or (2) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part by Medicare or Medicaid. Terrebonne is not a party to

any Corporate Integrity Agreement or similar settlement, compliance, or oversight agreement with any Governmental Body.

Section 12.6 Legal Proceedings; Orders. There is no Order to which Terrebonne is subject that would limit or affect Terrebonne's ability to enter into this Agreement or consummate the actions contemplated by this Agreement.

Section 12.7 Consolidated Financial Statements. Terrebonne has furnished to LSU Terrebonne's audited consolidated financial statements for the three (3) most recent fiscal years and the balance sheet and the related statements of income, and changes in financial position of Terrebonne for the three (3) most recent fiscal years with available reports thereon from an independent certified public accounting firm, including any management letters regarding the operations of Terrebonne with respect to such fiscal year (the "Audited Financial Statements"). Terrebonne has made available for inspection by LSU, Terrebonne's unaudited interim financial statements for the monthly periods from the close of the most recently completed fiscal year through April 30, 2013, or if Terrebonne prepares unaudited interim financial statements on a quarterly basis, for the last quarter which ended no more than ninety (90) calendar days prior to the date of execution of this Agreement, and shall make available such unaudited interim financial statements for the monthly or quarterly periods, respectively, through the month or quarter ending immediately prior to the Commencement Date (collectively referred to as the "Unaudited Financial Statements") (the Audited Financial Statements and the Unaudited Financial Statements are sometimes referred to herein collectively as the "Financial Statements"). Terrebonne represents and warranties that as of the Effective Date there has been no material change in its financial position since its last Audited

Financial Statement. The Financial Statements have been prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied (except, in the case of the Unaudited Financial Statements, for the absence of footnotes and year-end adjustments), reflect all liabilities of Terrebonne, including all contingent liabilities, and fairly present the financial position of Terrebonne and the results of operations and changes in financial position as of the dates and for the periods specified. Except as set forth in the Financial Statements, Terrebonne has not incurred any liability other than in the ordinary course of business. Since the date of the most recent Audited Financial Statements, Terrebonne has not incurred any liabilities other than in the ordinary course of business and consistent with past practice.

Section 12.8 Full Disclosure. No representation or warranty made by Terrebonne in this Agreement contains or will contain any untrue statement of fact or omits or will omit to state a fact necessary to make the statements contained herein or therein not misleading.

ARTICLE XIII.
SRMC REPRESENTATIONS AND WARRANTIES

SRMC represents and warrants that the statements contained in this Article XIII are correct and complete as of the date hereof.

Section 13.1 Organization and Good Standing. SRMC is a nonprofit corporation, validly existing and in good standing under the laws of the State of Louisiana, with full power and authority to perform all its obligations under this Agreement. The sole member of SRMC is Terrebonne.

Section 13.2 Enforceability; Authority; No Conflict.

(a) This Agreement constitutes the legal, valid, and binding obligation of SRMC, enforceable against it in accordance with its terms. Upon the execution and

delivery by SRMC of any document or agreement to be executed in connection with this Agreement or the Contemplated Transactions, each other agreement will constitute the legal, valid, and binding obligation of SRMC, enforceable against it in accordance with its terms. SRMC has the corporate right, power, and authority to execute and deliver this Agreement and such other documents to which it is a party and to perform its obligations under this Agreement and such other documents, and such action has been duly authorized by all necessary action by SRMC's Board of Directors. A copy of the authorizing consent resolution or certified meeting minutes is attached as Exhibit 13.2(a).

(b) Neither the execution and delivery of this Agreement nor the consummation or performance of any of the Contemplated Transactions will, directly or indirectly (with or without notice or lapse of time):

(i) Breach (A) any provision of any of the Governing Documents of SRMC or (B) any resolution adopted by SRMC's Board of Directors; or

(ii) Breach or give any Governmental Body or other Person the right to challenge the actions contemplated by this Agreement or to exercise any remedy or obtain any relief under any Legal Requirement to which SRMC may be subject; or

(iii) Contravene, conflict with, or result in a violation or breach of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by SRMC.

(c) SRMC warrants that it will not take any action, fail to take any action, enter into any agreement, or consummate any transaction that would adversely affect in a

material way or prevent SRMC from performing its obligations under this Agreement or otherwise materially and adversely affect the LSU GME Programs without the prior written consent of DHH or an authorized representative of LSU.

Section 13.3 Validity. All corporate actions of SRMC necessary for the execution, delivery, and performance of this Agreement and the performance of the Contemplated Transactions and required board approvals have been taken pursuant to proper and valid board approval. This Agreement has been, and all documents to be delivered by SRMC shall be, duly executed and shall constitute the lawful, valid, and binding obligations of SRMC, enforceable in accordance with their respective terms subject to enforcement of remedies to the discretion of courts in awarding equitable relief and to applicable bankruptcy, reorganization, insolvency, moratorium and similar laws affecting the rights of creditors generally. The execution and delivery of this Agreement and all other documents executed in connection herewith by SRMC and the consummation of the transactions contemplated hereby will not result in the creation of any lien, charge, or encumbrance of any kind or the acceleration of any indebtedness or other obligation of SRMC and are not and will not be prohibited by, do not and will not materially violate or conflict with any provision of, and do not and will not constitute a default under or a breach of (i) the Articles of Incorporation or Bylaws or similar organizing documents of SRMC, (ii) any judgment, decree, order, regulation or rule of any court or regulatory authority, or (iii) any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority or arbitration tribunal to which SRMC is subject, nor will it have a Material Adverse Effect upon any contract, lease, agreement, indenture, mortgage, pledge, lease, sublease, option or commitment to which SRMC is a party or by which SRMC is bound.

Section 13.4 Other Approvals. To SRMC's Knowledge, except as otherwise set forth in Schedule 10.8 and Schedule 14.1, which sets forth the health care regulatory authorizations for permits, licenses, and other regulatory requirements for SRMC to operate the Hospital, the only remaining review, consents, approvals, qualifications, orders or authorizations of, or filings with, any governmental authority, including any court or other governmental third party, required in connection with Terrebonne's and SRMC's valid execution, delivery, and performance of this Agreement, and the consummation of any Contemplated Transaction, are the review of this Agreement by the Louisiana Legislature Joint Legislative Committee on the Budget, and the approval of the Agreement by the Louisiana Office of Contractual Review or the Commissioner's designee pursuant to Executive Order BJ 08-29.

Section 13.5 Compliance with Legal Requirements. To SRMC's Knowledge, SRMC has operated and shall operate in compliance with all Legal Requirements, including Health Care Laws. To SRMC's Knowledge, SRMC has not received or made any payment or any remuneration whatsoever to induce or encourage the referral of patients or the purchase of goods and/or services as prohibited under any state law or Health Care Law, nor has any Governmental Body or third-party payer formally alleged in writing any violation of Health Care Law by SRMC or any SRMC Personnel within the last seven (7) years. Without limiting the generality of the foregoing:

(a) Permits and Licenses. SRMC has or shall have at the time such services are performed all permits and licenses and other Governmental Authorizations required by all Legal Requirements for the operation of SRMC and is not in violation of any of said permitting or licensing requirements.

(b) Medicare/Medicaid Participation. Neither SRMC nor any director, officer, employee, or agent of SRMC is an Excluded Provider.

(c) Fraud and Abuse. To SRMC's Knowledge, neither SRMC nor any SRMC Personnel has engaged in any activities which are prohibited under any Health Care Law, or the regulations promulgated thereunder pursuant to such statutes, or related state or local statutes or regulations, or which are prohibited by rules of professional conduct, including the following: (i) knowingly and willfully making or causing to be made a false statement or representation of a fact in any application for any benefit or payment; (ii) knowingly and willfully making or causing to be made any false statement or representation of a fact for use in determining rights to any benefit or payment; (iii) knowingly and willingly concealing any event affecting the initial or continued right to receive any benefit or payment with intent to fraudulently secure such benefit or payment in an amount or quantity greater than that which is due or which is authorized; or (iv) knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offering to pay or receive such remuneration (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare or Medicaid or (2) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part by Medicare or Medicaid. SRMC is not a party to any Corporate Integrity Agreement or similar settlement, compliance, or oversight agreement with any Governmental Body.

Section 13.6 Legal Proceedings; Orders. There is no Order to which SRMC is subject that would limit or affect SRMC's ability to enter into this Agreement or consummate the actions contemplated by this Agreement.

Section 13.7 Financial Statements. As a newly-formed nonprofit corporation, SRMC has no financial statements, audited or otherwise. SRMC has not incurred any liability other than in the ordinary course of business.

Section 13.8 Full Disclosure. No representation or warranty made by SRMC in this Agreement contains or will contain any untrue statement of fact or omits or will omit to state a fact necessary to make the statements contained herein or therein not misleading.

ARTICLE XIV.
ADDITIONAL COVENANTS OF THE PARTIES

Section 14.1 Third Party Consents and Approvals. The Parties will use their best efforts to obtain the Third Party Consents and Approvals set forth on Schedule 14.1.

Section 14.2 Further Acts and Assurances. The Parties shall, at any time and from time to time at and after the execution of this Agreement, upon request of another Party, take any and all steps reasonably necessary to consummate the Contemplated Transactions, and will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be required to consummate the Contemplated Transactions.

Section 14.3 Additional Covenants of LSU.

(a) Hospital Operations. From the Effective Date of this Agreement until the earlier of the Commencement Date or the termination of this Agreement, LSU shall, and shall cause Hospital to: (i) conduct the Hospital's operations in the ordinary course; and (ii) use commercially reasonable efforts to maintain in all material respects the assets,

properties, business organizations, and current relationships and goodwill with their respective customers, suppliers, and payors of Hospital and Facility.

(b) Preservation of Property. From the Effective Date of this Agreement until the earlier of the Commencement Date or the termination of this Agreement, LSU shall not permit Hospital or Facility to:

(i) permit or allow any of the assets or properties of Facility, including the Equipment, to become subjected to any Encumbrance, other than that will be released at or prior to the Commencement Date; or

(ii) sell, transfer, lease, sublease, license, or otherwise dispose of any material properties or assets (real, personal or mixed, including intangible property) of Facility, other than in the ordinary course of business.

(c) Licenses. From the Effective Date of this Agreement until the earlier of the Commencement Date or the termination of this Agreement, LSU shall take all action reasonably within its power and necessary to cause Hospital to continue to maintain its current hospital license and provider status, including without limitation its Provider Numbers, and will use its best efforts to preserve or cause Hospital to preserve at all times during the Term the Residency Caps and Collaborative Residency Positions, all in accordance with CMS and ACGME requirements. Any transfer, discontinuation, restriction, modification, or other change in the rights and obligations associated with the Facility license, other than as required by or as a result of this Agreement, or any other event or transaction resulting in any party other than LSU operating or controlling the Facility or its operations, must be approved in writing by the Terrebonne CEO prior to the time of such event.

(d) Access to Hospital. At all reasonable times prior to the Commencement Date and upon reasonable notice to LSU, LSU shall provide to Terrebonne, SRMC and/or their agents and contractors access to the Hospital and Facility to fully complete their due diligence review of all Facility agreements and inspections of the Facility with respect to the physical condition thereof. LSU and Terrebonne shall use their best efforts to effectively transition or contract to engage upon the Commencement Date, sufficient services, supplies, and personnel for the continued operations of the Facility.

Section 14.4 Additional Covenants of DHH.

(a) DHH shall provide assistance to Terrebonne and SRMC to facilitate SRMC timely obtaining the appropriate hospital operating licenses, permits and other approvals, to the extent under the authority of DHH, necessary for SRMC to receive reimbursement for health care services provided at the Hospital.

(b) DHH shall ensure that any and all transfers of public funds received from Terrebonne or SRMC that are contributed and designated for Medicaid supplemental payments by Terrebonne or SRMC shall be used solely to support Medicaid supplemental payments, without any reduction or offset.

ARTICLE XV.
TERM; TERMINATION; DISPUTE RESOLUTION

Section 15.1 Term. Unless earlier terminated as provided herein, the Term of this Agreement shall begin on the Effective Date and continue for five (5) years (the "Initial Term"). Unless Terrebonne and SRMC provide written notice to LSU at least 365 calendar days prior to the expiration of the Initial Term of their intention not to renew, the Initial Term shall automatically renew for an additional five (5) years (the "Renewal Term"). Beginning on the expiration of the first (1st) year of the Renewal Term and continuing on each annual anniversary

date thereafter (each an "Extension Date"), the then-remaining portion of the Renewal Term shall automatically be extended for an additional one (1) year period so that after the first (1st) year of the Renewal Term, the Term of this Agreement shall be a Rolling Five-Year Term, unless LSU, Terrebonne or SRMC provides the other Party written notice at least one hundred-eighty (180) calendar days prior to an Extension Date that such Party does not intend to extend the Term of the Agreement.

Section 15.2 Early Termination. This Agreement shall terminate prior to the expiration of the Term only in accordance with this Section 15.2. Except as otherwise provided in this Agreement, any early termination of this CEA shall be subject to the Wind Down Period provided in Section 15.10. Subject to the foregoing, this CEA may terminate prior to the expiration of the Term (i) upon the mutual agreement of all Parties, (ii) if the Contemplated Transactions have not occurred by the Commencement Date, (iii) if any payment required by Section 4.8 or Article VIII is not made when due (in either of which events the provisions of Section 15.6 shall control), (iv) if as of the Commencement Date, any representations or warranties of a Party are materially inaccurate, or any covenant of a Party to be performed before the Commencement Date has not been materially performed, or any consents or approvals on Schedule 14.1 have not been received, (v) in the event any Management Agreement between Terrebonne, SRMC and a Manager is terminated (in which event the provisions of Section 15.7 shall control), or (vi) subject to the Parties' good faith participation in the process set forth in Section 15.5 for addressing the following events (each, a "Potential Terminating Breach"):

(a) Any Party's actions or inactions are contrary to or not substantially in accordance with the Public Purpose as provided for in Article I.

(b) There is filed by or against any Party a petition or complaint with respect to its own financial condition under any state, federal or other bankruptcy (including without limitation a petition for reorganization, arrangement or extension of debts), or under any other similar or insolvency laws providing for the relief of debtors which petition or complaint (if involuntary) shall not be dismissed for more than sixty (60) calendar days from the date of filing.

(c) A receiver, director, conservator or liquidator is appointed for any Party or all or a substantial part of its respective assets, or any Party shall have been adjudicated bankrupt, insolvent or in need of any relief provided to debtors by any court.

(d) Any Party shall have ceased its business or operations.

(e) Any Party shall have liquidated and or dissolved.

(f) LSU, Terrebonne or SRMC is excluded from Medicare or Medicaid.

(g) As determined by a court of competent jurisdiction pursuant to a final, binding, non-appealing judgment, there is a change in (or a new interpretation of) the law or lack of necessary Governmental Authorization or other governmental approval, whether statutory, regulatory, or other position or rule set forth by a Governmental Body, agency, accreditation organization, or similar body, that has a Material Adverse Effect the fundamental relationship of the Parties, and the Parties are unable to agree, following the process in Section 15.5, on terms to amend the CEA or otherwise address the consequences of the change in or new interpretation of the law. If the Parties agree that a change in laws or interpretation thereof has occurred and are unable to reach a new agreement or otherwise address the consequences of the change in or new interpretation

of the law, no Party shall be liable or responsible for any damages suffered by any other Party as a result of a termination pursuant to this subsection.

(h) Failure of any LSU GME Program to maintain ACGME accreditation as a result of action or inaction of LSU or failure of LSU to remain accredited by ACGME as a Sponsoring Institution.

(i) Termination of the AAA.

(j) A change in circumstances that results in SRMC being treated as a private hospital not eligible to contribute funds for the nonfederal share of the Medicaid program under applicable Health Care Laws.

(k) Without the consent of LSU, the merger, consolidation, sale or transfer of all or substantially all of Terrebonne's or SRMC's assets, or admission of a new member to SRMC, or the sale of all or a portion of SRMC's ownership interest, or the entering into by Terrebonne or by SRMC of any joint venture or other partnership arrangement except a joint venture or partnership that does not result in a change of control of Terrebonne or of SRMC as applicable, that has no Material Adverse Effect on the Contemplated Transactions, and that is required by its written terms to be operated subject to the terms and conditions of this CEA (a "Permitted Joint Venture").

(l) A material breach of this Agreement by any Party hereto that is not cured pursuant to Section 15.5.

Section 15.3 Other Breaches. All other Breaches shall be Non-Terminating Breaches.

Section 15.4 Process for Addressing Potential Non-Terminating Breaches. This Agreement may only be terminated as set forth in Section 15.2. The remedies available to a

Party if there is a breach that is not a Potential Terminating Breach (a "Potential Non-Terminating Breach") shall be as follows:

(a) Notice and Cure Period. A Party asserting a Potential Non-Terminating Breach shall provide the other Party written notice of such breach, which notice shall include a detailed description of the basis for such Breach and a description of what would be satisfactory to the non-Breaching Party to remedy such asserted breach. The Breaching Party shall be entitled to a Cure Period to cure the alleged Breach. If the Breaching Party takes the actions described in the notice as to what would satisfy the non-Breaching Party to cure the Breach, the Breach shall be deemed cured. However, such actions shall not be the sole means of curing such a Breach, and the Breaching Party shall be entitled to cure the Breach in any other way resulting in a cure of such Breach.

(b) Consultative Process. If such Potential Non-Terminating Breach is not cured within the Cure Period, the Parties shall engage in the "Consultative Process" for a period of thirty (30) calendar days to attempt to resolve the Potential Non-Terminating Breach.

(c) Right to Legal Remedies for Non-Terminating Breaches; No Termination Right. If such dispute involving a Non-Terminating Breach is not resolved pursuant to the Consultative Process, the Party alleging a Non-Terminating Breach shall be entitled to such remedies as are available at law, including damages, but not including any equitable or injunctive relief which could or would limit LSU's access to the Facility. Neither Party shall have the right to terminate this Agreement for a Non-Terminating Breach except by authority of a final order of a court of competent jurisdiction after all rights of appeal have been exhausted.

Section 15.5 Process for Addressing Potential Terminating Breaches. The remedies available to a Party if there is a Potential Terminating Breach shall be as follows:

(a) Notice and Cure Period. A Party asserting a Potential Terminating Breach shall provide the other Party written notice of such Breach, which notice shall include a detailed description of the basis for such Breach and the non-Breaching Party's requirements to remedy such asserted Breach. The Party asserted to have Breached the Agreement shall be entitled to a Cure Period to cure the asserted Breach.

(b) Consultative Process. If such Potential Terminating Breach is not cured within the Cure Period, the Parties shall for a period of fifteen (15) Business Days engage in the Consultative Process to attempt to resolve the dispute.

(c) Executive Level Negotiations. If an alleged Potential Terminating Breach is not resolved in the Consultative Process, LSU's Vice President for Health Care and Terrebonne's Chief Executive Officer, or his or her designee, shall discuss and negotiate in good faith for thirty (30) calendar days to attempt to resolve the issue.

(d) Termination Right. If the dispute regarding the asserted Potential Terminating Breach is not resolved pursuant to the procedures in this Section set forth above, the non-breaching Party may declare its intent to terminate this Agreement by delivery of written notice of such intent to the other Party (the "Termination Notice"), and the Parties shall begin the Wind Down Period as provided in Section 15.10; provided, however, that termination for failure to pay any amount required by Section 4.8 or Article VIII when due shall follow the process set forth in Section 15.6. Such right of termination shall be in addition to any other remedies which the non-breaching Party may have at law, including damages.

Section 15.6 Termination Right For Inadequate Funding. If any payment required under Section 4.8 or Article VIII is not made when due, Terrebonne or SRMC may provide written notice of such failure (a "Payment Failure Notice") to DHH, and the State and DHH will then have a cure period to remedy such failure. During the three-year period beginning on the Commencement Date, the cure period will be sixty (60) days. Thereafter, the cure period will be ninety (90) days, unless a Payment Failure Notice has previously been delivered to DHH within the twelve (12) month period before the date of delivery of the then-current Payment Failure Notice, in which case the cure period will be sixty (60) days. If a payment that cures the payment failure is made within the applicable cure period and there is outstanding no other written notice of a Potential Terminating Breach that has been received by a Party, this Agreement shall not terminate, and the Parties shall continue the collaborative pursuant to the terms of this Agreement. If DHH and the State fail to correct such payment failure within the applicable cure period, Terrebonne and SRMC shall provide written notice to LSU and DHH, and this Agreement will automatically terminate two (2) Business Days thereafter.

Section 15.7 Termination of Management Agreement. In the event the Management Agreement between Terrebonne, SRMC and the Manager is terminated, this Agreement shall automatically terminate after completion of the process set forth in Section 15.10, during which time Terrebonne and SRMC shall continue to operate the Hospital in accordance with the CEA; provided, however, that nothing in this CEA shall prevent Terrebonne and SRMC from proposing a new Manager and Management Agreement as set forth in Article II above.

Section 15.8 Notice of Force Majeure. In the event of a failure or anticipated failure by any Party to perform its obligations hereunder caused by Force Majeure, such Party shall provide notice to the other Parties as soon as possible under the circumstance and in any event within

thirty (30) calendar days of the occurrence of such Force Majeure event causing such failure or anticipated failure. A Party's failure to perform due to a Force Majeure shall not constitute a Breach.

Section 15.9 Effects of Termination.

(a) In General. Subject to the applicable Wind Down Period in Section 15.10, the following shall apply consistent with the applicable Wind Down Period:

(i) Each Party shall surrender possession of and deliver to the other Party all property belonging to the other Party, update and complete all files, records, and charts and cooperate with each other as may be necessary to insure uninterrupted treatment of patients;

(ii) Each Party shall cooperate in the defense of any claims or suits for acts or omissions occurring during the term of this Agreement.

(iii) SRMC, Terrebonne and Manager shall vacate facilities owned by LSU.

(iv) Ownership of the Hospital's Medicare Provider Number shall be transferred to LSU.

Section 15.10 Wind Down Period. Termination of this Agreement allowed under this Agreement, other than termination pursuant to Section 15.6, shall be subject to a period of at least six (6) months, during which the Parties will transition Hospital operations in an orderly fashion to assure the Public Purpose continues to be satisfied (the "Wind Down Period"); however, if during that period, LSU does not receive an emergency appropriation of funds sufficient to operate the Hospital, the Wind Down Period shall be extended until such time as the Louisiana Legislature concludes the first legislative session following the commencement of the

Wind Down Period. The funding requirements under this Agreement shall continue during the Wind Down Period. The Wind Down Period shall begin on the Wind Down Commencement Date and end on the six-month anniversary (as may be extended above) of the Wind Down Commencement Date, unless extended to allow for an appropriation of funds to LSU at the next legislative session following the Wind Down Commencement Date. During the Wind Down Period, LSU and Terrebonne will establish a committee consisting of at least six (6) people, consisting of two (2) members appointed by LSU, two (2) members appointed by Terrebonne, one (1) member appointed by DHH, and one (1) member appointed by DOA. The committee shall coordinate and oversee the transition of Hospital operations. To the extent necessary and applicable, the Parties will continue to comply with the terms and conditions of this Agreement during the Wind Down Period.

ARTICLE XVI.
REMEDIES

Section 16.1 Remedies Cumulative. The Parties expressly agree that this CEA may only be terminated as provided in Article XV, and for no other reason. Subject to the foregoing, all rights and remedies of any Party provided for in this CEA shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. Any Party shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity but which is not set forth herein. No waiver by any Party of a Breach of any of the covenants, conditions, or restrictions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding Breach of the same or of any other covenant, condition, or restriction herein contained. The failure of any Party to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein

contained, shall not be construed as a waiver or relinquishment of future Breaches of such covenant or option. A receipt by any Party of payment by any other Party with knowledge of the Breach of any covenant hereof shall not be deemed a waiver of such Breach. No waiver, change, modification, or discharge by any Party of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Parties.

Section 16.2 Federal Recoupment. In the event of a federal program recoupment action which results in a set-off of reimbursement due to the Hospital as a result of an overpayment while LSU was responsible for the Hospital's Medicare and Medicaid Provider Numbers, LSU shall remain liable therefor, and the State will seek an immediate appropriation to reimburse Terrebonne or SRMC, and Terrebonne and SRMC will assign to LSU any rights to negotiate, contest, settle, or otherwise resolve such recoupment action. Notwithstanding the foregoing, Terrebonne shall have an immediate right of set-off against any consideration due to LSU for any portion of the Contemplated Transactions to compensate Terrebonne in an amount consistent with the amount withheld under the recoupment action.

Section 16.3 Reclassification of SRMC. In the event there is a change in circumstances that results in SRMC being treated as a private hospital, then the State will subject to appropriation reimburse any amounts that SRMC may be required to return or repay due to the reclassification.

ARTICLE XVII.
INSURANCE AND INDEMNIFICATION

Section 17.1 Insurance. In addition to any policies of insurance required under the Right of Use Agreement and any documents required in connection herewith, including, without limitation, participation as a qualified health care provider in the Louisiana Patients' Compensation Fund, Terrebonne and SRMC will maintain such other policies of insurance as are

customary for a company of similar size and scope of the operations of Terrebonne and SRMC, with such limits and other terms of coverage as are commercially reasonable for companies similar in size and scope to Terrebonne and SRMC. Pursuant to the provisions of R.S. 40:1299.39 and to the extent covered thereby, employees and independent contractors of Terrebonne and SRMC who are acting in a professional capacity in providing health care services on behalf of the State, and are acting within the course and scope of their engagement with Terrebonne and SRMC in providing such healthcare services pursuant to, and within the context of, this Agreement, will be provided professional liability insurance coverage by the State through the Office of Risk Management, and such persons shall be considered as named insureds.

Section 17.2 Indemnification.

(a) Survival. All representations, warranties, covenants, and obligations in this Agreement and any other certificate or document delivered pursuant to this Agreement shall survive the consummation of the Contemplated Transactions and the termination of this Agreement.

(b) Indemnification. Each Party will indemnify the other Party in accordance with Paragraphs (c) through (e) of this Section 17.2.

(c) Time Limitations.

(i) To the extent permitted by applicable law, and except as otherwise provided in this Agreement, LSU will have liability (for indemnification or otherwise) and will indemnify Terrebonne and SRMC for all costs, expenses, losses, damages, fines, penalties, forfeitures or liabilities (including, without limitation, interest which may be imposed by a court in connection therewith),

court costs, litigation expenses, reasonable attorneys' and paralegals' fees and accounting fees (collectively, the "Damages") incurred by Terrebonne or SRMC as a result of (A) a Breach of any representation or warranty by LSU contained in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by LSU pursuant to this Agreement, (B) the actions or failure to act by LSU Personnel, (C) any Breach of any covenant or obligation of LSU in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by LSU pursuant to this Agreement, (D) any Damages arising out of the ownership or operation of the Hospital or its assets prior to the Commencement Date, (E) any liability under the WARN Act or any similar state or local Legal Requirement that may result from an "Employment Loss", as defined by 29 U.S.C. section 2101(a)(6), caused by any action of LSU, and (F) any Employee Plan established or maintained by LSU; provided however, that LSU's obligation under item (A) above shall only apply if, other than with respect to a Breach resulting from fraud, in which case a claim may be made at any time, on or before the third (3rd) anniversary of the Commencement Date, Terrebonne or SRMC notifies LSU of a claim specifying the factual basis of the claim in reasonable detail to the extent then known by Terrebonne or SRMC.

(ii) To the extent permitted by applicable law, and except as otherwise provided in this Agreement, the State, through DOA, will have liability (for indemnification or otherwise) for and will indemnify Terrebonne and SRMC for all Damages incurred by Terrebonne or SRMC as a result of (A) a Breach of any representation or warranty by DOA, and (B) any Breach of any covenant or

obligation of DOA, in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by DOA pursuant to this Agreement, provided however, that DOA's obligation under item (A) above shall only apply if, other than with respect to a Breach resulting from fraud, in which case a claim may be made at any time, on or before the third (3rd) anniversary of the Commencement Date, Terrebonne or SRMC notifies the Commissioner of DOA of a claim specifying the factual basis of the claim in reasonable detail to the extent then known by Terrebonne or SRMC.

(iii) To the extent permitted by applicable law, and except as otherwise provided in this Agreement, DHH will have liability (for indemnification or otherwise) for and will indemnify Terrebonne and SRMC for all Damages incurred by Terrebonne or SRMC as a result of (A) a Breach of any representation or warranty by DHH, and (B) any Breach of any covenant or obligation of DHH in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by DHH pursuant to this Agreement, provided however, that DHH's obligation under item (A) above shall only apply if, other than with respect to a Breach resulting from fraud, in which case a claim may be made at any time, on or before the third (3rd) anniversary of the Commencement Date, Terrebonne or SRMC notifies the Secretary of DHH of a claim specifying the factual basis of the claim in reasonable detail to the extent then known by Terrebonne or SRMC.

(iv) Except as otherwise provided in this Agreement, Terrebonne will have liability (for indemnification or otherwise) for all Damages incurred by LSU,

DOA, the State, or DHH as a result of (A) a Breach of any representation or warranty by Terrebonne or SRMC, (B) the actions or failure to act by the employees or agents of Terrebonne, (D) any Breach of any covenant or obligation of Terrebonne in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by Terrebonne pursuant to this Agreement, (D) any Damages arising out of the ownership or operation of the Hospital or its assets after the Commencement Date, (E) any liability under the WARN Act or any similar state or local Legal Requirement that may result from an "Employment Loss", as defined by 29 U.S.C. section 2101(a)(6), caused by any action of Terrebonne, and (F) any Employee Plan established or maintained by Terrebonne; provided however, that Terrebonne's obligation under item (A) above shall only apply if, other than with respect to a Breach resulting from fraud, in which case a claim may be made at any time, on or before the third (3rd) anniversary of the Commencement Date, LSU, DOA or DHH notifies Terrebonne of a claim specifying the factual basis of the claim in reasonable detail to the extent then known by LSU, DOA or DHH.

(v) Except as otherwise provided in this Agreement, SRMC will have liability (for indemnification or otherwise) for all Damages incurred by LSU, DOA, the State, or DHH as a result of (A) a Breach of any representation or warranty by SRMC, (B) the actions or failure to act by the employees or agents of SRMC, (D) any Breach of any covenant or obligation of SRMC in this Agreement or in any other certificate, document, agreement, writing or instrument delivered by SRMC pursuant to this Agreement, (D) any Damages arising out of the

ownership or operation of the Hospital or its assets after the Commencement Date, (E) any liability under the WARN Act or any similar state or local Legal Requirement that may result from an "Employment Loss", as defined by 29 U.S.C. section 2101(a)(6), caused by any action of SRMC, and (F) any Employee Plan established or maintained by SRMC; provided however, that SRMC's obligation under item (A) above shall only apply if, other than with respect to a Breach resulting from fraud, in which case a claim may be made at any time, on or before the third (3rd) anniversary of the Commencement Date, LSU, DOA or DHH notifies SRMC of a claim specifying the factual basis of the claim in reasonable detail to the extent then known by LSU, DOA or DHH.

(d) Third-Party Claims.

(i) Promptly after receipt by a Person entitled to indemnity under this Agreement (an "Indemnified Person") of notice of the assertion of a Third-Party Claim against it, such Indemnified Person shall give notice to the Person obligated to indemnify under such Section (an "Indemnifying Person") of the assertion of such Third-Party Claim, provided that the failure to notify the Indemnifying Person will not relieve the Indemnifying Person of any liability that it may have to any Indemnified Person, except to the extent that the Indemnifying Person demonstrates that the defense of such Third-Party Claim is prejudiced by the Indemnified Person's failure to give such notice.

(ii) If an Indemnified Person gives notice to the Indemnifying Person pursuant hereto of the assertion of a Third-Party Claim, the Indemnifying Person shall be entitled to participate in the defense of such Third-Party Claim and, to the

extent that it wishes (unless (a) the Indemnifying Person is also a Person against whom the Third-Party Claim is made and the Indemnified Person determines in good faith that joint representation would be inappropriate or (b) the Indemnifying Person fails to provide reasonable assurance to the Indemnified Person of its financial capacity to defend such Third-Party Claim and provide indemnification with respect to such Third-Party Claim), to assume the defense of such Third-Party Claim with counsel satisfactory to the Indemnified Person. After notice from the Indemnifying Person to the Indemnified Person of its election to assume the defense of such Third-Party Claim, the Indemnifying Person shall not, so long as it diligently conducts such defense, be liable to the Indemnified Person under this Article for any fees of other counsel or any other expenses with respect to the defense of such Third-Party Claim, in each case subsequently incurred by the Indemnified Person in connection with the defense of such Third-Party Claim, other than reasonable costs of investigation. If the Indemnifying Person assumes the defense of a Third-Party Claim, no compromise or settlement of such Third-Party Claim may be affected by the Indemnifying Person without the Indemnified Person's Consent unless (x) there is no finding or admission of any violation of a Legal Requirement or any violation of the rights of any Person; (y) the sole relief provided is monetary damages that are paid in full by the Indemnifying Person; and (z) the Indemnified Person shall have no liability with respect to any compromise or settlement of such Third-Party Claims effected without its consent.

(iii) Notwithstanding the foregoing, if an Indemnified Person determines in good faith that there is a reasonable probability that a Third-Party Claim may adversely affect it other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement, the Indemnified Person may, by notice to the Indemnifying Person, assume the exclusive right to defend, compromise, or settle such Third-Party Claim, but the Indemnifying Person will not be bound by any determination of any Third-Party Claim so defended for the purposes of this Agreement or any compromise or settlement effected without its Consent (which may not be unreasonably withheld).

(iv) With respect to any Third-Party Claim subject to indemnification under this Article: (A) both the Indemnified Person and the Indemnifying Person, as the case may be, shall keep the other Person fully informed of the status of such Third-Party Claim and any related Proceedings at all stages thereof where such Person is not represented by its own counsel, and (B) the Parties agree (each at its own expense) to render to each other such assistance as they may reasonably require of each other and to cooperate in good faith with each other in order to ensure the proper and adequate defense of any Third-Party Claim.

(v) With respect to any Third-Party Claim subject to indemnification under this Article, the Parties agree to cooperate in such a manner as to preserve in full (to the extent possible) the confidentiality of all Confidential Information and the attorney-client and work-product privileges. In connection therewith, each Party agrees that, to the extent allowed by law: (A) it will use its

commercially reasonable efforts, in respect of any Third-Party Claim in which it has assumed or participated in the defense, to avoid production of Confidential Information (consistent with applicable law and rules of procedure), and (B) all communications between any Party hereto and counsel responsible for or participating in the defense of any Third-Party Claim shall, to the extent possible, be made so as to preserve any applicable attorney-client or work-product privilege.

(e) Other Claims. A claim for indemnification for any matter not involving a Third-Party Claim may be asserted by notice to the party from whom indemnification is sought and shall be paid promptly after such notice.

ARTICLE XVIII.
GENERAL PROVISIONS

Section 18.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

(a) the singular number includes the plural number and vice versa;

(b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;

(c) reference to any gender includes the other gender;

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

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

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

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

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

(i) with respect to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding";

(j) references to "day," rather than the defined term "Business Day," shall mean a calendar day; and

(k) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto.

Section 18.2 Legal Representation of the Parties. This Agreement was negotiated by the signatories hereto with the benefit of legal representation, and any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any signatory hereto shall not apply to any construction or interpretation hereof.

Section 18.3 Expenses. Except as otherwise provided in this Agreement, each Party to this Agreement will bear its respective fees and expenses incurred in connection with the preparation, negotiation, execution, and performance of this Agreement and the Contemplated Transactions, including all fees and expense of its representatives. If this Agreement is terminated, the obligation of each Party to pay its own fees and expenses will be subject to any rights of such Party arising from a Breach of this Agreement by another Party.

Section 18.4 Public Announcements. Any public announcement, press release, or similar publicity with respect to this Agreement or the Contemplated Transactions will be issued, if at all, at such time and in such manner as the Parties shall mutually determine.

Section 18.5 Confidential Information.

(a) Restricted Use of Confidential Information. Subject to subsection (h) below, except as otherwise required by any Legal Requirement, each Receiving Party acknowledges the confidential and proprietary nature of the Confidential Information of the Disclosing Party and agrees that such Confidential Information to the extent allowed by law (i) shall be kept confidential by the Receiving Party; (ii) shall not be used for any reason or purpose other than to evaluate and consummate the Contemplated Transactions; and (iii) without limiting the foregoing, shall not be disclosed by the Receiving Party to any Person, except in each case as otherwise expressly permitted by the terms of this Agreement or with the prior written consent of an authorized representative of LSU with respect to Confidential Information of LSU or the Terrebonne CEO with respect to Confidential Information of Terrebonne or SRMC. Terrebonne, SRMC and LSU shall disclose the Confidential Information of the other Party only to its representatives who require such material for the purpose of evaluating the Contemplated Transactions and

are informed by LSU, Terrebonne or SRMC, as the case may be, of the obligations of this Article with respect to such information. Terrebonne, SRMC and LSU shall (i) enforce the terms of this Article as to its respective representatives; (ii) take such action to the extent necessary to cause its representatives to comply with the terms and conditions of this Article; and (iii) be responsible and liable for any Breach of the provisions of this Article by it or its representatives.

(b) Exceptions. Section 18.5(a) does not apply to that part of the Confidential Information of a Disclosing Party that a Receiving Party demonstrates (i) was, is, or becomes generally available to the public other than as a result of a Breach of this Article by the Receiving Party or its representatives; (ii) was or is developed by the Receiving Party independently of and without reference to any Confidential Information of the Disclosing Party; or (iii) was, is, or becomes available to the Receiving Party on a non-confidential basis from a third party not bound by a confidentiality agreement or any legal, fiduciary or other obligation restricting disclosure.

(c) Legal Proceedings. Subject to subsection (h) below, if a Receiving Party becomes compelled in any Proceeding or is requested by a Governmental Body having regulatory jurisdiction over the Contemplated Transactions to make any disclosure that is prohibited or otherwise constrained by this Article, that Receiving Party shall provide the Disclosing Party with prompt notice of such compulsion or request so that it may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions of this Article. In the absence of a protective order or other remedy, the Receiving Party may disclose that portion (and only that portion) of the Confidential Information of the Disclosing Party that, based upon advice of the Receiving Party's

counsel, the Receiving Party is legally compelled to disclose or that has been requested by such Governmental Body, provided, however, that the Receiving Party shall use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded by any Person to whom any Confidential Information is so disclosed. The provisions of this Section do not apply to any Proceedings among the Parties to this Agreement.

(d) Return or Destruction of Confidential Information. Except as required by any Legal Requirement, if this Agreement is terminated, each Receiving Party shall, to the extent allowed by law, (i) destroy all Confidential Information of the Disclosing Party prepared or generated by the Receiving Party without retaining a copy of any such material; (ii) promptly deliver to the Disclosing Party all other Confidential Information of the Disclosing Party, together with all copies thereof, in the possession, custody or control of the Receiving Party or, alternatively, with the written consent of the Disclosing Party, destroy all such Confidential Information; and (iii) certify all such destruction in writing to the Disclosing Party, provided, however, that the Receiving Party may retain a list that contains general descriptions of the information it has returned or destroyed to facilitate the resolution of any controversies after the Disclosing Party's Confidential Information is returned.

(e) Attorney-Client Privilege. The Disclosing Party is not waiving, and will not be deemed to have waived or diminished, any of its attorney work-product protections, attorney-client privileges, or similar protections and privileges as a result of disclosing its Confidential Information (including Confidential Information related to pending or threatened litigation) to the Receiving Party, regardless of whether the Disclosing Party has asserted, or is or may be entitled to assert, such privileges and

protections. The Parties (i) share a common legal and commercial interest in all of the Disclosing Party's Confidential Information that is subject to such privileges and protections; (ii) are or may become joint defendants in Proceedings to which the Disclosing Party's Confidential Information covered by such protections and privileges relates; (iii) intend that such privileges and protections remain intact should either party become subject to any actual or threatened Proceeding to which the Disclosing Party's Confidential Information covered by such protections and privileges relates; and (iv) intend that after the consummation of the Contemplated Transactions the Receiving Party shall have the right to assert such protections and privileges. No Receiving Party shall admit, claim, or contend, in Proceedings involving either Party or otherwise, that any Disclosing Party waived any of its attorney work-product protections, attorney-client privileges, or similar protections and privileges with respect to any information, documents or other material not disclosed to a Receiving Party due to the Disclosing Party disclosing its Confidential Information (including Confidential Information related to pending or threatened litigation) to the Receiving Party.

(f) Trade Secret Protection. Any trade secrets of a Disclosing Party shall also be entitled to all of the protections and benefits under applicable trade secret law and any other applicable law. If any information that a Disclosing Party deems to be a trade secret is found by a court of competent jurisdiction not to be a trade secret for purposes of this Article, such information shall still be considered Confidential Information of that Disclosing Party for purposes of this Article to the extent included within the definition. In the case of trade secrets, each Party hereby waives any requirement that the other Party submit proof of the economic value of any trade secret or post a bond or other security.

(g) HIPAA Override. Notwithstanding anything to the contrary in this Agreement, any Confidential Information which constitutes "protected health information" as defined in HIPAA shall be maintained by the Parties in accordance with the provisions of HIPAA and the HITECH Act and the rules and regulations promulgated thereunder, and such provisions, rules, and regulations shall take precedence over any other provisions of this Agreement governing Confidential Information to the extent there is a conflict between the terms of this Agreement and such provisions, rules, and regulations of HIPAA and the HITECH Act and each Party will act in accordance therewith.

(h) Public Records Request. The financial and other records created by, for or otherwise belonging to Terrebonne and SRMC shall remain in the possession, custody, and control of Terrebonne and SRMC, respectively, regardless of whether, or the method by which, LSU or DHH reviews and/or audits such records in connection with the rights and obligations of this Agreement. DHH, LSU, Terrebonne and SRMC consider records of Terrebonne and SRMC to be proprietary to Terrebonne and SRMC, and to the extent that Terrebonne or SRMC makes any such records or documents available to DHH or LSU, such records shall be clearly marked as confidential and/or proprietary to indicate its or their position that such records or documents are not public records. To the extent a public records request is received by the State pursuant to La. R.S. 44:1, et seq. (the "Public Records Act") which may include documents marked as confidential and/or proprietary to Terrebonne or SRMC, the State will use its best efforts to give notice to Terrebonne or SRMC that the State has received such a public records request prior to producing any documents considered to be proprietary to Terrebonne or SRMC, and if

such notice cannot be provided to Terrebonne or SRMC before the State is required to produce such documents, the State shall provide notice to Terrebonne or SRMC as soon thereafter as possible. In the event that Terrebonne or SRMC objects to the production and believes that the records are not subject to production pursuant to the Public Records Act, Terrebonne or SRMC will immediately so notify the State in writing and take such action as Terrebonne or SRMC deems necessary to protect the disclosure of such records. Terrebonne or SRMC will defend, indemnify, and hold harmless the State and its employees, officers, attorneys, and agents from and against any costs, expenses, liabilities, attorneys fees, losses, damages, fines, and/or penalties resulting from or relating to the State's failure to produce such documents in response to a public records request.

Section 18.6 Notices. Except as otherwise provided in this Agreement, any notice, payment, demand, request, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be duly given by the applicable Party if personally delivered to the applicable Party, or if sent certified or registered mail, at its address set forth below:

If to LSU:

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

With a copy to:

Taylor, Porter, Brooks & Phillips LLP
8th Floor Chase Tower South
451 Florida Street
Baton Rouge, LA 70801
Attention: Health Care Partner

If to DOA:

State of Louisiana, Division of Administration
Claiborne Building, 7th Floor
1201 N. Third Street
Baton Rouge, LA 70802
Attention: Commissioner

With a copy to:

State of Louisiana, Division of Administration
P. O. Box 94004
Baton Rouge, LA 70804-9004
Attention: Elizabeth Baker Murrill, Esq.

If to DHH:

State of Louisiana, Department of Health and Hospitals
628 N. Fourth Street
P.O. Box 629
Baton Rouge, Louisiana 70821-0629
Attention: Secretary

With a copy to:

State of Louisiana, Department of Health and Hospitals
628 N. Fourth Street
P.O. Box 629
Baton Rouge, Louisiana 70821-0629
Attention: Stephen Russo, Esq.

If to Terrebonne:

Terrebonne General Medical Center
8166 Main Street
Houma, LA 70360
Attention: Chief Executive Officer

With a copy to:

Baker Donelson Bearman Caldwell & Berkowitz, PC
Chase North Tower
450 Laurel Street, 20th Floor
Baton Rouge, LA 70801
Attention: Dickie Patterson, Esq

With a copy to:

Watkins, Walker & Eroche
501 Roussell Street
Houma, LA 70361
Attention: Daniel J. Walker

If to SRMC:

SRMC
8166 Main Street
Houma, LA 70363
Attention: Chief Executive Officer

With a copy to:

Chabert Operational Management
Company, L.L.C.
1514 Jefferson Highway
New Orleans, LA 70121
Attention: General Counsel

With a copy to:

Watkins, Walker & Eroche
501 Roussell Street
Houma, LA 70361
Attention: Daniel J. Walker

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

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

(i) if by hand, when delivered;

(ii) if given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received by the Party; or

(iii) if given by certified mail, return receipt requested, postage prepaid, three (3) Business Days after posted with the United States Postal Service.

Section 18.7 Jurisdiction; Service of Process. Any Proceeding arising out of or relating to this Agreement or any Contemplated Transaction may be brought in the Nineteenth Judicial District for the Parish of East Baton Rouge, Louisiana, or, if it can acquire jurisdiction, in the United States District Court for the Middle District of Louisiana; provided, however, that nothing herein is intended, nor shall it be deemed or interpreted, to waive any rights, privileges, or immunities available to any Party under the Eleventh Amendment. The Parties agree that any of them may file a copy of this Section with any court as written evidence of the knowing, voluntary, and bargained agreement between the Parties irrevocably to waive any objections to

venue or to convenience of forum as set forth hereinabove. Process in any Proceeding referred to in the first sentence of this section may be served on any party anywhere in the world.

Section 18.8 Enforcement of Agreement; Legal Fees and Costs. Subject to the limitation on equitable or injunctive relief set forth in Section 15.4(c), each Party acknowledges and agrees that the other Parties would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms and that any Breach of this Agreement by a Party could not be adequately compensated in all cases by monetary damages alone. Accordingly, in addition to any other right or remedy to which a Party may be entitled, at law or in equity, it shall be entitled to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary, and permanent injunctive relief to prevent Breaches or threatened Breaches of any of the provisions of this Agreement, without posting any bond or other undertaking. In the event that either Party elects to incur legal expenses to enforce or interpret any provision of this Agreement, the prevailing Party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs and necessary disbursements, in addition to any other relief to which such Party shall be entitled.

Section 18.9 Entire Agreement and Modification. This Agreement supersedes all prior agreements, whether written or oral, among the Parties with respect to its subject matter and constitutes (along with the other documents and Exhibits delivered pursuant to this Agreement) a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by LSU, the State, DOA, DHH, Terrebonne and SRMC.

Section 18.10 Assignments, Successors and No Third-Party Rights. No Party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Parties. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement, except such rights as shall inure to a successor or permitted assignee pursuant to this Section.

Section 18.11 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Section 18.12 Construction. The headings of Articles and Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Articles," and "Sections" refer to the corresponding Articles and Sections of this Agreement.

Section 18.13 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

Section 18.14 Governing Law. This Agreement will be governed by and construed under the laws of the State of Louisiana without regard to conflicts-of-laws principles that would require the application of any other law.

Section 18.15 Execution of Agreement. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

Section 18.16 Compliance with Health Care Laws. This Agreement is intended to comply with all Health Care Laws and nothing herein is intended to require, nor shall the Agreement be construed or interpreted as requiring, directly or indirectly, explicitly or implicitly, any Party to take any action that would violate any Health Care Law.

Section 18.17 Access to Records. To the extent that the services provided under this Agreement are deemed by the Secretary of the Department of Health and Human Services, the U.S. Comptroller General, or the Secretary's or Comptroller's delegate, to be subject to the provisions of Section 952 of Public Law 96-499, the Parties, until the expiration of four (4) years subsequent to the furnishing of services under this Agreement, shall make available, upon written request to the Secretary, the Comptroller, or any of their duly authorized representatives, this Agreement, and the books, documents, and records of the Parties that are necessary to certify the nature and extent of the charges to each Party. If any Party carries out any of its duties under the Agreement through a subcontract with a value of $10,000 or more over a twelve (12)-month period with a related organization (as that term is defined with regard to a provider in 42 C.F.R. § 413.17(1)), such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related

organization upon written request shall make available to the Secretary, the Comptroller, or any of their duly authorized representatives, the subcontract, and books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. If any Party is requested to disclose any books, documents, or records relevant to this Agreement for the purpose of an audit or investigation relating directly to the provision of services under this Agreement, such Party shall notify the other Parties of the nature and scope of such request and shall make available to the other Parties, upon written request, all such books, documents, or records. This Section is included pursuant to and is governed by the requirements of federal law. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by the Parties or any of the Parties' representatives by virtue of this Agreement.

Section 18.18 Name and Trademark. Except as provided in this Agreement, no Party will use any other Party's name, symbol, or trademark in any marketing, advertising, or any other public communications without the prior written consent of such Party regarding the use of its name, symbol, or trademark.

Section 18.19 Legislative Auditor. It is hereby agreed that the State and/or the Legislative Auditor shall have the option of auditing all accounts of Terrebonne and SRMC which relate to this Agreement. Such audits shall be at the expense of the State or the Legislative Auditor and shall be done during customary business hours.

Section 18.20 Discrimination Clause. Terrebonne and SRMC agree to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education

Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Terrebonne and SRMC agree to abide by the requirements of the Americans with Disabilities Act of 1990. Terrebonne and SRMC agree not to discriminate in their employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

Section 18.21 Further Acts and Assurances. Each of the Parties shall, at any time and from time to time at and after the execution of this Agreement, upon reasonable request of another Party, take any and all steps reasonably necessary to consummate the Contemplated Transactions, and will do, execute, acknowledge, and deliver, or will cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be required to consummate the Contemplated Transactions.

Section 18.22 Appropriation of Funds. All State, DOA, DHH, and LSU obligations under this Agreement to make payments of any kind are contingent obligations and shall be subject to appropriation by the Louisiana Legislature of sufficient funds appropriated therefor and the availability of funds following Legislative appropriation. DOA and LSU agree to make good faith best efforts to seek specific appropriation for such funds from the Louisiana Legislature, and DOA and LSU shall include in one or more of their annual budget requests, a request for the appropriation of funds for the purpose of making such payments pursuant to this Agreement. Notwithstanding the foregoing, this provision shall in no way limit Terrebonne's or SRMC's right to terminate this Agreement for lack of State Payment pursuant to Section 15.6.

Section 18.23 Terrebonne's Guarantee of SRMC's Performance. Terrebonne, individually and in solido with SRMC, guarantees the full and timely payment and performance

of all of SRMC's obligations under this Agreement and the Contemplated Transactions, except to the extent the making of this covenant or performance of it would result in a breach of any representations, warranties, covenants, or other obligations under bond or debt facility obligations of Terrebonne.

Section 18.24 SRMC as Public Body. SRMC shall for all purposes be treated as a public body.

[Signatures on following pages.]

Signature page for Cooperative Endeavor Agreement

THUS DONE AND SIGNED as of the Effective Date.

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

By: _____

William L. Jenkins, President of
Louisiana State University System

Date: _____

THUS DONE AND SIGNED as of the Effective Date.

STATE OF LOUISIANA THROUGH THE DIVISION OF ADMINISTRATION

By: _____
Kristy Nichols, Commissioner

Date: 6-22-13

LOUISIANA DIVISION OF ADMINISTRATION

By: _____
Kristy Nichols, Commissioner

Date: 6-22-13

Signature page for Cooperative Endeavor Agreement

THUS DONE AND SIGNED as of the Effective Date.

HOSPITAL SERVICE DISTRICT NO. 1 OF THE PARISH OF TERREBONNE

By: Phyllis Peoples

Name: Phyllis L. Peoples

Title: Chief Executive Officer

Date: 4/23/13

Signature page for Cooperative Endeavor Agreement

THUS DONE AND SIGNED as of the Effective Date.

SOUTHERN REGIONAL MEDICAL CORPORATION

By: Phyllis Peoples

Name: Phyllis L. Peoples

Title: Chief Executive Officer

Date: 6/23/13

Signature page for Cooperative Endeavor Agreement

THUS DONE AND SIGNED as of the Effective Date.

The undersigned joins in execution of this Agreement solely for purposes of consenting and agreeing to the terms set forth in Section 4.8 and Articles VIII, XI, XIV, XV, XVII, and XVIII.

LOUISIANA DEPARTMENT OF HEALTH AND HOSPITALS

By: _____
Kathy Kliebert, Secretary

Date: 6-23-13

APPENDIX I
DEFINITIONS

"Academic Affiliation Agreement" or "AAA" means the agreement between Terrebonne or SRMC and LSU setting forth terms and conditions upon which LSU and Terrebonne will collaborate to strengthen LSU, the Hospital, the AMC, and their respective programs.

"ACGME" means the Accreditation Council for Graduate Medical Education.

"Affiliate" means a Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, another Person. "Control" (including the term "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of management policies of a Person, whether through membership in a non-profit corporation, appointment of the board of directors or board of supervisors, ownership of voting securities, by contract, as trustee or executor, or otherwise.

"Agreement" or "CEA" means this Cooperative Endeavor Agreement among LSU, Terrebonne, SRMC, the State, DOA, and DHH.

"Benefit Plans" means any pension, retirement, savings, disability, medical, hospital, surgical, dental, optical, or other health plan (including such benefits that are provided through insurance or a health maintenance organization), life insurance (including any individual life insurance policy as to which LSU makes premium payments whether or not LSU is the owner, beneficiary or both of such policy) or other death benefit plan (including accidental, death insurance), profit sharing, present or deferred compensation, employment consulting, termination of employment, change-in-control, retention stock option, bonus or other incentive plan, excess benefit plan vacation benefit plan, holiday, sick pay, severance plan, "golden parachute", prepaid legal services, day care, employee assistance (referral) benefits, cafeteria plan, scholarship, or educational benefit, supplemental unemployment, expense reimbursement, medical service discount, any fringe benefits referenced in Section 132 of the Code or other employee benefit plan or arrangement (whether written or arising from custom) to which LSU is a party or by which LSU or any of the Hospitals (or any of its rights, properties or assets) is bound, or with respect to which LSU has made payments, contributions or commitments or may otherwise have any liability (including any such plan or arrangement formerly maintained by LSU), but in either case, which provide benefits to one or more employees, former employees or non-employees service providers of LSU, including without limit Employees, or any of their respective dependents or beneficiaries.

"Breach" means any action, inaction, omission, or other act of a Party that results in that Party's failure to perform or comply with any covenant or obligation in or of this Agreement or any other document or agreement delivered pursuant to this Agreement, or any inaccuracy in any representation or warranty in this Agreement or any other document or agreement delivered pursuant to this Agreement, or any event which with the passing of time or the giving of notice, or both, would constitute such a breach, inaccuracy or failure.

"Business Days" means Monday through Friday of each week, excluding legal holidays.

"CMS" means the Centers for Medicare and Medicaid Services (CMS), an agency of the U.S. Department of Health and Human Services.

"Code" or "IRC" means the Internal Revenue Code of 1986.

"Collaborative Residency Positions" shall have the meaning as set forth in Section 3.1(d).

"Commencement Date" means 12:00:01 a.m. on June 24, 2013, the date on which Terrebonne and SRMC assume operation and management of the Hospital.

"Confidential Information" includes, to the extent allowed by law, any and all of the following information of any Party that has been or may hereafter be disclosed in any form, whether in writing, orally, electronically or otherwise, or otherwise made available by observation, inspection or otherwise by any Party or its Representatives (collectively, a "Disclosing Party") to the other party or its Representatives (collectively, a "Receiving Party"):

(i) all information that is a trade secret under applicable trade secret or other law;

(ii) all information concerning product specifications, data, know-how, formulae, compositions, processes, designs, sketches, photographs, graphs, drawings, samples, inventions and ideas, past, current and planned research and development, current and planned manufacturing or distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, business plans, computer hardware, software and computer software and database technologies, systems, structures and architectures;

(iii) all information concerning the business and affairs of the Disclosing Party (which includes historical and current financial statements, financial projections and budgets, tax returns and accountants' materials, historical, current and projected sales, capital spending budgets and plans, business plans, strategic plans, marketing and advertising plans, publications, client and customer lists and files, contracts, the names and backgrounds of key personnel and personnel training techniques and materials, however documented), and all information obtained from review of the Disclosing Party's documents or property or discussions with the Disclosing Party regardless of the form of the communication; and

(iv) all notes, analyses, compilations, studies, summaries and other material prepared by the Receiving Party to the extent containing or based, in whole or in part, upon any information included in the foregoing.

"Consultative Process" means an open, good faith dialogue among the appropriate individuals designated or identified by each Party on breaches, disputes or issues of concern to or affecting the transactions contemplated by the Agreement. Unless this Agreement provides that the Consultative Process is to proceed automatically, the Consultative Process shall commence upon receipt of written notice from the Party requesting the Consultative Process by the other Party.

"Contemplated Transactions" means a series of transactions involving the Parties to the CEA, in which (i) Terrebonne and SRMC will take possession, use, and occupancy of the Facility and

assume responsibility for Hospital operations in accordance with and subject to the terms and conditions of this CEA, (ii) Terrebonne and SRMC will purchase from LSU consumable inventory necessary for the continued operations of the Hospital; (iii) Terrebonne will commit to supporting LSU's academic, clinical, and research missions in accordance with this CEA.

"Core Services" means those core health care services that are described in Article IV, Section 4.4, and listed on Exhibit 4.4 of this Agreement.

"Cure Period" means a sixty (60) day period of time during which a Party may attempt to cure an asserted Breach.

"Damages" shall have the meaning set forth in Section 17.2(c).

"DHH" means the Louisiana Department of Health and Hospitals.

"Disclosing Party" has the meaning set forth in the definition of "Confidential Information."

"DOA" means the State of Louisiana through the Louisiana Division of Administration.

"DOC" means the Louisiana Department of Public Safety and Corrections.

"Effective Date" means the date that this Cooperative Endeavor Agreement becomes effective and enforceable.

"Encumbrance" means any lien, claim, charge, security interest, mortgage, deed of trust, pledge, easement, option, limitation on use, conditional sale or other title retention agreement, defect in title or other restrictions of a similar nature.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"Excluded Provider" means an individual or entity who or that is excluded from participating in any state or federal health care program pursuant to 42 U.S.C. § 1320a-7.

"Facility" means the current facilities located in Houma, Louisiana in which the Hospital and its clinics are operating.

"Force Majeure" shall mean any(i) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, war, blockade, insurrection, riot or civil disturbance; (ii) labor dispute or strike; or (iii) order or judgment of any governmental authority, if not the result of willful or negligent action of a Party, any of which results in loss, delay or inability of any party to perform the obligations hereunder.

"GME" means graduate medical education.

"GME Program" means graduate medical education programs generally.

"GME Program Start Date" shall mean July 1, 2013.

"Governmental Authorization" means any consent, license, registration or permit issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

"Governmental Agencies" means any United States or Louisiana agency or instrumentality.

"Governmental Body" or "Governmental Bodies" means any:

(i) nation, state, county, city, town, borough, village, district or other jurisdiction;

(ii) federal, state, local, municipal, foreign or other government;

(iii) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers);

(iv) multinational organization or body;

(v) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or

(vi) official of any of the foregoing.

"Health Care Laws" means all federal, state or local laws, statutes, codes, ordinances, regulation manuals or principles of common law relating to healthcare regulatory matters, including without limitation, (i) 42 U.S.C. §§ 1320a-, 7a and 7b, which are commonly referred to as the "Federal Anti-Kickback Statute"; (ii) 42 U.S.C. § 1395nn, which is commonly referred to as the "Stark Law"; (iii) 31 U.S.C. §§ 3729-3733, which is commonly referred to as the "Federal False Claims Act"; (iv) Titles XVIII and XIX of the Social Security Act, implementing regulations and program manuals; and (v) 42 U.S.C. §§ 1320d-1320d-8 and 42 C.F.R. §§ 160, 162 and 164, which is commonly referred to as HIPAA; (vi) 42 U.S.C. §§ 1395dd, et. seq., which is commonly referred to as the "Emergency Medical Treatment and Active Labor Act" (EMTALA).

"HIPAA" means the Health Information Protection and Portability Act of 1996, as amended.

"HITECH Act" means the Health Information and Technology for Economic and Clinic Health Act, as amended.

"Hospital" means the patient care and business operations of Leonard J. Chabert Medical Center in Houma, Louisiana, bearing Medicare Provider Number 190183.

"Inadequate Funding" means the failure of DHH or the State to make timely payments of the State Payment as required in Article VIII in any State Fiscal Year or portion thereof.

"Indemnified Person" shall mean the Person entitled to indemnity under this Agreement.

"Indemnifying Person" means the Person obligated to indemnify another Party under this Agreement.

"Indigent Care Services" means health care services provided to Medically Indigent persons.

"IRC" means the Internal Revenue Code.

"Joint Commission" or "JC" means The Joint Commission responsible for accreditation of hospitals and other health care organizations.

"Key Service Baseline" means the baseline of services in the Key Service Lines provided by the Hospital on the Commencement Date as described in Article IV, Section 4.5.

"Key Service Lines" means those service lines described in Article IV, Section 4.5 and listed on Exhibit 4.5.

"Knowledge" means an individual will be deemed to have Knowledge of a particular fact or other matter if:

(i) that individual is actually aware of that fact or matter; or

(ii) a prudent individual could be expected to discover or otherwise become aware of that fact or matter in the course of conducting a reasonably comprehensive investigation regarding the accuracy of any representation or warranty contained in this Agreement.

(iii) A Person (other than an individual) will be deemed to have Knowledge of a particular fact or other matter if any individual who is serving, or who has at any time served, as a director, officer, partner, executor or trustee of that Person (or in any similar capacity) has, or at any time had, Knowledge of that fact or other matter (as set forth in (i) and (ii) above), and any such individual (and any individual party to this Agreement) will be deemed to have conducted a reasonably comprehensive investigation regarding the accuracy of the representations and warranties made herein by that Person or individual.

"Layoff Plan" means the layoff plan filed by LSU with the Louisiana Civil Service Commission regarding the layoff of LSU Personnel.

"Legal Requirement" means any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute or treaty, including without limitation Health Care Laws.

"Legislature" means the Senate and House of the Louisiana Legislature.

"Liability" means with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"LSU" or "LSU Board of Supervisors" means the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College.

"LSU GME Program" means Graduate Medical Education programs that will be operated at the Hospital and are listed on Schedule 3.1 hereto.

"LSU Personnel" means the Hospital employees to be laid off as LSU employees as of the Commencement Date, subject to the approval of the Louisiana Civil Service Commission.

"Major Teaching Hospital" means a hospital that meets one of the following criteria:

(i) Be a major participant in at least four approved medical residency programs of which at least two of the programs shall be in medicine, surgery, obstetrics and gynecology, pediatrics, family practice, emergency medicine, or psychiatry; or

(ii) Maintain an intern and resident full-time equivalency of at least twenty filled positions with an approved medical residency program in family practice located more than one hundred fifty miles from the medical school accredited by the Liaison Committee on Medical Education.

"Master Collaborative Agreement" or "MCA" means the agreement among LSU, Terrebonne and SRMC addressing matters related to the Contemplated Transactions and involving ancillary agreements pertaining to same, as set forth more fully in Article IX hereof.

"Material Adverse Effect" means any action or inaction that, in the context of this Agreement as a whole, would prevent or significantly impair a Party's ability to meet its own obligations in this Agreement.

"MCPI" means the Consumer Price Index for Medical Care Services published by the United States Department of Labor, Bureau of Labor Statistics, in which 1982-1984 equals one hundred (100). If the MCPI is discontinued or revised during the term of this Agreement, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the MCPI had not been discontinued or revised.

"Medically Indigent" means any person whose income is below two hundred percent of the federal poverty level and who is uninsured.

"Office of Risk Management" means the Office of Risk Management within the DOA.

"Order" means any order, injunction, judgment, decree, ruling, assessment or arbitration award of any Governmental Body or arbitrator.

"Party" or "Parties" means LSU, Terrebonne, SRMC, the State, DOA and DHH.

"Permitted Joint Venture" means a joint venture or partnership entered into by Terrebonne or by SRMC that does not result in a change of control of Terrebonne or of SRMC as applicable, that

has no Material Adverse Effect on the Contemplated Transactions, and that is required by its written terms to be operated subject to the terms and conditions of this CEA.

"Person" means an individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity or a Governmental Body.

"Potential Terminating Breaches" means those asserted Breaches that may result in termination of the CEA if not cured pursuant to the process provided in Article XV.

"Proceeding" means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

"Provider Numbers" shall mean all numbers or other identifying designations issued or assigned to a provider for purposes of a provider agreement, reimbursement or other payment or claims processing, including without limitation provider numbers as designated for purposes of Medicare, Medicaid, CHAMPUS or other governmental or third party payer programs.

"Public Purpose" means the purpose the Parties seek to accomplish through this Cooperative Endeavor Agreement, specifically, to create an academic medical center in which the Parties continuously work in collaboration and are committed and aligned in their actions and activities, in accordance with a sustainable business model, to serve the State: (i) as a site for graduate medical education, capable of competing in the health care marketplace, with the goal of enriching the State's health care workforce and their training experience; (ii) in fulfilling the State's historical mission of assuring access to Safety Net Services to all citizens of the State, including its Medically Indigent, high risk Medicaid and prisoner populations; and (iii) by focusing on and supporting the Core Services and Key Service Lines necessary to assure high quality medical education training and access to Safety Net Services.

"Receiving Party" has the meaning set forth in the definition of "Confidential Information."

"Residency Caps" has the meaning set forth in the recitals above.

"Residency Positions" has the meaning set forth in the recitals.

"Right of Use Agreement" means the agreement between LSU, Terrebonne and SRMC addressing Terrebonne's and SRMC's possession, use, and occupancy of the Facility and any other properties described in the agreement attached as Exhibit 5.1 of this CEA.

"Safety Net Services" means health care services which are important to the health of the citizens of the State and to which they may not otherwise have access, including, without limitation, the Core Services, whether such lack of access is due to the financial resources available to the patient, lack of availability of the service through alternative providers in the community, or other reason.

"State" means the State of Louisiana.

"State Payment" means the supplemental payments made or required to be made as determined in accordance with Article VIII of this Agreement.

"SRMC" means Southern Regional Medical Corporation, a Louisiana nonprofit corporation, and includes its employees, officers and agents.

"Termination Notice" means written notice by a non-breaching Party to the other Parties of the non-breaching Party's intent to terminate this CEA.

"Terrebonne" means Hospital Service District No. 1 of the Parish of Terrebonne, a body corporate created pursuant to La. R.S. 46:1051 et seq.

"Terrebonne Charity Care Policy" means the policy attached as Exhibit 4.1 to this CEA.

"Third Party Claim" means any claim against any Indemnified Person by a third party, whether or not involving a Proceeding.

"Third Party Consents" means those consents or approvals needed from third parties as set forth on Schedule 14.1.

"Wind Down Commencement Date" means Wind Down Commencement Date on which the Wind Down Period commences. This date shall be the date on which a written notice to terminate this Agreement is received by the non-terminating Party, provided however, that the applicable Cure Period, Consultative Process, and Executive Level Negotiations, as applicable or required, have ended without resolution.

"Wind Down Payments" means the Required Program Funding from DHH to Terrebonne during the Wind Down Period.

"Wind Down Period" shall have the meaning as set forth in Section 15.10.

SCHEDULE 3.1

LSU GME PROGRAMS

The following programs, located at either Southern Regional Medical Corporation or Terrebonne General Medical Center, or both in some instances, meet the Residency Review Committee standards for FY 2014:

Emergency Medicine

Physical Medicine and Rehabilitation

Family Medicine

Internal medicine / Emergency medicine – combined program

Ophthalmology

EXHIBIT 4.1

LSU CHARITY CARE POLICY

The LSU Policy Number 2525-12 is attached hereto.

LOUISIANA STATE UNIVERSITY
HEALTH CARE SERVICES DIVISION
BATON ROUGE, LOUISIANA

POLICY NUMBER: 2525-12

CATEGORY: Patient Accounting Financial Services

CONTENT: Medically Indigent Eligibility Determination for LSU-HCSD Provided Services

EFFECTIVE DATE: September 1, 2003
Revised October 21, 2003
Revised June 11, 2004
Revised March 31, 2005
Revised May 4, 2005
Revised January 27, 2006
Revised/Reviewed May 30, 2008
Revised/Reviewed: October 13, 2008
Reviewed/Revised March 31, 2010
Reviewed: June 1, 2011
Reviewed: April 1, 2012

INQUIRIES TO: Patient Financial Services
LSU Health Care Services Division
Post Office Box 91308
Baton Rouge, LA 70821-1308
Telephone (225) 763-8537 Facsimile (225) 763-8577

Interim Chief Executive Officer
LSU Health Care Services Division

5-9-12
Date

Deputy Chief Executive Officer
LSU Health Care Services Division

5/2/2012
Date

Director of Patient Accounting and Financial Services
LSU Health Care Services Division

4/30/2012
Date

I. STATEMENT OF PURPOSE, SCOPE AND ELIGIBILITY

The LSU-HCSD Medically Indigent Eligibility Determination policy will standardize the method by which LSU-HCSD facilities will determine patient responsibility for the charges incurred by the patients and how they can qualify for medically indigent services/treatment through its facilities or programs. For *non-Medicare patients*, the Federal Poverty Income Guidelines will be used as the basis for determining whether a person or family is financially eligible for assistance or service. For *Medicare beneficiaries*, in addition to the Federal Poverty Income Guidelines, an analysis of the patient's assets is required.

Any bona fide resident of the State of Louisiana in need of medical services, including but not limited to the uninsured, shall be eligible for treatment by any general hospital owned or operated by the LSU-HCSD. Those persons who are determined not to be medically indigent shall be processed in accordance with LSU- HCSD billing and collection policies. In no event shall emergency treatment be denied to anyone. Persons seeking medically indigent treatment shall furnish all information requested by the facility or program office providing the service. Eligibility established at any LSU – HCSD facility shall be used for service/treatment in any facility or program throughout the LSU-HCSD.

The LSU-HCSD Medically Indigent Eligibility Determination Policy will apply to all services for which there is a charge to the patient except as expressly prohibited by Federal or State statutes, rules or regulations, any services elective not-medically necessary in nature, and for patients that have third party payer coverage.

Nothing in this policy is intended to be in conflict with Federal or State law, rule or policy pertaining to the provision of services to the indigent.

II. DEFINITIONS

The following definitions shall apply to the LSU-HCSD Medically Indigent Eligibility Determination policy.

Assets – Only the resources or property that are easily convertible to cash and unnecessary for the patient's daily living. Examples are monies in a: Checking Account, Savings Account, Certificate of Deposit (CD), Cash in a Safety Deposit Box, Stocks, and/or Bonds. IRAs and 401Ks are excluded until money is removed.

Medicare Assets Testing – An analysis performed on the assets presented and electronically documented are in total not to exceed the allowable limit of $2,000 per person or $3,000 per couple. Included in this analysis, the hospital should take into account any extenuating circumstances that would affect the determination of the Medicare patient's indigence.

Louisiana Resident - Persons are considered a resident of the State of Louisiana when they actually live in the state and can provide evidence of intent to remain; there is no requirement of United States citizenship, but the applicant must be a US citizen or a qualified alien.

Qualified Alien – Person authorized by the U.S. Citizenship and Immigration Services (USCIS) for legal entry and continued stay in this country.

Greater New Orleans Community Health Connection (GNOCHC) – effective October 1, 2010, the DHH Medicaid Waiver Program provides for primary and behavioral health care services to low-income (up to 200% of the FPL) uninsured residents of Jefferson, Orleans, Plaquemines and St. Bernard Parishes.

Medically Indigent - A person whose family unit resources or property and income is at or below two hundred percent (200%) of the Federal Poverty Level (FPL) for the size of the family unit, rounded to the nearest dollar, and in accordance with all regulations and qualifications set forth in this policy. As of the program implementation date, LSU HCSD Hospitals accepts DHH's eligible enrollees in the GNOCHC program as appropriately screened persons for the MI eligibility adjustment.

Gross Income - As used herein means sum of income from salaries, Social Security benefits, pensions, rents, self employment or any other source which is applicable to the family unit. This income shall be rounded to the nearest dollar when applied to the LSU-HCSD scale for medically indigent eligibility determination.

Family Unit/Dependent - A family unit is any group of individuals related by blood, marriage, adoption or resident, whose income can be legally applied to the patient's medical expenses. Children over eighteen (18) years of age and not in high school, emancipated minors and children living under the care of individuals, not legally responsible for their support shall not be considered in the family unit, unless they are claimed on their Federal Income Tax. For minor children, in the event there is a divorce in the family unit, a legal document is required to verify which parent is the responsible party. If no legal document is present, then the parent accompanying the child at the time of service is responsible for the bill until such documentation is obtained.

In case of a minor not claimed as a dependent, such as, new birth or new custody, for income tax purposes, the parents are still responsible for payment based on the medically indigent eligibility qualification table but may increase the dependent deductions by the patient(s) in question.

Responsible Persons -As used herein, "Responsible Persons" means the patient's parents or guardians if the patient is under the age of eighteen, unless someone else claims the patient as a dependent, in which case it is that person. If the patient is over eighteen, the patient is responsible for his/her contribution based on his/her gross family income and allowed deductions, unless claimed as a dependent, in which case the claimant becomes responsible for the charges toward the cost of care based on the claimant's family income.

Third Party Payer - As used herein shall mean any Commercial Insurance or Commercial Health Benefit Plan which is or may be legally liable for payment of charges incurred from medical services.

Elective Not-Medically Necessary Procedures - As defined within this policy, elective not-medically necessary procedures are those considered cosmetic or reproductive in nature or are part of a special flat fee program.

III. REGULATIONS

A. A person, who fails to supply the information necessary for accurate medically indigent eligibility determination, shall be presumed to be able to pay the full charge for services rendered. Emergency treatment shall not be denied to anyone. For non-emergent cases the patient should be given the option to either pay a non-refundable minimum deposit, a portion of the deposit or be rescheduled when the information can be provided. In emergency cases patients will be advised of their financial responsibility prior to discharge.

B. Patients, who choose to pay the non-refundable deposit, will be given a reasonable deadline of ten (10) calendar days (for inpatients the 10 days will be from discharge) to provide the information to be evaluated for medically indigent eligibility determination. If information is supplied within the ten (10) calendar days and medically indigent eligibility is determined, the account will be appropriately classified as Medically Indigent for the balance of that account and through the next qualifying period. If the patient fails to provide the required information within the ten day time frame, the account will be considered as self-pay and billed accordingly. However, if the information is provided after the designated time frame and medically indigent eligibility is determined, the effective eligibility will apply for future cases only and not retroactive for previous services.

C. Any person who is potentially eligible for medical assistance benefits from any Federal or State program that cannot or refuses to provide evidence of application for and follow through with application for said benefits shall be presumed to be able to pay the full charge for services rendered and shall be billed accordingly.

D. Medically indigent eligibility will be determined at registration in accordance with this policy using the LSU-HCSD medically indigent eligibility qualification table (Attachment 1) based on household gross income and number in the family unit.

The GNOCHC program enrollees are considered medically indigent eligible when treated by a non-participating GNOCHC provider or for non-covered benefit services of the program. LSU HCSD Hospitals accepts DHH's eligible enrollees in the GNOCHC program as appropriately screened persons for the MI eligibility adjustment. No separate application will be required for free care eligible patients that have been enrolled into GNOCHC by DHH.

Eligibility for persons who are self employed will be based on guarantor's income as reflected on the most current year Federal Income Tax Form. The responsible person shall be advised of his responsibility to report any change in the family unit income, employment, composition, etc.

E. In accordance with Medicare regulation: CCH 5239 Indigent or Medically Indigent Patients (Provider Reimbursement Manual, Part 1, 312 B), Medicare beneficiaries medically indigent eligibility will be determined once the patient has passed the "assets test" (Attachment 2). For Medicare patients, medically indigent eligibility applies only to the unpaid deductible and coinsurance amount of a patient hospital bill and does not apply to the deductibles or co-pays related to physician direct patient care services. Eligibility also does not apply to patient medical services which are the financial responsibility of the patient, i.e., medically unnecessary services, self-administered drugs, telephone charges. Medicare Advantage plans are health plan options that are separate from "original Medicare" and therefore are considered a Commercial Health Insurance Plan.

F. For Medicaid recipients, medically indigent eligibility applies only on those portions of the hospital bill for which the patient has financial responsibility, i.e., patient spend-down portion, and non-covered medical services and does not apply to medical services that are non-compliant with the Medicaid Program requirements, i.e., Primary Care Physician referrals.

G. Patients with Commercial Insurance or Commercial Health Benefit Plan coverage are not eligible for medically indigent eligibility determination due to health plan and legal requirements requiring patients to be billed for their full cost-share portion of the provided services.

However, if the third party coverage does not provide benefits for the hospital services due to health plan exclusions, or other exclusions resulting from a pre-existing condition, or in a waiting period prior to eligibility, or if the policy benefits have been exhausted, the patient may be considered for medically indigent eligibility determination. This does not apply when a patient has third party coverage that does not provide hospital benefits at an LSU-HCSD facility for services that would otherwise be authorized in the payer's network of providers.

IV. MEDICAL EXPENSE QUALIFICATION RULE

A. Self-pay patients may be determined medically indigent eligible by presenting documented previously incurred eligible medical expenses, for the twelve (12) months immediately preceding treatment, from any health care provider, which are equal or above twenty percent (20%) of the gross income of the family unit. Only approved valid medical expenses will qualify the patient for medical treatment at no additional cost to the family unit, for the next twelve months from the date of service.

B. The charges incurred on current treatment or admission will be considered as a medical expense when computing the 20% calculation.

V. MEDICALLY INDIGENT ELIGIBILITY QUALIFICATION TABLE (Attachment 1)

A. Family income shall be determined in accordance with gross monthly or annual income information provided by the patient/guarantor at the time of financial screening.

B. Except as previously defined, any individual or family unit whose income is at or below two hundred percent (200%) of Federal Poverty Level will be determined as medically indigent and shall be eligible for treatment/services in any LSU-HCSD facility at no cost to the family unit.

C. Any family unit whose gross income is greater than two hundred percent (200%) of the Federal Poverty Income Guidelines for that family unit will be responsible for the full amount of the charges for medical services, except as determined in Section IV.A.

The gross income and the Federal Poverty Income Guidelines are rounded to the nearest dollar when determining eligibility.

D. The Medically Indigent Eligibility Determination Table will be revised each year to include the changes in the Federal Poverty Income Guidelines that are published annually in the "Federal Register". The effective date of the annual update will be the first day of the month following the notification of the changes in the Federal Register.

VI. APPLICABILITY

This policy shall apply to all divisions and facilities of the LSU-HCSD.

VII. IMPLEMENTATION

This policy becomes effective upon the approval and the signature of the CEO of the LSU-HCSD. Subsequent revisions to this policy shall become effective on the date the revised policies are approved by the Executive Vice President/Chief Executive Officer of the LSU HCSD or designee.

VIII. RESPONSIBILITY

It shall be the responsibility of each Division Director and Hospital Administrator or designee(s) to adhere to the procedures set forth in this policy

Louisiana State University – Health Care Services Division (LSU-HCSD)
Medically Indigent Qualification Table
2012 Federal Poverty Guidelines Released February 1, 2012
Effective date April 1, 2012

Family Unit	1	2	3	4	5	6	7	8
Poverty Guidelines	11,170	15,130	19,090	23,050	27,010	30,970	34,930	38,890
Guidelines X 200%	22,340	30,260.	38,180	46,100	54,020	61,940	69,860	77,780
Monthly	1,861.67	2,521.67	3,181.67	3,841.67	4,501.67	5,161.67	5,821.67	6,481.67

Add $3,960 to poverty guidelines for each additional member (over 8).

Medically Indigent Qualification Table

No. in Family Unit	Gross Monthly Income
1	$1,861.67
2	$2,521.67
3	$3,181.67
4	$3,841.67
5	$4,501.67
6	$5,161.67
7	$5,821.67
8	$6,481.67

Add additional $660.00 to monthly income for each additional dependent.

LSU – HCSD Health System
Medicare Medically Indigent Assets Test

Assets – Only the resources or property that are easily convertible to cash and unnecessary for the patient's daily living. Examples are monies in a: Checking Account, Savings Account, Certificate of Deposit (CD), Cash in a Safety Deposit Box, Stocks, and/or Bonds. IRAs and 401Ks are excluded until money is removed.

Medicare Assets Testing – An analysis performed on the assets presented and electronically documented are in total not to exceed the allowable limit of $2,000 per person or $3,000 per couple. Included in this analysis, the hospital should take into account any extenuating circumstances that would affect the determination of the patient's indigence.

General Information

- Count assets as of the first day of the month.
- Validate assets from most recent statement, i.e. monthly, quarterly, semi-annually.
- Changes in the assets during the month do not affect assets count for the month.
- Do not count as an asset any money considered as income.

Added to the beginning of the Medicare beneficiary's MI Application:

- Amount in Checking Account $_____
- Amount in Savings Account, CDs $_____
- Cash in Safety Deposit Box $_____
- Amount in Stocks, Bonds $_____
- TOTAL $_____

_____
Performed By

_____
Date Performed

EXHIBIT 4.4

CORE SERVICES

General Surgery with endoscopy

Vascular Surgery

Non-Cardiac Chest Surgery

Orthopedics

Ophthalmology – General

Glaucoma

Retina

Corneal Transplant

Oculoplastics

Urology – General

Gynecology – General

Reproductive Endocrinology

Gynecology Oncology

Colposcopy Clinic

Gynecology Adolescent Clinic

Urogynecology Clinic

Anesthesia

Pathology

Radiology with Intervention, MRI, Bone density, Mammography, Cat Scan, Nuclear Medicine, Ultrasound

Blood Banking

Emergency Medicine

Pediatrics – General – Medical Home

Gastrointestinal

Genetics

General Internal Medicine with Medical Home

General Cardiology with Echocardiogram & Stress testing

Holters, Ambulatory Blood Pressure Monitoring, EKG

Congestive Heart Clinic

Invasive Cardiology – Cardiac Cath, Coronary Angiography

Electrophysiology – Pacemakers, Arrhythmias

Infectious Disease

HIV – Medical Home

Public Health

Pulmonary

Asthma Education

Pulmonary / Critical Care

Endocrinology

Diabetic Education

Weight management Clinic

Family Practice & Adolescent Medicine – Medical Home

Gastroenterology – General

Hepatology

Endoscopy with ERCP

Esophageal Manometry

Neurology – General

Head Ache Clinic
Seizure Clinic
Electromyelograms
Nerve Conduction Studies
EEG

Nephrology – General
Acute Hemodialysis & Peritoneal Dialysis
Resistant Hypertension Clinic
Chronic Renal Disease Education

Rheumatology

Dermatology (Adult & Pediatrics)

Hematology

Oncology including Chemotherapy, Bone marrow biopsies

Out Patient Antibiotic Therapy

Wound Care (Acute & Chronic)

Physical & Occupational Therapy

Speech Therapy

Physical Medicine & Rehabilitation

Psychiatry – In Patient

Psychology – In Patient

Smoking Cessation

Dental Extraction Clinic

Palliative Care

Indigent Medication Services

Research

EXHIBIT 4.5

KEY SERVICE LINES

General Surgery with endoscopy	X
Vascular Surgery	X
Non-Cardiac Chest Surgery	X
Orthopedics	X
Ophthalmology – General	X
Glaucoma	X
Retina	X
Gynecology – General	X
Reproductive Endocrinology	X
Gynecology Oncology	X
Colposcopy Clinic	X
Gynecology Adolescent Clinic	X
Urogynecology Clinic	X
Anesthesia	*
Pathology	*
Radiology with Intervention, MRI, Bone density, Mammography, Cat Scan, Nuclear Medicine, Ultrasound	*
Blood Banking	*
Emergency Medicine	X
Pediatrics – General – Medical Home	X
General Internal Medicine with Medical Home	X
General Cardiology with Echocardiogram & Stress testing	X

Congestive Heart Clinic	X
Invasive Cardiology – Cardiac Cath, Coronary Angiography	X
Electrophysiology – Pacemakers, Arrhythmias	X
Infectious Disease	X
HIV – Medical Home	X
Pulmonary	X
Pulmonary / Critical Care	X
Endocrinology	X
Family Practice & Adolescent Medicine – Medical Home	X
Gastroenterology – General Hepatology Endoscopy with ERCP Esophageal Manometry	X X X X
Neurology – General Head Ache Clinic Seizure Clinic Electromyelograms	X X X X
Nephrology – General Acute Hemodialysis & Peritoneal Dialysis	X X
Rheumatology	X
Dermatology (Adult & Pediatrics)	X
Hematology	X
Oncology including Chemotherapy, Bone marrow biopsies	X
Physical & Occupational Therapy	*

Speech Therapy	*
Physical Medicine & Rehabilitation	X
Smoking Cessation	*
Dental Extraction Clinic	*
Palliative Care	X
Indigent Medication Services	X
Research	*

*** Necessary Support Services for training programs**

EXHIBIT 5.1

RIGHT OF USE AGREEMENT

The form of the Right of Use Agreement is attached hereto.

EXHIBIT 10.2(a)

AUTHORIZING RESOLUTION OF LSU BOARD OF SUPERVISORS

The Authorizing Resolution of LSU Board of Supervisors is attached hereto,

Cooperative Endeavor Agreement by and among the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, Southern Regional Medical Corporation, Hospital Service District No. 1 of the Parish of Terrebonne, the State of Louisiana through the Division of Administration, the Louisiana Division of Administration, and the Louisiana Department of Health and Hospitals, relating to Leonard J. Chabert Medical Center

Upon motion of Mr. Lasseigne, seconded by Mr. Lawton, the Board unanimously voted to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (herein "LSU Board of Supervisors") that William L. Jenkins, Interim President of the Louisiana State University System, or his designee, is authorized on behalf of and in the name of the LSU Board of Supervisors to execute the Cooperative Endeavor Agreement by and among the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, Southern Regional Medical Corporation, Hospital Service District No. 1 of the Parish of Terrebonne, the State of Louisiana through the Division of Administration, the Louisiana Division of Administration, and the Louisiana Department of Health and Hospitals, in substantially the form presented to the LSU Board of Supervisors.

BE IT FURTHER RESOLVED that William L. Jenkins, Interim President of the LSU System, or his designee, is hereby authorized by and empowered for and on behalf of and in the name of the LSU Board of Supervisors, in consultation with its legal counsel, to execute said Cooperative Endeavor Agreement substantially in the form presented to the LSU Board of Supervisors and any related documents necessary or desirable to accomplish and implement the purposes of the Cooperative Endeavor Agreement that he deems to be in the best interest of the LSU Board of Supervisors, including, but not limited to, immovable property leases and subleases, equipment leases, sales of various movable property, and right of use and occupancy agreements, all such related documents to contain such terms and to be in such form and content and for such price and/or consideration as he, in his sole discretion, deems appropriate, and to also authorize William L. Jenkins, Interim President of the LSU System, or his designee, to execute all such leases, subleases, equipment leases, sales of various movable property, right of use and occupancy agreements, and all other related documents.

(Copy of Cooperative Endeavor Agreement presented to the LSU Board of Supervisors is on file in the Office of the LSU Board of Supervisors)

CERTIFICATE

I, Carleen N. Smith, the duly qualified Administrative Secretary of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, hereby certify that the foregoing is a true and exact copy of the documents adopted by the Board of Supervisors at its meeting May 28, 2013, at which meeting more than a quorum was present and voted.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the official seal of said Board of Supervisors this 10th day of June, 2013.

Carleen N. Smith

Administrative Secretary
Board of Supervisors of Louisiana State University and
Agricultural and Mechanical College

SEAL

SCHEDULE 10.8

GOVERNMENTAL REVIEW AND APPROVALS

1. The Joint Legislative Committee on the Budget ("JLCB") may review, but need not approve, this Cooperative Endeavor Agreement and its schedules and attachments.

2. The Louisiana Office of Contractual Review ("OCR") must approve this Cooperative Endeavor Agreement, the Master Hospital Lease, and the Sublease. OCR has formally delegated this responsibility to Elizabeth B. Murrill, Executive Counsel, Louisiana Division of Administration.

3. Other Governmental Authorizations required to operate the Hospital are set forth on Schedule 14.1.

SCHEDULE 10.9(c)

THREATENED, PENDING OR LIKELY REVOCATION, SUSPENSION OR EARLY TERMINATION OF JOINT COMMISSION ACCREDITATION

None.

SCHEDULE 10.10

THREATENED OR PENDING PROCEEDINGS AFFECTING OR AGAINST THE HOSPITAL, LSU GME PROGRAMS, OR LSU PERSONNEL

LSU does not maintain a list of legal proceedings involving the Hospital. Defense of such proceedings is handled by the Office of Risk Management.

EXHIBIT 12.2(a)

AUTHORIZING RESOLUTION OF TERREBONNE GENERAL MEDICAL CENTER

The Authorizing Resolution of Terrebonne General Medical Center is attached hereto.

EXHIBIT 13.2(a)

AUTHORIZING RESOLUTION OF
SOUTHERN REGIONAL MEDICAL CORPORATION

The Authorizing Resolution of Southern Regional Medical Corporation is attached hereto.

SCHEDULE 14.1

GOVERNMENTAL AUTHORIZATIONS

1. LSU and SRMC shall each file CMS Form 855 prior to the Commencement Date; however, CMS approval is not expected until after the Commencement Date;

2. Review and approval of building plans from the Louisiana Office of the State Fire Marshal;

3. Fire inspection report by the Louisiana Office of the State Fire Marshal;

4. Public health inspection report by the Louisiana Office of Public Health;

5. Terrebonne Parish certificate of occupancy;

6. Terrebonne Parish sales tax identification number;

7. Louisiana state sales tax identification number;

8. Temporary operating licenses for the Hospital and its off-site clinics issued by the Louisiana Department of Health and Hospitals. Permanent licenses will be issued post-Commencement Date upon recommendation and approval by CMS after appropriate surveys, etc.;

9. Louisiana Board of Pharmacy controlled substance license or an agreement to operate under LSU's license until a license is issued to SRMC;

10. Drug Enforcement Agency controlled dangerous substance license or an agreement to operate under LSU's license until a license is issued to SRMC;

11. CLIA certificates.