

LSU BOARD OF SUPERVISORS MEETING

University Administration Building Board Room

Louisiana State University

3810 W. Lakeshore Drive, Baton Rouge, LA 70808

Friday, October 25, 2019 | Time: 10:00 a.m. CT

- I. Call to Order and Roll Call
- II. Invocation and Pledge of Allegiance
- III. Public Comment
- IV. Committee Meetings
 - A. Academic & Research Committee
 1. Recommendation to Authorize the Disposal of Library Books and Delegate Related Authorities to the LSU President
 2. Request from LSU A&M to Establish the Doctorate of Philosophy in Experimental Statistics
 3. Request from LSU A&M to Establish both the Alternative Certification Pathway for STEM Education and the Post-Baccalaureate Certificate in STEM Teacher Preparation Program
 4. Request from LSU Health Sciences Center – Shreveport for Conditional Approval of the Louisiana Addiction Research Center
 5. Request from LSU A&M to Establish the Bachelor of Arts in Art & Design
 6. Request from LSU A&M to Establish the Bachelor of Science in Learning Experience Design & Innovation
 7. Request from LSU A&M to Establish the School of Collaborative Academic Programs
 8. CONSENT AGENDA
 - a. Request from LSU A&M for Continued Authorization of the Leadership Development Institute
 - b. Request from LSU Health Sciences Center – Shreveport for the Continued Authorization of the Feist Weiller Cancer Center of Excellence
 - c. Request from LSU Health Sciences Center – Shreveport for the Continued Authorization of the Center of Excellence for Arthritis and Rheumatology
 - d. Request from LSU Health Sciences Center – Shreveport for Full Approval of the Center for Brain Health
 - e. Request from LSU A&M to Name Five Areas within the LSU Athletic Facilities
 - f. Request from LSU A&M to Name the Tiger Athletic Foundation South Wing of the LSU Memorial Tower
 - g. Request from LSU A&M to Name the William A. Brookshire LSU Military Museum
 - h. Request from LSU A&M to Name the Art E. Favre North Wing of the LSU Memorial Tower
 - i. Request from LSU Eunice to Establish the Dr. John L. Couvillion Memorial Endowed Two-Year Student Workforce Scholarship
 - j. Request from LSU Eunice to Establish the Diana Lynn Labbe Memorial Endowed Two-Year Student Workforce Scholarship

- B. Finance Committee
 - 1. Request from LSU A&M to Issue Auxiliary Revenue Refunding Bonds and Make Application to the Louisiana State Bond Commission
 - 2. Recommendation to Approve the 2020-21 Operating Budget Request
 - 3. Request from LSU Health Sciences Center – New Orleans for Determination of Acceptable University Purpose for LSU Health Foundation New Orleans to establish a subsidiary 501-(c)(3) or other Special Purpose Non-profit Entity to Manage the Zebra House
 - 4. Request from LSU Health Sciences Center – New Orleans for Determination of Acceptable University Purpose for LSU Health Foundation New Orleans to establish a Subsidiary Limited Liability Corporation or other Special Purpose Subsidiary
 - 5. Request to Re-Authorize the President to Establish an Assessment Structure for the Online Programs
- C. Athletics Committee
 - 1. Request from LSU A&M to Approve Employment Contract for Dennis Shaver, Head Coach Track & Field and Cross Country
- D. Property & Facilities Committee
 - 1. Request from LSU to Enter into a Lease for the Charity Hospital Redevelopment Project
 - 2. Request from LSU Health Sciences Center-New Orleans to Approve the Purchase of Land in Squares 431, 441, and 463, First District, New Orleans
 - 3. Request from LSU A&M to Authorize the President to Execute a Cooperative Endeavor Agreement with LSU Research Foundation Regarding the Louisiana Emerging Technology Center, the Louisiana Digital Media Center and the LSU Innovation Park
 - 4. Request from LSU A&M to Lease Space in Jesse Coates Hall to REFF for Construction of Biology Labs
 - 5. Request from LSU A&M to Enter Into a Lease with Tiger Athletic Foundation for Replacement of Synthetic Turf and Construction of Related Improvements at the Charles McClendon Outdoor Practice Facility
- E. Audit Committee (9:00 AM CT, Room 112)
 - 1. Audit Plan Status Report
 - 2. Discussion on Communication of Processes and Procedures
 - 3. Report on Information Provided through the Audit Public Reporting Systems
The Board may enter into Executive Session in accordance with the provisions of LA R.S. 42:17
- V. Reconvene Board Meeting
- VI. Approval of the Minutes of the Affiliated Organization Oversight Committee Meeting held on Aug. 2, 2019
- VII. Approval of the Minutes for the September 12, 2019 Meeting of the Board
- VIII. Approval of the Minutes for the September 13, 2019 Meeting of the Board
- IX. Personnel Actions Requiring Board Approval
The Board may enter into Executive Session in accordance with the provisions of LA R.S. 42:17
- X. Reports from Council of Staff Advisors and Council of Faculty Advisors
- XI. President’s Report
- XII. Reports to the Board
 - A. Fall 2019 14th Day Enrollment & Trend Report
 - B. Facility Summary Reports
 - C. 2019 4th Quarter Combined

- D. 2019 IA Annual Report
- XIII. Committee Reports
- XIV. Chair's Report
- XV. Adjournment

LSU BOARD OF SUPERVISORS AUDIT COMMITTEE MEETING

University Administration Building | Conference Room 112

3810 W Lakeshore Drive, Baton Rouge, LA 70808

Friday, October 25, 2019 | 9:00 AM CT

1. Audit Plan Status Report
2. Discussion on Communication of Processes and Procedures
3. Report on Information Provided through the Audit Public Reporting Systems
The Audit Committee may enter into Executive Session in accordance with the provisions of LA R.S. 42:17



Board of Supervisors

SECTION A

ACADEMIC & RESEARCH COMMITTEE

BOARD OF SUPERVISORS MEETING | OCTOBER 25, 2019



Recommendation to Authorize the Disposal of Library Books and Delegate Related Authorities to the LSU President

To: Members of the Board of Supervisors

Date: October 25, 2019

Pursuant to Article VII, Section L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

L. Other Significant Matters. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

1. Summary of the Matter

R.S. 25:151 requires the Board of Supervisors to approve the disposal “of such book by making it available to be claimed by any hospital, correctional facility, public or private institution, nonprofit organization, adult education program, youth organization, school, or any individual for private use free of charge.” The libraries of the university are requesting Board authorization to dispose of books and materials by donating the materials to other public entities or for individual’s use in accordance with the law. The sale of used books is permitted under other laws.

2. Review of Business Plan

N/A

3. Fiscal Impact

There is no perceived loss of revenue by disposing of books and library materials that are unused.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize the disposal of library books and materials that campuses’ respective librarians deem to be obsolete or unnecessary by discarding, donating, or selling the material, and to authorize the President of Louisiana State University and Agricultural & Mechanical College, to make any policies or direct actions pertaining to the disposal of library materials.



Request from LSU A&M to Establish the Doctorate of Philosophy in Experimental Statistics

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

2. Summary of Matter

Description and Need

LSU A&M is requesting approval to establish a Doctorate of Philosophy in Experimental Statistics (PhD). The Letter of Intent was approved by the Board of Regents on August 22, 2018

The Ph.D. program in experimental statistics will prepare students to meet the needs of business, industry, and academia in the statistical sciences and provide an educated and market-ready workforce of statisticians for the economic development of Louisiana. In particular, the program will target statistics applied to the areas of industrial statistics and reliability in manufacturing and services; agricultural business including precision agriculture; biology, particularly in the areas of ecological and environmental statistics, proteomics, genomics, and bioinformatics; pharmaceuticals; and social science research. The degree will focus on cutting-edge research in areas relevant to current developments in applied statistics with strong links to ongoing interdisciplinary research at LSU. The program will provide an excellent mix of statistical technical skills, computing skills relevant to statistical applications, and statistical research applied to relevant problems. Coursework includes advanced statistical methods and advanced statistical inference, computational statistics, multivariate and generalized linear models, and modern Bayesian Methods.

The State of Louisiana and LSU need a broad statistics program to educate student in areas relevant to academic research, economic development, industrial development (including quality control and manufacturing), and biological, social, and agricultural sciences. Therefore, a strong Ph.D. program in statistics is important to support the LSU Flagship Agenda 2020 and should be an integral component of a strong Research I institution. Biostatistics programs like the one offered by Tulane University and the one at the School of Public Health at the LSU Health Science Center in New Orleans are highly specialized to serve the medical and health-related professions, covering a limited spectrum of statistical applications.

The application of statistics in academia, private industry, and government has increased dramatically over the past two decades, especially with the availability of personal computing

hardware and software. The expected job growth rate for the 2014--2024 period is approximately 34.0%, which is much faster than the average for all occupations. Based on the Bureau of Labor Statistics report, the salary scale for 2015 shows that

- The highest paid 10% statisticians earned at least \$130,090.
- 50% of the statisticians in industry made \$80,500.
- The lowest paid 10% statisticians made at most \$46,500.

The report from the National Center for Science and Engineering Statistics from the National Science Foundation show that statistician doctorates have a lower unemployment rate (1.2%) than other doctoral groups (2.2%).

Students

The Department of Experimental Statistics also offers a Master of Applied Statistics in which enrollments have been continuously strong, ranging from 24-38 students. The master's program will be a continuous source for the Ph.D. program. After graduation, many of our students have gone on to pursue terminal degrees in statistics at other peer institutions. Therefore, the program will enhance opportunities for recruitment of students and faculty who are more likely to join an academic program with a Ph.D. option, increase the opportunities to obtain external funding to support faculty and graduate students, and provide the department with a better chance of participating in interdisciplinary and collaborative projects at the university and national levels.

It is projected that the enrollment in the Ph.D. program in statistics will be about 1/4 the size of the existing master's program. After its inception and development, we conservatively expect to have about 8 to 10 active Ph.D. students in the program; however, the potential for greater demand certainly exists. By year 5, there should be at minimum 6-7 graduates of the program

3. Review of Business Plan

The proposed program will be housed in the Department of Experimental Statistics within the College of Agriculture. In 2017, the department added an additional assistant professor for the program. As the program has sufficient resources to accommodate the PhD program, there will be no approximate additional costs. The faculty already have access to travel stipends, library resources; the department also has adequate space to hold the additional students for the proposed program. The Department currently expends ~\$80,000/year in Teaching Assistantships, which will be re-allocated for both Ph.D. and Master's students. Outside funding grants will be secured to additionally help support full-time doctoral students. This can include grants for individual graduate students or faculty grants that will help support students. For example, the National Physical Science Consortium (NPSC) offers six-year doctoral fellowships. The department, in the past, has had held contracts and grants with a variety of state agencies, notably the Louisiana Department of Wildlife and Fisheries, the Louisiana Department of Natural Resources, Louisiana Department of Environmental Quality, and the Louisiana Department of Education. We anticipate that the Ph.D. program will offer additional opportunities for the Department to interact and contract with such state agencies.

4. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

1. Board of Regents Program Proposal and budget forms

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish a Doctorate of Philosophy in Experimental Statistics at LSU A&M, subject to approval by the Louisiana Board of Regents.



Request from LSU Health Sciences - Shreveport for Conditional Approval of the Louisiana Addiction Research Center

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph A of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- A. Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

2. Summary of Matter

LSU Health Sciences Center – Shreveport requests conditional approval of a new research center – the Louisiana Addiction Research Center (LARC). LARC represents a novel research center focused on addiction research and education in an integrated environment pursuing the latest in innovative approaches and learning. Through this research, the Center’s goal is to develop therapeutic models that optimize compassionate care to people suffering from substance use disorders (SUD) while improving knowledge and understanding of addiction as a public health issue by way of active collaborations and outreach within our community.

The proposed Louisiana Addiction Research Center brings together a multidisciplinary team of researchers from LSU Health Sciences Center - Shreveport and from community partners. Basic and clinical researchers of LARC include experts from pharmacology, neuroscience, physiology, medicine and psychiatry, who will work closely with community experts, both local and statewide, to foster collaborative research projects that integrate not only basic and clinical science, but also encourage community outreach and education. By combining basic science and medical expertise at LSUHSC-S with community experts who deal with SUD and its effects on a daily basis, LARC will be uniquely poised to extend the current state-of-the-art knowledge to successfully compete for extramural research funding that would be otherwise unattainable if such collaborative research was not conducted through this research center. Synergies created by LARC will maximize resources available to basic and clinical researchers throughout the LSU campuses and the state of Louisiana.

Objectives of the LARC

It is the intent and purpose of the LARC to investigate multiple locations in the disease state cycle to interrupt, prevent, and treat SUD. To achieve this purpose, the LARC has several objectives in place:

- Identify and establish optimal models of care for Addiction and Substance Use Disorder in Louisiana through collaborative research involving community partners, and in so

doing provide for the development of a comprehensive continuum of care from prevention to recovery.

- Educate and train providers and our community about SUD and addictive behavior by researching effective communication and educational tools that will impact and optimize patient care and community awareness.
- Collaborate with the North Louisiana Criminalistics Laboratory to develop identification algorithms for illicit synthetic and other abused drugs in use currently in our community and throughout Louisiana.
- Develop treatment modalities through clinical trials and research into other potential agents and therapies.
- Expand and extend our knowledge base on brain structure/function relationships and how they change in SUD.
- Expand basic science-based understanding of addiction through demonstration in animal models and studies of genetics.
- Work with our current Center of Excellence for Cardiovascular Diseases and Sciences (CCDS) to examine the relationships between acute and chronic drug exposure and cardiovascular health, especially with regard to methamphetamine.

This center for addiction research will collaborate further with the Ochsner LSU Health Shreveport – Academic Medical Center toward the goal of decreased recidivism, decreased relapse rates, decrease in frequency of Emergency Department utilizers, and decreased number of readmissions. Benefits of this initiative would include cost reduction for both the community and the hospital, and the improvement in quality of patient care, and would focus on the wellbeing of the Ochsner Shreveport patient population, which has a high number of Medicaid patients, African Americans, and poverty-stricken patients.

3. Review of Business Plan

The LARC “footprint” will be located in LSU HSC- Shreveport’s current physical plant. The LARC will be significantly supported by existing core facilities. These existing facilities include the LSU Health Sciences Center Shreveport campus as a whole, but specifically the Departments of Pharmacology, Toxicology, & Neuroscience as well as the Department of Psychiatry and Behavioral Medicine. These two departments combined have a total of 6,250 square feet of laboratory space, of which approximately 50% square feet will be involved in research that will fall under the umbrella of this center. Specific labs and core facilities include the following:

The various research activities associated with LARC will be conducted at existing facilities at the LSU Health Sciences Center Shreveport extended campus or at affiliated sites such as the Laboratory for Advanced Biomedical Informatics (LABi) at LSU-S in Shreveport. Brain imaging will be performed at the Center for Molecular Imaging and Therapeutics. Facilities for clinical trials, which are an instrumental part of this proposal, are located at the Coordinated Research Services site. Various basic science and translational projects will be conducted in the laboratories of individual investigators, but, in addition, researchers involved in these efforts have access to core facilities with state-of-the-art equipment and other resources (such as cell sorting, advanced microscopy and DNA sequencing detailed below). Research related to the cardiovascular component of the project will be carried out at the Center for Cardiovascular

Diseases and Sciences (CCDS) and the NIH Center of Biomedical Research Excellence (COBRE) in Redox Biology and Cardiovascular Disease on campus. Finally, community-based projects will take place at various sites in Caddo Parish with research agreements in place, as needed. Together, the facilities and resources describe here represent a rich and supportive environment for accomplishing the important goals of the center.

LSU Health Sciences Center Shreveport will provide \$50,000/year in general program funding to aid in the execution of LARC goals and objectives, including support of the seminar series, intramural awards, and administrative costs. The Christus Schumpert Endowed Chair in Neurobiology will support a \$25,000 intramural research grant annually. For the first conditional year – AY 2020-2021 – revenue will thus total \$75,000. In addition, the Center expects approximately \$25,000 in in-kind technology development services provided by LSUS LABi in support of its proposed algorithm development initiatives, and an estimated \$10,000 in educational outreach support provided by community partners, HOPE Connections and the Council on Alcoholism and Drug Abuse of NWLA. All center implementation costs will not exceed revenue for the first year.

4. Review of Documents Related to Referenced Matter

A complete Board of Regents “Form A: Request for Conditional (One-Year) Approval of a New Research Unit” and budget are on file with the LSU Office of Academic Affairs.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center - Shreveport for conditional approval of the Louisiana Addiction Research Center, subject to approval by the Louisiana Board of Regents.



Request from LSU A&M to Establish both the Alternative Certification Pathway for STEM Education and the Post-Baccalaureate Certificate in STEM Teacher Preparation Program

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

2. Summary of Matter

Description and Need

LSU A&M is currently seeking permission from the Louisiana Department of Education to offer a non-degree Practitioner Teacher Program alternative path to certification for STEM education. The LSU STEM Practitioner Teacher Alternative Certification program is intended to increase the production of LSU STEM majors who become certified teachers in Louisiana, including for the first time, computer science teachers.

The program was stimulated by a U.S. Department of Education grant subcontract from the University of Texas at Austin as an extension of the nationally disseminated UTeach undergraduate teacher education model. LSU's GeauxTeach Math/Science programs is a UTeach replication program, and the required courses in the proposed alternative certification program are the core GeauxTeach courses. Maintaining high standards of the UTeach model, LSU is including 14 credit hours of coursework for biology, chemistry, mathematics, and physics, and 15 credit hours for computer science.

There is a shortage of STEM teachers nationally; however, in Louisiana, this shortage is quite steep. Between 2013 and 2016, the production of secondary math and physics teachers (which was already in inadequate supply) was cut more than half. This downward trend is continuing. To maintain a steady pool of secondary math teachers in the state, between 170 and 240 teachers must be added to the workforce. New teacher certifications have not matched this need since 2012. The situation for computer science in middle/secondary schooling is even worse. A report by the Committee on STEM Education of the National Science & Technology Council listed computational thinking as one of the three integral elements that should be added to all education. This is vital to Louisiana's economy. The Louisiana Workforce Commission predicted that the computer and mathematical occupations will be the ones with the largest ten-year growth of 36.6% by 2022. Yet, in 2016, Louisiana universities did not graduate a single computer science teacher.

Furthermore, the Louisiana Department of Education indicated that about 20% of all classes in the state have been taught by uncertified teachers (6%) or teachers teaching out of their field (14%), but for high needs subjects like math and science, the percentage of out of field teachers is at an even higher percent (38%).

Simultaneously, LSU A&M is requesting approval of a Post-Baccalaureate Certificate in STEM Practitioner Teacher Program. The alternative certification pathway is for individuals who have a baccalaureate degree in a subject other than teacher preparation. This certification allows them to become teachers in the state of Louisiana. In Louisiana, alternative certification can also lead to a post-baccalaureate certification or a master's degree in education. LSU already has the master's degree option and would like to offer the post-baccalaureate option for students not interested in full-scale graduate education.

Students

An innovative aspect of the proposed alternative certification and post-baccalaureate program is the intention to invite STEM students at LSU to take the pedagogy course work while still undergraduates. Having completed Phase 1 program requirements in advance, they will be eligible to enter the program at Phase 2, securing a paid internship to complete certification requirements.

This arrangement facilitates the teaching option for students in a STEM major not served by GeauxTeach, and for students who want to retain a teaching option for later in their career after having first worked in a STEM field-students. The GeauxTeach option is limited to students in just four STEM departments whose majors have enough room in their curriculum to take all of the pedagogy coursework and meet the two-semester student teaching requirement. The alternative certification option will be available to many more students in these GeauxTeach departments, to students in additional College of Science departments not included in GeauxTeach, and in the Division of Computer Science in the College of Engineering.

Because of the greatly expanded reach of the proposed alternative certification/post baccalaureate program and as part of the Department of Education subcontract, LSU conducted a survey of four freshman and sophomore classes in spring 2019. Of the 198 students surveyed, 49 indicated an interest in the new education track, 26 of those indicated a strong interest. This gives an indication of the level of interest to be expected across the STEM fields. LSU expects a dramatic increase in LSU students who become pre-qualified to teach at the undergraduate level, and who eventually become STEM teachers in Louisiana.

3. Review of Business Plan

The proposed program will be housed in the School of Education within the College of Human Sciences and Education. The first year will require one additional faculty member to supervise the internship course. Additional expenses include \$12,000 in staff support for the Office of Professional Experiences. The costs associated with the new program will not exceed revenues from projected tuition and fees.

4. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

1. Board of Regents Certificate Proposal and budget forms
2. Board of Regents and Louisiana Department of Education Official Plan

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish both the alternative certification pathway for STEM education and the post-baccalaureate certificate in STEM Teacher Preparation Program at LSU A&M, subject to approval by the Louisiana Department of Education and the Louisiana Board of Regents.



Request from LSU A&M to Establish the Bachelor of Arts in Art & Design

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

2. Summary of Matter

Description and Need

LSU A&M is requesting approval to establish the Bachelor of Arts in Art & Design. The Letter of Intent was approved by the Board of Regents on December 12, 2018.

The proposed BA in Art & Design serves to bridge existing fields of study within the LSU School of Art with key programs in the College of Art & Design as well as other programs across the university. The purpose of the degree is to allow students to combine their visual arts education with another area of study- which could be a major, a minor, an approved course of study, or even an accelerated master's program outside the School of Art, without exceeding the 120 credit hour limit. The content of the new BA would be similar to the existing Bachelor of Fine Arts in Art for the first year, consisting of a survey of arts course and foundation classes in design, drawing, and composition. After the first year, students will have more possibilities to choose courses from a range of School of Art tracks, unlike the highly focused BFA, in addition to ample elective opportunities. Although there would be an increase in the number and variety of electives students could take as compared to the BFA, students would choose an area of concentration from established minors at the university such as Architecture; Digital Media Arts & Engineering; Film & Media Arts; Interior Design; Textiles, Merchandising & Apparel; Architectural History; Community Design; Arts Administration; Computer Science; Entrepreneurship; Music; Visual Communications; Psychology; Biology; etc.

By integrating studio arts with fields across the university, the school aims to increase the diversity of its students and their scope of understanding across a range of disciplines. Having the BA based on the liberal arts model, as compared to its professional studies BFA counterpart, these students will be prepared to contribute to a range of hybrid industries upon graduating. These industries include: animation, games, computer graphics, video production, web design, digital fabrication, visual development in architecture and interior design, art therapy, art education, entrepreneurship, interface design, or apparel design. This strategy mirrors current trends in interdisciplinary, multi-dimensional studio art practices that can also prepare undergraduate students for advanced study (graduate programs) in visual and media studies as

well as Interdisciplinary Arts.

The National Association of Schools of Art and Design (NASAD), the School of Art's accrediting agency, requires that a BFA has "at least 65% of the course credit be in the creation and study of art and design" in contrast with a BA where only "30-45% of the total course credit toward the degree is required to be in the creation and study of the visual arts or design." By lowering the proportion of classes needed in art and design the school can maintain a truly interdisciplinary program in partnership with the complementary disciplines mentioned above.

In the first two years, all students in the School of Art will be required to take the same coursework in foundations. At the end of the second year, students wishing to remain on the BA path will indicate this in their selective admissions application. Students who wish to focus their research in one area of interest, and pursue a professional BFA degree, will go through the selective admissions process submitting their portfolio and indicating their interest in one of the following areas: graphic design, digital art or studio art with tracks in the areas of ceramics, painting and drawing, photography, printmaking and ceramics.

Students

It is anticipated that student interest in the BA in Art & Design will be high. The School of Art already has to turn away students every year who do not make it through the selective admissions process for the BFA. This is a particular problem in the graphic design and digital art concentrations where roughly 15% - 20% of the students that apply aren't admitted to the program based on a review of their portfolio after freshman year. The proposed BA has the power to transform the way selective admission is conducted in the School of Art. By having an alternative path for students that do not get into one of the existing BFA concentrations, these students have an option to remain in the department in which they have already invested a year or two of their academic career. Furthermore, the BA in Art & Design has a different admission standard than the BFA which often disproportionately values raw artistic talent over experience and potential. The School of Art is not interested in turning away committed students that are able to contribute using other creative and conceptual methods while improving traditional artistic skill sets. The proposed BA would be inclusive of students in this situation and create an alternate avenue for those who are not interested in focusing on just one art discipline.

Based on the new rolling admissions model for the BA, the 8% increase in the number of DMAE minors, the 76% increase in Interdisciplinary Studies Majors with Art minors, the 60% increase of Studio Art Majors pursuing minors, and the 75% increase in incoming students to the School of Art, there is strong evidence for an incoming class of approximately 80 with continued growth of about 10 additional students per year. The School of Art anticipates total BA enrollment to grow from 80 to 140 for the first 4 years and then level out at year 4.

3. Review of Business Plan

The program will be located in the School of Art, which is one of four schools within the College of Art & Design. The college has direct admissions in place so students are advised by specialist counselors who are dedicated to and have deep understanding of its programs and their requirements.

The program will initially use existing faculty and facilities at the School of Art and partnership programs. LSU, located in the state capital, would provide unique opportunities for students to participate in local and statewide partnerships and funding opportunities with many centralized state art agencies such as the Louisiana Division of the Arts, LASM, LSU Museum of Art, The Arts Council and Baton Rouge Gallery, all of which would require knowledge and application of other BA related disciplines in addition to the arts such as the sciences, marketing, engineering, history, communications, folklore, etc. LSU's location and connection with art organizations uniquely positions this program to attract funding from federal, state, and local agencies with multidisciplinary missions such as the NEA and NEH in addition to various local government art councils and divisions.

4. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

1. Board of Regents Program Proposal and budget forms

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish a Bachelor of Arts in Art & Design at LSU A&M, subject to approval by the Louisiana Board of Regents.



Request from LSU A&M to Establish the Bachelor of Science in Learning Experience Design and Innovation

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

2. Summary of Matter

Description and Need

LSU A&M is requesting approval to establish the Bachelor of Science in Learning Experience Design and Innovation. The Letter of Intent was sent to the Board of Regents on August 16, 2019, and statewide Chief Academic Officers have reviewed the Letter of Intent, resulting in positive feedback. At the August 28, 2019 Board of Regents meeting, the Board approved a pilot letter of intent waiver process. This pilot eliminates the duplicative letter of intent and program proposal steps of the approval process into one comprehensive step, saving time and resources for the Louisiana campuses. The program proposal for the BS in Learning Experience Design and Innovation (LXDI) is one of the first programs to take part in this new pilot process.

The proposed program prepares students to be leaders in the design, development, and implementation of web-based and e-learning programs in today's workplace. Graduates of this program will enhance employee gains and profitability, providing just-in-time learning, allowing employees scalable, flexible learning options and opportunities to upskill more rapidly, and increasing return on investment of training dollars. The outcomes of this program include:

- Understanding and applying best practices to solve workplace performance problems;
- Applying learning sciences and theories to design and implement transformative online and hybrid learning experiences, optimizing workforce settings;
- Utilizing cutting-edge content formats and learning models to create learning solutions to foster high levels of learner engagement
- Consulting and partnering with subject-matter experts, talent management, and human resources professionals, to understand, identify, and prioritize learning needs in the workplace;
- Applying learning analytics to monitor, assess, and demonstrate learning value and impact over time;
- Selecting, evaluating, and designing media and technologies to support learning online; and
- Leading and managing learning experience design projects.

The 120 hour curriculum incorporates general education coursework with leadership and human resource development courses, concentrating on training and instructional design, learner experience design, learning analytics, learning technology – all culminating in a capstone project. The additional hours of the curriculum will be spent learning traditional leadership and human behavioral theories, differential organizational settings, performance improvement, management of talent development, and team leadership and management. All courses will be offered online and offered through LSU Online.

Global corporations, nonprofits, public-sector organizations, and local startups utilize web-based/e-learning as a replacement to the outdated on-site, instructor-led model of training. Moving to online corporate training reduces training costs by eliminating the sourcing of trainers, reducing employee downtime, and eliminating other factors and costs associated with traditional classroom-based training. Web-based/e-learning formats increase corporate training effectiveness by utilizing a variety of pedagogical tools from text and animation to videos and gamification, meeting the needs of different learning styles and increasing engagement. Furthermore, such formats provide opportunities to apply learning analytics to the measurement of learning outcomes and efficient training.

There are no similar programs in the state. The School of Education at LSU has an MA in Education with a specialization in Educational Technology, but this program is oriented towards certified teachers in Louisiana. McNeese also has an MS in Instructional Technology, but its focus is on instructional technology in the school classroom. The proposed program focuses on the design, development, and implementation of web-based/e-learning in workplace settings, not the classroom. The program enables students to assess business-related learning needs and provides the capability to consult and partner with a variety of stakeholders to identify, prioritize, and validate instructional content. This is qualitatively different than school-based instructional design and is not offered in traditional educational technology programs. Texas Tech University and the University of Georgia are the only institutions that offer similar programs. Both have a low digital presence, thus providing LSU an edge to become a regional and local leader in this discipline.

Students

Graduates with this degree will predominantly work as Training and Development Specialists within business/industry. They will plan, design, develop, conduct, and administer programs that train employees and improve their skills and knowledge. The BLS reports that mean pay for these positions approximate \$65,000/year, and employment growth is projected to be faster than the national average with an increase of 32,500 jobs over the next ten years. Based on current levels of interest in the B.S. in Leadership and Human Resource Development, the latent adult learner market in Louisiana and the southern region, and web-based/e-learning design and development job demand, projected enrollment starts off with 25 students, increasing to 180 students by Year 5.

Marketing and recruiting for the program will be done nationally but with a regional emphasis. A feasibility study and overall analysis of the potential for program success reported low competition.

3. Review of Business Plan

The School of Leadership & Human Resource Development in the College of Human Sciences and Education will administer the proposed program. The program will have no immediate effect on the present administrative structure of the School or College.

Once the program launches and begins to incur costs, the revenue generated will exceed annual expenditures. The allocation of additional staffing resources will be predicated on enrollments meeting or exceeding targeted benchmark levels.

4. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

1. Board of Regents Program Proposal and budget forms

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish a Bachelor of Science in Learning Experience Design and Innovation at LSU A&M, subject to approval by the Louisiana Board of Regents.



Request from LSU A&M to Establish the School of Collaborative Academic Programs

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

LSU A&M requests approval to establish the School of Collaborative Academic Programs.

As a leading research-extensive university, LSU challenges undergraduate and graduate students to achieve the highest levels of intellectual and personal development. In keeping with this vision, the School of Collaborative Academic Programs supports multi-college, interdisciplinary, and cutting edge collaborative academic programming. The School of Collaborative Academic Programs allows faculty from different disciplines to bring relevant expertise to solve society's most challenging issues via innovative curricula that cross multiple colleges. While the traditional disciplinary programs remain critical to the breadth and depth of a research-intensive, Flagship institution, increasingly, the preparation of students for the 21st century workplace requires integrating knowledge from multiple fields. Collaboration among faculty is essential to creating leaders for an increasingly complex world. Indeed, LSU's *Strategic Plan 2025* identifies the increasing importance of interdisciplinarity for preparing students, thus LSU established the Center for Collaborative Knowledge to support those efforts. The creation of this School, as partner with the Center for Collaborative Knowledge, will allow the development of cross-disciplinary curriculum increasingly demanded by students and by the marketplace.

The mission of the School of Collaborative Academic Programs is to provide academic programming to undergraduate and graduate students, involving deep integration across disciplinary boundaries. These programs require the convergence of knowledge that utilizes the strengths of more than one school or college to address exceptionally complex problems relevant to the human condition. Essentially, this School provides a tangible place for academic programming to span across colleges.

There are many examples nationwide of universities developing cross-collegiate units to further the advancement of collaborative academic programming. Such examples include the School of Interdisciplinary Studies at Texas Christian University, the University of Central Florida's

College of Undergraduate Studies, Colorado State University's Special Academic Programs, the New College of Interdisciplinary Arts and Sciences at Arizona State University, and Holy Cross' Center for Interdisciplinary Studies. LSU seeks to join these innovative institutions to promote truly unique and interdisciplinary programming, enhancing and diversifying the Louisiana workforce and beyond.

3. Review of Business Plan

The School of Collaborative Academic Programs will be under the executive leadership of three deans from the extant colleges and schools. The deans will be appointed by the Executive Vice President and Provost and will serve staggered three year terms. The deans of the School, as the chief representatives and executive officers, shall have general administrative authority over the School's affairs. They shall exercise leadership in the formulation of policies, in the introduction of educational ideas and proposals, and in the stimulation of discussions leading to improvement of the educational programs of the School. The Deans' responsibilities shall include both strengthening the School and its programs and representing those programs to the University and to the community.

The costs to implement this School is minimal. The point of its creation is to provide a mechanism that cuts across systemic boundaries across campus and be as low cost and efficient as possible. The deans and faculty affiliated with the School will utilize current meeting space and offices around campus to meet and organize; no additional space is necessary for the School. New costs approximate \$52,000 to provide course buyouts for the program director, partial salary and benefits for administrative support, and other operating costs such as supplies. Advising for the students will be provided by the existing University College, the university's main advising and counseling unit.

The implementation of the new School of Collaborative Academic Programs has been approved at a recent committee meeting with faculty representation from every college and school at LSU. The faculty members of this meeting will also be a prominent part of the new collaborative school, serving as the Policy Committee of the School. Furthermore, the deans of every college and school have given consent for the School's creation and unanimously agreed that the School would be beneficial for innovative, new academic programming. No objections were raised in any of these meetings.

4. Review of Documents Related to Referenced Matter

A formal memo from Executive Vice President and Provost Stacia Haynie is on file in the Office of Academic Affairs with supporting material.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU A&M to establish the School of Collaborative Academic Programs, subject to approval by the Louisiana Board of Regents.



Request from LSU A&M for Continued Approval of the Leadership Development Institute

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

The Leadership Development Institute (LDI) was granted full approval by the Board of Regents on September 1, 2016. This request is for continued, five-year approval. The Board of Regents granted three year approval for the LDI in 2016 because they wanted the Institute to firmly establish a funding base sufficient to support its initiatives. Within this three year time frame, the LDI has expanded its outreach and acquired contracts around the state with more than sufficient funding needed for maintenance and growth.

The LDI is an umbrella organization that promotes interdisciplinary education and training for the purpose of developing leadership competencies and to foster research collaboration on leadership development. Through innovative discovery, curricula, programs, and strategic partnerships with industry, the LDI provides an experiential, science-based focus on developing sustainable and effective leaders for Louisiana and the nation. The LDI aims to make LSU a frontrunner in discovering and implementing leadership development processes that grow student, community, and organizational leaders more effectively. The link between LDI's research and outreach functions is designed to build leadership competencies in ways that are directly transferable to leadership in organizations and communities in Louisiana and elsewhere as they strive to address critical economic, social, and environmental challenges. The complexity of leadership development can best be understood when considered through multiple lenses and perspectives. Therefore, a critical objective of the LDI is to become a forum for interdisciplinary collaboration in the study of leadership and leadership development.

The need for effective leadership is a key issue facing education, health care, business and industry, and local communities across the state. In order for Louisiana to positively flourish, there is a critical need for competent and enlightened leaders that can build communities and organizations that are productive, responsive, and resilient. Currently, there are no other

institutes at any other university within the state focused on leadership development or who have the comprehensive teaching, research, and outreach components of the LDI.

Activities and Accomplishments

In the past three years, the LDI has built extensive collaborative relationships. Outreach has included an aggressive campaign to provide information about initiatives to internal and external stakeholders with a focus on K-12 schools. The LDI has trained 18 competitively selected coaches on the LDI leadership model, who then go out to partner districts to provide services on behalf of the LDI. This year, the LDI will work with more than 18 cohorts in 17 parishes. Outreach also includes counties in Alabama, Arkansas, Mississippi and Texas. Plans are to expand this K-12 outreach to demonstrate leadership in social work and in the police force.

The Institute also provides training and seminars to client groups. Such clients include the WBR school district, the LSU AgCenter at Burden Gardens, and Project EXPLORE interns. The LDI staff have also trained in the COPE (Cost of Poverty Experience) Simulation, and will begin to offer this program in November.

3. Review of Business Plan

The Leadership Development Institute was initially housed in the School of Leadership and Human Resource Development. Upon further consideration of the benefits of the Institute to all of our schools and alumni, the LDI was moved under the larger umbrella of the College of Human Sciences and Education with an academic home base in SLHRD. The search for a fulltime director will begin soon, and that director will hold a faculty appointment in the SLHRD as well. The LDI has an interim executive director and one graduate assistant. A program coordinator was hired in April 2019. The LDI has also trained, and is in the process of hiring, 18 competitively selected coaches. In August of 2019, an additional GA was hired to focus solely on investigating grant funding opportunities, and two student workers were funded by the President's Student Aid. The CHSE Dean's Office generously renovated a new space for the Leadership Development Institute now housed in 173 Coates Hall on the LSU Union Side. This location places the LDI in a prominent space on campus easily accessible to internal and external stakeholders, LSU students, faculty, and staff.

The LDI team has prepared a sound business model to serve as the foundation for offering services in a resourceful and meaningful way. More partners are reaching out in hopes to be a part of a model of leadership development. During AY 2019-20, the LDI has generated \$220,000 in contracts with districts and with fee-based activities. However, this amount is set to grow to nearly \$400,000 in pending agreements that are still being finalized.

4. Review of Documents Related to Referenced Matter

A complete Board of Regents "Form C: Request for Continued Approval of an Existing Center" and budget are on file with the LSU Office of Academic Affairs.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU A&M for continued authorization of the Leadership Development Institute, subject to approval by the Louisiana Board of Regents.



Request from LSU Health Sciences - Shreveport for Continued Designation of the Feist Weiller Cancer Center of Excellence

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph A of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- A. Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

2. Summary of Matter

LSU Health Sciences Center – Shreveport requests continued approval and continued designation as a Center of Excellence for the Feist Weiller Cancer Center. The Board of Regents granted Center of Excellence status on December 11, 2014. However, the Center itself was established at LSU HSC-Shreveport in 1991. The impetus for forming the Center of Excellence was twofold. First, the population cared for by LSU Hospital would too often present with late stages of cancer. The population was plagued with high rates of poverty, low literacy, low levels of education, and with little access to modern approaches to the prevention, detection, and treatment of cancer. Second, although there were some excellent scientific approaches to cancer problems there was relatively little translational cancer research and a paucity of interactions between the clinical arena and the basic science arena.

Moving into the future, these needs continue to be a high priority. During the next ten years the number of patients afflicted with cancer will continue to grow as the baby boom generation ages. Overall, a 25% increase in cancer cases is expected. In the elderly and in minority populations there will be significant increases in the burden of cancer. Cancer will be America's #1 killer by 2030, according to American Society of Clinical Oncology. At this same time the number of providers, physicians, basic researchers, nurses and mid-levels is expected to decrease for the same reason, the aging of the population. Louisiana continues to be in the top ten states with age adjusted incidence rates of cancer, according to the CDC. Continued designation as a Center of Excellence will further enable FWCC to continue research, treatment and education and scale our understandings through a knowledge of delivery strategies to provide hope and solutions for Louisiana and beyond.

Signature strengths of the Feist-Weiller Cancer Center include:

1. The broad impact on clinical cancer care throughout the state since residents from 53 of the State's 64 parishes are treated at the FWCC.
2. Basic and Translational Cancer Research has grown from close to \$1 million in

2003 to nearly \$13.5 million (direct costs) in Federal grants in 2019 and with several commercial spin-offs.

3. NCI-funded cancer research that brings clinical cancer trials to residents from 55 of Louisiana's parishes,
4. One of the largest Hematology-Oncology Training Programs in the South,
5. Development of a strong, multidisciplinary approach to clinical problems,
6. Research programmatic development.
7. Outpatient multidisciplinary Cancer Center jointly controlled by FWCC and Ochsner Health System.
8. Strong outreach prevention programs to rural Louisiana offering free cancer screening at 31 sites in 26 parishes.

Activities and Accomplishments

In addition to an emphasis on providing the best patient care and offering cancer prevention screenings in the community, the Center has a robust clinical research division that engages in multidisciplinary and translational cancer research. The Center offers patients the opportunity to enroll in clinical trials and has been funded for many years by the NIH's National Cancer Institute. It is one of four sites in the state that make up the NCI's Gulf South Minority Underserved Community Oncology Research Program, which just received an additional \$13.6 million in funding to continue research for six more years.

The faculty of the Center have begun a process of planning for an LSU-based application to the NCI for a designation as an NCI Comprehensive Cancer Center. If successful in obtaining this designation, it will have a major impact on cancer research for the LSU system. There are only 62 centers in the country and none in our region with this designation. They are planning a consortium application with LSU Health Shreveport, LSU Health New Orleans and the Pennington Biomedical Research Institute as primary members and current GSMU-NCORP as affiliates. This will create a statewide cancer care and clinical trials network.

The Center also is currently working on expanding patient care through collaborations with the Ochsner Medical Center in Shreveport, growing basic and translational research, and expanding clinical research.

3. Review of Business Plan

The Center of Excellence in Cancer Research, Treatment, and Education was renamed in 1997 following a very generous philanthropic gift by Mr. Carroll Feist to honor the Feist and Weiller families. The Cancer Center is an academic facility organized as a matrix center with faculty in 10 different departments. The FWCC has three divisions--a Division of Basic and Translational Cancer Research, a Division of Clinical Cancer Research, and a Division of Cancer Prevention and Control with the clinical activities a part of the Clinical Cancer Research Division.

The Center's budget for the next five years includes revenue from the tobacco tax distribution, state appropriations, endowments and donations, multiple grants, contracts, and clinical revenue. All costs for the next five years are covered by anticipated revenue.

4. Review of Documents Related to Referenced Matter

A complete Board of Regents “Request for Continued Designation as a Center of Excellence” and budget are on file with the LSU Office of Academic Affairs.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center - Shreveport for continued, five year approval and continued designation as a Center of Excellence for the Feist Weiller Cancer Center, subject to approval by the Louisiana Board of Regents.



Request from LSU Health Sciences - Shreveport for Continued Designation of the Center of Excellence for Arthritis and Rheumatology

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph A of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- A. Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

2. Summary of Matter

LSU Health Sciences Center – Shreveport requests continued approval of the Center of Excellence for Arthritis and Rheumatology (CEAR). The Board of Regents granted Center of Excellence status on August 27, 2014. However, the Center itself was established at LSU HSC-Shreveport in 1990 by the Louisiana Legislature via House Bill No. 1010.

CEAR is the primary rheumatology referral center for the charity/indigent population from the northern half of the state, (consisting of 1.6 million individuals within a radius of 250 miles) as well as for private physicians from Louisiana, Eastern Texas, Southern Arkansas, Oklahoma, Tennessee and Mississippi who request help in treating patients with rheumatic diseases. Referrals come from Primary Care providers, Internists, Family Practice, and Physician Care extensions from smaller parishes. CEAR also provides rheumatology care to the patients at Overton Brooks Veteran Affairs Medical Center and to the pediatric rheumatology patients at Shreveport Shriners Hospital. The large referral base provides the Center with significant patient pathology, such that the entire spectrum of rheumatologic disease is represented in clinical practice. Any of the indigent patient population and patients with no insurance or poor insurance are referred to CEAR through clinics or the hospital at Ochsner LSU Health Shreveport. Louisiana has a medically underserved population and is been designated as an eligible state for underserved health care through the Health Resources and Services Administration (HRSA), an agency of the U.S. Department of Health and Human Services (DHHS). Louisiana has also been designated as an Institutional Development Award (IDeA)-eligible state with a stated goal to broaden the distribution of NIH funds.

The CEAR contributes significantly to the economic development of the state through its faculty's participation in clinical trials. These innovative medication investigations generate a significant amount of money in pharmaceutical contracts for the institution and serve to attract additional trials. To date, the CEAR has created greater than \$1.2 million in clinical

pharmaceutical contracts. Over \$27 million in grants and awards for research has also been acquired.

Activities and Accomplishments

The Center has demonstrated excellence in education and training over the last five years. With the hiring of the region's first and only pediatric fellowship-trained rheumatologists, the teaching and training capability in pediatric rheumatic diseases has improved dramatically. Over the last ten years, CEAR has trained twenty-two fellows, and thirteen LSU students and residents chose rheumatology as their subspecialty indicating the significance of the CEAR's influence with the LSU trainees. More residents each year are choosing rheumatology.

The CEAR has also demonstrated excellence in research as indicated by the grants awarded, the clinical trials in which the Center participates, and the publication of scholarly articles. To date, the grants and clinical trials have generated in excess of \$1.3 million in contracts for LSU Health Shreveport. The CEAR also sponsors and awards grants for research. The pilot grants program has helped junior faculty members begin research projects in inflammation and immunological research. In 2018, four awards were issued totaling \$175,000.00.

Over the next five years, the Center will continue to develop its clinical research capabilities and maintain an active pharmaceutical trial program for rheumatoid arthritis, systemic lupus erythematosus, and progressive systemic sclerosis (scleroderma). To maintain and enhance the performance of the Center and ensure future viability, the faculty of CEAR intend to develop specialized areas of research such as investigating the etiology and epidemiology of atherosclerosis in chronic inflammatory diseases such as gout, rheumatoid arthritis, and lupus. These research areas will be in collaboration with faculty members in the Center of Excellence in Cardiovascular Disease and Sciences (CCDS) and with innovative imaging in musculoskeletal diseases. In addition, a center application was submitted to NIH that includes support for new junior research faculty development and the development and addition of new cutting-edge research infrastructure (new research cores that are not currently in place at LSU Health Shreveport). This NIH COBRE application is designed to help grow research centers such as the CEAR into long-term self-sustaining research enterprises.

To further progress, CEAR intends to continue to collaborate with the Feist-Weiller Cancer Center, the Center for Brain Health, and the Center of Excellence in Cardiovascular Diseases and Sciences at LSU Health Shreveport. CEAR also is formulating new joint ventures with the recent addition of the Ochsner LSU Health Shreveport Medical Center.

3. Review of Business Plan

The CEAR is administered through the Chancellor and Dean's Office of the LSU School of Medicine in Shreveport because many of the past and current programs and projects of the Center involve interdepartmental or multidisciplinary interactions and overlapping administrative/departmental boundaries. Because the CEAR is not designated as a profit center, its primary source of financing is the State General fund-direct. Additional sources of revenue are clinical trials, training grants, and research grants.

Because the CEAR is primarily a clinical based department, the faculty generates revenue through clinical collections. The amount that is generated on an annual basis will vary only slightly and is driven by how much time is spent in clinic. Average projected yearly revenue from these collections over the next 5 years totals \$521,604. The CEAR also has access to funds that are generously given by various donors to CEAR specific accounts. These accounts include a professorship, a pediatric professorship, a newly formed Lupus support group and an unrestricted general fund. These funds are generally accessed for support for training of faculty as well as supporting the fellowship program. All costs for the next five years are covered by the funds delivered through the General Fund, clinical revenue, and donations.

4. Review of Documents Related to Referenced Matter

A complete Board of Regents “Request for Continued Designation as a Center of Excellence” and budget are on file with the LSU Office of Academic Affairs.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center - Shreveport for continued, five year approval of the Center of Excellence for Arthritis and Rheumatology, subject to approval by the Louisiana Board of Regents.



Request from LSU Health Sciences - Shreveport for Full Approval of the Center for Brain Health

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph A of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- A. Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

2. Summary of Matter

LSU Health Sciences Center – Shreveport requests full approval of the Center for Brain Health. The Board of Regents granted conditional approval to the Center on October 26, 2017. The full approval request will extend approval for another five years until December 2024.

Neuroscience is a rapidly expanding field that has become fundamental to brain health related patient care, research, and education. However, advances in brain health rely on multidisciplinary teams integrating biology, engineering, and medicine from molecular genetics to human brain imaging. Clinicians, neuroscientists, and educators at LSU Health Shreveport have created such a team using cutting-edge technology to implement state-of-the-art care, pioneering neurosciences research, and top quality education. Over the past two years, the Center for Brain Health has cemented a coordinated effort between existing neuroscience technology and personnel distributed across LSU Health Shreveport, Overton Brooks VA Medical Center, Louisiana Tech (LA Tech), and Louisiana State University at Shreveport (LSU-S).

The key barrier to development of a flourishing neuroscience clinical and research community in North Louisiana is a “silo” approach, where individual labs study genetic, metabolomics, cellular, brain system, behavioral, or clinical neuro-rehabilitation measures individually. Because these different factors are inter-related, such an approach inevitably fails to provide a full characterization of the disease process. To overcome this barrier, a broadly interdisciplinary scientific team approach is needed to study relationships among disease factors and interventions using a range of methodologies from molecular biology to macroscopic brain imaging. The Center addresses this need.

Over the next five years, the Center will continue to grow clinical and neuro-rehabilitation programs; expand neuroscience training programs; increase community accessibility to research; raise community awareness of CBH services, support more efficient and coordinated outreach by

community, religious, and social work organizations; and allow for the exchange of ideas resulting in ongoing innovation in clinical care, research, education, and community support.

Activities and Accomplishments

Over the past two years, the Center for Brain Health has been busy developing translational research programs, publishing findings from such research, and obtaining federal and foundation funding. Teams researching Alzheimer's Disease, Parkinson's Disease, Stroke, Epilepsy, Neuro-rehabilitation, and healthcare disparities have received grant funding based on their translational research for the Center. Within the last two years, the Center for Brain Health has raised approximately \$700,000 in grants and \$550,000 in gifts/endowments. The Center has also identified collaborative partnerships, promoted new research and educational programming on brain injury and disease, and enhanced faculty grant writing skills.

The Center will continue to foster innovation in clinical outcome studies of dementia, expand services and support to stroke victims, expand neuro-rehabilitative services, improve support for underserved patients and caregivers in North Louisiana, increase community awareness and communication, and promote further research and education in brain injury and disease.

3. Review of Business Plan

The Center for Brain Health is located in LSU HSC- Shreveport's current physical plant. The CBH is significantly supported by existing core facilities. These existing facilities include imaging facilities at Ochsner Shreveport, the School of Allied Health Professions' Rehabilitation Faculty Clinic and Children's Center, the Clinical Research Department in the Schumpert Building, the Lab for Advanced Biomedical Informatics, the Center for Cardiovascular Diseases and Sciences, the Microscopy Core Facility, among other labs within the LSU HSC-Shreveport area. The Center is directed by Dr. Elizabeth Disbrow, and has an internal Board, an Advisory Board that includes external members, and a User Group tasked with outreach and needs assessment related to various center activities. Currently, the Center has approximately \$1 million in revenue from grants, endowments, and gifts, more than enough to cover the anticipated costs. The budget for the next four years have locked in grant funding and institutional support that covers the anticipated costs of the Center. Since the CBH relies on institutional support, gifts, and grants for revenue, the director along with associated faculty and board members will continue to work on securing external funding through research grants, industry partnerships, and through collaborations with the other institutions directly involved in the collaboration.

4. Review of Documents Related to Referenced Matter

A complete Board of Regents "Form B: Request for Full Approval of a Conditionally Approved Research Unit" and budget are on file with the LSU Office of Academic Affairs.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center - Shreveport for full, five year approval of the Center for Brain Health, subject to approval by the Louisiana Board of Regents.



Request from LSU A&M to Name Five Areas within LSU Athletic Facilities

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

LSU A&M is requesting approval to name the following five areas within LSU Athletic Facilities:

1) Bennett Family Weight Room

Bryon Bennett is the senior partner of Insurance Procurement Services, a boutique insurance brokerage firm that offers a comprehensive portfolio of risk management consulting and insurance procurement solutions for corporate and individual clients. He is a former National Champion and letter winner for the LSU Baseball Tigers in 1997 and 1998. He and his wife Stephanie are active members in the Baton Rouge community, serving on various boards for non-profit organizations around the city. For his generosity, the LSU Athletic Department would like to acknowledge and name the weight room in the Marucci Performance Center the "Bennett Family Weight Room."

2) Fife Family Cardio Area

Johnny Fife is the founder and President of Arkel Constructors. Commissioner Fife was born and raised in Baton Rouge and is a graduate of Baton Rouge High School and LSU with a bachelor's degree in Construction Management. He is married with three children and four grandchildren. Mr. Fife has given his time and resources to the LSU College of Engineering, the LSU Foundation as well as the Tiger Athletic Foundation. LSU Athletics would like to name the Cardio Workout Area in the new Marucci Performance Center the "Fife Family Cardio Area."

3) Sandra J. Braddock Cardio Area

Sandra Braddock is the owner and president for Jean Simpson Personnel Services in Shreveport, LA. Jean Simpson Personnel Services, Inc. is an independently, locally owned and operated staffing service with offices in Shreveport, Louisiana and Longview, Texas.

Sandra is an LSU graduate and longtime TAF supporter and has season tickets in many sports. She is a huge supporter of the LSU Softball program and was the first person to endow a softball scholarship in 2015. For her generosity, the LSU Athletic Department would like to acknowledge and name the cardio area in the Michael Moore Performance Center the "Sandra J. Braddock Cardio Area".

4) Gregory and Suzie Price Athletic Training Room

Greg Price is the Enterprise Systems Consulting Director at Moss Adams in Houston, TX. Mr. Price has worked in the technology consulting industry for more than 35 years. His wife Suzie and his daughter graduated from LSU. His daughter was a manager for the LSU Softball program. For their generosity, the LSU Athletic Department would like to acknowledge and name the athletic training room in Tiger Park the "Gregory and Suzie Price Athletic Training Room".

5) Acadian Ambulance Experience Room

Acadian Ambulance Chairman & Chief Executive Officer Richard Zuschlag, along with executive leadership within the company have joined together with individual gifts and a matching gift from the company towards the Football Operations Center. Mr. Zuschlag cofounded Acadian Ambulance in 1971 after working for Greenville Broadcasting Company and Westinghouse Electric Company Space and Defense Center. David Kelly is the former Executive Vice President and Chief Financial Officer and is retired after serving Acadian for more than 23 years. Allyson Pharr, Senior Vice President of legal & Governmental Affairs. She is admitted to practice law in the states of Texas and Louisiana and in the United States District Court for the Western District of Louisiana and the Eastern District of Texas. She is a member of the Louisiana Bar Association, the American Bar Association and the Federation of Defense and Corporate Counsel. Scott Domingue, President of Safety Management Systems, has overall responsibility for the entire division. Scott began his career at Acadian Ambulance in 1988. For their generosity, the LSU Athletic Department would like to acknowledge and name the experience room in the Football Operations Center the "Acadian Ambulance Experience Room."

3. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

- A letter of request from nominator, Scott Woodward, with supporting materials
- A letter of approval from Dr. Ann Sumner Holmes, Chair of the Naming University Facilities and Academic Unit Committee
- A letter of support from Dr. Stacia Haynie, Executive Vice President and Provost and approval by President F. King Alexander

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the following five areas within the LSU Athletic Facilities:

- 1) Bennett Family Weight Room
- 2) Fife Family Cardio Area
- 3) Sandra J. Braddock Cardio Area
- 4) Gregory and Suzie Price Athletic Training Room
- 5) Acadian Ambulance Experience Room



Request from LSU A&M to Name the Tiger Athletic Foundation South Wing of the LSU Military Museum

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

LSU A&M is requesting approval to name the south wing of the newly renovated Memorial Tower the “Tiger Athletic Foundation South Wing.”

The Tiger Athletic Foundation (TAF) has provided funding for the renovations of Memorial Tower, which will be the future home of the LSU Military Museum. The south wing of the museum will feature an exhibit dedicated to honoring the legacy of LSU student athletes who served in the armed forces. In addition to their financial contributions, TAF is providing historic memorabilia from former athletes for the exhibit.

3. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

- A letter of request from the LSU Foundation with supporting materials
- A letter of approval from Dr. Ann Sumner Holmes, Chair of the Naming University Facilities and Academic Unit Committee
- A letter of support from Dr. Stacia Haynie, Executive Vice President and Provost and approval by President F. King Alexander

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the south wing of the Memorial Tower the “Tiger Athletic Foundation South Wing”.



Request from LSU A&M to Name the William A. Brookshire LSU Military Museum

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

LSU A&M is requesting approval to name the LSU Military Museum in honor of Dr. William A. Brookshire.

Dr. William A. Brookshire served as co-founder and chairman of the board of S & B Engineers and Constructors Ltd, a privately-owned company based in Houston with offices around the world. Dr. Brookshire received his bachelor's degree in chemical engineering from the University of Houston in 1957 and earned his master's and PhD from LSU in chemical engineering in 1959 and 1961, respectively.

At LSU, his passion for the education of engineering students is being fulfilled through scholarship support of undergraduate students that take full course loads while holding outside employment, recruitment fellowships for doctoral students in chemical engineering, resources for students in crisis and an Excellence in Teaching Award.

Throughout his lifetime, Brookshire held a deep and abiding appreciation for the contributions and sacrifices made by the men, women, and families serving in our nation's armed forces. With pride in his alma mater and gratitude for the role LSU students, alumni and staff have played in our security and freedoms, he generously gave to honor and sustain our university's military traditions. In recognition of his transformative support, the Military and Veterans Student Center were named in his memory. Dr. Brookshire made a 2.5-million-dollar gift in 2016 to benefit the renovations of Memorial Tower, future home of the LSU Military Museum.

3. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

- A letter of request from the LSU Foundation with supporting materials

- A letter of approval from Dr. Ann Sumner Holmes, Chair of the Naming University Facilities and Academic Unit Committee
- A letter of support from Dr. Stacia Haynie, Executive Vice President and Provost and approval by President F. King Alexander

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the LSU Military Museum within the Memorial Tower the “William A. Brookshire LSU Military Museum”.



Request from LSU A&M to Name the Art E. Favre North Wing of the LSU Military Museum

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

LSU A&M is requesting approval to name the north wing of the newly renovated Memorial Tower the “Art E. Favre North Wing.”

Mr. Favre earned a BS degree in construction from LSU in 1972. While a student, he was a member of Delta Tau Delta social fraternity. At LSU, Mr. Favre has served on numerous boards and councils, including the Alumni Association, Tiger Athletic Foundation, College of Engineering (COE) Dean’s Advisory Council, Pennington Biomedical Research Board of Directors and Construction Industry Advisory Council in the Department of Construction Management and Industrial Technology (past president). In addition, he received the Alumni Association Hall of Distinction Award (2011), COE Hall of Distinction Award (2007), Construction Management Hall of Fame nomination, Greek Excellence Award and the Distinguished Patron Award from the Department of Construction Management.

Mr. Favre has philanthropically supported several areas of LSU since 1990. Most of Mr. Favre’s support has benefitted the College of Engineering, to which he has made two principal gifts – in 2008, Mr. Favre established the Art E. Favre Industrial Construction Chair and in 2012, he made a restricted non-endowed principal gift to the Taylor Hall and Chemical Engineering Building Project. Mr. Favre has also provided considerable support to the Alumni Association. Mr. Favre has also provided substantial funding for the renovations of Memorial Tower, the future home of the LSU Military Museum.

3. Review of Documents Related to Referenced Matter

The following documents are on file with the LSU Office of Academic Affairs:

- A letter of request from the LSU Foundation with supporting materials

- A letter of approval from Dr. Ann Sumner Holmes, Chair of the Naming University Facilities and Academic Unit Committee
- A letter of support from Dr. Stacia Haynie, Executive Vice President and Provost and approval by President F. King Alexander

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the south wing of the Memorial Tower the “Art E. Favre North Wing”.



**Request from LSU Eunice to Establish the Dr. John L. Couvillion
Memorial Endowed Two-Year Student Workforce Scholarship**

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

The competitive Board of Regents Endowed Two-Year Student Workforce Scholarship Subprogram provides scholarship opportunities for students on two-year campuses to enter the Louisiana workforce in the following ways: (a) train students for immediate entrance into selected, high-demand, four- and five-star jobs, including positions in nursing and allied health; and/or (b) prepare students to become job-ready in STEM fields after completing degrees on four-year campuses. Non-state contributions combined with a BoRSF match will produce permanent endowments. This subprogram replaces the Enhancement Subprogram for Two-Year Institutions. LSU Eunice is therefore requesting approval to establish the following:

- a) Dr. John L. Couvillion Memorial Scholarship
Contributions have been made to the Dr. John L. Couvillion Memorial Endowed Scholarship for a student in nursing or STEM field who plans to transfer to obtain a four-year degree.

3. Review of Documents Related to Referenced Matter

A memo from the LSU Eunice Chancellor's Office requesting the establishment of the Dr. John L. Couvillion Memorial Endowed Scholarship is on file at the LSU Office of Academic Affairs, and the donor agreements are on file at the appropriate foundation.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Eunice to establish the Dr. John L. Couvillion Memorial Endowed Scholarship; and

BE IT FURTHER RESOLVED that the President, as may be appropriate, is hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of the Dr. John L. Couvillion Memorial Endowed Scholarship.



Request from LSU Eunice to Establish the Diana Lynn Labbe Memorial Endowed Two-Year Student Workforce Scholarship

To: Members of the Board of Supervisors

Date: October 25, 2019

1. Significant Board Matter

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

2. Summary of Matter

The competitive Board of Regents Endowed Two-Year Student Workforce Scholarship Subprogram provides scholarship opportunities for students on two-year campuses to enter the Louisiana workforce in the following ways: (a) train students for immediate entrance into selected, high-demand, four- and five-star jobs, including positions in nursing and allied health; and/or (b) prepare students to become job-ready in STEM fields after completing degrees on four-year campuses. Non-state contributions combined with a BoRSF match will produce permanent endowments. This subprogram replaces the Enhancement Subprogram for Two-Year Institutions. LSU Eunice is therefore requesting approval to establish the following:

- a) Diana Lynn Labbe Memorial Scholarship
Contributions have been made to the Diana Lynn Labbe Memorial Endowed Scholarship for a student in nursing or STEM field who plans to transfer to obtain a four-year degree.

3. Review of Documents Related to Referenced Matter

A memo from the LSU Eunice Chancellor's Office requesting the establishment of the Diana Lynn Labbe Memorial Endowed Scholarship is on file at the LSU Office of Academic Affairs, and the donor agreements are on file at the appropriate foundation.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Eunice to establish the Diana Lynn Labbe Memorial Endowed Scholarship; and

BE IT FURTHER RESOLVED that the President, as may be appropriate, is hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of the Diana Lynn Labbe Memorial Endowed Scholarship.



Board of Supervisors

SECTION B

FINANCE COMMITTEE

BOARD OF SUPERVISORS MEETING | OCTOBER 25, 2019



Request from LSU A&M to Issue Auxiliary Revenue Refunding Bonds and Make Application to the Louisiana State Bond Commission

To: Members of the Board of Supervisors

Date: October 25, 2019

Pursuant to Article VII, Section 1 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

G. Issuing any bonds or borrowing funds in any other manner, whether secured by the pledge of a revenue stream, property of the Board, or other means.

1. Summary of Matter

This resolution serves as a request from Louisiana State University and Agricultural and Mechanical College ("LSU") to (i) authorize the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College (the "Board") to proceed with the issuance of its tax-exempt and/or taxable auxiliary revenue refunding bonds in an amount not exceeding \$105,000,000 in one or more series (the "Bonds") on behalf of LSU and to (ii) authorize LSU, on behalf of the Board, to make application to the Louisiana State Bond Commission for approval of the issuance of the Bonds.

Pursuant to resolutions previously adopted by the Board, the Board, for the benefit of LSU, issued its (i) Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B, (ii) Auxiliary Revenue Bonds, Series 2013, and (iii) Auxiliary Revenue Refunding Bonds, Series 2014 (collectively, the "Prior Bonds"). Prevailing interest rates allow for savings in excess of the appropriate threshold of net present value interest savings recommended by the Louisiana State Bond Commission for economic refundings. LSU seeks to refund all or a portion of the Prior Bonds to decrease the overall debt service of LSU through the issuance of its Auxiliary Revenue Refunding Bonds, Series 2019 (the "Bonds"). As of September 27, 2019, financial models resulted in an estimated present value savings of **\$8.2 million**. The final determination as to whether all or a portion of the Prior Bonds will actually be refunded will depend on market conditions at the time the Bonds are priced and sold; however, LSU will seek to market the Bonds at such time as to take advantage of the best possible market conditions.

2. Review of Business Plans

See item **1. Summary of the Matter** above.

3. Fiscal Impact

The financial consequences of this bond issue will have a beneficial impact on the general revenues of the LSU Student Union, Athletics, Residential Life, University Recreation and Parking & Transportation Services as a result of the interest cost savings accomplished by the refunding of the Prior Bonds, and will not impede their ability to provide the basic services required of the respective departments.

4. Description of Competitive Process

N/A

5. Review of Legal Documents

Legal documents will be reviewed by bond counsel and special counsel to the Board and by the Office of Accounting Services.

6. Parties of Interest

All of the parties relevant to the approval of the refunding of the Prior Bonds do not have any related interest in the refunding, nor will they receive any financial gain from this approval.

7. Related Transactions

The Board adopted resolutions on April 23, 2010, March 18, 2013 and September 12, 2014, issuing the respective series of the Prior Bonds.

8. Conflicts of Interest

None

ATTACHMENTS

- I. Exhibit A - Form of Nineteenth Supplemental Resolution
- II. Exhibit B – Form of Notice of Intention to Issue Bonds
- III. Exhibit C – Form of Bond Purchase Agreement
- IV. Exhibit D – Form of Escrow Deposit Agreement
- V. Exhibit E – Form of Preliminary Official Statement
- VI. Exhibit F – Form of Tax Compliance Certificate

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") that:

SECTION 1. Sections 2181 through 2193 and 3351(A)(4) of Title 17 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974, and other constitutional and statutory authority, authorize the Board to borrow money and to issue bonds and refunding bonds and pledge revenues to guarantee payment thereof in accordance with law and with the approval of the Louisiana State Bond Commission (the "Commission"). The Board previously issued (i) \$31,250,000 of its Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B (the "Series 2010B Bonds"), (ii) \$101,180,000 of its Auxiliary Revenue Bonds, Series 2013 (the "Series 2013 Bonds") and (iii) \$81,880,000 of its Auxiliary Revenue Refunding Bonds, Series 2014 (the "Series 2014 Bonds" and, together with the Series 2010B Bonds and the Series 2013 Bonds, the "Prior Bonds") for the purposes of financing or refinancing various capital auxiliary projects on the campus of Louisiana State University and Agricultural and Mechanical College ("LSU"). The Board now desires to proceed with the refunding of all or a portion of the Prior Bonds. The Board does hereby authorize LSU to issue the Board's tax-exempt and/or taxable Auxiliary Revenue Refunding Bonds in one or more series in an aggregate principal amount not to exceed \$105,000,000 (the "Bonds"), bearing interest at a fixed rate not to exceed five percent (5%) per annum with a maturity date not exceeding thirty (30) years from the date of issuance of the Bonds, for the purposes of (i) refunding all or a portion of the Prior Bonds, (ii) funding a reserve fund or paying the premium for a reserve fund insurance policy or surety bond, if

necessary, and (iii) paying the costs of issuance of the Bonds, subject to the advice of special counsel and Bond Counsel (defined herein) to the Board and subject to the approval of the Commission.

SECTION 2. The Bonds shall be secured by the Auxiliary Revenues (including, without limitation, derived from certain Auxiliary Enterprises, including, without limitation, athletics, residential life, parking, graphic services, the student union, student health services, and other miscellaneous auxiliaries and certain other revenues that have been dedicated and pledged to payment of the bonds on a parity with the Board's outstanding Series 2010B Bonds (to the extent not refunded by the Bonds), Series 2012 Bonds, Series 2013 Bonds (to the extent not refunded by the Bonds), Series 2014 Bonds (to the extent not refunded by the Bonds), Series 2016A Bonds and Series 2016B Bonds, each as defined in the Board's General Bond Resolution adopted Jun 17, 1994, as supplemented and amended to date (the "General Bond Resolution").

SECTION 3. The President of LSU and the Executive Vice President for Finance and Administration/CFO of LSU (each, individually, an "Authorized Board Representative" and, collectively, the "Authorized Board Representatives") and their designees have caused to be prepared by Bond Counsel (defined herein) and special counsel to the Board a Nineteenth Supplemental Resolution (the "Nineteenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution"), the form of which is attached hereto as **Exhibit A**, to supplement the General Bond Resolution with respect to the issuance of Bonds. The Board does hereby approve and adopt the Nineteenth Supplemental Resolution in substantially the form attached hereto as **Exhibit A**, with such changes and modifications as are deemed in the best interest of the Board by the Authorized Board Representatives, including, without limitation, such changes as are recommended and/or required by the underwriters of the Bonds and by the pricing of the Bonds, and the Board does hereby ratify all prior actions taken on its behalf by LSU officials in furtherance of the issuance of the Bonds.

SECTION 4. The Board does hereby authorize the Authorized Representatives, their designees, Bond Counsel and special counsel to the Board to proceed with the preparation of all documents necessary for the issuance of the Bonds, including, but not limited to the preparation and distribution of preliminary and final official statements, if any, related thereto and to obtain all consents and approvals necessary for the issuance of the Bonds.

SECTION 5. The Board hereby authorizes and approves all matters necessary in connection herewith, subject to advice of bond counsel and special counsel to the Board, including, but not limited to the publication of a notice of intention to issue the Bonds as provided in the Constitution, the form of which is attached hereto as Exhibit A.

SECTION 6. The Board hereby formally approves the making of its application to the Commission requesting that the Commission grant its approval to the issuance of the Bonds, all in accordance with applicable law and the rules of the Commission. The representatives of LSU and Bond Counsel are hereby directed to furnish to and file with the Commission all documents, materials and information as may be necessary and appropriate in connection with the approval by the Commission of the issuance of the Bonds. A certified copy of this resolution shall be submitted to the Commission by the representatives of the Board or its bond counsel, with a letter requesting the prompt consideration and approval of this application and such letter may set forth and request approval by the Commission of the price at which such bonds may be sold and issued.

SECTION 7. The form of the Notice of Intention to Issue Bonds attached hereto as Exhibit B is hereby approved in substantially such form, with such additions, omissions and changes as may be approved by Bond Counsel to the Board.

SECTION 8. It is hereby recognized, found and determined that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds, and, accordingly, Breazeale,

Sachse & Wilson, L.L.P., Baton Rouge, Louisiana ("Bond Counsel"), is hereby employed as bond counsel for the Board, to do and perform any and all legal work incidental and necessary with respect to the incurring of debt and issuance and sale of the Bonds. Bond Counsel shall prepare and submit to the Board for adoption the proceedings incidental to the authorization, issuance, sale and delivery of the Bonds, and shall furnish its opinion covering the legality of the issuance thereof.

The fees to be paid to Bond Counsel with respect to Bonds actually issued, sold, delivered and paid for shall be based upon the then current fee schedule promulgated by the Attorney General of the State of Louisiana (at the time any such bonds are sold) with regard to fees for bond counsel for legal and coordinate professional work performed in connection with the issuance of revenue bonds by state entities. Such fees shall be payable out of the funds derived from the sale of the Bonds or other funds legally appropriated therefor.

SECTION 9. The Board hereby authorizes the marketing, pricing and delivery of the Bonds; provided that the final terms of the Bonds shall meet the following conditions:

Principal amount in one or more series – Not to exceed \$105,000,000;

Maturity – Not to exceed 30 years;

Interest Rate – Not to exceed a fixed interest rate (taxable and/or tax-exempt) of 5.0% per annum resulting in the appropriate threshold of net present value savings recommended by the Commission for an economic refunding; and

SECTION 10. The Board does hereby authorize the execution and delivery by the Chair or Chair-Elect and the Secretary of the Board or the Executive Vice President for Finance and Administration/CFO of LSU (each, individually, an "Authorized Signatory" and, collectively, the "Authorized Signatories") of (a) the Nineteenth Supplemental Resolution in substantially the form attached as **Exhibit A** hereto, with such changes and modifications which are deemed in the best interest of the Board by the Authorized Board Representatives and which are necessary to reflect the final terms of the Bonds and (b) any and all such other documents, certificates or instruments necessary in connection with the marketing and issuance of the Bonds, including, without limitation, a preliminary official statement, an official statement, a Tax Certificate, if required, a Continuing Disclosure Certificate and a Bond Purchase Agreement between the Board and the underwriters of the Bonds. The Authorized Signatories, the Authorized Board Representatives and their respective designees are further authorized to do all things necessary, on the advice of Bond Counsel and counsel to the Board, to effectuate and implement this Resolution and the Bond Resolution.

SECTION 11. By virtue of the Board's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products, Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

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

**\$ _____
BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Auxiliary Revenue Refunding Bonds
Series 2019A**

**\$ _____
BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B**

NINETEENTH SUPPLEMENTAL RESOLUTION

APPROVED _____, 2019
EXECUTED _____, 2019

NINETEENTH SUPPLEMENTAL RESOLUTION

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

**Nineteenth Supplemental Resolution
(the "*Nineteenth Supplemental Resolution*")**

A Nineteenth Supplemental Resolution supplementing the General Bond Resolution adopted on June 17, 1994, as previously supplemented and amended; providing for the issuance of _____ Million and No/100 Dollars (\$_____) principal amount of Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019A and _____ and No/100 Dollars (\$_____) principal amount of Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Taxable Auxiliary Revenue Refunding Bonds, Series 2019B pursuant to said General Bond Resolution and this Nineteenth Supplemental Resolution; approving and confirming the sale of such bonds; prescribing the form, fixing the details and providing for the payment of principal of and interest on such bonds and the application of the proceeds thereof; and providing for other matters in connection therewith.

WHEREAS, Sections 2181 through 2193 and 3351(A)(4) of Title 17 of the Louisiana Revised Statutes of 1950, as amended, Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974, and other constitutional and statutory authority (collectively, the "*Act*"), authorize the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "*Board*" or the "*Issuer*") to borrow money and to issue bonds and refunding bonds and to pledge revenues to guarantee payment thereof in accordance with law and with approval of the State Bond Commission; and

WHEREAS, the Board adopted a General Bond Resolution on June 17, 1994 (as supplemented and amended to the date hereof, the "*General Bond Resolution*") authorizing the issuance of revenue bonds of the Board on the terms and conditions set forth in the General Bond Resolution; and

WHEREAS, the General Bond Resolution provides that the details of the Bonds of each Series issued thereunder shall be specified in a supplemental resolution adopted by the Board authorizing the issuance of such Series of Bonds, subject to the terms, conditions and limitations established in the General Bond Resolution; and

WHEREAS, the Board desires to avail itself of the provisions of the Act and the General Bond Resolution through the incurrence of debt and issuance of its (i) Auxiliary Revenue Refunding Bonds, Series 2019A, in an aggregate principal amount of \$_____ (the "*Series 2019A Bonds*") for the purpose of (i) refunding all **[**or a portion**]** of the Board's outstanding **[**describe and define bonds to be refunded tax-exempt**]**, and (ii) paying the costs of issuing the Series 2019A Bonds and (ii) Taxable Auxiliary Revenue Refunding Bonds, Series

2019B, in an aggregate principal amount of \$_____ (the "*Series 2019B Bonds*", and together with the Series 2019A Bonds, herein the "*Series 2019 Bonds*"), for the purpose of, together with available funds of the Board, (i) refunding all **[**or a portion**]** of the Board's outstanding **[**describe and define bonds to be refunded taxable**]**, and (ii) paying the costs of issuance of the Series 2019B Bonds, subject to the terms and conditions contained in the Bond Resolution (defined herein); and

WHEREAS, to accomplish the refunding of the _____ Refunded Bonds the Board and The Bank of New York Mellon Trust Company, N.A. (the "*Escrow Trustee*") will enter into an Escrow Deposit Agreement dated the date of issuance of the Bonds (the "*Escrow Agreement*"); and

WHEREAS, the Series 2019 Bonds will be issued pursuant the General Bond Resolution and this Nineteenth Supplemental Resolution (collectively, the "*Bond Resolution*"), and the Act; and

WHEREAS, pursuant to a resolution adopted by the Board at its meeting of October 25, 2019 (the "*Authorization Resolution*"), the Board made application to the State Bond Commission for authority to proceed with the sale of the Series 2019 Bonds in order to accomplish the refunding of the Refunded Bonds approved the terms of the bonds; and

WHEREAS, the State Bond Commission authorized and approved the issuance of the Series 2019 Bonds at its meeting on November 21, 2019; and

WHEREAS, the Board now desires to incur debt and to issue the Series 2019A Bonds and Series 2019B Bonds under the General Bond Resolution and this Nineteenth Supplemental Resolution in the aggregate principal amounts of \$_____ and \$_____, respectively, in the manner authorized and provided by the Act, as hereinafter provided, to provide funds, together with available funds of the Board, for the purpose of refunding the Refunded Bonds and paying costs of issuance of the Series 2019 Bonds, and the Series 2019 Bonds shall be payable from and secured by the Auxiliary Revenues, defined herein, which are derived from self-generated revenues from students and the public at large who utilize Auxiliary Facilities, defined herein; and

WHEREAS, the Board has previously issued its (i) \$31,250,000 in original aggregate principal amount of Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B (the "*Series 2010B Bonds*"), pursuant to the Fourteenth Supplemental Resolution adopted on April 23, 2010, effective June 24, 2010, (ii) \$41,615,000 in original aggregate principal amount of Auxiliary Revenue Refunding Bonds, Series 2012 (the "*Series 2012 Bonds*"), pursuant to the Fifteenth Supplemental Resolution approved June 8, 2012, effective August 7, 2012, (iii) \$101,180,000 Auxiliary Revenue Bonds, Series 2013 (the "*Series 2013 Bonds*"), pursuant to the Sixteenth Supplemental Resolution approved March 18, 2013, and effective April 25, 2013, (iv) \$81,880,000 Auxiliary Revenue Refunding Bonds, Series 2014 (the "*Series 2014 Bonds*"), pursuant to the Seventeenth Supplemental Resolution approved September 12, 2014, and effective October 16, 2014, (v) \$137,000,000 Auxiliary Revenue Bonds, Series 2016A (the "*Series 2016A Bonds*") pursuant to the Eighteenth Supplemental Resolution approved October 21, 2016, and executed November 15, 2016, and (vi) \$16,320,000 Taxable Auxiliary Revenue

Bonds, Series 2016B (the "*Series 2016B Bonds*") pursuant to the Eighteenth Supplemental Resolution approved October 21, 2016, and executed November 15, 2016, and all issued pursuant to the General Bond Resolution (collectively, but not including the Refunded Bonds, the "*Outstanding Parity Bonds*"); and

NOW, THEREFORE, BE IT RESOLVED by the Board that:

ARTICLE I

DEFINITIONS; AMENDMENT; FINDINGS AND INTERPRETATION

SECTION 1.01. **Definitions.** Unless the context shall clearly indicate some other meaning or unless otherwise defined herein, all words and terms used in this Nineteenth Supplemental Resolution which are defined in the General Bond Resolution adopted by this Board on June 17, 1994, as amended to the date hereof, entitled: "A resolution authorizing and providing for the incurring of debt and issuance from time to time of revenue bonds, of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College payable from gross revenues of certain auxiliary enterprises; prescribing the form, fixing the details and conditions of such revenue bonds and providing for the payment of the principal and interest thereon and other matters in connection therewith," shall, for all purposes of this Nineteenth Supplemental Resolution, have the respective meanings given to them in the General Bond Resolution. In addition, unless the context shall clearly indicate some other meaning, the following terms shall, for all purposes of the Bond Resolution, have the following meanings:

"Act" shall have the meaning assigned thereto in the recitals to this Nineteenth Supplemental Resolution.

"*Authorization Resolution*" means the resolution adopted by the Board on October 25, 2019, granting authorization to proceed with the sale of the Series 2019 Bonds, making application to the State Bond Commission and approving the terms of and issuance of the Series 2019 Bonds.

"*Authorized Board Representative*" means, with respect to the Series 2019 Bonds and any document relating thereto, one or more, as required by law or by the Bond Resolution, of the Chairman, the Chairman-Elect, the Secretary and each officer of the Board, the President and the Executive Vice President for Finance or any other Person designated in writing to the Trustee by the Chairman or Chairman-Elect of the Board or designated by a resolution of the Board.

"*Authorized Denominations*" means, with respect to the Series 2019 Bonds, \$5,000 and any integral multiple hereof.

"*Beneficial Owner*" means, with respect to the Series 2019 Bonds, a Person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

"*Beneficial Ownership Interest*" means the beneficial right to receive payments and notices with respect to the Series 2019 Bonds which are held by the Depository under a book entry system.

"*Board*" means the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, and its successors and assigns.

"*Board Documents*" means collectively, the General Bond Resolution, this Nineteenth Supplemental Resolution, the Continuing Disclosure Certificate, the Tax Compliance Certificate (Series 2019A), the Escrow Agreement and the Purchase Agreement.

"*Bond Resolution*" means, with respect to the Series 2019 Bonds, the General Bond Resolution, as heretofore supplemented and amended, and as additionally supplemented by this Nineteenth Supplemental Resolution.

"*Bond Year*" shall mean, with respect to the Series 2019 Bonds, the twelve (12) month period commencing at 12:01 a.m. on July 1 of each year and ending at midnight the succeeding June 30 or, at the discretion of the Board, any other twelve month period, provided that the first Bond Year shall commence on the date of delivery of the Series 2019 Bonds and end at midnight on June 30, 2020.

"*Book Entry Form*" or "*book entry system*" means a form or system, as applicable, under which (i) the Beneficial Ownership Interests may be transferred only through a book entry and (ii) physical Series 2019 Bonds certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical Series 2019 Bonds certificates "immobilized" in the custody of the Depository. The book entry system maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Board or the Trustee is the record that identifies, and records the transfer of the interests of, the owners of book entry interests in the Series 2019 Bonds.

"*Business Day*" means a day other than (i) a Saturday, Sunday or legal holiday in the cities in which the principal offices of the Board and the Trustee are located or (ii) a day on which the New York Stock Exchange is closed.

"*Cede & Co.*" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2019 Bonds.

"*Code*" shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time.

"*Continuing Disclosure Certificate*" means the Continuing Disclosure Certificate, dated the date of delivery of the Series 2019 Bonds, of the Board.

"*Debt Service Requirements*" means for any particular Fiscal Year with respect to all Bonds or a particular Series of Bonds, as applicable, an amount equal to the sum of (a) all interest payable during such Fiscal Year on such Outstanding Bonds, plus (b) the Principal Installment of such Outstanding Bonds falling due during such Fiscal Year, calculated on the assumption that such Outstanding Bonds on the day of calculation cease to be outstanding by reason of payment either upon maturity or by application of any scheduled Sinking Fund Installments as provided for in a Supplemental Resolution. In the case of Variable Rate Debt, with respect to a particular Fiscal Year, the interest rate thereon shall be calculated on the assumption that such Series of Bonds will bear interest during such period at the maximum rate that may be borne by such Variable Rate Debt; provided that, if on such date of calculation the interest rate on such Variable Rate Debt shall then be fixed for a specified period, the interest rate used for such specified period for the purposes of the foregoing calculation shall be such actual interest rate. Such interest and Principal Installments for a Series of Bonds shall be calculated on the assumption that no Bonds Outstanding at the date of calculation will cease to

be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

"*Defeasance Obligations*" means, with respect to the Series 2019 Bonds, the obligations listed in subparagraphs (1) and (2) under the definition of "Permitted Investments" in this Section 1.01.

"*Depository*" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of book entry interests in Series 2019 Bonds, and to effect transfers of book entry interests in the Series 2019 Bonds in book entry form, and includes and means, initially, DTC.

"*Director*" means the Director of the Office of Facility Planning and Control.

"*DTC*" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository appointed pursuant to Section 2.05.

"*DTC Representation Letter*" means the Blanket Letter of Representation from the Board to DTC with respect to the Series 2019 Bonds, or any agreement between the Board and/or the Trustee and a successor securities depository appointed pursuant to Section 2.05, in either case as from time to time amended.

"*Electronic Means*" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

"*EMMA*" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access Center at www.emma.msrb.org.

"*Escrow Agreement*" means the Escrow Agreement (Series _____) dated the date of issuance of the Series 2019 Bonds between the Board and the Escrow Trustee providing for the refunding of the Refunded Bonds.

"*Escrow Fund*" means, collectively, the Escrow Deposit Fund (Series _____) created pursuant to the Escrow Agreement.

"*Escrow Trustee*" shall mean The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or any successor thereto, as Escrow Trustee under the Escrow Agreement.

"*Executive Vice President for Finance*" means the Executive Vice President for Finance and Administration/CFO of the University and shall include any permanent or interim officer or any successor office.

"*Fifteenth Supplemental Resolution*" means the Fifteenth Supplemental Resolution approved by the Board on June 8, 2012, and executed and effective August 7, 2012, pursuant to which the Series 2012 Bonds were issued.

"*Fiscal Year*" means the twelve month period beginning on July 1 of any year and ending on June 30 of the following year.

"*Fitch*" means Fitch Ratings, a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board.

"*Fourteenth Supplemental Resolution*" means the Fourteenth Supplemental Resolution adopted by the Board on April 23, 2010, and executed and effective on June 24, 2010, pursuant to which the Series 2010B Bonds were issued.

"*Funds and Accounts*" means the Funds and Accounts created pursuant to Article VII of the General Bond Resolution or pursuant to this Nineteenth Supplemental Resolution.

"*General Bond Resolution*" means the General Bond Resolution adopted by the Board on June 17, 1994, as amended to the date hereof.

"*Interest Payment Dates*" means January 1 and July 1 of each year commencing _____ 1, 2020.

"*Issuer*" means the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, and its successors and assigns.

"*Lab School*" means the University Lab School, a K-12 public educational facility located on the campus of the University and operated by the University.

"*Lab School Revenues*" means the revenues derived by the Lab School from a \$500 tuition increase effective with the 2000-01 school year and a \$265 tuition increase effective with the 2001-02 school year in accordance with House Bill No. 1920 of the 1999 Regular Session of the Louisiana Legislature and with a resolution adopted by the Board on July 16, 1999.

"*Maturity Date*" means with respect to the Series 2019 Bonds, the maturity dates set forth in Section 2.02(b) hereof.

"*Moody's*" means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board.

"*Outstanding,*" "*Outstanding Bonds*" or "*Bonds Outstanding*" when used as of a particular time with reference to the Series 2019 Bonds, means (subject to Section 7.08 hereof) all the Series 2019 Bonds delivered under this Nineteenth Supplemental Resolution except:

- (i) Series 2019 Bonds cancelled by the Trustee or surrendered to the Trustee for cancellation;

(ii) Series 2019 Bonds paid or deemed to have been paid within the meaning of Article XIII of the General Bond Resolution; and

(iii) Series 2019 Bonds in lieu of or in substitution for which replacement Series 2019 Bonds shall have been executed by the Board and delivered by the Trustee hereunder.

"*Outstanding Parity Bonds*" shall have the meaning assigned thereto in the recitals to this Nineteenth Supplemental Resolution.

"*Participants*" means brokers, dealers, banks and other financial institutions and other Persons for whom from time to time DTC effects book-entry transfers and pledges of securities deposited with DTC.

"*Paying Agent*" means the Trustee for purposes of this Nineteenth Supplemental Resolution and the Series 2019 Bonds.

"*Permitted Investments*" means, with respect to the Series 2019 Bonds, the following, to the extent permitted by applicable law:

(1) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below);

(2) Direct obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America;

(3) Obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America:

- Export-Import Bank
- Farm Credit System Financial Assistance Corporation
- Rural Economic Community Development Administration (formerly the Farmers Home Administration)
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing and Urban Development (PHA's)
- Federal Housing Administration
- Federal Financing Bank;

(4) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations rated "Aa" by Moody's and "AA" by S&P issued by the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC)
- Senior debt obligations of the Federal Home Loan Bank System
- Senior debt obligations of other Government Sponsored Agencies;

(5) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1+" by S&P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(6) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P and "P-1" by Moody's, and which matures not more than 270 days after the date of purchase;

(7) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

(8) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P and Moody's or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (A)(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity or redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;

(9) General obligations and revenue bonds of any state of the United States of America with a rating of at least "A2/A" or higher by both Moody's and S&P; and

(10) Investment agreements (supported by appropriate opinions of counsel).

"*President*" means the President of the University and shall include any permanent or interim officer or any successor office.

"*Principal Payment Date*" means July 1 of each year, commencing July 1, 2020.

"*Purchase Agreement*" means the Bond Purchase Agreement dated _____, 20__, between the Board and the Underwriter.

"*Record Date*" means the fifteenth (15th) day (whether or not a Business Day) of the month next preceding each Interest Payment Date.

"*Recreational Sports Fee Revenues*" means (a) the \$15.00 per fall and spring semesters increase and \$5.00 per summer semester increase in the self-assessed student recreational sports fee authorized by the Board by its resolution adopted May 31, 2002 and (b) (i) the \$20.00 per summer semester increase to be imposed beginning summer semester of the 2012-13 academic year, (ii) the \$45.00 per fall and spring semesters increase and \$20.00 per summer semester increase to be imposed beginning fall semester of the 2013-14 academic year, (iii) the \$45.00 per fall and spring semesters increase and \$20.00 per summer semester increase to be imposed beginning fall semester of the 2014-15 academic year and (iv) the \$45.00 per fall and spring semesters increase to be imposed beginning fall semester of the 2015-16 academic year in the student recreational sports fee authorized by the Board by its resolution adopted February 1, 2013, such that the total summer semester fee in 2015 and thereafter will be \$85 and the total fall and spring semester fee in 2015-2016 and thereafter will be \$200.

"*Redemption Date*" shall have the meaning assigned thereto in Section 1.03 hereof.

"*Refunded Bonds*" means, collectively the **[**list bonds to be refunded**]**, as more fully described in **Exhibits C-1, C-2 and C-3** hereto.

"*Requisition (2019 Costs of Issuance)*" means the Payment Requisition Form, in the form attached as **Exhibit B** to this Nineteenth Supplemental Resolution to be submitted for payment of 2019 Costs of Issuance.

"*S&P*" means S&P Global Ratings, a division of S&P Global Ratings, Inc. duly organized and existing under and by virtue of the laws of the State of New York, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board.

"*Series 2010B Bonds*" shall have the meaning assigned thereto in the preambles of this Nineteenth Supplemental Resolution.

"*Series 2010B Escrow Account*" means the Escrow Account (Series 2010B) established in the Escrow Agreement.

"*Series 2010B Refunded Bonds*" means Series 2010B Bonds, as more fully described in **Exhibit C-1**.

"*Series 2012 Bonds*" shall have the meaning assigned thereto in the preambles of this Nineteenth Supplemental Resolution.

"*Series 2012 Escrow Account*" means the Escrow Account (Series 2012) established in the Escrow Agreement.

"*Series 2012 Refunded Bonds*" means Series 2012 Bonds, as more fully described in **Exhibit C-2**.

"*Series 2014 Bonds*" shall have the meaning assigned thereto in the preambles of this Nineteenth Supplemental Resolution.

"*Series 2014 Escrow Account*" means the Series 2014 Escrow Account established in the Escrow Agreement.

"*Series 2014 Refunded Bonds*" means Series 2014 Bonds, as more fully described in **Exhibit C-3**.

"*Series 2019 Bonds*" means, collectively, the Auxiliary Revenue Refunding Bonds, Series 2019A, issued by the Board in the aggregate principal amount of \$_____ and the Taxable Auxiliary Revenue Refunding Bonds, Series 2019B issued by the Board in the aggregate principal amount of \$_____, pursuant to the Bond Resolution.

"*Series 2019 Bond Proceeds Fund*" means the account by that name created pursuant to Section 6.01 hereof.

"*Series 2019 Costs of Issuance Account*" means the account by that name created within the Bond Proceeds Fund pursuant to Section 6.01 hereof.

"*Series 2019 Sinking Fund*" means the Series 2019 Principal Account and the Series 2019 Interest Account of the Bond Fund.

"*Series 2019A Costs of Issuance Sub-account*" means the account by that name created within the Series 2019 Cost of Issuance Account.

"*Series 2019A Interest Account*" means the Account by that name created within the Bond Fund pursuant to Section 6.01 hereof.

"*Series 2019A Principal Account*" means the Account by that name created within the Bond Fund pursuant to Section 6.01 hereof.

"*Series 2019A Rebate Fund*" means the account by that name created pursuant to Section 6.01 hereof.

Series 2019B Costs of Issuance Sub-account" means the account by that name created within the Series 2019 Cost of Issuance Account.

"Series 2019B Interest Account" means the Account by that name created within the Bond Fund pursuant to Section 6.01 hereof.

"Series 2019B Principal Account" means the Account by that name created within the Bond Fund pursuant to Section 6.01 hereof.

"Seventeenth Supplemental Resolution" means the Seventeenth Supplemental Resolution approved by the Board on September 12, 2014, and executed and effective on October 16, 2014.

"Sinking Fund Amounts" shall have the meaning assigned thereto in Section 3.03 hereof.

"Sinking Fund Installment" means the payment by the Board of Sinking Fund Amounts, when due, to the appropriate Account of the Bond Fund.

"Tax Compliance Certificate" means, with respect to the Series 2019A Bonds, the Tax Compliance Certificate (Series 2019A) dated the date of delivery of the Series 2019A Bonds by the Board.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or any successor thereto, as trustee and Paying Agent hereunder.

"2019 Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Series 2019 Bonds including, but not limited to, publication costs, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, bond insurance premiums, fees and costs of preparing preliminary and final official statements, fees and charges for preparation, execution, transportation and safekeeping of the Series 2019 Bonds and any other cost, charge or fee in connection with the original sale and issuance of the Series 2019 Bonds.

"2019 Undertaking" shall have the meaning assigned thereto in Section 7.05 hereof.

"Underwriter" means, collectively, the underwriters designated in the Purchase Agreement.

SECTION 1.02. ***Interpretation.*** Unless or except as the context shall clearly indicate otherwise or may otherwise require in this Nineteenth Supplemental Resolution: (i) all references to a particular section, paragraph or subdivision of the General Bond Resolution or this Nineteenth Supplemental Resolution, as the case may be, are to be the corresponding section, paragraph or subdivision of the General Bond Resolution only or this Nineteenth Supplemental Resolution only, as the case may be; (ii) the terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Nineteenth Supplemental Resolution only, and to this Nineteenth Supplemental Resolution as a whole and not to any particular section, paragraph or subdivision thereof; (iii) the terms "therein," "thereunder," "thereby," "thereto," "thereof" and

any similar terms refer to the General Bond Resolution, and to the General Bond Resolution as a whole and not to any particular section, paragraph or subdivision thereof; and (iv) the term "heretofore" means before the time of effectiveness of this Nineteenth Supplemental Resolution and the term "hereafter" means after the time of the effectiveness of this Nineteenth Supplemental Resolution.

SECTION 1.03. ***Redemption of Refunded Bonds.*** The Board hereby authorizes the redemption of [**(i) the Series 2010B Refunded Bonds on July 1, 2020, (ii) the Series 2012 Refunded Bonds on July 1, 2022, and (iii) the Series 2014 Refunded Bond on July 1, 2024**] (each a "*Redemption Date*"), and each at a price of 100% of the principal amount thereof plus accrued interest to the respective Redemption Dates, and directs The Bank of New York Mellon Trust Company, N.A., as trustee for the Refunded Bonds, to give notice thereof in the forms attached as **Exhibit D-1, Exhibit D-2 and Exhibit D-3** hereto at the time and in the manner provided for therein and in the [**Fourteenth Supplemental Resolution, Fifteenth Supplemental Resolution and Seventeenth Supplemental Resolution**].

SECTION 1.04. ***Sale of the Series 2019 Bonds.*** The selection of the Underwriter by an Authorized Board Representative is hereby approved and ratified. The sale of the Series 2019 Bonds to the Underwriter pursuant to the Purchase Agreement at the purchase price stated therein is hereby approved. The execution, delivery and performance of the Purchase Agreement are hereby approved, and an Authorized Board Representative is hereby directed to execute and deliver the Purchase Agreement and all Board Documents.

SECTION 1.05. ***Ratification and Approval of Preliminary Official Statement, Approval of Official Statement, Purchase Agreement and other documents.***

(a) In connection with the issuance and sale of the Series 2019 Bonds, there have been prepared and submitted to this meeting forms of:

(i) a draft of the Preliminary Official Statement (the "Preliminary Official Statement"), to be used in connection with the marketing of the Series 2019 Bonds;

(ii) a draft of the final Official Statement (the "Official Statement"), substantially in the form of the Preliminary Official Statement, to be used in connection with the sale of the Series 2019 Bonds;

(iii) a draft of the Purchase Agreement; and

(iv) a draft of the Escrow Agreement.

(b) The Preliminary Official Statement in the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved and its use by the Underwriter and the delivery of the "Rule 15c2-12 Certificate" by the Executive Vice President for Finance to the Underwriter are hereby approved in connection with the public offering and marketing of the Series 2019 Bonds.

(c) The Official Statement in substantially the form of the Preliminary Official Statement presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved and its use by the Underwriter in connection with the public offering and sale of the Series 2019 Bonds with such changes, insertions and omissions as may be approved by the Executive Vice President for Finance is hereby approved. The Executive Vice President for Finance is hereby authorized and directed to execute the Official Statement and any amendment or supplement thereto, in the name of and on behalf of the Board with such changes therein as shall be approved by the Executive Vice President for Finance and to cause the Official Statement and any such amendment or supplement to be delivered to the Underwriter with the approval of any changes, insertions or omissions to be conclusively evidenced by the execution and delivery thereof by the Executive Vice President for Finance.

(d) The Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. An Authorized Board Representative is hereby authorized and directed to execute and deliver the Purchase Agreement with such changes, insertions and omissions as he or she may approve, said execution being conclusive evidence of such approval.

(e) The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made apart hereof as though set forth in full herein, is hereby approved. An Authorized Board Representative is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate with such changes, insertions and omissions as he or she may approve, said execution being conclusive evidence of such approval.

(f) The Tax Compliance Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, with respect to the Series 2019A Bonds, is hereby approved. An Authorized Board Representative is hereby authorized and directed to execute and deliver the Tax Compliance Certificate with such changes, insertions and omissions as he or she may approve, said execution being conclusive evidence of such approval.

(g) The Escrow Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. An Authorized Board Representative is hereby authorized and directed to execute and deliver the Escrow Agreement with such changes, insertions and omissions as he or she may approve, said execution being conclusive evidence of such approval.

SECTION 1.06. ***Authorized Officers.*** Except as otherwise specifically set forth herein, each Authorized Board Representative acting singly is hereby authorized and directed to execute and deliver the Board Documents and any and all documents and instruments, and to do and cause to be done any and all acts and things, necessary or proper for carrying out the transactions contemplated by the Board Documents.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE SERIES 2019 BONDS

SECTION 2.01. **Authorization.** Pursuant to the Act, there is hereby authorized the incurring of indebtedness and the issuance of the Board's Series 2019 Bonds to be designated (a) "Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019A," in the principal amount of \$_____, and (b) "Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Taxable Auxiliary Revenue Refunding Bonds, Series 2019B" in the principal amount of \$_____ to provide funds, together with other available funds of the Board, to (i) refund the Refunded Bonds, and (ii) pay the costs of issuance of the Series 2019 Bonds. Upon the issuance of the Series 2019 Bonds, the proceeds thereof shall be deposited as directed by written order of the Board in the appropriate Fund or Account designated by such order.

SECTION 2.02. **Form; Denominations; Date; Limited Obligations.**

(a) Series 2019A Bonds.

(i) The Series 2019A Bonds shall be fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof, and shall be substantially in the form of **Exhibit A** hereto, with such variations as may be permitted or required by the Act or the Bond Resolution. The Series 2019A Bonds may also bear such legends or other text as maybe required by law or usage. The Series 2019A Bonds shall be dated the date of delivery thereof and shall be numbered consecutively from R-1 upward, provided, however, that temporary bonds may be numbered as determined by the Trustee.

(ii) The Series 2019A Bonds shall mature on July 1 of each year in such principal amounts and at such rates of interest per annum as follows:

<u>Year</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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(a) Series 2019B Bonds.

(i) The Series 2019B Bonds shall be fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof, and shall be substantially in the form of **Exhibit A-2** hereto, with such variations as may be permitted or required by the Act or the Bond Resolution. The Series 2019B Bonds may also bear such legends or other text as maybe required by law or usage. The Series 2019B Bonds shall be dated the date of delivery thereof and shall be numbered consecutively from R-1 upward, provided, however, that temporary bonds may be numbered as determined by the Trustee.

(ii) The Series 2019B Bonds shall mature on July 1 of each year in such principal amounts and at such rates of interest per annum as follows:

<u>Year (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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THE SERIES 2019 BONDS SHALL BE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX. THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, LSU, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019 BONDS OR THE INTEREST THEREON, AND THE SERIES 2019 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

THE AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS; PROVIDED THAT (i) THE LAB SCHOOL

REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE RECREATIONAL SPORTS FEE REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX.

For purposes of this Nineteenth Supplemental Resolution, references herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues with the caveat that the pledge of such revenues is limited as set forth in the foregoing paragraphs.

SECTION 2.03. *Payment of Principal and Interest of Series 2019 Bonds; Acceptance of Terms and Conditions.*

(a) Interest Payment Dates for the Series 2019 Bonds shall be January 1 and July 1 of each year, beginning _____ 1, 2020. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Series 2019 Bonds of a given maturity shall bear interest on overdue principal and, to the extent permitted by law, overdue premium and interest at the rate then in effect on the Series 2019 Bonds of such maturity.

(b) Interest on the Series 2019 Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the date of issuance of the Series 2019 Bonds, or (b) such date of authentication shall be an Interest Payment Date to which interest on the Series 2019 Bonds has been paid in full or duly provided for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Series 2019 Bonds shall be in default, Series 2019 Bonds issued in exchange for Series 2019 Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Series 2019 Bonds or, if no interest has been paid or duly provided for on the Series 2019 Bonds, from the date of delivery thereof.

(c) Principal of any Series 2019 Bonds which have become due and payable, together with any applicable redemption premium, shall be payable only upon presentation and surrender of such Series 2019 Bonds at the principal corporate trust office of the Trustee.

(d) Interest on the Series 2019 Bonds (except defaulted interest) shall be paid to the Persons who are the Owners of the Series 2019 Bonds at the close of business on the Record Date next preceding the Interest Payment Date. Defaulted interest shall be paid as provided in Section 3.06 of the General Bond Resolution. Interest shall be paid by check of the Trustee mailed on the Interest Payment Date to the Owners at their addresses as they appear on the Bond Register or at such other address as is furnished in writing by an Owner to the Trustee prior to the Record Date.

(e) Any Owner of Series 2019 Bonds in an aggregate principal amount of at least \$1,000,000 may, however, elect to have interest payments made to such Owner by wire transfer of Federal Funds. In order to make such election, the Owner must notify the Trustee in writing and provide wire transfer instructions prior to the Record Date for the Interest Payment Date on which such wire transfer payments are to commence. Once an election is made, all subsequent interest payments to such Owner shall be by wire transfer, according to the last wire transfer instructions received prior to the Record Date. The Owner may revoke or change such instructions by delivering a written notice to the Trustee. Such instructions may also provide for the payment of principal and premium by wire transfer of Federal Funds (following presentation and surrender of the Series 2019 Bonds being paid).

(f) Principal of, premium, if any, and interest on the Series 2019 Bonds shall be payable in such coin or currency of the United States of America which is legal tender for payment of public and private debts.

(g) Each payment of principal of, premium, if any, and interest on Series 2019 Bonds shall be accompanied by notice of the CUSIP number of such Series 2019 Bonds.

SECTION 2.04. ***Initial Delivery of Series 2019 Bonds.*** Upon receipt of the following documents, the Trustee shall authenticate the Series 2019 Bonds and deliver them as directed by the Underwriter:

1. The executed Series 2019 Bonds;
2. A copy, duly certified by the Secretary of the Board, of the General Bond Resolution and this Nineteenth Supplemental Resolution;
3. A request and authorization to the Trustee signed by an Authorized Board Representative to authenticate and deliver the Series 2019 Bonds as directed by the Underwriter upon payment to the Trustee, but for the account of the Board, of a specified sum;
4. An order from an Authorized Board Representative to the Trustee directing the deposits to the Funds and Accounts created herein and the deposits to the Escrow Fund and the payment of 2019 Costs of Issuance;
5. The opinion of Breazeale, Sachse & Wilson, L.L.P., Bond Counsel, that the Series 2019 Bonds are legally issued, that the Series 2019 Bonds and the income therefrom are exempt from all taxation in the State of Louisiana or any political subdivision thereof and that interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes under existing law and that interest on the Series 2019B Bonds is included in gross income for federal income tax purposes under existing law;
6. The executed Escrow Agreement;
7. The executed Tax Compliance Certificate;

8. The executed Continuing Disclosure Certificate; and
9. Such other documents, certificates or agreements as shall be required by Bond Counsel.

SECTION 2.05. *Book-Entry System.*

(a) The Series 2019 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2019 Bond per maturity. Unless the book-entry system is terminated as provided in this Section 2.05, this Section 2.05 shall override any other conflicting provisions of the Bond Resolution. The Owner of all the Series 2019 Bonds shall be Cede & Co., as nominee for DTC, provided that Cede & Co. may register the transfer of the Series 2019 Bonds to another nominee for DTC if the DTC Representation Letter provides for such transfer. All payments of principal of and premium and interest on the Series 2019 Bonds shall be made in the manner provided in the DTC Representation Letter. The Trustee is hereby authorized and directed to comply with all terms of the DTC Representation Letter.

(b) Neither the Board nor the Trustee shall be liable to any Person, including any Participant and any Person claiming any interest in any Series 2019 Bond under or through DTC or any Participant, for any action or failure to act or delay in action by DTC or any Participant. In particular, neither the Board nor the Trustee shall have any obligation with respect to the accuracy of any records maintained by DTC or any Participant, the payment by DTC or any Participant of any amount in respect of the principal of or premium or interest on the Series 2019 Bonds, any notice which is permitted or required to be given to Bondholders under this Resolution or which is permitted or required to be given under the DTC Representation Letter, the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2019 Bonds or any consent given by DTC as Owner.

(c) (i) If DTC gives notice to the Board or the Trustee pursuant to the DTC Representation Letter that it will discontinue providing its services as securities depository with respect to the Series 2019 Bonds, the Board shall, in its sole discretion, either appoint a successor securities depository or terminate the book-entry system for the Series 2019 Bonds. The Board shall give the Trustee written notice of such appointment or termination. If a successor securities depository has not accepted such position prior to the effective date of DTC's termination of its services, the book-entry system shall automatically terminate and may not be reinstated without the consent of all the Owners of the Series 2019 Bonds.

(ii) The Board may also, in its sole discretion, elect to terminate the book-entry system at any time by giving written notice to DTC and the Trustee. Upon termination of the book-entry only system, the Board shall cause the execution of certificated bonds.

Any successor securities depository must be a clearing agency registered with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934 and must enter into an agreement with the Board and the Trustee

agreeing to act as the depository and clearing agency for all the Series 2019 Bonds. After such agreement has become effective, DTC shall present the Series 2019 Bonds for registration of transfer in accordance with Section 3.05 of the General Bond Resolution and the Trustee shall register them in the name of the successor securities depository or its nominee.

On the effective date of any termination of the book-entry system, the provisions of Section 2.05(a) hereof shall cease to be in effect. After such termination, the Trustee shall, upon presentation of Series 2019 Bonds by DTC or its nominee for registration of transfer or exchange in accordance with Section 3.05 of the General Bond Resolution make such transfer or exchange in accordance with Section 3.05 of the General Bond Resolution.

(d) Upon the appointment of a successor securities depository or termination of the book-entry system, the Trustee shall give notice of such event to the Series 2019 Bond Owners (through DTC) and (i) the name and address of the successor securities depository or (ii) that Series 2019 Bonds may now be obtained by beneficial owners of the Series 2019 Bonds, or their nominees, upon proper instructions being given to DTC by the relevant Participant and compliance by DTC with the provisions of the Resolution regarding registration of transfers.

SECTION 2.06. *Appointment of Trustee and Paying Agent; Removal of the Trustee and Successor Trustee.* (a) The Board hereby appoints The Bank of New York Mellon Trust Company, N.A., as Trustee and Paying Agent for the Series 2019 Bonds pursuant to Section 11.01 of the General Bond Resolution, which shall be responsible, among other things, for the payment of principal and interest to Series 2019 Bond Owners on the respective Interest Payment Dates and Principal Payment Dates. The Trustee shall designate its principal office to the Board and signify its acceptance of the duties and obligations imposed upon it by this Nineteenth Supplemental Resolution by executing and delivering a written instrument of acceptance to the Board.

(b) The Trustee may be removed at any time by an Authorized Board Representative for any breach of its obligations hereunder.

SECTION 2.07. *Disposition of Proceeds of the Series 2019 Bonds and Other Funds of the Board.* Upon the delivery of and payment for (i) the Series 2019A Bonds at the price set forth in the Purchase Agreement, the proceeds thereof, less underwriter's discount, plus net original issue premium, representing the sum of \$_____ shall be deposited to the Series 2019 Bond Proceeds Fund, (ii) the Series 2019B Bonds at the price set forth in the Purchase Agreement, the proceeds thereof, less underwriter's discount, representing the sum of \$_____ shall be deposited to the Series 2019 Bond Proceeds Fund and transferred as follows:

(a) The sum of \$_____ shall be deposited to the Series 2019A Costs of Issuance Sub-account therein and \$_____ shall be deposited to the Series 2019B Cost of Issuance Sub-account therein; and

(b) The sum of \$_____ shall be transferred to the Escrow Trustee of which \$_____ shall be deposited in the Series 2010B Escrow Account, \$_____ shall be deposited in the Series 2012 Escrow Account and \$_____ shall be deposited in the Series 2014 Escrow Account.

(c) In addition to the amounts transferred above from proceeds of the Series 2019 Bonds, pursuant to the written direction of an Authorized Board Representative, the amounts of [**(i) \$_____ shall be transferred from the Series 2010B Project Account of the Project Fund, \$_____ shall be transferred from the Series 2010B Interest Account of the Bond Fund and \$_____ shall be transferred from the Series 2010B Principal Account of the Bond Fund, each held under the Fourteenth Supplemental Resolution, and deposited into the Series 2010B Escrow Account, (ii) \$_____ shall be transferred from the Series 2012 Interest Account of the Bond Fund and \$_____ shall be transferred from the Series 2012 Principal Account of the Bond Fund, each held under the Fifteenth Supplemental Indenture, and deposited into the Series 2012 Escrow Account, and (iii) \$_____ shall be transferred from the Series 2014 Project Account of the Project Fund, \$_____ shall be transferred from the Series 2014 Interest Account of the Bond Fund, and \$_____ shall be transferred from the Series 2014 Principal Account of the Bond Fund, each held under the Seventeenth Supplemental Resolution, and deposited into the Series 2014 Escrow Account**].

ARTICLE III

REDEMPTION

SECTION 3.01. ***Extraordinary Optional Redemption of the Series 2019 Bonds.*** The Board may at any time redeem all or any part (in the denomination of \$5,000 or any integral multiple thereof) of the Series 2019 Bonds at a redemption price equal to their principal amount plus accrued interest to the redemption date if a particular Auxiliary Facility financed or refinanced by the Series 2019 Bonds is damaged, destroyed or taken by eminent domain or sold under the threat of condemnation and the Board elects, pursuant to Article VIII of the General Bond Resolution and this Section 3.01 to use the Net Proceeds of casualty insurance or condemnation or sale under threat of condemnation to redeem Series 2019 Bonds rather than repair, replace, rebuild or restore the Auxiliary Facility. Any such redemption must take place within 120 days following the receipt of casualty insurance or condemnation proceeds relating to such damage, destruction or taking.

The Board shall use its reasonable best efforts to repair, replace, rebuild or restore such Auxiliary Facility; however, should it elect to use Net Proceeds to redeem the Series 2019 Bonds, the Board shall give the Trustee at least 35 days' notice of any redemption to be made pursuant to this Section 3.01. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019 Bonds to be redeemed.

SECTION 3.02. ***Optional Redemption.*** Beginning on or after July 1, 20__, the Board may redeem the Series 2019 Bonds maturing on or after July 1, 20__, in whole or in part on any date (if in part, as selected by the Trustee at the direction of the Board) (in denominations of \$5,000 or any integral multiple thereof) at a price equal to the par amount thereof plus accrued interest to the redemption date.

The Board shall give the Trustee at least 35 days' written notice of any redemption to be made pursuant to this Section 3.02. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019 Bonds to be redeemed.

SECTION 3.03. ***Mandatory Sinking Fund Redemption.***

(a) Series 2019A Bonds.

The Series 2019A Bonds maturing July 1, 20__ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

**Redemption Date
(July 1)**

**Principal
Amount**

*Final Maturity

(b) Series 2019B Bonds.

The Series 2019B Bonds maturing July 1, 20__ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

<u>Redemption Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>
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*Final Maturity

However, if Series 2019 Bonds have been redeemed pursuant to the Bond Resolution or if the Board has delivered Series 2019 Bonds to the Trustee for cancellation, the Board may direct that any Sinking Fund Amount be reduced by an amount equal to all or a portion of the principal amount of any Series 2019 Bonds so redeemed or delivered for cancellation (and not previously used to reduce any Sinking Fund Amount). The Board shall deliver any such direction at least 75 days before the redemption date.

If amounts are being held in the Series 2019 Principal Account of the Bond Fund to be used to redeem Series 2019 Bonds pursuant to the Bond Resolution, in lieu of such redemption the Board may, no later than 75 days before the redemption date, direct the Trustee to use part or all of such moneys to purchase such Series 2019 Bonds, in a principal amount not to exceed the next Sinking Fund Amount, which are presented to it by Owners for purchase and which the Board directs the Trustee to purchase. The purchase price of such Series 2019 Bonds shall not exceed the redemption price of the Series 2019 Bonds which would be redeemed but for the operation of this paragraph (accrued interest to be paid from the same Fund or Account from which accrued interest would be paid upon the redemption of such Series 2019 Bonds). Any such purchase shall be completed prior to the time notice would otherwise be required to be given to redeem Series 2019 Bonds. All Series 2019 Bonds so purchased shall be cancelled and applied as a credit (in an amount equal to the principal amount of such Series 2019 Bonds) against the next Sinking Fund Amount.

SECTION 3.04. *Notice of Redemption of Series 2019 Bonds.* At least 30 days, but not more than 60 days, before a redemption date pursuant to Sections 3.01 and 3.02 hereof, the Trustee shall mail a notice of redemption to the Owner of each Series 2019 Bond which is to be redeemed. The notice shall be sent by first class, registered or certified mail if the Owner holds \$1,000,000 or more in principal amount of Series 2019 Bonds. The failure of the Trustee to mail

notice of redemption to any Owner or any defect in any notice of redemption shall not affect the validity of the redemption of any other Series 2019 Bond.

Each notice of redemption shall state the following with respect to the Series 2019 Bonds being redeemed:

1. the complete name of the Series 2019 Bonds (including Series designation);
2. the redemption date;
3. the redemption price;
4. the date of the notice;
5. the issue date;
6. the interest rate;
7. the maturity date;
8. the CUSIP number;
9. that the Series 2019 Bonds called for redemption must be surrendered to the Trustee to collect the redemption price;
10. the Trustee's name and address;
11. that interest on Series 2019 Bonds called for redemption ceases to accrue on and after the redemption date; and
12. any other items which may be necessary or desirable to comply with regulation or custom.

If less than all the Series 2019 Bonds are to be redeemed, the notice of redemption shall specify the numbers and amounts of the Series 2019 Bonds or portion thereof to be redeemed. The notice of redemption relative to the Series 2019 Bonds shall state that it is conditioned on there being sufficient money on deposit to pay the full redemption price of the Series 2019 Bonds.

Two Business Days prior to mailing notice to other Series 2019 Bondholders, a copy of each notice of redemption shall be sent by the Trustee by certified or registered mail to DTC or its nominee which holds any Series 2019 Bonds, provided that the Trustee may, in its discretion, provide for overnight, telecopied or other form of notice to DTC acceptable to or requested thereby. The Trustee shall file, on the same date notices are mailed to other Bondholders, a copy of each notice of redemption with EMMA.

If a Series 2019 Bond is not presented for payment on or within 30 days after its redemption date, the Trustee shall, as soon as reasonably possible, mail a second notice of

redemption to the last Owner of record of such Series 2019 Bond, including the same information as in the first notice. The giving of such notice, or the failure to give such notice or any defect in such notice, shall not affect the validity of the redemption of any Series 2019 Bonds.

SECTION 3.05. ***Effect of Redemption.*** If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2019 Bonds or portions thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Series 2019 Bonds or portions thereof so called for redemption shall become payable at the redemption price as specified in such notice; and from and after the redemption date so designated, interest thereon or portions thereof so called for redemption shall cease to accrue, such Series 2019 Bonds or portions thereof shall cease to be entitled to any benefit, protection or security hereunder and the Owners of such Series 2019 Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price.

ARTICLE IV

PLEDGE OF AUXILIARY REVENUES

SECTION 4.01. *Pledge and Payments.*

(a) (i) All of the Board's right, title and interest to the Auxiliary Revenues are hereby pledged by the Board for the payment of Debt Service Requirements on the Series 2019 Bonds issued hereunder (except as provided in Sections 7.08, 11.02 and Article XIII of the General Bond Resolution). The obligation of the Board to pay Debt Service Requirements on the Series 2019 Bonds from Auxiliary Revenues as provided in this Section shall be on a parity with all other Outstanding Parity Bonds.

(ii) The Board (A) hereby confirms the pledge of, and does hereby pledge, the Lab School Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (1) July 1, 2034, and (2) the maturity date of any Bonds issued to finance or refinance projects for the Lab School, and (b) hereby additionally confirms the pledge of, and does hereby pledge, the Recreational Sports Fee Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (1) July 1, 2043, and (2) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

(b) Amounts equal to the aggregate of (i) the amount of interest payable on the Series 2019 Bonds on the next Interest Payment Date and (ii) the amount of principal due on the Series 2019 Bonds on the next Principal Payment Date shall be transferred by the Board from Auxiliary Revenues by check or draft on or prior to the fifth day, or wire transfer on or prior to the third day, immediately preceding each January 1 and July 1, as the case may be, commencing _____ 1, 2020, with respect to the first Interest Payment Date, and commencing July 1, 2020, with respect to the first Principal Payment Date, to the Series 2019A Principal Account, the Series 2019A Interest Account, the Series 2019B Interest Account and the Series 2019B Principal Account, as the case may be, held by the Trustee until necessary for the Trustee to transfer funds for payment of the interest or any principal of the Series 2019 Bonds.

(c) To the extent required by Article VII, Section 2.1 of the Constitution of the State of Louisiana of 1974, with respect to fees and civil fines, if any, imposed or increased by the Auxiliary Enterprises, the Board hereby covenants to seek any necessary approval or authorization, legislative or otherwise, of the imposition of such fees or civil fines or increases thereto in order to comply with Section 10.17 of the General Bond Resolution and this Article IV regarding payments from Auxiliary Revenues.

SECTION 4.02. *Rate Covenant.* The Board covenants that it will establish and maintain, so long as any of the Series 2019 Bonds remain Outstanding, such fees, rental, rates and charges for the use of the Auxiliary Facilities as shall be necessary to assure compliance with Section 10.17 of the General Bond Resolution.

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ARTICLE VI

FUNDS AND ACCOUNTS

SECTION 6.01. ***Creation of Funds and Accounts.*** There are hereby created the following special trust Funds and Accounts to be held by the Trustee:

(a) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019 Bond Proceeds Fund (the "Series 2019 Bond Proceeds Fund");

(b) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019A Rebate Fund (the "Series 2019A Rebate Fund");

(c) Series 2019 Costs of Issuance Account and therein the Series 2019A Costs of Issuance Sub-account and the Series 2019B Costs of Issuance Sub-account, to be held within the Series 2019 Bond Proceeds Fund;

(d) Series 2019A Principal Account, and Series 2019A Interest Account; and

(e) Series 2019B Principal Account, and Series 2019B Interest Account.

All moneys and investments deposited with a Trustee in the Funds and Accounts shall be held in trust and applied only in accordance with the Bond Resolution, particularly Article VII of the General Bond Resolution and this Article VI, and shall be trust funds for the purpose of the Bond Resolution. All proceeds of the Series 2019 Bonds shall be initially deposited to the Series 2019 Bond Proceeds Fund and transferred as provided in Section 2.07 of this Nineteenth Supplemental Resolution.

SECTION 6.02. ***Series 2019 Bond Proceeds Fund.*** The Series 2019 Bond Proceeds Fund shall be maintained with the Trustee and used to receive the proceeds of the Series 2019 Bonds; all to be transferred to the various Funds and Accounts or paid in the amounts specified in Section 2.07 hereof and as shall be specified in the request and authorization delivered pursuant to Section 2.04 hereof.

SECTION 6.03. ***Series 2019A Rebate Fund.*** The Board shall pay, from Auxiliary Revenues, all payments required by the Tax Compliance Certificate at the times required therein, if any, to the United States as a rebate payment if required under the Code. The Series 2019A Rebate Fund shall be held for the sole benefit of the United States of America and is not subject to the lien of the Bond Resolution. Deposits shall be made into and withdrawals shall be made from the Series 2019A Rebate Fund as provided in the Tax Compliance Certificate.

SECTION 6.04. ***Series 2019 Costs of Issuance Account of the Series 2019 Bond Proceeds Fund.*** Moneys in the Series 2019 Costs of Issuance Account shall be applied by the Trustee to pay, upon the written order dated the date of delivery of the Bonds by an Authorized Board Representative or otherwise upon the receipt of a Requisition (2019 Costs of Issuance), amounts of expenses certified in such request which are fees and expenses incurred or to be

incurred in connection with or incident to the issuance and sale of the Series 2019 Bonds. Upon the earlier of (i) one hundred eighty (180) days following the date of issuance of the Series 2019 Bonds or (ii) receipt of the written direction of an Authorized Board Representative stating that all the Series 2019 Costs of Issuance have been paid, the Trustee shall transfer any amounts remaining in the Series 2019A Costs of Issuance Account and Series 2019B Costs of Issuance Account, including the earnings thereon, to the Series 2019A Interest Account and the Series 2019B Interest Account, as applicable.

SECTION 6.05. *Series 2019A Interest Account, Series 2019A Principal Account, Series 2019B Interest Account and Series 2019B Principal Account.* (a) There shall be deposited into the Series 2019A Interest Account or the Series 2019A Principal Account and the Series 2019B Interest Account or the Series 2019B Principal Account, as appropriate, and as and when received (i) all payments pursuant to Section 4.01 hereof and any payments on the Series 2019 Bonds, (ii) all moneys transferred to the Series 2019A Interest Account or Series 2019B Interest Account from the Series 2019 Costs of Issuance Account pursuant to Section 6.04 hereof, (iii) all other moneys required or permitted to be deposited into the Series 2019A Interest Account or Series 2019A Principal Account and the Series 2019B Interest Account or Series 2019B Principal Account pursuant to this Nineteenth Supplemental Resolution, including any supplements or amendments hereto and (iv) all other moneys received by the Trustee when accompanied by directions not inconsistent with this Nineteenth Supplemental Resolution that such moneys are to be paid into the Series 2019A Principal Account or Series 2019A Interest Account or Series 2019B Principal Account or Series 2019B Interest Account. There shall also be retained in the Series 2019A Principal Account and Series 2019A Interest Account and the Series 2019B Principal Account and Series 2019B Interest Account, respectively, interest and other income received on investment of moneys in the Series 2019A Principal Account and Series 2019A Interest Account or Series 2019B Interest Account or Series 2019B Interest Account to the extent provided in Section 6.10 hereof. If the Trustee does not receive payments into the Series 2019A Principal Account and the Series 2019A Interest Account and the Series 2019B Principal Account or Series 2019B Interest Account pursuant to Section 4.01 hereof when due, the Trustee will immediately notify the Board of such nonpayment. The Board shall receive a credit against the Board's obligation to make deposits in the Series 2019A Principal Account and Series 2019A Interest Account and the Series 2019B Principal Account or Series 2019B Interest Account to the extent of interest earnings on moneys in the Series 2019A Principal Account or Series 2019A Interest Account and the Series 2019B Principal Account or Series 2019B Interest Account.

SECTION 6.06. *Investments and Earnings on Certain Funds and Accounts and Valuation Thereof.* The amounts on deposit in the Funds and Accounts created hereunder shall be invested by the Trustee in Permitted Investments (as defined in Section 1.01 of this Nineteenth Supplemental Resolution) in accordance with the written directions signed by an Authorized Board Representative. Notwithstanding any provision of the General Bond Resolution to the contrary, earnings on the amounts held in the Series 2019A Interest Account or Series 2019A Principal Account, Series 2019B Interest Account and Series 2019B Principal Account of the Bond Fund shall be retained therein.

Any provisions of Article IX of the General Bond Resolution to the contrary notwithstanding, for the purpose of determining the amount in any Fund or Account, all

Permitted Investments credited to such Fund or Account shall be valued at fair market value. Except as otherwise provided in this paragraph, the Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers selected by the Trustee. Certificates of deposit shall be valued at the face amount thereof plus accrued interest. Other investments not specified in this paragraph shall be valued in accordance with the value established by prior agreement between the Board and the Trustee.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01. ***Nineteenth Supplemental Resolution to Constitute Contract.*** In consideration of the purchase and the acceptance of the Series 2019 Bonds by those who shall hold the same from time to time, the provisions of the General Bond Resolution and this Nineteenth Supplemental Resolution shall be a part of the contract of the Board with the Owners of the Series 2019 Bonds and shall be deemed to be and shall constitute a contract between the Board, the Trustee and the Owners from time to time of the Series 2019 Bonds. The provisions, covenants and agreements herein set forth to be performed by and on behalf of the Board shall be for the benefit, protection and security of the holders of any and all of the Series 2019 Bonds.

SECTION 7.02. ***Conflicts with General Bond Resolution.*** To the extent any provisions contained in this Nineteenth Supplemental Resolution conflict with any provisions contained in the General Bond Resolution, the provisions of this Nineteenth Supplemental Resolution shall govern.

SECTION 7.03. ***Notices.*** Any notice that is required to be given hereunder or under the General Bond Resolution, as the case may be, shall be deemed to be given, unless otherwise specified herein, upon delivery or mail by first class, registered or certified mail, postage prepaid, or sent electronically or sent by telegram, telecopy or telex, addressed to the parties as follows:

Board:	(1)	President Louisiana State University 3810 West Lakeshore Drive, Suite 111 Baton Rouge, LA 70808
	(2)	Executive Vice President for Finance and Administration/CFO Louisiana State University 330 Thomas Boyd Hall Baton Rouge, LA 70803
Trustee and Paying Agent:		The Bank of New York Mellon Trust Company, N.A. Corporate Trust 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Stephanie Matthews, Vice President Facsimile: (904) 645-1921

DTC: Notices required to be given under this Resolution to DTC by facsimile transmission shall be sent to DTC's Call Notification Department at (516) 227-4039 or (516) 227-4190. Notices to DTC by mail or any other means shall be sent to:

Depository Trust Company
711 Stewart Avenue
Garden City, New York 11530
Attention: Call Notification Department
Muni Reorganization Manager

SECTION 7.04. **Notices to Moody's and Fitch.** Any notice that is required to be given hereunder or under the General Bond Resolution, as the case may be, to S&P, Moody's or Fitch shall be deemed to be given, unless otherwise specified herein, upon delivery or mail by first class, registered or certified mail, postage prepaid, or sent by telegram, telecopy or telex, addressed to the parties as follows:

Moody's: Moody's Investors Service
525077 Center Drive, Suite 150
Charlotte, North Carolina 28217
Telecopy: (704) 559-6950
Attention: Called Bond Department

Fitch: Fitch Ratings
One State Street Plaza New York, NY 10004
Email: pubfinsurv@fitchratings.com
Telecopy: (212) 480-4421

SECTION 7.05. **Continuing Disclosure.** The Board hereby covenants to enter into the Continuing Disclosure Certificate in connection with the Series 2019 Bonds, which shall constitute the written undertaking (the "Undertaking") for the benefit of the holders of the Series 2019 Bonds required by Section (b)(5) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12) (the "Rule"). It is the Board's express intention that this Section 7.05 and the Undertaking be for the benefit of the holders of the Series 2019 Bonds and each Bondholder be a beneficiary of this Section 7.05 with the right to enforce this Section 7.05 and the Undertaking directly against the Board.

SECTION 7.06. **Parties Interested Herein.** Nothing in the Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Board, the Trustee and the registered owners of the Series 2019 Bonds, any rights, remedy or claim under or by reason of the Bond Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Bond Resolution contained by and on behalf of the Board shall be for the sole and exclusive benefit of the Board, the Trustee and the registered owners of the Series 2019 Bonds.

SECTION 7.07. ***Effective Date.*** This Nineteenth Supplemental Resolution shall be effective on _____, 2019.

SECTION 7.08. ***Disqualified Series 2019 Bonds.*** Series 2019 Bonds held for the account of the Board shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in the Bond Resolution, and shall not be entitled to consent to or take any other action provided in the Bond Resolution (provided, however, that only Series 2019 Bonds that the Trustee knows to be so held shall be disregarded), and the Trustee may adopt appropriate regulations to require each Owner, before such Owner's consent provided for in Section 12.03 of the General Bond Resolution shall be deemed effective, to reveal if the Series 2019 Bonds as to which such consent is given are disqualified as provided in this Section 7.08.

SECTION 7.09. ***Electronic Transmissions.*** The Trustee shall have the right to accept and act upon directions and instructions, including funds transfer instructions (collectively, "Directions") given pursuant to this Nineteenth Supplemental Resolution or any other document reasonably relating to the Series 2019 Bonds and delivered using Electronic Means; provided, however, that the Board shall provide to the Trustee an incumbency certificate listing each Authorized Board Representative with the authority to provide such Directions and containing specimen signatures of such Authorized Board Representative, which incumbency certificate shall be amended by the Board whenever a person is to be added or deleted from the listing. If the Board elects to give the Trustee Directions using Electronic Means and the Trustee in its discretion elects to act upon such Directions, the Trustee's understanding of such Directions shall be deemed controlling. The Board understands and agrees that the Trustee cannot determine the identity of the actual sender of such Directions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Board Representative listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Board Representative. The Board shall be responsible for ensuring that only Authorized Board Representatives transmit such Directions to the Trustee and that all Authorized Board Representatives are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Directions notwithstanding such directions conflict or are inconsistent with a subsequent written Direction. The Board agrees, to the extent permitted by applicable law: (i) to assume all risks arising out of the use of Electronic Means to submit Directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Directions, and the risk of interception and misuse by third parties, as long as the Directions purport to come from an Authorized Board Representative and have an electronic copy of a manual signature or an electronic signature of the Authorized Board Representative; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Directions to the Trustee and that there may be more secure methods of transmitting Directions than the method(s) selected by the Board; (iii) that the security procedures (if any) to be followed in connection with its transmission of Directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

[Signature Page to Nineteenth Supplemental Resolution]

The foregoing Nineteenth Supplemental Resolution was offered by _____ and seconded by _____ and thereupon a vote was taken on the approval of this Nineteenth Supplemental Resolution, and the vote thereon was unanimous.

(Other items not pertinent hereto are omitted)

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

By _____
Name:
Title: Chairman

ATTEST:

Name: F. King Alexander
Title: Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Administrative Secretary to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board"), do hereby certify that the foregoing constitutes a true and correct copy of a resolution approved by the Board on October 25, 2019 and executed on _____, providing for the issuance of (a) _____ Million and No/100 (\$_____) principal amount of Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019A, and (b) _____ Million and No/100 (\$_____) principal amount of Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Refunding Bonds, Series 2019B pursuant and supplemental to said General Bond Resolution; approving and confirming the sale of such bonds; prescribing the form, fixing the details and providing for the payment of principal of and interest on such bonds and the application of the proceeds thereof; and providing for other matters in connection therewith; authorizing the sale of the Series 2019 Bonds to the Underwriter and directing the execution and delivery on behalf of the Board of the Bond Purchase Agreement which sets forth the terms and conditions under which said Bonds are being sold; approving the Preliminary and Final Official Statement for said Bonds; approving various financing and other documents; and providing for other matters in connection therewith, which resolution was duly adopted by the Board at a meeting duly called, noticed and held and at which meeting a quorum was present and voting.

I further certify that said Resolution has not been amended or rescinded and is in full force and effect.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Board to be effective on the ____ day of _____, 2019.

_____, Administrative Secretary

[SEAL]

FORM OF SERIES 2019A BONDS

Unless this Series 2019A Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("*DTC*"), to the Board or its agent for registration of transfer, exchange, or payment, and any Series 2019A Bond is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF LOUISIANA

**BOARD OF SUPERVISORS
OF LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE REFUNDING BONDS
SERIES 2019A**

No. R—___ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED</u>	<u>CUSIP #</u>
_____ %	July 1, _____	_____, 2019	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "*Board*"), being a constitutional corporation under the laws of the State of Louisiana (the "*State*"), for value received, hereby promises to pay to the Bond Owner specified above or registered assigns solely from the special funds provided therefor, the Principal Amount specified above, on the Maturity Date specified above (unless called for earlier redemption), and to pay from such special funds interest thereon on January 1 and July 1 of each year ("*Interest Payment Date*") commencing _____ 1, 2020, at the Interest Rate per annum specified above, until the Principal Amount specified above is paid or duly provided for. Interest on the Series 2019A Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the date of issuance of the Series 2019A Bonds, or (b) such date of authentication shall be an Interest

Payment Date to which interest on the Series 2019A Bonds has been paid in full or duly provided for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Series 2019A Bonds shall be in default, Series 2019A Bonds issued in exchange for Series 2019A Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Series 2019A Bonds or, if no interest has been paid or duly provided for on the Series 2019A Bonds, from the date of delivery thereof.

The principal of and premium, if any, on this Series 2019A Bond is payable upon presentation and surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as trustee and paying agent (the "*Trustee*"). Interest on this Series 2019A Bond will be paid on each Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the next succeeding Business Day), by check mailed by the Trustee to the person in whose name this Series 2019A Bond is registered (the "*Bond Owner*") in the registration records of the Board maintained by the Trustee and at the address appearing thereon at the close of business on the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the "*Record Date*"); provided that any Bond Owner of an aggregate principal amount of at least \$1,000,000 of the Series 2019A Bonds may elect to have interest payments made by wire transfer of Federal Funds. Any such interest which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date ("*Defaulted Interest*") shall forthwith cease to be payable to the person who is the Bond Owner hereof on the relevant Record Date by virtue of being such owner; and such Defaulted Interest shall be paid by the Board to the persons in whose names the Series 2019A Bonds (or their respective predecessor Series 2019A Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, set by the Trustee as described in the General Bond Resolution adopted by the Board on June 17, 1994, as supplemented and amended, and the Nineteenth Supplemental Resolution approved by the Board on October 25, 2019, and executed by a duly authorized representative of the Board on _____ __, 20__, authorizing the issuance of this Series 2019A Bond (collectively, the "*Bond Resolution*"), for the payment of any Defaulted Interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Bond Owners of the series of which this is one (the "*Series 2019A Bonds*") not less than ten (10) days prior to such Special Record Date.

The Series 2019A Bonds are issuable as fully registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof and are exchangeable for fully registered Series 2019A Bonds of the same maturity in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Trustee, but only in the manner, subject to the limitations, and on payment of the charges provided in the Bond Resolution.

All terms defined in the Bond Resolution and not otherwise defined in this Series 2019A Bond shall have the meaning given to those terms in the Bond Resolution.

Extraordinary Optional Redemption. The Board may at any time redeem all or any part (in the denomination of \$5,000 or any integral multiple thereof) of the Series 2019A Bonds at a redemption price equal to their principal amount plus accrued interest to the redemption date if a

particular Auxiliary Facility is damaged, destroyed or taken by eminent domain or sold under the threat of condemnation and the Board elects to use the net proceeds of casualty insurance or condemnation or sale under threat of condemnation to redeem Series 2019A Bonds rather than repair, replace, rebuild or restore the Auxiliary Facility. Any such redemption must take place within 120 days following the receipt of casualty insurance or condemnation proceeds relating to such damage, destruction or taking.

The Board shall give the Trustee at least 35 days' notice of any such redemption to be made. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019A Bonds to be redeemed.

Optional Redemption. Beginning on or after July 1, 20__, the Board may redeem the Series 2019A Bonds maturing on or after July 1, 20__, in whole (or if in part, on any date or in part as selected by the Trustee at the direction of the Board) (in denominations of \$5,000 or any integral multiple thereof) at a price equal to the par amount thereof plus accrued interest to the redemption date.

The Board shall give the Trustee at least 35 days' written notice of any such redemption to be made. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019A Bonds to be redeemed.

Mandatory Sinking Fund Redemption.

(a) The Series 2019A Bonds maturing July 1, 20__ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

Redemption Date (July 1)	Principal Amount
<hr/>	<hr/> \$

*Final Maturity

(b) The Series 2019A Bonds maturing July 1, 20__ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

<u>Redemption Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>
	\$

*Final Maturity

Notice of Redemption of Series 2019A Bonds. At least 30 days, but not more than 60 days, before a redemption date (other than for mandatory sinking fund redemption), the Trustee shall mail a notice of redemption to the Owner of each Series 2019A Bond which is to be redeemed. The notice shall be sent by first class, registered or certified mail if the Owner holds \$1,000,000 or more in principal amount of Series 2019A Bonds. The failure of the Trustee to mail notice of redemption to any Owner or any defect in any notice of redemption shall not affect the validity of the redemption of any other Series 2019A Bond. Each notice of redemption shall state the following with respect to the Series 2019A Bonds being redeemed: the complete name of the Series 2019A Bonds (including Series designation); the redemption date; the redemption price; the date of the notice; the issue date; the interest rate; the maturity date; the CUSIP number; that the Series 2019A Bonds called for redemption must be surrendered to the Trustee to collect the redemption price; the Trustee's name and address; that interest on Series 2019A Bonds called for redemption ceases to accrue on and after the redemption date; and any other items which may be necessary or desirable to comply with regulation or custom.

If less than all the Series 2019A Bonds are to be redeemed, the notice of redemption shall specify the numbers and amounts of the Series 2019A Bonds or portion thereof to be redeemed. The notice of redemption relative to the Series 2019A Bonds shall state that it is conditioned on there being sufficient money on deposit to pay the full redemption price of the Series 2019A Bonds.

If a Series 2019A Bond is not presented for payment on or within 30 days after its redemption date, the Trustee shall, as soon as reasonably possible, mail a second notice of redemption to the last Owner of record of such Series 2019A Bond, including the same information as in the first notice. The giving of such notice, or the failure to give such notice or any defect in such notice, shall not affect the validity of the redemption of any Series 2019A Bonds.

Effect of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2019A Bonds or portions thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Series 2019A Bonds or portions thereof so called for redemption shall become payable at the redemption price as specified in such notice; and from and after the redemption date so designated, interest thereon or portions thereof so called for redemption shall cease to accrue, such Series 2019A Bonds or portions thereof shall cease to be entitled to any benefit, protection or security hereunder and the Owners of such Series 2019A Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price.

Exchange and Transfer of Series 2019A Bonds. The Board and the Trustee shall not be required to issue, register the transfer of or exchange (a) any Series 2019A Bonds during a period beginning at the opening of business on the Regular Record Date and ending at the close of business on the Interest Payment Date or (b) any Series 2019A Bond called for redemption prior to maturity during a period beginning on the opening of business fifteen (15) days before the date of the mailing of notice of redemption of such Series 2019A Bonds and ending on the date of such redemption.

Upon surrender for registration of transfer of any Series 2019A Bond, the Trustee shall register and deliver in the name of the transferee or transferees one or more new fully registered Series 2019A Bonds of authorized denomination and maturity and like aggregate principal amount. At the option of a Bond Owner, Series 2019A Bonds may be exchanged for other Series 2019A Bonds of authorized denominations of the same Series and maturity and like aggregate principal upon surrender at such office. Whenever any Series 2019A Bonds are so surrendered for exchange, the Trustee shall register and deliver in exchange thereof the Series 2019A Bond or Series 2019A Bonds which the Bond Owner making the exchange shall be entitled to receive after receipt of the Series 2019A Bonds to be transferred in proper form. All Series 2019A Bonds presented for registration of transfer or exchange shall (if so required by the Board or the Trustee), be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to Trustee, duly executed by the Bond Owner or by such Bond Owner's duly authorized attorney. No charge shall be made to the Bond Owner for any exchange or transfer of Series 2019A Bonds, but the Trustee may require payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

2019A Bonds shall be valid obligations of the Board, evidencing the same debt and entitled to the same benefits under the Bond Resolution as the Series 2019A Bonds surrendered upon authentication thereof by the Trustee. Prior to due presentment for registration of transfer of any Series 2019A Bond, the Board, the Trustee, and any agent of the Board or the Trustee may treat the person in whose name any Series 2019A Bond is registered as the absolute owner thereof for all purposes (except to the extent otherwise provided hereinabove and in the Bond Resolution with respect to Record Dates and Special Record Dates for the payment of interest), whether or not such Series 2019A Bonds shall be overdue, and shall not be bound by any notice to the contrary.

This Series 2019A Bond is one of a series of the Board's Auxiliary Revenue Refunding Bonds, Series 2019A, issued in the original aggregate principal amount of \$_____. The Series 2019A Bonds are issued by the Board pursuant to Sections 2181 through 2193 and 3351(A)(4) of Title 17 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 17:2181 through 2193 and 17:3351(A)(4)), Chapters 13, 13-A and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1421 through 1437), and Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974 (the "*Constitution*" and, together with the cited statutory authority, the "*Act*") and other constitutional and statutory authority, which authorize the Board to borrow money, issue bonds, and pledge revenues for the payment thereof. The Series 2019A Bonds are issued, together with the Board's \$_____ Taxable Auxiliary Revenue Refunding Bonds, Series 2019B (the "*Series 2019B Bonds*," together with the Series

2019A Bonds, the "*Series 2019 Bonds*") pursuant to the Bond Resolution for the purpose of providing funds for the purpose of (i) refunding all **[**or a portion**]** of the Board's outstanding **[**list bonds to be refunded**]** (the "*Refunded Bonds*"), and (ii) paying the costs of issuance of the Series 2019 Bonds, subject to the terms and conditions contained in the Bond Resolution.

THE SERIES 2019 BONDS SHALL BE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX . THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, LSU, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019 BONDS OR THE INTEREST THEREON, AND THE SERIES 2019B BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

THE AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS; PROVIDED THAT (i) THE LAB SCHOOL REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2034 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE RECREATIONAL SPORTS FEE REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2043 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX.

For purposes of the Nineteenth Supplemental Resolution and this Series 2019A Bond, references therein and herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues for the purpose of describing the pledge thereof, with the caveat set forth in the foregoing paragraphs.

The Series 2019A Bonds are equally and ratably payable from a pledge under the Bond Resolution of the Auxiliary Revenues, and the Series 2019A Bonds shall enjoy a pledge of Auxiliary Revenues under the Bond Resolution. Obligations in addition to the Series 2019A Bonds, subject to expressed conditions, may be issued and made payable from the Auxiliary Revenues having a pledge thereof (i) subordinate and junior to the pledge relative to the Series 2019 Bonds, or (ii) subject to additional expressed conditions, on a parity with the Series 2019

Bonds, as provided in the Bond Resolution. The Series 2019 Bonds defined hereinabove, are payable on a parity with the Board's outstanding (i) Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B issued in the original aggregate principal amount of \$31,250,000, (ii) Auxiliary Revenue Refunding Bonds, Series 2012, issued in the original aggregate principal amount of \$41,615,000, (iii) Auxiliary Revenue Bonds, Series 2013, issued in the original aggregate principal amount of \$101,180,000, (iv) Auxiliary Revenue Refunding Bonds, Series 2014, issued in the original aggregate principal amount of \$81,880,000, (v) Auxiliary Revenue Refunding Bonds, Series 2016A issued in the original aggregate principal amount of \$137,000 and (vii) Taxable Auxiliary Revenue Refunding Bonds, Series 2016B.

Auxiliary Revenues are defined to mean (i) the gross amount of all funds, monies or revenues held by the University and any earnings thereon derived or to be derived by Auxiliary Enterprises from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received from students or the public at large in connection with any undertaking, utilization or operation of Auxiliary Enterprises or Auxiliary Facilities, including operation or management thereof by private entities on behalf of the Auxiliary Enterprises, prior to the payment of Current Expenses; and (ii) all Funds and Accounts held pursuant to the Bond Resolution except any fund created to hold monies pending rebate to the United States or for payment of costs of issuance of the Series 2019A Bonds. Auxiliary Revenues shall not include funds, if any, appropriated by the Legislature of the State from time to time. Lab School Revenues are also pledged as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2034 and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Lab School. Recreational Sports Fee Revenues are also pledged as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043 and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

Reference is made to the Bond Resolution and any and all modifications and amendments thereof on file with the Trustee for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2019A Bonds, for a description of the nature and extent of the revenues pledged for the payment for the Series 2019A Bonds, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the Owners of the Series 2019A Bonds with respect thereto, the terms and conditions upon which the Series 2019A Bonds are issued and a statement of rights, duties, immunities and obligations of the Board and the rights of the Owners. The acceptance of the terms and conditions of the Bond Resolution is an explicit and material part of the consideration of the Board's issuance of this Series 2019A Bond, and each owner, by acceptance of this Series 2019A Bond, agrees and assents to all such terms and conditions as if fully set forth herein.

To the extent and in the respects permitted by the Bond Resolution, the provisions of the Bond Resolution and of any resolution amendatory thereof or supplemental thereto may be modified or amended by action on behalf of the Board taken in the manner and subject to the conditions and exceptions prescribed in the Bond Resolution. The pledge of the Auxiliary Revenues and other duties of the Board under the Bond Resolution may be discharged at or prior to the maturity or redemption of the Series 2019A Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

The Board covenants and agrees with the Owner of this Series 2019A Bond and with each and every person who may become the Owner hereof that it will keep and perform all of the covenants of the Bond Resolution.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on this Series 2019A Bond or for any claim based thereon or otherwise in respect to the Bond Resolution against any individual member of the Board, past, present or future, either directly or through the Board, or through any successor body corporate, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Series 2019A Bond and as a part of the consideration of its issuance specially waived and released. The obligation of the Board, as a body corporate, to the Owner hereof is limited to applying funds, as set forth above and as more fully delineated in the Bond Resolution, and to otherwise complying with the contractual provisions therein.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this Series 2019A Bond and the Series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State and the proceedings herein mentioned, and that the Series 2019A Bonds do not exceed any constitutional or statutory limitation.

This Series 2019A Bond shall not be valid or obligatory for any purpose until the Trustee shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College has caused this Series 2019A Bond to be signed and executed in the name and on behalf of the Board with the manual or facsimile signature of its Chairman, and to be attested, signed, subscribed and executed with the manual or facsimile signature of its Secretary; and has caused a manual or facsimile of the seal of the Board to be affixed hereon all as of the date specified above.

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

By _____
Name:
Title: Chairman

[SEAL]

ATTEST:

Name: F. King Alexander
Title: Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2019A Bonds described in the within-mentioned Bond Resolution, and this Series 2019A Bond has been duly registered on the registration records kept by the undersigned as Trustee for such Series 2019A Bonds.

DATE OF AUTHENTICATION

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto:

SOCIAL SECURITY OR FEDERAL EMPLOYER
IDENTIFICATION NUMBER OF ASSIGNEE

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____,

attorney, to transfer said bond on the books kept for registration thereof with full power of
substitution in the premises.

Dated: _____

Signature of Registered Owner:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

(Bank, Trust Company, or Firm

TRANSFER FEE MAY BE REQUIRED

CERTIFICATE AS TO LEGAL OPINION

The undersigned hereby certifies that the following approving legal opinion of Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, in substantially the following form was delivered to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, and that the opinion was dated and issued as of the date of original delivery of and payment to the Board for the Series 2019A Bonds.

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

Secretary

FORM OF SERIES 2019B BONDS

Unless this Series 2019B Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("*DTC*"), to the Board or its agent for registration of transfer, exchange, or payment, and any Series 2019B Bond is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF LOUISIANA

**BOARD OF SUPERVISORS
OF LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE REFUNDING BONDS
SERIES 2019B**

No. R—____ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED</u>	<u>CUSIP #</u>
_____ %	July 1, _____	_____, 2019	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "*Board*"), being a constitutional corporation under the laws of the State of Louisiana (the "*State*"), for value received, hereby promises to pay to the Bond Owner specified above or registered assigns solely from the special funds provided therefor, the Principal Amount specified above, on the Maturity Date specified above (unless called for earlier redemption), and to pay from such special funds interest thereon on January 1 and July 1 of each year ("*Interest Payment Date*") commencing _____ 1, 2020, at the Interest Rate per annum specified above, until the Principal Amount specified above is paid or duly provided for. Interest on the Series 2019B Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the date of issuance of the Series 2019B Bonds, or (b) such date of authentication shall be an Interest Payment Date to which interest on the Series 2019B Bonds has been paid in full or duly provided

for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Series 2019B Bonds shall be in default, Series 2019B Bonds issued in exchange for Series 2019B Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Series 2019B Bonds or, if no interest has been paid or duly provided for on the Series 2019B Bonds, from the date of delivery thereof.

The principal of and premium, if any, on this Series 2019B Bond is payable upon presentation and surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as trustee and paying agent (the "*Trustee*"). Interest on this Series 2019B Bond will be paid on each Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the next succeeding Business Day), by check mailed by the Trustee to the person in whose name this Series 2019B Bond is registered (the "*Bond Owner*") in the registration records of the Board maintained by the Trustee and at the address appearing thereon at the close of business on the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the "*Record Date*"); provided that any Bond Owner of an aggregate principal amount of at least \$1,000,000 of the Series 2019B Bonds may elect to have interest payments made by wire transfer of Federal Funds. Any such interest which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date ("*Defaulted Interest*") shall forthwith cease to be payable to the person who is the Bond Owner hereof on the relevant Record Date by virtue of being such owner; and such Defaulted Interest shall be paid by the Board to the persons in whose names the Series 2019B Bonds (or their respective predecessor Series 2019B Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, set by the Trustee as described in the General Bond Resolution adopted by the Board on June 17, 1994, as supplemented and amended, and the Nineteenth Supplemental Resolution approved by the Board on October 25, 2019, and executed by a duly authorized representative of the Board on _____, 20__, authorizing the issuance of this Series 2019B Bond (collectively, the "*Bond Resolution*"), for the payment of any Defaulted Interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Bond Owners of the series of which this is one (the "*Series 2019B Bonds*") not less than ten (10) days prior to such Special Record Date.

The Series 2019B Bonds are issuable as fully registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof and are exchangeable for fully registered Series 2019B Bonds of the same maturity in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Trustee, but only in the manner, subject to the limitations, and on payment of the charges provided in the Bond Resolution.

All terms defined in the Bond Resolution and not otherwise defined in this Series 2019B Bond shall have the meaning given to those terms in the Bond Resolution.

Extraordinary Optional Redemption. The Board may at any time redeem all or any part (in the denomination of \$5,000 or any integral multiple thereof) of the Series 2019A Bonds at a redemption price equal to their principal amount plus accrued interest to the redemption date if a particular Auxiliary Facility is damaged, destroyed or taken by eminent domain or sold under the

threat of condemnation and the Board elects to use the net proceeds of casualty insurance or condemnation or sale under threat of condemnation to redeem Series 2019B Bonds rather than repair, replace, rebuild or restore the Auxiliary Facility. Any such redemption must take place within 120 days following the receipt of casualty insurance or condemnation proceeds relating to such damage, destruction or taking.

The Board shall give the Trustee at least 35 days' notice of any such redemption to be made. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019B Bonds to be redeemed.

Optional Redemption. Beginning on or after July 1, 20__, the Board may redeem the Series 2019B Bonds maturing on or after July 1, 20__, in whole (or if in part, on any date or in part as selected by the Trustee at the direction of the Board) (in denominations of \$5,000 or any integral multiple thereof) at a price equal to the par amount thereof plus accrued interest to the redemption date.

The Board shall give the Trustee at least 35 days' written notice of any such redemption to be made. The notice shall specify the redemption date and the principal amounts and maturities of Series 2019B Bonds to be redeemed.

Mandatory Sinking Fund Redemption.

The Series 2019B Bonds maturing July 1, 20__ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

Redemption Date (July 1)	Principal Amount
	\$

*Final Maturity

Notice of Redemption of Series 2019B Bonds. At least 30 days, but not more than 60 days, before a redemption date (other than for mandatory sinking fund redemption), the Trustee shall mail a notice of redemption to the Owner of each Series 2019B Bond which is to be redeemed. The notice shall be sent by first class, registered or certified mail if the Owner holds \$1,000,000 or more in principal amount of Series 2019B Bonds. The failure of the Trustee to mail notice of redemption to any Owner or any defect in any notice of redemption shall not affect the validity of the redemption of any other Series 2019B Bond. Each notice of redemption shall state the following with respect to the Series 2019B Bonds being redeemed: the complete name of the Series 2019B Bonds (including Series designation); the redemption date; the redemption price; the date of the notice; the issue date; the interest rate; the maturity date; the CUSIP number; that the Series 2019B Bonds called for redemption must be surrendered to the Trustee to collect the redemption price; the Trustee's name and address; that interest on Series

2019B Bonds called for redemption ceases to accrue on and after the redemption date; and any other items which may be necessary or desirable to comply with regulation or custom.

If less than all the Series 2019B Bonds are to be redeemed, the notice of redemption shall specify the numbers and amounts of the Series 2019B Bonds or portion thereof to be redeemed. The notice of redemption relative to the Series 2019B Bonds shall state that it is conditioned on there being sufficient money on deposit to pay the full redemption price of the Series 2019B Bonds.

If a Series 2019B Bond is not presented for payment on or within 30 days after its redemption date, the Trustee shall, as soon as reasonably possible, mail a second notice of redemption to the last Owner of record of such Series 2019B Bond, including the same information as in the first notice. The giving of such notice, or the failure to give such notice or any defect in such notice, shall not affect the validity of the redemption of any Series 2019B Bonds.

Effect of Redemption. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Series 2019B Bonds or portions thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Series 2019B Bonds or portions thereof so called for redemption shall become payable at the redemption price as specified in such notice; and from and after the redemption date so designated, interest thereon or portions thereof so called for redemption shall cease to accrue, such Series 2019B Bonds or portions thereof shall cease to be entitled to any benefit, protection or security hereunder and the Owners of such Series 2019B Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price.

Exchange and Transfer of Series 2019B Bonds. The Board and the Trustee shall not be required to issue, register the transfer of or exchange (a) any Series 2019B Bonds during a period beginning at the opening of business on the Regular Record Date and ending at the close of business on the Interest Payment Date or (b) any Series 2019B Bond called for redemption prior to maturity during a period beginning on the opening of business fifteen (15) days before the date of the mailing of notice of redemption of such Series 2019B Bonds and ending on the date of such redemption.

Upon surrender for registration of transfer of any Series 2019B Bond, the Trustee shall register and deliver in the name of the transferee or transferees one or more new fully registered Series 2019B Bonds of authorized denomination and maturity and like aggregate principal amount. At the option of a Bond Owner, Series 2019B Bonds may be exchanged for other Series 2019B Bonds of authorized denominations of the same Series and maturity and like aggregate principal upon surrender at such office. Whenever any Series 2019B Bonds are so surrendered for exchange, the Trustee shall register and deliver in exchange thereof the Series 2019B Bond or Series 2019B Bonds which the Bond Owner making the exchange shall be entitled to receive after receipt of the Series 2019B Bonds to be transferred in proper form. All Series 2019B Bonds presented for registration of transfer or exchange shall (if so required by the Board or the Trustee), be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to Trustee, duly executed by the Bond Owner or by such Bond Owner's duly authorized attorney. No charge shall be made to the Bond Owner for any exchange

or transfer of Series 2019B Bonds, but the Trustee may require payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

2019B Bonds shall be valid obligations of the Board, evidencing the same debt and entitled to the same benefits under the Bond Resolution as the Series 2019B Bonds surrendered upon authentication thereof by the Trustee. Prior to due presentment for registration of transfer of any Series 2019B Bond, the Board, the Trustee, and any agent of the Board or the Trustee may treat the person in whose name any Series 2019B Bond is registered as the absolute owner thereof for all purposes (except to the extent otherwise provided hereinabove and in the Bond Resolution with respect to Record Dates and Special Record Dates for the payment of interest), whether or not such Series 2019B Bonds shall be overdue, and shall not be bound by any notice to the contrary.

This Series 2019B Bond is one of a series of the Board's Auxiliary Revenue Refunding Bonds, Series 2019B, issued in the original aggregate principal amount of \$_____. The Series 2019B Bonds are issued by the Board pursuant to Sections 2181 through 2193 and 3351(A)(4) of Title 17 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 17:2181 through 2193 and 17:3351(A)(4)), Chapters 13, 13-A and 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1421 through 1437), and Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974 (the "*Constitution*" and, together with the cited statutory authority, the "*Act*") and other constitutional and statutory authority, which authorize the Board to borrow money, issue bonds, and pledge revenues for the payment thereof. The Series 2019B Bonds are issued, together with the Board's \$_____ Auxiliary Revenue Refunding Bonds, Series 2019A (the "Series 2019A Bonds," together with the Series 2019B Bonds, the "Series 2019 Bonds") pursuant to the Bond Resolution for the purpose of providing funds for the purpose of (i) refunding all [****or a portion****] of the Board's outstanding [****list bonds to be refunded****] (the "Refunded Bonds"), and (ii) paying the costs of issuance of the Bonds, subject to the terms and conditions contained in the Bond Resolution.

THE SERIES 2019B BONDS SHALL BE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX . THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, LSU, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019B BONDS OR THE INTEREST THEREON, AND THE SERIES 2019B BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY

AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

THE AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS; PROVIDED THAT (i) THE LAB SCHOOL REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2034 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE RECREATIONAL SPORTS FEE REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2043 AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX.

For purposes of the Nineteenth Supplemental Resolution and this Series 2019B Bond, references therein and herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues for the purpose of describing the pledge thereof, with the caveat set forth in the foregoing paragraphs.

The Series 2019B Bonds are equally and ratably payable from a pledge under the Bond Resolution of the Auxiliary Revenues, and the Series 2019B Bonds shall enjoy a pledge of Auxiliary Revenues under the Bond Resolution. Obligations in addition to the Series 2019B Bonds, subject to expressed conditions, may be issued and made payable from the Auxiliary Revenues having a pledge thereof (i) subordinate and junior to the pledge relative to the Series 2019B Bonds, or (ii) subject to additional expressed conditions, on a parity with the Series 2019B Bonds, as provided in the Bond Resolution. The Series 2019 Bonds, defined hereinabove, are payable on a parity with the Board's outstanding (i) Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B issued in the original aggregate principal amount of \$31,250,000, (ii) Auxiliary Revenue Refunding Bonds, Series 2012, issued in the original aggregate principal amount of \$41,615,000, (iii) Auxiliary Revenue Bonds, Series 2013, issued in the original aggregate principal amount of \$101,180,000, (iv) Auxiliary Revenue Refunding Bonds, Series 2014, issued in the original aggregate principal amount of \$81,880,000, (v) Auxiliary Revenue Refunding Bonds, Series 2016A issued in the original aggregate principal amount of \$137,000 and (vii) Taxable Auxiliary Revenue Refunding Bonds, Series 2016B.

Auxiliary Revenues are defined to mean (i) the gross amount of all funds, monies or revenues held by the University and any earnings thereon derived or to be derived by Auxiliary Enterprises from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received from students or the public at large in connection with any undertaking, utilization or operation of Auxiliary Enterprises or Auxiliary Facilities, including operation or management thereof by private entities on behalf of the Auxiliary Enterprises, prior to the payment of Current Expenses; and (ii) all Funds and Accounts held pursuant to the Bond Resolution except any fund created to hold monies pending rebate to the United States or for payment of costs of issuance of the Series 2019B Bonds. Auxiliary Revenues shall not include funds, if any, appropriated by the Legislature of the State from time to time. Lab School Revenues are also pledged as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later

of (i) July 1, 2034 and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Lab School. Recreational Sports Fee Revenues are also pledged as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043 and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

Reference is made to the Bond Resolution and any and all modifications and amendments thereof on file with the Trustee for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2019B Bonds, for a description of the nature and extent of the revenues pledged for the payment for the Series 2019B Bonds, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the Owners of the Series 2019B Bonds with respect thereto, the terms and conditions upon which the Series 2019B Bonds are issued and a statement of rights, duties, immunities and obligations of the Board and the rights of the Owners. The acceptance of the terms and conditions of the Bond Resolution is an explicit and material part of the consideration of the Board's issuance of this Series 2019B Bond, and each owner, by acceptance of this Series 2019B Bond, agrees and assents to all such terms and conditions as if fully set forth herein.

To the extent and in the respects permitted by the Bond Resolution, the provisions of the Bond Resolution and of any resolution amendatory thereof or supplemental thereto may be modified or amended by action on behalf of the Board taken in the manner and subject to the conditions and exceptions prescribed in the Bond Resolution. The pledge of the Auxiliary Revenues and other duties of the Board under the Bond Resolution may be discharged at or prior to the maturity or redemption of the Series 2019B Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

The Board covenants and agrees with the Owner of this Series 2019B Bond and with each and every person who may become the Owner hereof that it will keep and perform all of the covenants of the Bond Resolution.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on this Series 2019B Bond or for any claim based thereon or otherwise in respect to the Bond Resolution against any individual member of the Board, past, present or future, either directly or through the Board, or through any successor body corporate, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Series 2019B Bond and as a part of the consideration of its issuance specially waived and released. The obligation of the Board, as a body corporate, to the Owner hereof is limited to applying funds, as set forth above and as more fully delineated in the Bond Resolution, and to otherwise complying with the contractual provisions therein.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this Series 2019B Bond and the Series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State and the proceedings herein mentioned, and that the Series 2019B Bonds do not exceed any constitutional or statutory limitation.

This Series 2019B Bond shall not be valid or obligatory for any purpose until the Trustee shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College has caused this Series 2019B Bond to be signed and executed in the name and on behalf of the Board with the manual or facsimile signature of its Chairman, and to be attested, signed, subscribed and executed with the manual or facsimile signature of its Secretary; and has caused a manual or facsimile of the seal of the Board to be affixed hereon all as of the date specified above.

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

By _____
Name:
Title: Chairman

[SEAL]

ATTEST:

Name: F. King Alexander
Title: Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2019B Bonds described in the within-mentioned Bond Resolution, and this Series 2019B Bond has been duly registered on the registration records kept by the undersigned as Trustee for such Series 2019B Bonds.

DATE OF AUTHENTICATION

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto:

SOCIAL SECURITY OR FEDERAL EMPLOYER
IDENTIFICATION NUMBER OF ASSIGNEE

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____,

attorney, to transfer said bond on the books kept for registration thereof with full power of
substitution in the premises.

Dated: _____

Signature of Registered Owner:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

(Bank, Trust Company, or Firm

TRANSFER FEE MAY BE REQUIRED

CERTIFICATE AS TO LEGAL OPINION

The undersigned hereby certifies that the following approving legal opinion of Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, in substantially the following form was delivered to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, and that the opinion was dated and issued as of the date of original delivery of and payment to the Board for the Series 2019B Bonds.

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

Secretary

REQUISITION FORM TO PAY SERIES 2019 COSTS OF ISSUANCE

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Auxiliary Revenue Refunding Bonds
Series 2019A**

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B**

The Bank of New York Mellon Trust Company, N.A.,
as Trustee
10161 Centurion Parkway
Jacksonville, Florida 32256

Date: _____

Requisition Number: _____

The undersigned Authorized Board Representative, acting for and on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board"), pursuant to a General Bond Resolution adopted by the Board on June 17, 1994, as amended (the "General Bond Resolution"), and the Nineteenth Supplemental Resolution adopted by the Board on October 25, 2019 and executed _____, 20__ (the "Nineteenth Supplemental Resolution") relating to the above captioned issue of Bonds, hereby request payment be made from amounts on deposit in the Series 2019 [Insert A or B, as applicable] Costs of Issuance Sub-account of the Series 2019 Bond Proceeds Fund held by the Trustee pursuant to the Nineteenth Supplemental Resolution to the person, firm or corporation in the amount and for the purpose set forth below:

Name and address of payee:

Amount of Payment: \$ _____

Purpose of Payment (if a reimbursement to the Board, identify payee(s), purposes represented by such reimbursement and costs heretofore paid).

The undersigned Authorized Board Representative further certifies with respect to this Requisition as follows:

1. The payment set forth herein is to be or was made or incurred in connection with the issuance of the above captioned Series 2019 Bonds;
2. The amount paid or to be paid, as set forth herein, is reasonable, is presently due and payable, and is a proper charge against the Series 2019 [Insert A or B as applicable] Costs of Issuance Sub-account of the Series 2019 Bond Proceeds Fund and has not been paid;
3. If the Board is seeking reimbursement for payment of items qualifying as Series 2019 Costs of Issuance hereunder, evidence of prior payment of the same is attached hereto.

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

By: _____
Authorized Board Representative

Approved for payment and paid: _____, 20____

Authorized Officer
of Trustee: _____

REFUNDED BONDS - SERIES 2010B

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE BONDS
SERIES 2010B**

**Maturity Date
(July 1)**

Interest Rate

Principal Amount

CUSIP

REFUNDED BONDS - SERIES 2012

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE BONDS
SERIES 2012**

Maturity Date <u>(July 1)</u>	<u>Interest Rate</u>	<u>Principal Amount to be refunded</u>	<u>Original CUSIP</u>
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REFUNDED BONDS - SERIES 2010B

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE BONDS
SERIES 2010B**

Maturity Date <u>(July 1)</u>	<u>Interest Rate</u>	Principal Amount <u>to be refunded</u>	<u>CUSIP</u>
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**FORM OF NOTICE OF REDEMPTION
FOR SERIES 2010B REFUNDED BONDS**

OF

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE BONDS
SERIES 2010B**

Dated: _____, 2019

**[to be delivered at least 30 days, but not more than 60 days, prior to July 1, 2020 -
to be delivered to Holders]**

The Bank of New York Mellon Trust Company, N.A.,
as Trustee for the captioned bonds
Jacksonville, Florida

NOTICE IS HEREBY GIVEN pursuant to a General Bond Resolution adopted by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") on June 17, 1994, as amended and supplemented to the date hereof (the "General Bond Resolution"), and particularly as supplemented by the Fourteenth Supplemental Resolution adopted by the Board on April 23, 2010, and executed and effective on June 24, 2010 (the "Fourteenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution") that, pursuant to Section 3.02 of the Fourteenth Supplemental Resolution, the Board has exercised its option to redeem the following Series 2010B Bonds (the "Refunded Bonds") on July 1, 2020 (the "Redemption Date"), at a price of 100% of the principal amount thereof plus accrued interest to the Redemption Date.

**Maturity Date
(July 1)**

Interest Rate

Principal Amount

CUSIP

Upon the surrender of Refunded Bonds to the principal office of the Trustee on the Redemption Date, the Refunded Bonds will be redeemed in whole at a price of 100% and accrued interest to the Redemption Date.

On or before the Redemption Date, the holders of the Refunded Bonds should present the Refunded Bonds to the Trustee at its principal office for payment as follows:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

No further interest shall accrue on the Refunded Bonds on or after the Redemption Date, provided that funds sufficient for such redemption are held by the Trustee on the Redemption Date.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

IMPORTANT TAX INFORMATION

Under federal income tax law, paying agents may be required to withhold 28% of payments to holders presenting their securities for redemption or for payment at maturity who have failed to furnish a taxpayer identification number to the paying agent, certified to be correct under penalties of perjury. Certification may be made to the paying agent on Form W-9, a copy of which will be provided upon request

**FORM OF NOTICE OF REDEMPTION
FOR SERIES 2012 REFUNDED BONDS**

OF

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE BONDS
SERIES 2012**

Dated: _____, 2019

**[to be delivered at least 30 days, but not more than 60 days, prior to July 1, 2022 –
to be delivered to Holders]**

The Bank of New York Mellon Trust Company, N.A.,
as Trustee for the captioned bonds
Jacksonville, Florida

NOTICE IS HEREBY GIVEN pursuant to a General Bond Resolution adopted by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") on June 17, 1994, as amended and supplemented to the date hereof (the "General Bond Resolution"), and particularly as supplemented by the Fifteenth Supplemental Resolution adopted by the Board on June 8, 2012, and executed and effective on August 7, 2012 (the "Fifteenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution") that, pursuant to Section 3.02 of the Fifteenth Supplemental Resolution, the Board has exercised its option to redeem the following Series 2012 Bonds (the "Refunded Bonds") on July 1, 2022 (the "Redemption Date"), at a price of 100% of the principal amount thereof plus accrued interest to the Redemption Date.

Maturity Date

(July 1)

Interest Rate

Principal Amount

CUSIP

Upon the surrender of Refunded Bonds to the principal office of the Trustee on the Redemption Date, the Refunded Bonds will be redeemed in whole at a price of 100% and accrued interest to the Redemption Date.

On or before the Redemption Date, the holders of the Refunded Bonds should present the Refunded Bonds to the Trustee at its principal office for payment as follows:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

No further interest shall accrue on the Refunded Bonds on or after the Redemption Date, provided that funds sufficient for such redemption are held by the Trustee on the Redemption Date.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

IMPORTANT TAX INFORMATION

Under federal income tax law, paying agents may be required to withhold 28% of payments to holders presenting their securities for redemption or for payment at maturity who have failed to furnish a taxpayer identification number to the paying agent, certified to be correct under penalties of perjury. Certification may be made to the paying agent on Form W-9, a copy of which will be provided upon request.

**FORM OF NOTICE OF REDEMPTION
FOR SERIES 2014 REFUNDED BONDS**

OF

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
AUXILIARY REVENUE AND REFUNDING BONDS
SERIES 2014**

Dated: _____, 2019

**[to be delivered at least 30 days, but not more than 60 days, prior to July 1, 2020 –
to be delivered to Holders]**

The Bank of New York Mellon Trust Company, N.A.,
as Trustee for the captioned bonds
Jacksonville, Florida

NOTICE IS HEREBY GIVEN pursuant to a General Bond Resolution adopted by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") on June 17, 1994, as amended and supplemented to the date hereof (the "General Bond Resolution"), and particularly as supplemented by the Seventeenth Supplemental Resolution adopted by the Board on September 12, 2014, and executed and effective on October 16, 2014 (the "Seventeenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution") that, pursuant to Section 3.02 of the Seventeenth Supplemental Resolution, the Board has exercised its option to redeem the following Series 2014 Bonds (the "Refunded Bonds") on July 1, 2024 (the "Redemption Date"), at a price of 100% of the principal amount thereof plus accrued interest to the Redemption Date.

Maturity Date

(July 1)

Interest Rate

Principal Amount

CUSIP

Upon the surrender of Refunded Bonds to the principal office of the Trustee on the Redemption Date, the Refunded Bonds will be redeemed in whole at a price of 100% and accrued interest to the Redemption Date.

On or before the Redemption Date, the holders of the Refunded Bonds should present the Refunded Bonds to the Trustee at its principal office for payment as follows:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

No further interest shall accrue on the Refunded Bonds on or after the Redemption Date, provided that funds sufficient for such redemption are held by the Trustee on the Redemption Date.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

IMPORTANT TAX INFORMATION

Under federal income tax law, paying agents may be required to withhold 28% of payments to holders presenting their securities for redemption or for payment at maturity who have failed to furnish a taxpayer identification number to the paying agent, certified to be correct under penalties of perjury. Certification may be made to the paying agent on Form W-9, a copy of which will be provided upon request.

EXHIBIT B**NOTICE OF INTENTION TO ISSUE BONDS**

Notice is hereby given that, pursuant to a resolution adopted at its meeting of October 25, 2019 (the "Authorizing Resolution"), the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") intends to issue its tax-exempt and/or taxable Auxiliary Revenue Refunding Bonds, in one or more series (the "Bonds"), in an aggregate principal amount not to exceed \$105,000,000**. Sections 2181 through 2193 and 3351(A)(4) of Title 17 and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974, and other constitutional and statutory authority, authorize the Board to borrow money and to issue refunding bonds and pledge revenues to guarantee payment thereof in accordance with law and with the approval of the State Bond Commission. The proceeds of the Bonds will be made available to the Board for the benefit of Louisiana State University and Agricultural and Mechanical College ("LSU") to finance or reimburse the costs of (a) refunding all or a portion of the Board's outstanding (i) Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B, (ii) Auxiliary Revenue Bonds, Series 2013 and (iii) Auxiliary Revenue Refunding Bonds, Series 2014 (collectively, the "Prior Bonds") (b) funding a reserve fund or paying the premium for a reserve fund insurance policy or surety bond, if necessary, and (c) paying the costs of issuance of the Bonds. The Bonds will be in fully registered form, will be issued as tax-exempt and/or taxable obligations in one or more series in an aggregate principal amount not to exceed \$105,000,000**, will mature not later than 30 years from their dated date and will bear interest payable at a fixed rate not to exceed five percent (5%) per annum. The Bonds will not be a general obligation or pledge of the full faith and credit of the State of Louisiana, but will be solely a revenue obligation of the Board payable from Auxiliary Revenues (as defined in the General Bond Resolution adopted Jun 17, 1994, as supplemented and amended to date (the "General Bond Resolution"), and as supplemented by the Nineteenth Supplemental Resolution adopted by the Board on October 25, 2019 (the Nineteenth Supplemental Resolution and, together with the General Bond Resolution, the "Bond Resolution")), consisting of Auxiliary Revenue from certain Auxiliary Enterprises, including, without limitation, athletics, residential life, parking, the student union, student health services, and other miscellaneous auxiliaries and certain other revenues that have been dedicated and pledged to payment of bonds issued under the Bond Resolution. The Bonds will be secured by the Auxiliary Revenues on a parity with the Board's outstanding Series 2010B Bonds (to the extent not refunded in their entirety by the Bonds), Series 2012 Bonds, Series 2013 Bonds (to the extent not refunded in their entirety by the Bonds), Series 2014 Bonds (to the extent not refunded in their entirety by the Bonds), Series 2016A Bonds and Series 2016B Bonds, each as defined in the Board's General Bond Resolution. Within thirty (30) days after publication of this Notice of Intention, any person in interest may contest the legality of the Authorizing Resolution or the Bond Resolution, any provision of the Bonds to be issued pursuant to the Bond Resolution, the provisions securing the Bonds and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the Authorizing Resolution or the Bond Resolution, the security of the Bonds or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter, no court shall have authority to inquire into such matters. Draft copies of the Bond Resolution are available for inspection at the offices of Daniel T. Layzell, Executive Vice President for Finance and Administration/CFO, Louisiana State University, 330 Thomas Boyd Hall, Baton Rouge, Louisiana 70803.

CERTIFICATE

I, Nicole Griffith, the duly qualified Executive 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 on October 25, 2019, 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 _____ day of _____, 2019.

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

[Seal]

<p style="text-align: center;">\$ _____</p> <p style="text-align: center;">BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE Auxiliary Revenue Refunding Bonds Series 2019A</p>	<p style="text-align: center;">\$ _____</p> <p style="text-align: center;">BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE Taxable Auxiliary Revenue Refunding Bonds Series 2019B</p>
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_____, 2016

Board of Supervisors of Louisiana State University
and Agricultural and Mechanical College
Baton Rouge, Louisiana

BOND PURCHASE AGREEMENT

On the basis of the representations contained in this Bond Purchase Agreement and upon the terms and conditions herein contained, the undersigned Raymond James & Associates, Inc., acting on behalf of itself and the other Underwriters listed on **Exhibit A** hereto (collectively, the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "*Bond Purchase Agreement*") with the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "*Board*"). This offer is made subject to the Board's written acceptance of this Bond Purchase Agreement on or before 6:00 P.M., Central Time, on the date hereof, as authorized by the Board by its General Bond Resolution adopted on June 17, 1994, as supplemented and amended from time to time (the "*General Bond Resolution*"), and as supplemented by the Nineteenth Supplemental Resolution approved by the Board on October 25, 2019 (the "*Nineteenth Supplemental Resolution*" and, together with the General Bond Resolution, the "*Bond Resolution*"), and, if not so accepted and approved, will be subject to withdrawal by the Underwriter upon notice delivered to the Board at any time prior to the acceptance of this Bond Purchase Agreement by the Board.

All capitalized terms used herein and not otherwise defined herein shall have the same meanings ascribed to such terms in the Bond Resolution or the hereinafter defined Official Statement, unless the context shall clearly indicate otherwise.

SECTION 1. PURCHASE, SALE AND DELIVERY OF THE SERIES 2019 BONDS.

(a) Subject to the terms and conditions and in reliance upon the representations and agreements herein set forth, the Underwriter agrees to purchase from the Board, and the Board hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the Board's Auxiliary Revenue Refunding Bonds, Series 2019A, in an aggregate principal amount of \$_____ (the "*Series 2019A Bonds*") and its Taxable Auxiliary Revenue Refunding Bonds, Series 2019B, in an aggregate principal amount of \$_____ (the "*Series 2019B Bonds*" and, together with the Series 2019A Bonds, the "*Series 2019 Bonds*"). The Series 2019 Bonds shall bear interest at the rates per annum and mature on the dates and in the amounts set forth in the Official Statement (herein defined) and in **Exhibit B** hereto. The purchase price for the Series 2019A Bonds shall be \$_____ (representing \$_____ original principal amount of the Series 2019A Bonds less \$_____ of Underwriter's discount and plus \$_____ net original issue premium). The purchase price for the Series 2019B Bonds shall be \$_____ (representing \$_____ original principal amount of the Series 2019B Bonds less \$_____ of Underwriter's discount and plus \$_____ net original issue premium).

[insert issue price language**]**

(b) Delivery of the Series 2019 Bonds shall be made in New York, New York, at the hereinafter defined Closing Time, through the facilities of The Depository Trust Company ("*DTC*"), 55 Water Street, New York, New York, or at such other place as shall be mutually agreed upon by the Board and the Underwriter. Subject to the terms hereof, it is expected that the Closing shall take place at 10:00 a.m., Baton Rouge, Louisiana time, on _____, 2019 (or such other time or business day as may be mutually agreed upon by the Underwriter and the Board in writing) at the offices of Breazeale, Sachse & Wilson, L.L.P., One American Place, 23rd Floor, Baton Rouge, Louisiana 70821-3197. Payment for the Series 2019 Bonds shall be made in lawful money of the United States of America in immediately available federal funds and shall be payable to the Trustee (hereinafter defined) for the account of the Board at 10:00 a.m., Central Time on _____, 2019, or such other date and time as shall be mutually agreed upon by the Board and the Underwriter. The date of such delivery and payment is herein called the "*Closing Date*," and the hour and date of such delivery and payment is herein called the "*Closing Time*." The Series 2019 Bonds shall be delivered in definitive or temporary form as fully registered bonds bearing CUSIP numbers in such denominations as the Underwriter shall specify. There shall be one Series 2019 Bond delivered for each series and maturity of the Series 2019 Bonds, registered in the name of Cede & Co., as nominee for DTC. Delivery of the Series 2019 Bonds shall be made at the office of the Trustee, and the Trustee shall hold the Series 2019 Bonds as custodian for DTC under its FAST system.

(c) The Series 2019 Bonds are to be issued by the Board pursuant to and in accordance with the provisions of the Constitution and laws of the State of Louisiana, particularly Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "*Refunding Act*"), and the provisions of the Bond Resolution. The Series 2019 Bonds shall be described in and shall be issued and secured under and pursuant to the Bond Resolution, under which the principal of,

redemption premium, if any, and the interest on the Series 2019 Bonds shall be payable from the Auxiliary Revenues of Louisiana State University and Agricultural and Mechanical College (the "*University*") and certain Funds and Accounts held by The Bank of New York Mellon Trust Company, N.A., Baton Rouge, Louisiana, as trustee (the "*Trustee*"), as such Auxiliary Revenues may be modified from time to time, all as provided in the Bond Resolution. The Auxiliary Revenues are pledged by the Board to the payment of the Bonds pursuant to the Bond Resolution.

The Series 2019 Bonds are being issued on a parity with the Board's Outstanding Parity Bonds (as defined in the Bond Resolution).

The Series 2019 Bonds shall be special and limited obligations of the Board payable solely from Auxiliary Revenues, the Lab School Revenues and the Recreational Sports Fee Revenues; provided that (i) the pledge of the Lab School Revenues will lapse on the later of (a) July 1, 2034, and (b) the maturity date of any Bonds issued to finance or refinance projects for the Lab School, and (ii) the pledge of Recreational Sports Fee Revenues will lapse on the later of (a) July 1, 2043, and (b) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex. The Series 2019 Bonds shall not constitute an indebtedness or pledge of the general credit of the University, the Board, the State or any political subdivision thereof within the meaning of any constitutional or statutory limitation of indebtedness and shall contain a recital to that effect. Neither the State nor any agency or political subdivision thereof, other than the Board, shall be obligated to pay the principal of the Series 2019 Bonds or the interest thereon, and the Series 2019 Bonds shall not be deemed to constitute a debt or liability of the State or any agency or political subdivision or agency thereof, other than the Board.

In the Nineteenth Supplemental Resolution the Board (i) confirms the pledge of and does thereby pledge the Lab School Revenues and Recreational Sports Fee Revenues, as Auxiliary Revenues, as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (a) July 1, 2034, and (b) the maturity date of any Bonds issued to finance or refinance projects for the Lab School, and (ii) therein additionally confirms the pledge of, and does thereby pledge, the Recreational Sports Fee Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (a) July 1, 2043, and (b) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

The Series 2019 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Series 2019 Bonds will be dated the date of delivery thereof and will bear interest from their dated date. Interest on the Series 2019 Bonds is payable on January 1 and July 1 of each year, commencing January 1, 2020 (each an "*Interest Payment Date*"), at the rates per annum set forth in **Exhibit B** hereto.

(d) The proceeds of the Series 2019 Bonds will be used by the Board, together with available funds of the Board, for the purpose of (i) refunding and/or defeasing all of the Board's outstanding (a) Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B (the "*Series 2010B Refunded Bonds*"), (b) Auxiliary Revenue Refunding Bonds, Series 2012 (the "*Series 2012*

Refunded Bonds") and (c) Auxiliary Revenue Refunding Bonds, Series 2014 (the "*Series 2014 Refunded Bonds*" and, together with the Series 2010B Refunded Bonds and the Series 2012 Refunded Bonds, the "*Refunded Bonds*"), and (ii) paying the costs of issuance of the Series 2019 Bonds.

In order to refund the Refunded Bonds, a portion of the proceeds of the Series 2019 Bonds, together with available moneys of the Board, will be deposited and held pursuant to an Escrow Agreement dated the date of delivery of the Series 2019 Bonds (the "*Escrow Agreement*") between the Board and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "*Escrow Trustee*"). The moneys required to defease and refund the Refunded Bonds will be derived from the proceeds of the sale of the Series 2019 Bonds and available funds of the Board. Concurrently with the delivery of the Series 2019 Bonds, certain proceeds thereof, together with available funds of the Board, shall be irrevocably deposited into the Escrow Fund pursuant to the Bond Resolution. The 2010B Bond Resolution, the 2012 Bond Resolution, the 2014 Bond Resolution, the Bond Resolution and the Escrow Agreement require the Escrow Trustee to invest amounts deposited in the Escrow Fund in Defeasance Obligations described therein to effect a defeasance of the Refunded Bonds. The Escrow Fund, together with investment earnings thereon, shall be sufficient to pay (i) the principal and interest on the Series 2010B Refunded Bonds through the earliest possible redemption date of July 1, 2020, (ii) the principal and interest on the Series 2012 Refunded Bonds through the earliest possible redemption date of July 1, 2022, and (iii) the principal and interest on the Series 2014 Refunded Bonds through the earliest possible redemption date of July 1, 2024, as verified by Causey Demgen & Moore P.C., as verification agent, in its report to be dated the date of delivery of the Series 2019 Bonds (herein, the "*Verification Report*").

The Refunded Bonds are described in Appendices G-1, G-2 and G-3 of the Official Statement.

(e) At or before the time of the Board's acceptance hereof, the Board shall have furnished the Underwriter with a copy of the Preliminary Official Statement of the Board relating to the Series 2019 Bonds, dated _____, 2019, including the cover page and appendices thereto (the "*Preliminary Official Statement*"). The Board hereby represents that it has deemed the Preliminary Official Statement to have been final as of its date within the meaning of Rule 15c2-12 ("*Rule 15c2-12*") under the Securities Exchange Act of 1934, as amended and then in effect. The Board will deliver to the Underwriter as promptly as practicable, but in no event later than _____, 2019, such number of copies of a final Official Statement, including the cover page and the appendices thereto (the "*Official Statement*") as the Underwriter may reasonably require in order for the Underwriter to comply with the rules of the Municipal Securities Rulemaking Board ("*MSRB*") including, without limitation, Rule G-32 and Rule 15c2-12.

(f) The Board consents to the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement relating to the Series 2019 Bonds in connection with the public offering of the Series 2019 Bonds.

(g) In order to assure compliance with the Internal Revenue Code of 1986, as amended, the Board will execute a Tax Compliance Certificate dated the Closing Date (the "*Tax Compliance Certificate*") by the Board.

(h) The Board covenants and agrees to execute a Continuing Disclosure Certificate (the "*Continuing Disclosure Certificate*") constituting an undertaking to provide ongoing disclosure about the Board for the benefit of the bondholders on or before the date of delivery of the Series 2019 Bonds, in the form set forth in the Official Statement, with such changes as may be agreed to by the Underwriter.

SECTION 2. REPRESENTATIONS AND AGREEMENTS.

(a) By its execution hereof, the Board hereby represents and agrees with the Underwriter that:

(i) The Board is a public constitutional corporation, duly created pursuant to the provisions of Article VIII, Section 7(A) of the Constitution of the State of Louisiana. The Board is authorized by the laws of the State of Louisiana, including particularly the Refunding Act, and the Bond Resolution, (i) to issue, sell, execute and deliver the Series 2019 Bonds for the purposes specified herein, and (ii) to enter into and perform its obligations under the Bond Resolution, the Escrow Agreements, the Continuing Disclosure Certificate, the Blanket Letter of Representations to DTC (the "*Letter of Representations*"), the Tax Compliance Certificate and this Bond Purchase Agreement (collectively, the "Board Documents");

(ii) The Board has complied with all provisions of the Constitution and laws of the State, including the Refunding Act, pertaining to the adoption of the Bond Resolution, the issuance and sale of the Series 2019 Bonds and the execution and delivery of the Official Statement, the Board Documents and any and all of the other documents to which the Board shall be a party and agrees to carry out and consummate all transactions contemplated by each of the aforesaid documents;

(iii) As of the date thereof, the information contained in the Preliminary Official Statement (except for the information under the captions TAX MATTERS, RATINGS, LEGAL MATTERS, UNDERWRITING, VERIFICATION OF COMPUTATIONS, APPENDIX C - PROPOSED FORM OF OPINION OF BOND COUNSEL, and APPENDIX H - BOOK-ENTRY ONLY SYSTEM (the "*Excluded Sections*") with respect to which the Board makes no representation) does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(iv) As of the date of this Bond Purchase Agreement and (unless an event occurs of the nature described in Section 2(a)(vi)) at all times subsequent thereto during the period from the date of this Bond Purchase Agreement to and including the date which is

twenty-five (25) days following the End of the Underwriting Period for the Series 2019 Bonds (as determined in accordance with Section 10 hereof), the information contained in the Official Statement (except for the information under the Excluded Sections, with respect to which the Board makes no representation) does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(v) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Series 2019 Bonds (as determined in accordance with Section 10 hereof), the information in the Official Statement (except for the information under the Excluded Sections, with respect to which the Board makes no representation) as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(vi) If, during the period from the date of this Bond Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Series 2019 Bonds (as determined in accordance with Section 10 hereof), the Board becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, it shall notify the Underwriter, and if, in the opinion of the Underwriter, such fact or event requires the preparation and publication of a supplement or amendment to the Official Statement, the Board will, at its expense, supplement or amend the Official Statement in a form and in a manner approved by the Underwriter and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment, and (ii) if such notification shall be subsequent to the Closing Date, such legal opinions, certificates, instruments, and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

(vii) The Board has duly authorized all action necessary to be taken for: (i) the issuance and sale of the Series 2019 Bonds upon the terms set forth herein and in the Official Statement; (ii) the use of the Official Statement by the Underwriter and the execution of the Official Statement by the Vice President for Finance and Administration/CFO of the University; and (iii) the execution, delivery and due performance of the Board Documents, the Series 2019 Bonds and any and all such other agreements and documents as may be required to be executed, delivered and received by

the Board in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement;

(viii) The Series 2019 Bonds and the Board Documents will each have been duly authorized, executed and delivered by the Board and, assuming the due authorization, execution and delivery by the other parties thereto, will each be valid and binding obligations of the Board in accordance with their respective terms;

(ix) The execution and delivery of the Series 2019 Bonds, the Board Documents and the other agreements contemplated hereby and by the Official Statement, and performance of the provisions thereof, will not conflict with or constitute a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, loan, rule or regulation or other instrument to which the Board is subject or by which the Board is or may be bound;

(x) The Board has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Board is a bond issuer whose arbitrage certifications may not be relied upon;

(xi) Any certificate signed by any of the Authorized Board Representatives and delivered to the Underwriter shall be deemed a representation by the Board to the Underwriter as to the statements made therein;

(xii) The Series 2019 Bonds are limited and special obligations of the Board payable solely from and secured by a pledge of the Auxiliary Revenues, the Lab School Revenues and the Recreational Sports Fee Revenues of the University, to the extent provided in the Bond Resolution and on a parity with the Outstanding Parity Bonds;

(xiii) Since the date of the financial report of the Louisiana State University System for the year ended June 30, 2018, contained in the Official Statement, there has not been any material adverse change in the properties, financial position or results of operations of the Board or the University, whether or not arising from transactions in the ordinary course of business and, since such date, the Board has not entered into any transaction or incurred any liability material to the Board, except to the extent such change, transaction or liability has been disclosed in the Official Statement;

(xiv) The Board is not in violation in any respect material to the transactions contemplated by the Bond Resolution and has not received notice of any claimed violation material to said transactions (except such violations as heretofore have been specifically disclosed in the Official Statement) of the current Bylaws and Regulations of the Board, or any laws, ordinances, governmental rules or regulations or court or other governmental orders or the terms of any agreement or other instruments to which it is a party or by which it, its properties or operations are bound;

(xv) No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those, if any, already obtained and other than any required under "Blue Sky" laws) is required on the part of the Board as a condition to the execution and delivery of the Board Documents or the performance of the Board's obligations under any of such documents;

(xvi) The Board has all requisite power to issue the Series 2019 Bonds and has been duly authorized to execute and deliver the Series 2019 Bonds under the terms and provisions of the Bond Resolution;

(xvii) Neither the execution and delivery of the Series 2019 Bonds nor the fulfillment of or compliance with the terms and conditions of the Series 2019 Bonds or the Board Documents, except to the extent disclosed in the Official Statement, will conflict with or result in a breach of any of the material terms, conditions or provisions of, or will result, except to the extent disclosed in the Official Statement, in the creation or imposition of any material lien, charge or encumbrance upon any property or assets of the Board or the University pursuant to any indenture, ordinance, loan agreement or other agreement or instrument (other than liens, charges and encumbrances created by the Bond Resolution or the Outstanding Parity Bonds, as defined in the Bond Resolution) or corporate restrictions to which the Board is a party or by which the Board, or its properties or operations, may be bound, and such action will not, except to the extent disclosed in the Official Statement, result in any material violation of the Bylaws or Regulations of the Board or the provisions of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Board or its properties or operations are subject;

(xviii) There is no litigation or governmental action, proceeding, inquiry or investigation pending or, to the knowledge of the Board, threatened by governmental authorities or others or to which the Board is a party or of which any property of the Board is subject or, to the knowledge of the Board, any basis for any such action, proceeding, inquiry or investigation, except for matters disclosed in the Official Statement, which, if determined adversely to the Board, would individually or in the aggregate (a) materially and adversely affect the validity or the enforceability of the Series 2019 Bonds or any Board Document or (b) otherwise materially adversely affect the ability of the Board to comply with its obligations under the Series 2019 Bonds, the Board Documents or any related document. Except as provided in the Official Statement, no litigation, proceedings or investigations are pending or, to the knowledge of the Board, threatened against the Board, except for litigation, proceedings or investigations which the Board believes are nonmeritorious or that insurance coverage provided by applicable insurance policies is adequate to offset any significant liabilities that may result from such action and which would materially adversely affect the Board's ability to comply with its payment obligations under the Series 2019 Bonds;

(xix) The representations of the Board set forth in the Bond Resolution will be true and correct in all material respects on the effective date thereof;

(xx) To the extent permitted by law, the Board agrees to reimburse the Underwriter, any member, trustee, officer, official or employee of the Underwriter and each person, if any, who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (collectively, the "*Reimbursable Parties*"), for any and all losses, claims, damages, liabilities or expenses whatsoever to the extent caused by any untrue statement or misleading statement of a material fact contained in the Official Statement (other than in the Excluded Sections) concerning the Board or its properties or operations or caused by any omission from the Official Statement of any material fact concerning the Board or its properties or operations necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. In case any action shall be brought against one or more of the Reimbursable Parties based upon the Official Statement (other than with respect to information in the Excluded Sections) and in respect of which reimbursement may be sought against the Board, the Reimbursable Parties shall promptly notify the Board in writing, and the Board shall, to the extent permitted by law, promptly assume the defense thereof, including the employment of counsel, the payment of all reasonable expenses and the right to negotiate and consent to settlement. Any one or more of the Reimbursable Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Reimbursable Party or Reimbursable Parties unless employment of such counsel has been specifically authorized by the Board. The Board shall not be bound to make reimbursement for any settlement of any such action effected without its consent by any of the Reimbursable Parties, but, if settled with the consent of the Board or if there be a final judgment for the plaintiff in any such action against the Board or any of the Reimbursable Parties, with or without the consent of the Board, the Board agrees to reimburse the Reimbursable Parties to the extent provided by law and in this Bond Purchase Agreement;

(xxi) The Board will deliver or cause to be delivered all opinions, certificates and other documents, as provided for in this Bond Purchase Agreement, including, but not limited to, an opinion of its counsel dated as of the Closing Date;

(xxii) The Board will apply the proceeds from the sale of the Series 2019 Bonds for the purposes specified in the Bond Resolution; and

(xxiii) The Board will not use the proceeds of the Series 2019A Bonds in any way which would affect the exclusion from gross income of the interest on the Series 2019A Bonds for federal income tax purposes.

The Board hereby certifies that, to the best of its knowledge after a diligent review, it has timely complied with the continuing disclosure obligations under Section (b)(5) of the Rule with respect to each of its existing continuing disclosure agreements, except as otherwise described in the Preliminary Official Statement.

(b) The Board will cooperate with the Underwriter in taking all necessary action for the qualification of the Series 2019 Bonds for sale and the determination of their eligibility for

investment under the securities or Blue Sky laws of such jurisdictions as the Underwriter designates, with the exception of any jurisdiction where consent to local service of process in suits other than those arising out of the sale of the Series 2019 Bonds is a prerequisite to such qualification and the continuation of such qualifications in effect so long as required for distribution of the Series 2019 Bonds.

(c) The representations and covenants of or by the Board contained in this Bond Purchase Agreement are given solely for the benefit of the Underwriter and the other Reimbursable Parties referred to herein and their respective successors, assigns, executors and administrators, and no other person, including any registered owner of the Series 2019 Bonds as such, shall acquire or have any right under or by virtue of this Bond Purchase Agreement.

SECTION 3. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS.

The Underwriter's obligations hereunder shall be subject to the accuracy of, and compliance with, the representations and agreements of the Board contained herein, as of the date hereof and as of the Closing Date, and are also subject to the following conditions:

(a) Concurrently with your acceptance hereof, you shall deliver or cause to be delivered to us an executed copy of this Bond Purchase Agreement.

(b) On the Closing Date, the Series 2019 Bonds (including any opinions attached thereto or printed thereon), the Board Documents, the Preliminary Official Statement and the Official Statement, shall have been duly adopted or authorized, executed and delivered as applicable, each in the form submitted to the Underwriter on the date hereof with only such changes therein as shall be mutually agreed upon by the Underwriter.

(c) At or before the Closing Time, the Underwriter shall have received:

(i) The opinions, addressed to the Underwriter, and in form and substance satisfactory to the Underwriter and its counsel, dated as of the Closing Date, or a letter, dated as of the Closing Date, addressed to the Underwriter, indicating that the Underwriter may rely upon such opinions as if the same were addressed to the Underwriter, of:

(A) Breazeale, Sachse & Wilson, L.L.P., Bond Counsel, substantially in the form attached as Appendix C to the Official Statement, together with the opinions required by Section 12.01 of the General Bond Resolution and a supplemental opinion each in form and substance satisfactory to the Board, Underwriter and Underwriter's Counsel, a defeasance opinion addressed to the Escrow Trustee, the Trustee and the Underwriter and the opinions required by Section 13.02 of the General Bond Resolution;

(B) Foley & Judell, L.L.P., Counsel to the Underwriter;

(C) Breazeale, Sachse & Wilson, LLP, Counsel to the Board, in form and substance satisfactory to the Board, the Underwriter, Underwriter's Counsel and Bond Counsel;

(D) Gregory A. Pletsch & Associates, Counsel to the Trustee, in form and substance satisfactory to the Board, the Underwriter, Underwriter's Counsel and Bond Counsel;

(E) Gregory A. Pletsch & Associates, Counsel to the Escrow Trustee, in form and substance satisfactory to the Board, the Underwriter, Underwriter's Counsel and Bond Counsel;

(ii) Evidence of the approval by the State Bond Commission of the State of the issuance of the Series 2019 Bonds by the Board;

(iii) Evidence satisfactory to the Underwriter that the Series 2019 Bonds have received underlying ratings of "A2" (Stable Outlook) and "A+" (Stable Outlook), respectively, from Moody's Investors Service Inc. (Moody's) and Fitch Ratings ("Fitch") and that such ratings are in effect at the Closing Time; provided, however, the Underwriter in its sole discretion may waive this requirement as a precondition to Closing;

(iv) Evidence that Form 8038-G has been provided to the Internal Revenue Service;

(v) Specimen form of the Series 2019 Bonds;

(vi) Certified copies of the General Bond Resolution and the Nineteenth Supplemental Resolution;

(vii) Executed copy of the Tax Compliance Certificate, supporting the opinion of Breazeale, Sachse & Wilson, L.L.P., Bond Counsel, that interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes;

(viii) A certificate of an Authorized Board Representative dated as of the Closing Date to the effect that:

(A) As of the date thereof, the information contained in the Official Statement (except for the information under the Excluded Sections) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(B) As of the date of this Bond Purchase Agreement and at all times subsequent thereto up to and including the Closing Date, the information contained in the Official Statement (except for the information under the Excluded Sections)

did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; and

(C) No litigation, except as described in the Official Statement, is pending or, to the knowledge of the Board, threatened, to restrain or enjoin the execution and delivery of the Series 2019 Bonds or the Board Documents or the existence or powers of the Board or the right of the Board to carry out the terms thereof; and the issuance of the Series 2019 Bonds and the execution and delivery of the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the compliance by the Board with the provisions thereof will not conflict with or constitute on the part of the Board a material breach of or a default under the By-Laws and Regulations of the Board, as amended, or any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Board is subject or by which it is bound;

(ix) Executed deemed final certificate of the Board set forth in Exhibit C hereto;

(x) An executed copy of the Continuing Disclosure Certificate;

(xi) A copy of the Letter of Representations;

(xii) A certificate of an authorized representative of the Trustee and Escrow Trustee to the effect that (A) each of the Trustee and the Escrow Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America and duly authorized to accept and execute trusts, with a corporate trust office located in Baton Rouge, Louisiana, and in good standing under the laws of the United States of America and is duly authorized to exercise trust powers in the State of Louisiana, (B) each of the Trustee and the Escrow Trustee has full right, power and authority to accept the duties enumerated in the Bond Resolution and the Escrow Agreements and to perform its obligations under the Bond Resolution and the Escrow Agreements, (C) the Escrow Agreements constitute the valid and binding obligations of the Escrow Trustee in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity, (D) the performance of each of the Trustee of their respective functions under the Bond Resolution and the Escrow Agreements will not result in any violation of the incorporating documents or bylaws of the Trustee or Escrow Trustee, any court order to which the Trustee or Escrow Trustee is subject or any agreement, indenture or other obligation or instrument to which the Trustee or Escrow Trustee is a party or by which the Trustee or Escrow Trustee is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Trustee or the Escrow Trustee, as applicable, is required to be obtained by the Trustee or Escrow Trustee in order to perform its functions under the

Bond Resolution and the Escrow Agreements, and (E) to the best of such authorized representative's knowledge, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending or, to his or her knowledge, threatened against or affecting the Trustee or Escrow Trustee wherein an unfavorable decision, ruling or finding on an issue raised by any party thereto is likely to materially and adversely affect the ability of the Trustee or Escrow Trustee to perform its respective obligations under the Bond Resolution and the Escrow Agreements; and

(xiii) Verification Report of Causey Demgen & Moore P.C.;

(xiv) An executed copy of the Escrow Agreement; and

(xv) Such additional certificates, opinions and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Bond Purchase Agreement and the transactions contemplated hereby and by the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter and Underwriter's Counsel.

SECTION 4. THE UNDERWRITER'S RIGHT TO CANCEL.

The Underwriter shall have the right to cancel its obligations hereunder to purchase the Series 2019 Bonds by notifying the Board in writing or by electronic means of its election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Time:

(i) Legislation shall be introduced in or enacted by the Congress of the United States or adopted by either House thereof or introduced in or enacted by the legislature of the State, or a decision by a federal court (including the Tax Court or Claims Court of the United States) or a State court shall be rendered, or a ruling, regulation (proposed, temporary or final) or statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other federal or State agency shall be made, with respect to the revenues and other property pledged to the payment of the Series 2019 Bonds or with respect to interest received on bonds of the general character of the Series 2019 Bonds, or which would have the effect of changing, directly or indirectly, the federal or State income tax consequences of interest on bonds of the general character of the Series 2019 Bonds in the hands of the holders thereof, which legislation, ruling, regulation or official statement would, in the Underwriter's reasonable judgment, materially adversely affect the market price of the Series 2019 Bonds;

(ii) The marketability of the Series 2019 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets, or any legislation, ordinance, rule, regulation or policy statement shall be introduced in or be enacted by any governmental body, department or agency in the State or the federal government, or a decision by any court of competent jurisdiction within the State or the federal government shall be rendered which, in the

Underwriter's reasonable opinion, materially adversely affects the marketability of the Series 2019 Bonds or the market price of the Series 2019 Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of the obligations of the general character of the Series 2019 Bonds, or the issuance, offering or sale of the Series 2019 Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the Federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Series 2019 Bonds are not exempt from registration under the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Resolution as an indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended and as then in effect;

(v) Any event shall have occurred, or information become known, which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Official Statement (as it may have been previously supplemented or amended) or has the effect that the Official Statement (as it may have been previously supplemented or amended) contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(vi) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(vii) The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Series 2019 Bonds or obligations of the general character of the Series 2019 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters such as the Underwriter;

(viii) A general banking moratorium shall have been established by federal, New York or State authorities;

(ix) Any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Board;

(x) A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2019 Bonds;

(xi) The President of the United States of America, the Office of Management and Budget, the Department of the Treasury, the Internal Revenue Service, or any other governmental body, department or agency of the United States of America shall take or propose to take any action or implement or propose regulations or rulings which, in the Underwriter's reasonable opinion, materially adversely affect the market price of the Series 2019 Bonds, impact adversely in a material manner upon the Board's ability to apply the proceeds of the Series 2019 Bonds for the purposes for which the Series 2019 Bonds were authorized to be issued or causes the Official Statement (as it may have been previously supplemented or amended pursuant to Section 2(a)(vi) hereof) to be incorrect or misleading in any material respect;

(xii) The long term ratings assigned to the Series 2019 Bonds shall have been downgraded from "A+" (Stable Outlook) by Fitch or "A2" (Stable Outlook) by Moody's, after the date hereof, the effect of which, in the reasonable judgment of the Underwriter, is to affect materially and adversely the market prices of the Series 2019 Bonds;

(xiii) The Board shall fail to deliver Official Statements to the Underwriter as provided in Section 1(e) hereof; provided, however, that the Underwriter may not terminate its obligations hereunder as a result of the failure of the Board to deliver such Official Statements unless such failure materially affects the Underwriter's marketing and sale of the Series 2019 Bonds or subjects the Underwriter to compliance infractions under the Securities and Exchange Commission or the MSRB delivery requirements;

(xiv) Failure by the Board to execute the Continuing Disclosure Certificate; or

(xv) There shall have occurred, or any notice shall have been given of, any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Boards obligations.

SECTION 5. CONDITIONS OF THE BOARD'S OBLIGATIONS.

The Board's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder.

SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY.

All of the Board's representations and agreements shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter on its own behalf, and shall survive delivery of the Series 2019 Bonds to the Underwriter.

SECTION 7. PAYMENT OF EXPENSES.

Whether or not the Series 2019 Bonds are sold by the Board to the Underwriter, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Board's obligations hereunder. All expenses and costs of the Board incident to issuing the Series 2019 Bonds (to the extent not included in the purchase price) including, without limitation, the fees and expenses of Bond Counsel, fees and expenses of counsel to the Trustee and Escrow Trustee, fees and expenses of counsel to the Board, the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bond Resolution, this Bond Purchase Agreement and all other agreements and documents contemplated hereby, costs for the preparation of the Verification Report, the fees and expenses of consultants and rating agencies, the State Bond Commission fees, the initial fee of the Trustee in connection with the issuance of the Series 2019 Bonds, the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Series 2019 Bonds, the Official Statement, preparation of any Blue Sky law survey or memorandum and/or legal investment survey shall be paid by the Board.

The Underwriter shall pay (i) the cost of preparing and publishing all advertisements relating to the Series 2019 Bonds upon commencement of the offering of the Series 2019 Bonds; (ii) the cost of the transportation and lodging for officials and representatives of the Underwriter to attend meetings and the Closing; (iii) any fees of the Municipal Securities Rulemaking Board in connection with the issuance of the Series 2019 Bonds; (iv) the cost of obtaining a CUSIP number assignment for the Series 2019 Bonds and (iv) all other expenses incurred by them (including fees and expenses of Counsel for the Underwriter) in connection with the public offering and the distribution of the Series 2019 Bonds.

SECTION 8. NOTICE.

Any notice or other communication to be given to the Board under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, 3810 West Lakeshore Drive, Baton Rouge, Louisiana 70808, Attention: President, Louisiana State University and to Louisiana State University and Agricultural and Mechanical College, 330 Thomas Boyd Hall, Baton Rouge, Louisiana 70803, Attention: Vice President for Finance and Administration/ CFO; and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by mailing or delivering the same to Raymond James & Associates, Inc., Public Finance, 909 Poydras Street, Suite 1300, New Orleans, Louisiana 70112.

SECTION 9. APPLICABLE LAW; NONASSIGNABILITY.

This Bond Purchase Agreement shall be governed by the laws of the State of Louisiana. This Bond Purchase Agreement shall not be assigned by any party. The representations, warranties, covenants and obligations of the Underwriter hereunder, and the terms and conditions of this Bond Purchase Agreement shall be binding on the Underwriter.

SECTION 10. DETERMINATION OF END OF UNDERWRITING PERIOD

For purposes of this Bond Purchase Agreement, the "End of the Underwriting Period" for the Series 2019 Bonds shall mean the earlier of (a) the Closing Date, unless the Board has been notified in writing to the contrary by the Underwriter on or prior to the Closing Date, or (b) the date on which the End of the Underwriting Period for the Series 2019 Bonds has occurred under Rule 15c2-12; provided, however, that the Board shall be entitled to treat as the End of the Underwriting Period for the Series 2019 Bonds the date specified in the notice from the Underwriter stating the date which is the End of the Underwriting Period.

The Board may request from the Underwriter from time to time, and the Underwriter shall provide to the Board upon such request, such information as may be reasonably required in order to determine whether the End of the Underwriting Period for the Series 2019 Bonds has occurred under Rule 15c2-12 with respect to the unsold balances of Series 2019 Bonds that were originally sold to the Underwriter for resale to the public and which are held by the Underwriter for resale to the public.

If, in the opinion of the Underwriter, for purposes of Rule 15c2-12, the Underwriter does not retain for sale to the public any unsold balance of Series 2019 Bonds originally sold to the Underwriter pursuant to this Bond Purchase Agreement, then the Underwriter shall promptly notify the Board in writing that, in its opinion, the End of the Underwriting Period for the Series 2019 Bonds under Rule 15c2-12 has occurred on a date which shall be set forth in such notification.

SECTION 11. ARM-LENGTHS TRANSACTION.

The Board acknowledges and agrees that (i) the purchase and sale of the Series 2019 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Board and the Underwriter; (ii) in connection with such transaction, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Board; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the Board with respect to the offering of the Series 2019 Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Board on other matters) nor has it assumed any other obligation to the Board except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Board; and (v) the Board has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2019 Bonds.

SECTION 12. MISCELLANEOUS.

This Bond Purchase Agreement is executed by the Executive Vice President for Finance and Administration/CFO of the University. By the execution hereof, the parties agree that for the payment of any claim or the performance of any obligation hereunder resort shall be had solely to

the Auxiliary Revenues of the University and no member, officer or employee of the Board or employee of the University shall be personally liable therefor.

The Underwriter agrees that no member, officer or employee of the Board shall be personally liable for the payment of any claim or the performance of any obligation hereunder.

SECTION 13. EXECUTION OF COUNTERPARTS.

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[SIGNATURE PAGES FOLLOW]

[signature page to Bond Purchase Agreement]

RAYMOND JAMES & ASSOCIATES, INC., on its own behalf and on behalf of Citigroup Global Capital Markets, Inc. and Wells Fargo Bank, National Association, acting through its Municipal Products Group

By: _____

Name: John B. Poche

Title: Managing Director

[signature page to Bond Purchase Agreement]

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

By: _____

Name: Daniel T. Layzell

Title: Executive Vice President for Finance and
Administration/CFO, Louisiana State
University

EXHIBIT A
UNDERWRITERS

Raymond James & Associates, Inc.

Citigroup Global Capital Markets, Inc.

Wells Fargo Bank, National Association, acting through its Municipal Products Group

EXHIBIT B

AMOUNTS, MATURITIES, INTEREST RATES, YIELDS AND PRICES

EXHIBIT C

**RULE 15c2-12
CERTIFICATE OF
BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE**

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE**
**Auxiliary Revenue Refunding Bonds
Series 2019A**

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE**
**Taxable Auxiliary Revenue Refunding Bonds
Series 2019B**

The undersigned hereby certifies and represents to Raymond James & Associates, Inc., as representative of the Underwriters named in the hereinafter defined Preliminary Official Statement (collectively, the "*Underwriter*"), that he is the duly appointed Executive Vice President for Finance and Administration/CFO of Louisiana State University and that he is authorized to execute and deliver this Certificate on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "*Issuer*"), and further certifies on behalf of the Issuer to the Underwriter, as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12, as amended, under the Securities Exchange Act of 1934 (the "*Rule*") in connection with the offering and sale of the above captioned Bonds (the "*Bonds*").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated the date hereof, setting forth information concerning the Bonds and the Issuer (the "*Preliminary Official Statement*").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, and other terms of the Bonds and any underlying obligations depending on such matters, all with respect to the Bonds.

(4) The Preliminary Official Statement is final within the meaning of the Rule as of this date except for the Permitted Omissions, and (except for the information under the captions "TAX MATTERS," "RATINGS," "LEGAL MATTERS," "UNDERWRITING," "APPENDIX C - PROPOSED FORM OF OPINION OF BOND COUNSEL", and "APPENDIX H – BOOK – ENTRY ONLY SYSTEM") such information contained therein is accurate and complete in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, and as of this date did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(5) If, at any time prior to the formal award of the Bonds to the Underwriter, any event, subject to the provisions of paragraph (4) hereof, occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of this ____ day of _____, 2019.

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

By: _____

Name: Daniel T. Layzell

Title: Executive Vice President for Finance and
Administration/CFO, Louisiana State University

**ESCROW AGREEMENT
(Series 2010B, Series 2012 and Series 2014)**

By and Between

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

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,

as Escrow Trustee

Dated _____, 2019

**Executed as Part of the Proceedings
for the Refunding and Defeasance
of the Following Issues of Bonds:**

**Board of Supervisors of Louisiana State University
And Agricultural and Mechanical College**

\$31,250,000
original aggregate principal amount of
Gulf Opportunity Zone
Auxiliary Revenue Bonds
Series 2010B

\$41,615,000
original aggregate principal amount of
Auxiliary Revenue Refunding Bonds
Series 2012

\$81,880,000
original aggregate principal amount of
Auxiliary Revenue Refunding Bonds
Series 2014

ESCROW AGREEMENT
(Series 2010B, Series 2012, Series 2014)

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ESCROW AGREEMENT
(Series 2010B, Series 2012, Series 2014)

THIS ESCROW AGREEMENT, dated as of the ___ day of _____, 2019 (this "Escrow Agreement"), by and among the BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (the "Board"), a public constitutional corporation of the State of Louisiana created and existing under the Constitution and laws of the State, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having full and complete trust powers, with a corporate trust office located in Jacksonville, Florida, as escrow trustee hereunder (the "Escrow Trustee").

WITNESSETH:

WHEREAS, the Board heretofore issued (i) \$31,250,000 original aggregate principal amount of its Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B (the "Series 2010B Bonds"), currently outstanding in the aggregate principal amount of \$_____, which Series 2010B Bonds were issued pursuant to the General Bond Resolution adopted on June 17, 1994, as supplemented and amended (the "General Bond Resolution"), including, particularly, as supplemented by the Fourteenth Supplemental Resolution adopted by the Board at its meeting of April 23, 2010, and executed on June 24, 2010 (the "Fourteenth Supplemental Resolution" and, together with the General Bond Resolution, the "2010B Bond Resolution"), (ii) \$41,615,000 original aggregate principal amount of its Auxiliary Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds"), currently outstanding in the aggregate principal amount of \$_____, which Series 2012 Bonds were issued pursuant to the General Bond Resolution, as supplemented by the Fifteenth Supplemental Resolution adopted by the Board at its meeting of June 8, 2012, and executed on August 7, 2012 (the "Fifteenth Supplemental Resolution" and, together with the General Bond Resolution, the "2012 Bond Resolution"), and (iii) \$81,880,000 original aggregate principal amount of its Revenue Refunding Bonds, Series 2014 (the "Series 2014 Bonds"), currently outstanding in the aggregate principal amount of \$_____, which Series 2010A Bonds were issued pursuant to the General Bond Resolution, as supplemented by the Seventeenth Supplemental Resolution adopted by the Board at its meeting of September 12, 2014, and executed on October 6, 2014 (the "Seventeenth Supplemental Resolution" and, together with the General Bond Resolution, the "2014 Bond Resolution" and, together with the 2010B Bond Resolution and the 2012 Bond Resolution, the "Refunded Bond Resolution"); and

WHEREAS, the Board will issue, concurrently with the execution of this Escrow Agreement, \$_____ original aggregate principal amount of its Auxiliary Revenue Refunding Bonds, Series 2019A (the "Series 2019A Bonds"), and \$_____ aggregate principal amount of its Taxable Auxiliary Revenue Refunding Bonds, Series 2019B (the "Series 2019B Bonds" and, together with the Series 2019A Bonds, the "Series 2019 Bonds") which Series 2019 Bonds shall be issued and secured on a parity as to security and source of payment with the Outstanding Parity Bonds (as defined in the hereinafter defined 2019 Bond Resolution) (other than the hereinafter defined Refunded Bonds), in the manner authorized and provided by the Act (as defined in the 2019 Bond Resolution) and the 2019 Bond Resolution, as hereinafter defined, for the purposes of providing funds, together with available funds of the Board, to (i) advance refund [****all/certain maturities****] of the Board's outstanding Series 2010B Bonds,

Series 2012 Bonds and Series 2014 Bonds, as more particularly described herein and (ii) pay the costs of issuance of the Series 2019 Bonds; and

WHEREAS, the Series 2019 Bonds will be issued by the Board pursuant to the Act, the General Bond Resolution and the Nineteenth Supplemental Resolution adopted by the Board on October 25, 2019 and executed on _____, 2019 (the "Nineteenth Supplemental Resolution") and, together with the General Bond Resolution, the "2019 Bond Resolution"; and

WHEREAS, a portion of the proceeds of the Series 2019 Bonds, together with available moneys of the Board, will be applied as described herein for the advance refunding all of the outstanding Series 2007 Bonds, Series 2008 Bonds and Series 2010A Bonds, as more particularly described in **Exhibit G** hereto (collectively, the "Refunded Bonds"); and

WHEREAS, at the present time, The Bank of New York Mellon Trust Company, N.A., serves as trustee with respect to (i) the Series 2010B Bonds (the "2010B Trustee") pursuant to the 2010B Bond Resolution, (ii) the Series 2012 Bonds (the "2012 Trustee") pursuant to the 2012 Bond Resolution and (iii) the Series 2014 Bonds (the "2014 Trustee" and, together with the 2010B Trustee and the 2012 Trustee, the "Refunded Bonds Trustee") pursuant to the 2014 Bond Resolution; and

WHEREAS, at the present time, The Bank of New York Mellon Trust Company, N.A. serves as trustee with respect to the Series 2019 Bonds (the "2019 Trustee") pursuant to the 2019 Bond Resolution; and

WHEREAS, it is the purpose and intent of this Escrow Agreement to provide for the application of certain moneys transferred to the Escrow Trustee that are derived from the proceeds of the Series 2019 Bonds and available funds of the Board, all in such manner as to cause the Refunded Bonds to be defeased and to be no longer deemed to be Outstanding pursuant to the requirements of the Refunded Bond Resolution; and

WHEREAS, all capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Refunded Bond Resolution and the 2016 Bond Resolution, as applicable; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and in order to provide for the aforesaid defeasance of the Refunded Bonds in accordance with the Refunded Bond Resolution, the parties hereto covenant, agree and bind themselves as follows:

SECTION. 1 Creation of the Escrow Deposit Fund. There is hereby created by the Board in the custody of the Escrow Trustee and in the name of the Board a trust fund to be designated "Board of Supervisors of Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Bonds, Series 2010B, Series 2012 and Series 2014 Escrow Deposit Fund" (herein called the "Escrow Fund") and, therein, there is hereby created the 2010B Escrow Account, the 2012 Escrow Account and the 2014 Escrow Account. The Escrow Fund and each escrow account created thereunder shall be held in trust as security for the payment of the principal of and interest on the Refunded Bonds and the redemption price of the Refunded Bonds to the owners thereof by the Escrow Trustee separate and apart from any other funds and accounts of the Board, if any, held by the Escrow Trustee.

SECTION. 2 Deposits to Escrow Fund.

(a) The Escrow Trustee hereby acknowledges the receipt and deposit to the credit of the Escrow Fund, of the amount of \$_____ consisting of (i) \$_____ in immediately available funds representing a portion of the proceeds of the Series 2019 Bonds received from the 2019 Trustee under the 2019 Bond Resolution (the "Series 2019 Proceeds") and available funds of the Board in the amount of \$_____ received from the Refunded Bonds Trustee held under the Refunded Bond Resolution, of which amounts \$_____ will be allocated to the 2010B Escrow Account, \$_____ will be allocated to the 2012 Escrow Account and \$_____ will be allocated to the 2014 Escrow Account. The Escrow Trustee represents and acknowledges that it has used such deposits to purchase on behalf of and at the direction of the Board, as evidenced hereby, Defeasance Obligations (as such term is defined in the Refunded Bond Resolution and in **Exhibit E** attached hereto) in the aggregate principal amounts of (i) \$_____ for the 2010B Escrow Account, (ii) \$_____ for the 2012 Escrow Account and (iii) \$_____ for the 2014 Escrow Account, all as described on **Exhibit A** attached hereto.

(b) The remaining amounts deposited to the Escrow Fund in the amounts of (i) \$_____ in the 2010B Escrow Account, (ii) \$_____ in the 2012 Tax-Exempt Escrow Account and (iii) \$_____ in the 2014 Escrow Account shall be held uninvested as part of the beginning cash balance in the Escrow Fund and applied by the Escrow Trustee as more fully described in Exhibit A to this Escrow Agreement.

SECTION. 3 Application of the Escrow Fund. The Board hereby authorizes and directs the Escrow Trustee to invest a portion of the Escrow Fund, as described in Section (2)(a) hereof, in the Defeasance Obligations. The Escrow Trustee, without further authorization or direction from the Board, shall collect the principal of and interest on the Defeasance Obligations and shall deposit the same to the Escrow Fund (said payments to be allocated to the Series 2010B Escrow Account as shown on **Exhibits A-1 and A-2** with respect to the Series 2010B Bonds, to the 2012 Escrow Account as shown on **Exhibits A-3 and A-4** with respect to the Series 2012 Bonds and to the 2014 Escrow Account as shown on **Exhibits A-5 and A-6** with respect to the Series 2014 Bonds), as more fully described in Exhibit A to this Escrow Agreement. Pursuant to the terms of the Refunded Bond Resolution, (a) on the dates and in the amounts set forth in **Exhibit A-2.A**, the Escrow Trustee shall transfer to the 2010B Trustee from the 2010B Escrow Account the stated amounts required for the payment of the principal and interest coming due on the Series 2010B Bonds through and including July 1, 2020 (the "2010B Redemption Date"), and for the redemption of the entire amount of the Series 2010B Bonds on the 2010B Redemption Date; (b) on the dates and in the amounts set forth in **Exhibit A-3**, the Escrow Trustee shall transfer to the 2012 Trustee from the 2012 Escrow Account the stated amounts required for the payment of the payment of principal and interest coming due on the Series 2008 Bonds through and including July 1, 2022 (the "2012 Redemption Date") and for the redemption of the entire amount of the Series 2012 Bonds on the 2012 Redemption Date; and (c) on the dates and in the amounts set forth in **Exhibit A-5**, the Escrow Trustee shall transfer to the 2014 Trustee from the 2014 Escrow Account the stated amounts required for the payment of the payment of principal and interest coming due on the Series 2014 Bonds through and including July 1, 2024 (the "2014 Redemption Date") and for the redemption of the entire amount of the Series 2014 Bonds on the 2014 Redemption Date.

The Escrow Trustee and the Refunded Bonds Trustee are hereby irrevocably directed and instructed to take all actions, including the giving of all required notices (of redemption and defeasance) necessary pursuant to Section 5.02 of the General Bond Resolution and Section 3.04 of the Refunded Bonds Resolution, to cause the Refunded Bonds to be optionally redeemed on the Redemption Date in accordance with their terms.

The Escrow Trustee shall have no power or duty to invest any moneys held hereunder or in the herein defined SLGS to make substitutions of the Defeasance Obligations held hereunder or to sell, transfer or otherwise dispose of the Defeasance Obligations acquired hereunder except as provided in this Section 3. Moneys in the Escrow Fund shall, and the Escrow Trustee agrees such moneys will, be used solely for the purpose as above-described and the deposit of such moneys in the Escrow Fund shall be irrevocable, and the Escrow Trustee agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund, except as they shall come due, unless such redemption or negotiation shall be in connection with the purchase of other Defeasance Obligations permitted hereunder and the Escrow Trustee shall have received (a) the written request of the Board which elaborates the procedures to be followed, (b) an opinion by an independent certified public accountant acceptable to the Escrow Trustee (the "Accountant") that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and any beginning cash balance that is being held uninvested, will be sufficient to pay, as the same become due, all principal of, premium and interest on the Refunded Bonds which have not then previously been paid in accordance with the provisions of **Exhibit A** attached hereto, (c) an unqualified opinion of Bond Counsel or special tax counsel (acceptable to the Board) to the effect that (i) such reinvestment will not adversely affect the excludability of interest on the Series 2019A Bonds or

the Refunded Bonds from gross income for federal income tax purposes, and (ii) such reinvestment complies with the provisions of all relevant documents relating to the issuance of the Series 2019 Bonds and the Refunded Bonds. In any case where the Escrow Trustee is instructed to purchase United States Treasury Obligations - State and Local Government Series ("SLGS"), the Escrow Trustee shall, by at least five (5) days (or such different time as may hereafter be established by regulations of the United States Bureau of Public Debt) prior to such date, execute and file with a Federal Reserve Bank or Branch a subscription for the purchase and issue of such SLGS with such terms as may be required to effect such purchase on such date. Any investment earnings resulting from the reinvestment of proceeds of the Defeasance Obligations as described herein shall be transferred to the Board after the termination of this Escrow Agreement as set forth in Section 8 hereof. Subject to the foregoing requirements for the use of the Escrow Fund and the moneys and investments therein, the Board covenants and agrees that the Escrow Trustee shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and that the Board shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

The Refunded Bonds Trustee shall deliver to the Board within thirty (30) days after each Interest Payment Date on the Refunded Bonds (i.e., each January 1 and July 1) of each year, a report of each transaction relating to the Escrow Fund.

SECTION. 4 Release of Lien of Refunded Bond Resolution. In reliance upon the report and opinion of Causey, Demgen & Moore P.C., independent certified public accountants, dated of even date herewith, referred to in Section 18 hereof and upon the opinion of Breazeale, Sachse & Wilson, L.L.P., as Bond Counsel, dated of even date herewith, attached hereto as Exhibit C, and delivered to certain parties, the Refunded Bonds Trustee hereby acknowledges that the moneys and investments in the Escrow Fund satisfy the requirements of the Refunded Bond Resolution relating to the defeasance of the Refunded Bonds and agrees to deliver to the Board forthwith such instruments as are requested of it to evidence the Refunded Bonds Trustee's release of the lien of the Refunded Bond Resolution and the documents relating thereto with respect to the Refunded Bonds, including, but not limited to the Release of Lien of Refunded Bond Resolution of Refunded Bonds Trustee attached hereto as **Exhibit F**. Notwithstanding the fact that the liens of the Refunded Bond Resolution have been released with respect to the Refunded Bonds, the Refunded Bonds Trustee shall continue to perform those duties under the Refunded Bond Resolution that are necessary in order to preserve and protect the interests of the owners of the Refunded Bonds defeased hereby.

SECTION. 5 Irrevocable Trust. The trust and fiduciary relationship created by this Escrow Agreement is irrevocable and intended for the benefit of the registered owners from time to time of the Refunded Bonds defeased hereby and the moneys derived from the interest on and principal of the investments in the Escrow Fund, are hereby dedicated and pledged for the payment of the principal of and premium and interest on the Refunded Bonds defeased hereby, and such moneys are subject to the lien of such pledge, which is valid and binding against all parties having claims of any kind against the Board, the Refunded Bonds Trustee or the Escrow Trustee. Such moneys and investments shall be used for the purposes herein stated, and the lien and security of this Escrow Agreement shall take effect from the date hereof without regard to the date of actual execution and delivery of this Escrow Agreement and shall remain in full force and effect until the terms of this Escrow Agreement have been satisfied and the moneys and the investments in the Escrow Fund have been applied as herein contemplated.

SECTION. 6 Fees and Expenses. The Board agrees to pay from moneys other than those in the Escrow Fund the Escrow Trustee's reasonable and customary administrative fees and to reimburse the Escrow Trustee for its reasonable and customary out-of-pocket expenses (including all publication expenses, if any, required by this Escrow Agreement) and reasonable fees of counsel incurred in connection with the discharge by the Escrow Trustee of its duties and responsibilities under this Escrow Agreement. The Escrow Trustee expressly waives any lien upon or claim against the moneys and investments in the Escrow Fund. Under no circumstances shall the Escrow Trustee have a lien on the Escrow Fund for its ongoing reasonable and customary charges, fees and expenses, and under no circumstances shall the Escrow Trustee make any claim against the Escrow Fund for such ongoing reasonable and customary charges, fees or expenses.

SECTION. 7 Amendment of this Escrow Agreement. This Escrow Agreement may only be amended, supplemented or modified upon receipt of an instrument executed by the Board and the Escrow Trustee and, to the extent that the obligations of the Refunded Bonds Trustee are affected thereby, by the Refunded Bonds Trustee.

SECTION. 8 Termination of this Escrow Agreement. This Escrow Agreement shall terminate when the Refunded Bonds defeased hereby have been paid and discharged in accordance with the provisions hereof. If any Refunded Bonds defeased hereby are not presented for payment when due and payable, the nonpayment thereof shall not prevent the termination of this Escrow Agreement; funds for the payment of any nonpresented Refunded Bonds defeased hereby shall, upon termination of this Escrow Agreement, be held by the Escrow Trustee in accordance with the Refunded Bond Resolution. Any money or Defeasance Obligations held in the Escrow Fund at termination and not required for the payment of the principal of and premium and interest on any of the Refunded Bonds defeased hereby shall be paid or transferred to the Board.

SECTION. 9 Benefit of this Escrow Agreement. This Escrow Agreement shall inure to the benefit of and shall be binding upon the Board, the Escrow Trustee, the Refunded Bonds Trustee, the registered owners of the Refunded Bonds defeased hereby and their respective successors and assigns subject to the provisions of this Escrow Agreement. In addition, this Escrow Agreement shall constitute a third party beneficiary contract for the benefit of the Refunded Bonds Trustee and each registered owner of a Refunded Bond that has been defeased hereby (but only with respect to its rights to the payment of principal of, premium, if any, and interest on the Refunded Bonds). Each such third party beneficiary shall be entitled to enforce the performance and observance by the Board and the Escrow Trustee of the respective agreements and covenants herein contained as fully and completely as if such third party beneficiary were a party hereto.

Any bank into which the Escrow Trustee may be merged or with which it may be consolidated or any bank resulting from any merger or consolidation to which it shall be a party or any bank to which it may sell or transfer all or substantially all of its corporate trust business shall, unless the Board disapproves in writing, be the successor escrow agent without the execution of any document or the performance of any further act. In the event the Board disapproves of the successor escrow agent resulting from any of the events described above, the Board shall immediately appoint any state or national bank authorized to serve in such capacity within the State of Louisiana which is an institution insured by the Federal Deposit Insurance Corporation and which has trust powers to be the successor escrow agent, whereupon such

successor escrow agent shall immediately succeed to the respective agreements and covenants hereunder.

SECTION. 10 Insufficient Moneys or Investments in the Escrow Fund. The Escrow Trustee shall immediately notify the Board by certified or registered, first-class mail, postage prepaid, whenever, for any reason, the Escrow Trustee becomes aware that the funds or accounts created pursuant to this Escrow Agreement plus the securities and investments therein and interest on said securities and investments, as the same accrues, will be insufficient to pay the principal of and premium and interest on the Refunded Bonds that are being defeased hereby as the same become due and payable prior to and through the Redemption Date. The Board shall pay to the Escrow Trustee the amount of any such deficiency in immediately available funds immediately upon receipt of any such notice.

SECTION. 11 Examination of Records; Obligations and Responsibilities of Escrow Trustee.

(a) The Board shall have the right, at any time upon reasonable notice, to examine all of the Escrow Trustee's records regarding the status of the funds or accounts created pursuant to this Escrow Agreement, and the details of all income, investments, redemptions and withdrawals therefrom with respect to the funds or accounts created pursuant to this Escrow Agreement. After the Refunded Bonds have been paid in full, the Board shall obtain all records and files relating to this Escrow Agreement from the Escrow Trustee. The Board shall keep all of such records and files available for inspection for four years from the date on which the Refunded Bonds shall have been paid in full.

(b) The Escrow Trustee shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Board of any of the Board's obligations, or to protect any of the Board's rights under any bond resolution or any of the Board's other contracts with or franchises or privileges from any state, parish, county, municipality or other governmental agency or with any corporation or individual. The Escrow Trustee shall not be liable for any act done or step taken or omitted by the Escrow Trustee or any mistake of fact or law or for anything which the Escrow Trustee may do or refrain from doing, except for its negligence or its willful misconduct in the performance of any obligation imposed upon the Escrow Trustee hereunder. The Escrow Trustee shall not be responsible in any manner whatsoever for the recitals or statements of the Board contained herein, in the Refunded Bonds or any proceedings taken in connection therewith (excepting, in its capacity as Trustee under the Refunded Bond Resolution), as they are made solely by the Board. In the performance of its duties hereunder, the Escrow Trustee shall be entitled to the same protections and rights granted to the trustee in Article XI of the General Bond Resolution.

SECTION. 12 Resignation or Removal of the Escrow Trustee; Successor Escrow Trustees. The Escrow Trustee at the time acting hereunder may at any time resign and be discharged from the trust hereby created by giving written notice to the Board, the 2019 Trustee, the Refunded Bonds Trustee and each rating service which has issued a rating on the Refunded Bonds, and giving such notice to the registered owners of the Refunded Bonds in the same manner as required by the provisions of Article XI of the General Bond Resolution in connection with the resignation of the 2019 Trustee, not less than ninety (90) days prior to the date when the

resignation is to take effect. Such resignation shall take effect immediately upon the acceptance by the Board of the resignation, the appointment of a successor Escrow Trustee (which may be a temporary escrow trustee) by the Board, the acceptance by such successor Escrow Trustee of the terms, covenants and conditions of this Escrow Agreement, the transfer of the Escrow Fund, including the moneys and securities and investments held therein, to such successor Escrow Trustee and the completion of any other actions required for the principal of and interest on, the securities and investments to be made payable to such successor Escrow Trustee rather than the resigning Escrow Trustee.

The Escrow Trustee may also be removed for cause by the Board, which removal shall become effective upon the appointment of a successor Escrow Trustee (which may be a temporary successor escrow trustee) by the Board, the acceptance of such successor Escrow Trustee of the terms, covenants and conditions of this Escrow Agreement, the transfer of the Escrow Fund, including the moneys and securities and investments held therein, to such successor Escrow Trustee and the completion of any other actions required for the principal of and interest on the securities and investments to be made payable to such successor Escrow Trustee rather than the Escrow Trustee so being removed. The new Escrow Trustee shall give the notice of any such appointment as soon as practicable to the parties and in the same manner as is described in the first paragraph of this Section 12.

In the event the Escrow Trustee shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, the Board shall promptly appoint a temporary Escrow Trustee to fill such vacancy until a successor Escrow Trustee shall be appointed by the Board in the manner hereinabove provided, and any such temporary Escrow Trustee so appointed by the Board shall immediately and without further act be superseded by the successor Escrow Trustee so appointed. The new Escrow Trustee shall give the notice of any such appointment as soon as practicable to the parties and in the same manner as are described in the first paragraph of this Section 12.

No successor Escrow Trustee shall be appointed unless such successor Escrow Trustee shall be a corporation or association with trust powers organized under the banking laws of the United States of America or any state of the United States of America and shall have at the time of appointment capital and surplus of not less than \$75,000,000.

Every successor Escrow Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, the Board and the Trustee, an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Trustee or the Board, execute and deliver an instrument transferring to such successor Escrow Trustee, all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Trustee shall deliver all securities and investments and moneys held by it to its successor. Should any transfer, assignment or instrument in writing from the Board be required by any successor Escrow Trustee for more fully and certainly vesting in such successor Escrow Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Trustee, any such

transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board.

Any corporation into which the Escrow Trustee, or any successor to it in the trusts created by this Escrow Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Trustee or any successor to it shall be a party, shall, if satisfactory to the Board, be the successor Escrow Trustee under this Escrow Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

SECTION. 13 Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Board or the Escrow Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

SECTION. 14 Successors and Assigns. All of the covenants, promises and agreements in this Escrow Agreement contained by or on behalf of the Board or the Escrow Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION. 15 Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of Louisiana.

SECTION. 16 Headings. Any headings preceding the text of the several Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

SECTION. 17 Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION. 18 Verification of the Escrow Fund. Set forth as **Exhibit B** and attached hereto and hereby incorporated by reference herein is a copy of the report prepared by Causey Demgen & Moore P.C. independent certified public accountants, dated of even date herewith, showing (a) the payments of the principal of and interest on the investments and moneys in the Escrow Fund, (b) the total of the principal of and premium and interest on the Refunded Bonds being defeased hereby required to be paid to and including the Redemption Date in the amounts and on the dates indicated, and (c) the cumulative balance in the Escrow Fund after each payment is made from the Escrow Fund. With the report, Causey Demgen & Moore Inc. has delivered its opinion, to be relied upon by the Board, the Refunded Bonds Trustee, the 2019 Trustee, the Escrow Trustee, the Underwriter and Breazeale, Sachse & Wilson, L.L.P. that if the principal of and interest on the investments in the Escrow Fund are paid as said principal and interest become due, the proceeds from the collection of such interest and principal, together with any other moneys then required to be held in the Escrow Fund, will be sufficient to permit the prompt payment of the Refunded Bonds being defeased hereby as the same become due to and including the Redemption Date. The Escrow Trustee and the Refunded Bonds Trustee shall not be liable for the accuracy of any calculations as to the sufficiency of the

investments and moneys in the Escrow Fund to pay the principal of, premium and interest on the Refunded Bonds or other calculations required to be made hereunder and shall not be liable for any deficiencies in the amounts necessary to make such payments, unless such deficiency is caused by the negligence, fault or intentional act of the Escrow Trustee and/or the Refunded Bonds Trustee.

SECTION. 19 Notices. Any notices, requests, complaints, demands, communications or other papers shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by email, telegram, telecopy or telex (or telephone to the extent permitted hereunder), addressed to the parties as follows or as provided by subsequent notice:

- | | |
|--------------------------------|--|
| The Board: | (1) President
Louisiana State University
111 System Building
Baton Rouge, LA 70803
Facsimile: (225) 578-5524 |
| | (2) Vice President for Finance and Administration/CFO
Louisiana State University
330 Thomas Boyd Hall
Baton Rouge, LA 70803
Facsimile: (225) 578-5403 |
| The Escrow Trustee: | The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust Department
Facsimile: (904) 645-1921 |
| The 2016 Trustee: | The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust Department
Facsimile: (904) 645-1921 |
| The Refunded
Bonds Trustee: | The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust Department
Facsimile: (904) 645-1921 |

SECTION. 20 Notice of Defeasance. The Board hereby irrevocably instructs the Escrow Trustee to cause the Refunded Bonds Trustee to give Notices of Defeasance of the Refunded Bonds, substantially in the forms attached as **Exhibits D-1** through **D-3** hereto, to be mailed to all record holders of the Refunded Bonds in accordance with the provisions of the Refunded Bond Resolution and to be posted on the Municipal Securities Rulemaking Board

Electronic Municipal Market Access Center (EMMA). The Board will reimburse the Refunded Trustee for any expenses incurred in connection with this Section from moneys other than those in the Escrow Fund.

[remainder of page intentionally left blank]

[Signature Page to Escrow Agreement]

IN WITNESS WHEREOF, the Board has caused this Escrow Agreement to be executed by its duly authorized officer on this ____ day of _____, 2019.

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

By _____

Name: Daniel T. Layzell

Title: Vice President for Finance and
Administration/CFO,
Louisiana State University

[Signature Page to Escrow Agreement]

IN WITNESS WHEREOF, the Escrow Trustee has caused this Escrow Agreement to be executed by its duly authorized officer on this ____ day of _____, 2019.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Escrow Trustee

By _____

Name: Cynthia M. Moore

Title: Vice President

EXHIBIT A
TO ESCROW AGREEMENT

DESCRIPTION OF ESCROW FUND PORTFOLIO
OF DEFEASANCE OBLIGATIONS AND ESCROW CASH FLOW

EXHIBIT B
TO ESCROW AGREEMENT

CPA VERIFICATION OF ESCROW FUND

EXHIBIT C
TO ESCROW AGREEMENT

DEFEASANCE OPINION

EXHIBIT D-1
TO ESCROW AGREEMENT

FORM OF NOTICE OF DEFEASANCE

EXHIBIT D-2
TO ESCROW AGREEMENT

FORM OF NOTICE OF DEFEASANCE

EXHIBIT D-3
TO ESCROW AGREEMENT

FORM OF NOTICE OF DEFEASANCE

EXHIBIT E
TO ESCROW AGREEMENT

DEFEASANCE OBLIGATIONS

EXHIBIT F
TO ESCROW AGREEMENT

RELEASE OF LIEN OF REFUNDED BOND RESOLUTION

The Trustee under the Refunded Bond Resolution (the "Trustee"), in reliance upon various opinions and reports presented to it, hereby acknowledges pursuant to the Refunded Bond Resolution and Section 4 of this Escrow Agreement that, as a result of the deposit of the moneys and investments contained in the Escrow Fund created hereunder, it does hereby release and discharge the liens of the Refunded Bond Resolution. Notwithstanding the fact that the liens of the Refunded Bond Resolution have been released, the Refunded Bonds Trustee shall continue to perform those duties under the Refunded Bond Resolution that are necessary in order to preserve and protect the interests of the Refunded Bonds defeased hereby. Capitalized terms used, and not otherwise defined, in this Release of Lien of Refunded Bond Resolution ("*Release*") shall have the meanings assigned thereto in that certain Escrow Agreement (Series 2010B, Series 2012 and Series 2014) dated _____, 2019, by and between The Bank of New York Mellon Trust Company, N.A., as escrow trustee, and the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, to which this Release is attached as an Exhibit.

Dated this ____ day of _____, 2019.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Refunded Bonds Trustee

By _____
Name: Cynthia M. Moore
Title: Vice President

EXHIBIT G
TO ESCROW AGREEMENT

TABLES OF BONDS TO BE DEFEASED AND REDEEMED

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2019

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: See "RATINGS" herein

In the opinion of Breazeale, Sachse & Wilson, L.L.P., Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series 2019B Bonds is included in gross income for federal income tax purposes. Bond Counsel is also of the opinion that, pursuant to the Act, defined herein, the Bonds and the income therefrom shall be exempt from all taxation by the State of Louisiana, or any political subdivision thereof. See "TAX EXEMPTION" herein and the proposed form of opinion of Bond Counsel attached hereto as APPENDIX C.

\$ _____*	
BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE	
\$ _____*	\$ _____*
Auxiliary Revenue Refunding Bonds Series 2019A	Taxable Auxiliary Revenue Refunding Bonds Series 2019B

Dated: Date of Delivery

Due: July 1, as shown on inside cover

The Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") is offering its Auxiliary Revenue Refunding Bonds, Series 2019A, in an aggregate principal amount of \$_____ (the "Series 2019A Bonds"), and its Taxable Auxiliary Revenue Refunding Bonds, Series 2019B, in an aggregate principal amount of \$_____ (the "Series 2019B Bonds" and together with the Series 2019A Bonds, the "Series 2019 Bonds"), pursuant to and secured by a General Bond Resolution adopted by the Board on June 17, 1994, as supplemented and amended (the "General Bond Resolution"), and as further supplemented by the Nineteenth Supplemental Resolution approved October 25, 2019, and to be executed and effective on the date of delivery of the Series 2019 Bonds (the "Nineteenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution"). The Nineteenth Supplemental Resolution appoints The Bank of New York Mellon Trust Company, N.A., as Trustee and Paying Agent for the Series 2019 Bonds (the "Trustee" or "Paying Agent").

The proceeds of the Series 2019A Bonds will be used by the Board, together with other available funds, for the purpose of (i) refunding all [**or a portion**] of the Board's outstanding [**describe and define bonds to be refunded tax-exempt**], and (ii) paying the costs of issuing the Series 2019A Bonds. The proceeds of the Series 2019B Bonds will be used by the Board, together with other available funds, for the purpose of (i) refunding all [**or a portion**] of the Board's outstanding [**describe and define bonds to be refunded taxable**], and (ii) paying the costs of issuance of the Series 2019B Bonds.

The payment of the principal of, redemption premium, if any, and the interest on the Series 2019 Bonds is secured, subject to certain limitations described herein, by a pledge to the Trustee of certain Auxiliary Revenues, defined herein, derived from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received from students or the public at large in connection with any undertaking, utilization or operation of Auxiliary Enterprises (defined herein) at Louisiana State University and Agricultural and Mechanical College (the "University"). The definition of Auxiliary Enterprises may be modified from time to time, as provided in the General Bond Resolution. See "SECURITY FOR THE SERIES 2019 BONDS" and "THE AUXILIARY ENTERPRISES" herein.

Interest on the Series 2019 Bonds is payable on January 1 and July 1 of each year, commencing January 1, 20___, and shall be paid by the Trustee to the registered owners thereof by check mailed by the Trustee, when due, to the persons in whose names the Series 2019 Bonds are registered at the close of business on the fifteenth calendar day of the month next preceding the applicable interest payment date.

The Series 2019 Bonds are subject to extraordinary optional, optional and mandatory sinking fund redemption prior to maturity as described under "THE SERIES 2019 BONDS – Redemption Provisions."

The Series 2019 Bonds are secured by the Bond Resolution on a parity with the Board's Outstanding Parity Bonds (defined herein). See "OUTSTANDING PARITY BONDS" herein.

THE SERIES 2019 BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034 AND THE FINAL MATURITY DATE OF THE SERIES 2002 BONDS AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043 (THE FINAL

MATURITY DATE OF THE SERIES 2005 BONDS) AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX. THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, LSU, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019 BONDS OR THE INTEREST THEREON, AND THE SERIES 2019 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including all Appendices attached hereto, to obtain information essential to the making of an informed investment decision.

The Series 2019 Bonds are offered in book-entry only form when, as and if issued by the Board and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, and to the approving opinions of Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, Bond Counsel. Certain other legal matters will be passed upon for the Board by its special counsel, Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana. Certain other legal matters will be passed upon for the Trustee by its counsel, Gregory A. Pletsch & Associates, Baton Rouge, Louisiana. Foley & Judell, L.L.P., Baton Rouge, Louisiana, will pass upon certain matters as counsel to the Underwriters. It is expected that the Series 2019 Bonds in definitive form will be available for delivery through the facilities of DTC in New York, New York, on or about November __, 2019.

[Logos for Underwriters]

The date of this Official Statement is _____, 2019

AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS*

\$ _____*
**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY
 AND AGRICULTURAL AND MECHANICAL COLLEGE**
Auxiliary Revenue Refunding Bonds
Series 2019A

\$ _____* Serial Bonds

<u>Maturity (July 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP</u> ♦
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\$ _____* ____ % Term Bond due July 1, 20__; Yield: ____%; Price: ____%; CUSIP♦ _____
 \$ _____* ____ % Term Bond due July 1, 20__; Yield: ____%; Price: ____%; CUSIP♦ _____

\$ _____*
**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY
 AND AGRICULTURAL AND MECHANICAL COLLEGE**
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B

\$ _____* Serial Bonds

<u>Maturity (July 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP</u>
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\$ _____* ____ % Term Bond due July 1, 20__; Yield: ____%; Price: ____%; CUSIP♦ _____
 \$ _____* ____ % Term Bond due July 1, 20__; Yield: ____%; Price: ____%; CUSIP♦ _____

* Preliminary, subject to change.

♦ CUSIP® is a registered trademark of the American Bankers Association ("ABA"). CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of McGraw-Hill Financial. This data is not intended to create a database, and does not serve in any way as a substitute for the CUSIP Service. CUSIP data herein is included solely for convenience of reference only. None of the Board, the Underwriter or their respective agents takes any responsibility for the accuracy of such data now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2018 Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2018 Bonds.

NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE BOARD OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE SERIES 2019 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE BOARD, DTC AND FROM OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS AND IS NOT TO BE CONSIDERED AS A REPRESENTATION BY THE UNDERWRITER OR THEIR COUNSEL. IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR THE COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE BOARD, OR DTC SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE BOARD OR THE UNDERWRITER AND ANY ONE OR MORE OF THE REGISTERED OWNERS OF THE SERIES 2019 BONDS.

THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2019 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED DOES NOT MEAN THAT EITHER THESE JURISDICTIONS OR ANY OF THEIR AGENCIES HAVE PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED THESE SECURITIES, OR THEIR OFFER OR SALE. NEITHER SUCH JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE SERIES 2019 BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON, OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION INCONSISTENT WITH THE FOREGOING IS UNLAWFUL.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BOARD AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR THE PURPOSES OF RULE 15c2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS OF THE DATE OF THIS PRELIMINARY OFFICIAL STATEMENT, THE BOARD DEEMED THIS PRELIMINARY OFFICIAL STATEMENT "FINAL" (AS THAT TERM IS USED IN PARAGRAPH (b)(1) OF SAID RULE 15c2-12).

THE SERIES 2019 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

Cautionary Statements Regarding Forward-Looking Statements in this Official Statement

This Official Statement is marked with a dated date and speaks only as of that dated date. Readers are cautioned not to assume that any information has been updated beyond the dated date except as to any portion of the Official Statement that expressly states that it constitutes an update concerning specific recent events occurring after the dated date of the Official Statement. Any information contained in the portion of the Official Statement indicated to concern recent events speaks only as of its date. The Board expressly disclaims any duty to provide an update of any information contained in this Official Statement, except as agreed upon by said parties pursuant to the Continuing Disclosure Certificate included herein as APPENDIX F.

The information contained in this Official Statement may include forward looking statements by using forward-looking words such as "may," "will," "should," "expects," "believes," "anticipates," "estimates," "budgets" or others. The reader is cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, and various other factors which are beyond the control of the Board.

This Official Statement contains projections of revenues, expenditures and other matters. Because the Board cannot predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is included in forward-looking statements.

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OFFICIAL STATEMENT

Relating To

\$ _____*
BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE

\$ _____*
Auxiliary Revenue Refunding Bonds
Series 2019A

\$ _____*
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B

INTRODUCTORY STATEMENT

General

The purpose of this Official Statement (including the Cover Page and the Appendices) is to provide certain information concerning the sale by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") of its Auxiliary Revenue Refunding Bonds, Series 2019A, in an aggregate principal amount of \$ _____* (the "Series 2019A Bonds"), and its Taxable Auxiliary Revenue Refunding Bonds, Series 2019B, in an aggregate principal amount of \$ _____* (the "Series 2019B Bonds" and, together with the Series 2019A Bonds, the "Series 2019 Bonds"). The Board is a public constitutional corporation created pursuant to the provisions of Article VIII, Section 7(A) of the Constitution of the State of Louisiana of 1974. Pursuant to the provisions of Sections 2181 through 2193 and 3351(A)(4) of Title 17 of the Louisiana Revised Statutes of 1950, as amended, Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended and Article VII, Section 6(C) of the Constitution of the State of Louisiana of 1974, as amended (collectively, the "Act"), the Board is authorized to borrow money and to issue bonds and to pledge fees, rates, rentals, charges or other income and revenues to guarantee payment thereof. See "THE BOARD" and "THE SERIES 2019 BONDS" herein.

Use of Proceeds of Series 2019 Bonds

The proceeds of the Series 2019A Bonds will be used by the Board, together with other available funds, for the purpose of (i) refunding all [**or a portion**] of the Board's outstanding [**describe and define bonds to be refunded tax-exempt**], and (ii) paying the costs of issuing the Series 2019A Bonds. The proceeds of the Series 2019B Bonds will be used by the Board, together with other available funds, for the purpose of (i) refunding all [**or a portion**] of the Board's outstanding [**describe and define bonds to be refunded taxable**], and (ii) paying the costs of issuance of the Series 2019B Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE" herein.

On June 17, 1994, the Board adopted the General Bond Resolution (as supplemented and/or amended from time to time, the "General Bond Resolution") to provide for certain matters relating to revenue bonds issued or to be issued from time to time in one or more series and in such principal amounts as is necessary to provide funds for capital improvements to and on behalf of the University's Auxiliary Enterprises, refund obligations of the Board or for any other purpose as may be permitted by the Act.

The Series 2010B Refunded Bonds were issued pursuant to the General Bond Resolution and the Fourteenth Supplemental Resolution approved by the Board on April 23, 2010 and executed June 24,

* Preliminary, subject to change.

2010 (collectively, the "2010B Bond Resolution"). The trustee and paying agent for the Series 2007 Refunded Bonds is The Bank of New York Mellon Trust Company, N.A. (the "Series 2007 Trustee").

The Series 2012 Refunded Bonds were issued pursuant to the General Bond Resolution and the Fifteenth Supplemental Resolution adopted by the Board on June 8, 2012 and executed on August 7, 2012 (collectively, the "2008 Bond Resolution"). The trustee and paying agent for the Series 2008 Refunded Bonds is The Bank of New York Mellon Trust Company, N.A. (the "Series 2008 Trustee").

The Series 2014 Refunded Bonds were issued pursuant to the General Bond Resolution and the Seventeenth Supplemental Resolution (collectively, the "2014 Bond Resolution"). The trustee and paying agent for the Series 2010A Refunded Bonds is The Bank of New York Mellon Trust Company, N.A. (the "Series 2010A Trustee").

The Bond Resolution and Security for the Series 2019 Bonds

The Series 2019 Bonds will be issued pursuant to the General Bond Resolution, as supplemented by the Nineteenth Supplemental Resolution approved by the Board on October 25, 2019, and to be executed and effective on the date of delivery of the Series 2019 Bonds (the "Nineteenth Supplemental Resolution" and, together with the General Bond Resolution, the "Bond Resolution"). Pursuant to the Bond Resolution, The Bank of New York Mellon Trust Company, N.A., is appointed as the trustee and paying agent for the Series 2019 Bonds (the "Trustee" and "Paying Agent").

Pursuant to the Bond Resolution, the Series 2019 Bonds are payable from and secured by a pledge of the Auxiliary Revenues of the University. "Auxiliary Revenues," as defined in the General Bond Resolution, means (i) (a) the gross amount of all funds, monies or revenues held by the University and any earnings thereon derived or to be derived by Auxiliary Enterprises from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received from students or the public at large in connection with any undertaking, utilization, or operation of Auxiliary Enterprises or Auxiliary Facilities, including operation or management thereof by private entities on behalf of the Auxiliary Enterprises, prior to the payment of Current Expenses (as defined in the General Bond Resolution), (b) Lab School Revenues, provided, however, that the Lab School Revenues shall constitute Auxiliary Revenues only for so long as the Series 2002 Bonds and the Series 2005 Bonds are outstanding, and (c) Recreational Sports Fee Revenues, provided, however, that Recreational Sports Fee Revenues shall constitute Auxiliary Revenues only for so long as the Series 2002 Bonds are outstanding; and (ii) all Funds and Accounts held pursuant to the General Bond Resolution, as supplemented, pertaining to a particular Series of Bonds except any fund created to hold monies pending rebate to the United States or for payment of the costs of issuance of Bonds. See the following paragraph and "**SECURITY FOR THE SERIES 2019 BONDS**" herein for a description of the pledge of Auxiliary Revenues pursuant to the Bond Resolution as well as a description of the duration of certain elements of such pledge.

In the Nineteenth Supplemental Resolution, the Board (a) confirms the pledge of and does thereby pledge the Lab School Revenues, as Auxiliary Revenues, as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2034, and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Lab School, and (b) therein additionally confirms the pledge of, and does thereby pledge, the Recreational Sports Fee Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043, and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

"**Lab School Revenues**" is defined in the Bond Resolution as "the revenues derived by the Lab School from a \$500 tuition increase effective with the 2000-01 school year and a \$265 tuition increase effective with the 2001-02 school year in accordance with House Bill No. 1920 of the 1999 Regular Session of the Louisiana Legislature and with a resolution adopted by the Board on July 16, 1999."

"Recreational Sports Fee Revenues" is defined in the Bond Resolution as "(a) the \$15.00 per fall and spring semesters increase and \$5.00 per summer semester increase in the self-assessed student recreational sports fee authorized by the Board by its resolution adopted May 31, 2002 and (b) (i) the \$20.00 per summer semester increase beginning summer semester of the 2012-13 academic year, (ii) the \$45.00 per fall and spring semesters increase and \$20.00 per summer semester increase beginning fall semester of the 2013-14 academic year, (iii) the \$45.00 per fall and spring semesters increase and \$20.00 per summer semester increase to be imposed beginning fall semester of the 2014-15 academic year and (iv) the \$45.00 per fall and spring semesters increase to be imposed beginning fall semester of the 2015-16 academic year in the student recreational sports fee authorized by the Board by its resolution adopted February 1, 2013, such that the total summer fee in 2015 and thereafter will be \$85 and the total fall and spring semester fee in 2015-2016 and thereafter will be \$200."

AUXILIARY REVENUES DO NOT INCLUDE FUNDS APPROPRIATED TO THE BOARD BY THE LEGISLATURE OF THE STATE OF LOUISIANA (THE "*STATE*") FROM TIME TO TIME. SEE "**THE AUXILIARY ENTERPRISES**" HEREIN.

THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2019 BONDS IS A SPECIAL AND LIMITED OBLIGATION OF THE BOARD PAYABLE SOLELY FROM THE AUXILIARY REVENUES.

The Board may issue Additional Bonds on a parity with the Series 2019 Bonds and the Outstanding Parity Bonds (defined herein), to the extent and under the conditions set forth in the General Bond Resolution. See "**SECURITY FOR THE SERIES 2019 BONDS - Additional Bonds**" and "**FUTURE FINANCING PLANS**" herein.

Redemption of Series 2019 Bonds

THE SERIES 2019 BONDS ARE SUBJECT TO EXTRAORDINARY OPTIONAL, OPTIONAL AND MANDATORY SINKING FUND REDEMPTION PRIOR TO MATURITY AS MORE FULLY DESCRIBED HEREIN UNDER "**THE SERIES 2019 BONDS - Redemption Provisions.**"

Limitation of Liability

THE SERIES 2019 BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX. THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019 BONDS OR THE INTEREST THEREON, AND THE SERIES 2019 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

THE AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS; PROVIDED THAT (I) THE LAB SCHOOL REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL, AND (II) THE RECREATIONAL SPORTS FEE REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX. SEE "OUTSTANDING PARITY BONDS" AND "SECURITY FOR THE SERIES 2019 BONDS - Additional Bonds" HEREIN.

For purposes of the Bond Resolution and this Official Statement, references therein and herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues with the caveat that the pledge of such revenues is limited as set forth in the foregoing paragraphs.

For financial information regarding the University, see "**APPENDIX A - DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY**" and "**APPENDIX B - FINANCIAL REPORT OF THE LSU SYSTEM FOR THE YEAR ENDED JUNE 30, 2018.**"

Descriptions of Documents; Defined Terms

This Official Statement contains descriptions of, among other matters, the Series 2019 Bonds, the Board, the University, the Bond Resolution, the Continuing Disclosure Certificate, the Escrow Agreement and the Bond Purchase Agreement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Bond Resolution are qualified in their entirety by reference to the text of the General Bond Resolution and the Nineteenth Supplemental Resolution, and all references herein to the Series 2019 Bonds are qualified in their entirety by reference to the form thereof included in the Nineteenth Supplemental Resolution. Until the issuance and delivery of the Series 2019 Bonds, copies of the General Bond Resolution and draft copies of the Nineteenth Supplemental Resolution and other documents described herein may be obtained from Raymond James & Associates, Inc., 909 Poydras Street, Suite 1300, New Orleans, Louisiana 70112. After delivery of the Series 2019 Bonds, copies of documents in connection with the Series 2019 Bonds will be available for inspection at the corporate trust office of the Trustee located at 10161 Centurion Parkway, Jacksonville, Florida 32256. See "**APPENDIX D - DEFINITIONS OF CERTAIN TERMS**" and "**APPENDIX E - SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION.**"

All capitalized terms used, and not otherwise defined, in this Official Statement have the meanings assigned to them in "**APPENDIX D - DEFINITIONS OF CERTAIN TERMS.**"

PLAN OF FINANCE*

The Board will use approximately \$_____ * of the proceeds of the Series 2019 Bonds, together with available funds of the Board in the approximate amount of \$_____ * to refund the Refunded Bonds. The remainder of the proceeds of the Series 2019 Bonds will be used to pay the costs of issuance thereof. The defeasance and advance refunding of the Refunded Bonds is being undertaken for the purpose of lowering the total overall cost of debt service to the Board.

* Preliminary, subject to change.

Pursuant to the Bond Resolution, concurrently with the delivery of the Series 2019 Bonds, the Board will irrevocably deposit approximately (i) \$ _____* of proceeds of the Series 2019 Bonds and available funds of the Board in the approximate amount of \$ _____* to the Series 2010B Escrow Fund (the "*Series 2010B Escrow Fund*") created under the Escrow Agreement (Series 2010B) dated the date of issuance of the Series 2019 Bonds (the "2010B Escrow Agreement") between the Board and the Series 2010B Trustee (the "*Series 2010B Escrow Agreement*"), (ii) approximately \$ _____* of proceeds of the Series 2019 Bonds and available funds of the Board in the approximate amount of \$ _____* to the Series 2012 Escrow Fund (the "*Series 2012 Escrow Fund*") created under the Escrow Agreement (Series 2012) dated the date of issuance of the Series 2019 Bonds (the "*Series 2012 Escrow Agreement*") between the Board and the Series 2012 Trustee and (iii) approximately \$ _____* of proceeds of the Series 2019 Bonds and available funds of the Board in the approximate amount of \$ _____* to the Series 2014 Escrow Fund (the "*Series 2014 Escrow Fund*" and, together with the Series 2010B Escrow Fund and the Series 2012 Escrow Fund, the "*Escrow Fund*") created under the Escrow Agreement (Series 2014) dated the date of issuance of the Series 2019 Bonds (the "*Series 2014 Escrow Agreement*" and, together with the Series 2010B Escrow Agreement and the Series 2012 Escrow Agreement, the "*Escrow Agreement*") between the Board and the Series 2014 Trustee, all for the purpose of defeasing and advance refunding the Refunded Bonds.

The 2010B Bond Resolution, the 2012 Bond Resolution, the 2014 Bond Resolution, the Bond Resolution and the Escrow Agreement require the Escrow Trustee to invest amounts deposited in the Escrow Fund in Defeasance Obligations described therein to effect a defeasance of the Refunded Bonds. The Escrow Fund, together with investment earnings thereon, shall be sufficient to pay (i) the principal and interest on the Series 2010B Refunded Bonds through and including the earliest possible redemption date of July 1, 2020, (ii) the principal and interest on the Series 2012 Refunded Bonds through and including the earliest possible redemption date of July 1, 2022, and (iii) the principal and interest on the Series 2014 Refunded Bonds through and including the earliest possible redemption date of July 1, 2024, as verified by Causey Demgen & Moore P.C. See "**VERIFICATION OF COMPUTATIONS**" and "**ESTIMATED SOURCES AND USES OF FUNDS**" herein, and "**APPENDIX G-1 – SERIES 2010B REFUNDED BONDS**," "**APPENDIX G-2 – SERIES 2012 REFUNDED BONDS**" and "**APPENDIX G-3 – SERIES 2014 REFUNDED BONDS**" attached hereto.

Upon the deposit of such moneys into the Escrow Fund, in the opinion of Bond Counsel, the Refunded Bonds shall be deemed to be paid and shall no longer be deemed to be outstanding and the holders of the Refunded Bonds shall be entitled to payment solely out of the moneys or securities deposited in the Escrow Fund pursuant to the Bond Resolution.

* Preliminary, subject to change.

ESTIMATED SOURCES AND USES OF FUNDS*

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Series 2019 Bonds and the refunding and/or defeasance of the Refunded Bonds:

Sources	<u>Series 2019A</u>	<u>Series 2019B</u>	<u>Total</u>
Principal Amount of Series 2019 Bonds			
Available Funds of the Board ⁽¹⁾			
Net Original Issue Premium	_____	_____	_____
Total	=====	=====	=====
Uses			
Deposit to Series 2010B Escrow Fund			
Deposit to Series 2012 Escrow Fund			
Deposit to Series 2014 Escrow Fund			
Costs of Issuance ⁽²⁾	_____	_____	_____
Total	=====	=====	=====

⁽¹⁾ Consists of funds released from various Funds and Accounts under the 2010B Bond Resolution, the 2012 Bond Resolution and the 2014 Bond Resolution.

⁽²⁾ Includes Underwriter's discount, legal fees and expenses and other costs of issuance, the payment of the majority of which is contingent upon the issuance of the Series 2019 Bonds.

THE BOARD

Powers

The Board was created by Article VIII, Section 6 of the 1974 Constitution as a body corporate. The Board manages and supervises seven institutions of higher education (the "*LSU System*"), one of which is the University, the flagship campus of the State located in Baton Rouge, Louisiana. See "**THE UNIVERSITY**" herein.

On October 25, 2019, the Board adopted a resolution authorizing the issuance of the Bonds and adopted the Nineteenth Supplemental Resolution.

The LSU System

The LSU System is composed of a group of publicly owned institutions of higher education that are under the supervision and management of the Board, enrolling approximately 30,987 students in Fall 2018. The institutions supervised by the Board include:

1. Louisiana State University and Agricultural and Mechanical College (which includes the Paul M. Hebert Law Center), located in Baton Rouge, Louisiana;

* Preliminary, subject to change.

2. LSU Agricultural Center (including the Louisiana Agricultural Experiment Station and Louisiana Cooperative Extension Service), with headquarters in Baton Rouge, Louisiana;
3. LSU in Shreveport, Louisiana;
4. LSU at Alexandria, Louisiana;
5. LSU at Eunice, Louisiana;
6. LSU Health Sciences Center-New Orleans, composed of the Schools of Medicine, Graduate Studies, Dentistry, Nursing, Allied Health Professions and Public Health, located in New Orleans, Louisiana; and
7. LSU Health Sciences Center-Shreveport, composed of Schools of Medicine, Graduate Studies and Allied Health Professions.

The LSU System also owns and manages the Pennington Biomedical Research Center, located in Baton Rouge, Louisiana (provided that the physical plant thereof is owned by the Pennington Medical Foundation). Through its Health Care Services Division, the LSU System owns and administers, either directly or through public-private partnerships, each of the hospitals comprising the State's public hospital system, including Medical Center of Louisiana at New Orleans, E.A. Conway Medical Center, Lallie Kemp Regional Medical Center, W.O. Moss Regional Medical Center, Leonard J. Chabert Medical Center, University Medical Center and Our Lady of the Angels Hospital (formerly the Washington/St. Tammany Regional Medical Center d/b/a Bogalusa Medical Center).

For over 150 years, the institutions in the LSU System have served the people of Louisiana, the region, the nation, and the world through extensive, multipurpose programs encompassing instruction, research and public service. The LSU System offers undergraduate, graduate and professional educational programs for outstanding students from the State, the nation and other countries. The LSU System's nationally and internationally recognized efforts in a broad range of research fields create new knowledge and promote economic development. The LSU System's libraries and museums preserve the rich cultural heritage of the State, and scholars and artists at the LSU System contribute to the literature, history, science, technology and arts of the State's culturally diverse community.

Membership

Mr. James W. Williams (Chair). Mr. Williams was appointed to the Board on June 2, 2016, and his term representing the Second Congressional District will expire June 1, 2022. He is a partner in the law firm of Chehardy Sherman Williams.

Ms. Mary L. Werner (Chair-elect). Ms. Werner was appointed to the Board on June 12, 2017, and her term representing the Third Congressional District will expire on June 1, 2024. Ms. Werner is director and Vice President of The North American Land Company, LLC and The Sweet Lake Land and Oil Company, LLC.

Mr. J. Stephen Perry (Past Chair). Mr. Perry was appointed to the Board on June 25, 2011, reappointed June 2, 2016, and his current term as a member-at-large will expire June 1, 2022. Mr. Perry is the President/CEO of the New Orleans Metropolitan Convention and Visitors Bureau, Inc.

Mr. Ronald R. Anderson. Mr. Anderson was initially appointed to the Board on January 9, 1997, reappointed on January 21, 2009 and June 1, 2014, and his current term as a member-at-large will expire June 1, 2020. He is the president of the Louisiana Farm Bureau Federation.

Mr. Glenn J. Armentor. Mr. Armentor was appointed to the Board on June 2, 2016, and his term representing the Third Congressional District will expire June 1, 2022. He is a General Partner in the Glenn Armentor Law Corporation.

Mr. Jack A. "Jay" Blossman, Jr. Mr. Blossman was appointed to the Board on June 5, 2018, and his term representing the First Congressional District will expire on June 1, 2024. Mr. Blossman is an attorney.

Mr. Richard Brazzel (Student Member). Mr. Brazzel is the two-time Student Government President for LSU Alexandria and was elected by the LSU Council of Student Body Presidents to represent the students. His term of service will expire May 31, 2020.

Mr. B. Wayne Brown. Mr. Brown was appointed to the Board on June 5, 2018, and his term representing the Fourth Congressional District will expire June 1, 2024. Mr. Brown is the founder and Chairman of the Board of Directors of Brown Builders, Inc.

Mr. R. Blake Chatelain. Mr. Chatelain was appointed to the Board on July 1, 2008 and reappointed on June 1, 2014, and his current term representing the Fifth Congressional District will expire June 1, 2020. He is a bank executive.

Mr. Robert S. Dampf. Mr. Dampf was appointed to the Board on June 5, 2018, and his term representing the Sixth Congressional District will expire June 1, 2024. Mr. Dampf is a partner in Perry Dampf Dispute Solutions.

Ms. Valencia Sarpy Jones. Ms. Jones was appointed to the Board on August 29, 2016, and her term representing the Fourth Congressional District will expire June 1, 2022. Ms. Jones is a financial services professional with New York Life Insurance Company and NYLIFE Securities.

Mr. Lee Mallett. Mr. Mallett was appointed to the Board on July 12, 2012, and his term as a member-at-large will expire June 1, 2024. Mr. Mallett is Owner of Mallett Buildings, and is the Owner and Operator of the Academy of Training Skills.

Mr. James W. Moore, Jr. Mr. Moore was appointed to the Board on July 1, 2008, reappointed on June 1, 2014, and his current term representing the Fifth Congressional District will expire June 1, 2020. He is a business executive and hotel developer.

Mr. Rémy Voisin Starns. Mr. Starns was appointed to the Board on June 5, 2018, and his term representing the First Congressional District will expire on June 1, 2024. Mr. Starns is the founder of The Starns Law Firm.

Mr. Jimmie M. Woods. Mr. Woods was appointed to the Board on June 5, 2018, and his term representing the First Congressional District will expire on June 1, 2024. Mr. Woods is the Chief Executive Officer of Metro Service Group.

Mr. Robert "Bobby" Yarborough. Mr. Yarborough was appointed to the Board on June 25, 2010, reappointed on June 1, 2014, and his current term representing the Sixth Congressional District will expire June 1, 2020. Mr. Yarborough is the Chief Executive Officer and Co-Owner of Manda Fine Meats.

THE UNIVERSITY

General

Since opening its doors in 1860, the University has served the people of Louisiana, the region, the nation and the world through extensive, multipurpose programs encompassing instruction, research, and public service. The University offers undergraduate, graduate and professional educational programs for outstanding students from the State, the nation, and other countries. The University's nationally and internationally recognized efforts in a broad range of research fields create new knowledge and promote economic development. The University's libraries and museums preserve the rich cultural heritage of the State, and scholars and artists at the University contribute to the literature, history, science, technology and arts of the State's culturally diverse community. As the premier university of the State, the mission of the University is the generation, preservation, dissemination, and application of knowledge and cultivation of the arts for the benefit of the people of the State, the nation, and the global community. LSU is designated as a Carnegie Foundation Research University Very High Research Activity (the highest category), and is also one of the limited number of universities nationwide holding Land, Sea and Space Grant Institution status.

The University was founded in 1853 by the General Assembly of Louisiana as the Louisiana State Seminary of Learning and Military Academy near Pineville, Louisiana. The institution opened January 2, 1860. When the Civil War began, the school's first superintendent, William Tecumseh Sherman, resigned to assume a command in the Union Army.

Fire demolished the Seminary in 1869, and the school was moved to Baton Rouge. In 1870, the Seminary was renamed Louisiana State University. In 1874, under the United States Morrill Act, the Louisiana State Agricultural and Mechanical College was established in New Orleans. The two institutions were merged by the Legislature in 1877 to become Louisiana State University and Agricultural and Mechanical College.

Construction of the present campus in Baton Rouge began in 1922, and the first classes were held in 1926. LSU experienced major growth in the 1930s and 1940s, expanding its student body, curricula and services. During the 1960s, the University began to place increasing emphasis on research.

The University is located on more than 2,000 acres in the southern part of Baton Rouge, Louisiana, the capital of the State, and is bordered on the west by the Mississippi River. The University's more than 250 principal buildings are grouped on a 650-acre plateau that constitutes the main part of the campus.

Demographic and summary financial information related to the University is attached hereto as **APPENDIX A**, and the Financial Report of the LSU System for the year ended June 30, 2018, is attached hereto as **APPENDIX B**.

University Administration

Dr. F. King Alexander (*President of Louisiana State University*): On June 24, 2013, Dr. F. King Alexander assumed his official duties as President of Louisiana State University. Dr. Alexander received his Ph.D. in Higher Education Administration with a focus on Finance and Educational Policy Analysis from the University of Wisconsin-Madison and a Master of Science degree in Comparative Educational Studies from the University of Oxford, Oxford, England. Dr. Alexander served on the faculty of Wisconsin-Madison School of Education, Cornell University and the University of Illinois, Urbana-Champaign, where he was the Director of the Higher Education Program. He served as the President of California State University, Long Beach from 2005 - 2013, and was twice named President of the Year by the California State University Student Association.

Dr. Daniel T. Layzell (*Executive Vice President for Finance and Administration/CFO*): Dr. Layzell serves as the Executive Vice President for Finance and Administration/CFO, having been appointed on January 6, 2014. Dr. Layzell previously held the position of Vice President for Finance and Planning at Illinois State University, serving in that role since 2009. His responsibilities include executive-level planning, implementation and assessment of financial and administrative strategies, policies and procedures for the University. Dr. Layzell serves as the chief financial officer and is the principal advisor to the President and the Board on all fiscal and administrative matters. Prior to his tenure at Illinois State, Dr. Layzell served as the Associate Vice President for Planning and Administration at the University of Illinois for two years, and prior to that as Assistant Vice President for Strategic Planning and Policy Analysis beginning in 2005. He also worked for the Illinois Board of Higher Education; MGT of America, a consulting company that works with educational as well as local, state and federal government entities; the University of Wisconsin System Administration; the Arizona Legislature; and has served on the faculties of the University of Wisconsin, Florida State University and the University of Illinois at Urbana-Champaign. Dr. Layzell received his bachelor's degree in economics and business administration from Illinois College in 1985, along with a master's degree in labor and industrial relations from the University of Illinois in 1986 and a Ph.D. in higher education administration from Florida State University in 1988.

Ms. Donna K. Torres, CPA (*Associate Vice President for Account Services*): Ms. Torres serves as Associate Vice President for Accounting Services. Her area of responsibility is Accounting Services, which performs the day-to-day financial activities, the accounting, reporting and record keeping functions for the University, the Agriculture Center, LSU at Alexandria, LSU at Eunice, LSU at Shreveport and the Pennington Biomedical Research Center. The divisions included in Accounting Services are Payroll, Accounts Payable & Travel, Bursar Operations, Sponsored Program Accounting and Financial Accounting and Reporting. Ms. Torres holds Bachelor of Science in Accounting and Master of Accounting degrees from the University. She is a licensed Certified Public Accountant and a member of LCPA and AICPA. She previously held the position of Payroll Director for the University. Prior to her employment with the University, Ms. Torres was Vice President and Controller for an insurance administrator and worked in public accounting.

Mr. Tony S. Lombardo, P.E. (*Associate Vice President for Facility and Property Oversight*): Mr. Lombardo serves as Associate Vice President for Facility and Property Oversight. His areas of responsibility are the capital planning process and facilities related board items for the University campus. Mr. Lombardo functions as an advisor to senior leadership on facility optimization, financial impact and facility policy that directly relates to the mission. He also serves as the facilities officer for the University campus, responsible for the oversight of maintenance, facility operations, utility production and acquisition, construction and design. He is a licensed professional engineer in the State of Louisiana. Prior to his 17 years with the University, Mr. Lombardo conducted environmental research for the United States Environmental Protection Agency as a consulting professional. Mr. Lombardo received his bachelor's degree in engineering from the University in 1990 while concurrently acting as owner and operator of a small information technology services company.

Mr. Danny Mahaffey (*Assistant Vice President and University Architect*): Mr. Mahaffey is the Assistant Vice President and University Architect for the University. He holds a Bachelor of Architecture degree from the University and is a registered architect. Mr. Mahaffey's area of responsibility is to oversee the capital outlay process and other facility related activities that are submitted to the Board. He previously was in private practice of architecture and was a facility director for a health care system.

THE AUXILIARY ENTERPRISES

There exist at the University Auxiliary Enterprises under the control, operation or supervision of the Board, which generate revenues and are operated essentially as self-supporting entities designed to generate revenues sufficient to maintain their operation. In certain years some Auxiliary Enterprises have

produced negative cash flows; however, it is the policy of the Board that each Auxiliary Enterprise is operated essentially as a self-supporting entity. Fees, rates, rentals, charges or other receipts or income constituting a major part of the Auxiliary Revenues are generated by these Auxiliary Enterprises and pledged pursuant to the Bond Resolution, are not subject to appropriation by the Legislature and are held in Board accounts outside the State Treasury. The funds and accounts of these Auxiliary Enterprises are, however, audited by the State Legislative Auditor. The Board has the power to restrict the self-generated revenues of Auxiliary Enterprises which are pledged to the payment of the Series 2019 Bonds issued pursuant to the Bond Resolution.

The Auxiliary Revenues of the University pledged to the payment of Series 2019 Bonds are (i) (a) the gross amount of all funds, monies or revenues held by the University and any earnings thereon derived or to be derived by Auxiliary Enterprises from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received from students or the public at large in connection with any undertaking, utilization, or operation of Auxiliary Enterprises or Auxiliary Facilities, including operation or management thereof by private entities on behalf of the Auxiliary Enterprises, prior to the payment of Current Expenses, (b) Lab School Revenues, and (c) Recreational Sports Fee Revenues, provided, however, that (i) the Lab School Revenues shall be so pledged only until the later of July 1, 2034 and the maturity date of any bonds issued to finance or refinance projects for the Lab School, (ii) the Recreational Sports Fee Revenues shall be so pledged only until the later of July 1, 2043 and the maturity date of any bonds issued to finance or refinance projects for the Student Recreational Sports Complex; and (iii) all Funds and Accounts held pursuant to the General Bond Resolution, as supplemented, pertaining to a particular Series of Bonds except any fund created to hold monies pending rebate to the United States or for payment of the costs of issuance of Bonds.

In the Nineteenth Supplemental Resolution, the Board (a) confirms the pledge of and does thereby pledge the Lab School Revenues and Recreational Sports Fee Revenues, as Auxiliary Revenues, as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2034, and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Lab School, and (b) therein additionally confirms the pledge of, and does thereby pledge, the Recreational Sports Fee Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043, and (ii) the maturity date of any Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

Auxiliary Revenues do not include funds appropriated to the Board by the Legislature of the State from time to time.

The obligation of the Board to pay Debt Service Requirements on the Bonds and on the Outstanding Parity Bonds from Auxiliary Revenues shall be superior to any other claim on such funds. See "**OUTSTANDING PARITY BONDS**," "**HISTORICAL AUXILIARY REVENUES**," "**ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING PARITY BONDS, SERIES 2019 BONDS AND SUBORDINATE LEASE OBLIGATION**," and "**PRO FORMA DEBT SERVICE AND SUBORDINATE LEASE OBLIGATION COVERAGE RATIOS**" herein and "**APPENDIX A – DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY**."

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HISTORICAL AUXILIARY REVENUES

The following table shows the total Auxiliary Revenues and the relative contribution ⁽¹⁾ of each Auxiliary Enterprise or other fee revenue that constitutes Auxiliary Revenues for fiscal years 2013-2014 to 2017-2018:

	<u>FY 2013-14</u>		<u>FY 2014-15</u>		<u>FY 2015-16</u>		<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	Amount	% Total								
Athletics	\$107,024,995	52.7%	\$123,730,364	55.6%	\$130,855,359	56.0%	\$134,459,371	58.0%	\$132,896,967	58.1%
LSU Union	10,651,404	5.2	10,593,681	4.8	10,349,921	4.4	10,094,550	4.4	9,793,490	4.3
Residential Life	40,481,786	19.9	40,815,191	18.4	42,209,672	18.1	40,913,517	17.7	39,401,030	17.2
University Stores	7,059,884	3.5	6,579,808	3.0	6,595,116	2.8	5,040,615	2.2	5,443,512	2.4
Parking and Transportation Services	13,138,518	6.5	12,684,577	5.7	13,056,191	5.6	12,802,673	5.5	12,550,051	5.5
Student Media	1,572,146	0.8	1,394,458	0.6	1,354,346	0.6	1,245,958	0.5	1,163,886	0.5
University Auxiliary Services	5,092,391	2.5	5,659,111	2.5	5,676,701	2.4	5,342,977	2.3	5,689,723	2.5
Lab School Cafeteria	439,633	0.2	411,362	0.2	432,121	0.2	422,411	0.2	453,534	0.2
Student Health Center	10,432,499	5.1	10,434,326	4.7	10,397,723	4.5	9,475,752	4.1	9,699,824	4.2
Golf Course	1,195,953	0.6	1,026,224	0.5	956,425	0.4	891,305	0.4	880,091	0.4
Recreational Sports Fee Revenues ⁽²⁾	3,639,938	1.8	6,121,380	2.8	8,708,382	3.7	8,468,493	3.7	8,121,505	3.6
Lab School Revenues ⁽²⁾	1,069,395	0.5	1,080,672	0.5	1,084,616	0.5	1,106,871	0.5	1,099,472	0.5
LSU Press ⁽³⁾	1,508,544	0.7	1,515,518	0.7	1,776,044	0.8	1,210,539	0.5	1,394,405	0.6
TOTAL	\$203,307,086	100%	\$222,046,672	100%	\$233,452,617	100%	\$231,475,032	100%	\$228,587,490	100%

⁽¹⁾ Percentages rounded to nearest tenth.

⁽²⁾ Not an Auxiliary Enterprise, but (a) Lab School Revenues are deemed to constitute Auxiliary Revenues under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2034; and (ii) the maturity date of any bonds issued to finance or refinance projects for the Lab School; and (b) the Recreational Sports Fee Revenues are deemed to constitute Auxiliary Revenues under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043; and (ii) maturity date of any bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

⁽³⁾ Effective July 1, 2010, the LSU Press was restructured and the internal classification as an Auxiliary Enterprise was removed. Therefore, the LSU Press is no longer presented in the financial statements of the University as an Auxiliary Enterprise. However, for purposes of the Bonds issued pursuant to the General Bond Resolution and any Supplemental Resolutions, including, without limitation, the LSU Press is deemed to be an Auxiliary Enterprise, and the revenues of the LSU Press are deemed to be Auxiliary Revenues and are pledged as security for such Bonds.

Source: University

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Auxiliary Revenues are used by the Board to fund the operations of the Auxiliary Enterprises and, therefore, all such amounts are not set aside for payment of debt service on the Auxiliary Revenue Bonds and the Subordinate Lease Obligation.

The Auxiliary Enterprises operate essentially as self-supporting enterprises with budgets for all operating expenses to be paid from self-generated revenues. Over the years, one or more of the Auxiliary Enterprises have, from time to time, failed to generate annual revenues sufficient to pay all expenses of operation. However, such deficiencies have been covered by fund balances on hand from previous operating surpluses and, on a combined basis, Auxiliary Revenues have historically exceeded expenses of Auxiliary Enterprises as shown below:

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total Auxiliary Revenues ⁽¹⁾	\$203,307,086	\$222,046,672	\$233,452,617	\$231,475,032	\$228,587,490
Total Auxiliary Expenditures ⁽²⁾	<u>181,894,601</u>	<u>196,148,419</u>	<u>211,036,327</u>	<u>209,909,974</u>	<u>214,244,259</u>
Excess Auxiliary Revenues over Auxiliary Expenditures	\$ <u>21,412,485</u>	\$ <u>25,898,253</u>	\$ <u>22,416,290</u>	\$ <u>21,565,058</u>	\$ <u>14,343,231</u>

⁽¹⁾ Includes Laboratory School Revenues until the later of (i) July 1, 2034 and (ii) the maturity date of any Auxiliary Revenue Bonds issued to finance or refinance projects for the Lab School, and (b) Recreational Sports Fee Revenues until the later of (i) July 1, 2043 and (ii) the maturity date of any Outstanding Parity Bonds issued to finance or refinance projects for the Student Recreational Sports Complex.

⁽²⁾ Includes debt service on Outstanding Parity Bonds.

Source: University

For additional information, see "APPENDIX A - DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION RELATED TO THE UNIVERSITY" and "APPENDIX B - FINANCIAL REPORT OF THE LSU SYSTEM FOR THE YEAR ENDED JUNE 30, 2018."

OUTSTANDING PARITY BONDS

As of June 30, 2019, the Board had Outstanding Parity Bonds outstanding in an aggregate principal amount of \$358,675,000 as follows:

<u>Description</u>	<u>Outstanding as of June 30, 2019</u>
Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B ⁽¹⁾	\$ 25,795,000
Auxiliary Revenue Refunding Bonds, Series 2012 ⁽¹⁾	33,195,000
Auxiliary Revenue Bonds, Series 2013	92,990,000
Auxiliary Revenue Refunding Bonds, Series 2014 ⁽¹⁾	73,500,000
Auxiliary Revenue Refunding Bonds, Series 2016A	120,870,000
Taxable Auxiliary Revenue Refunding Bonds, Series 2016B	12,325,000
TOTAL	<u><u>\$358,675,000</u></u>

⁽¹⁾ All or a portion of which will be refunded using proceeds of the Series 2019 Bonds.

For more detail and additional information, including Debt Service Requirements for the Outstanding Bonds, see "ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING PARITY BONDS, SERIES 2019 BONDS AND SUBORDINATE LEASE OBLIGATION" and

"APPENDIX B - FINANCIAL REPORT OF THE LSU SYSTEM FOR THE YEAR ENDED JUNE 30, 2018." See also "SECURITY FOR THE SERIES 2019 BONDS - Future Financing Plans" herein.

**ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING PARITY BONDS,
SERIES 2019 BONDS AND SUBORDINATE LEASE OBLIGATION***

The following table sets forth the Annual Debt Service Requirements for the Outstanding Parity Bonds (excluding the Refunded Bonds), the Series 2019 Bonds and the Subordinate Lease Obligation for the Fiscal Years ending June 30, 2020 to June 30, 20__, inclusive. Numbers may not add precisely due to rounding.

Fiscal Year Ending (June 30)	Outstanding Parity Bonds	Series 2019A Bonds*		Series 2019B Bonds*		Total Series 2019 Bonds	Total Parity Bonds*	Subordinate Lease Obligation	Total Debt Service*
		Principal	Interest	Principal	Interest				
2020									
2021									
2022									
2023									
2024									
2025									
2026									
2027									
2028									
2029									
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2050									
2051									
2052									
2053									
2054									
2055									
2056									
2057									
2058									
2059									
Total									

Source: University, except with respect to the Annual Debt Service Requirements on the Series 2019 Bonds, which is provided by the Underwriter.

* Preliminary, subject to change.

**PRO FORMA AND ACTUAL DEBT SERVICE
AND SUBORDINATE LEASE OBLIGATION COVERAGE RATIOS***

The following table shows the availability of Net Auxiliary Revenues to satisfy (i) Debt Service Requirements on the Outstanding Parity Bonds (excluding the Refunded Bonds) and the Series 2019 Bonds (collectively, the "*Parity Lien Obligations*"), and (ii) Base Rental under the Nicholson Gateway Facilities Lease, the Greenhouse District (Phase II) Facilities Lease and the Greenhouse District (Phase III) Facilities Lease (collectively, the "*Subordinate Lease Obligations*") on a pro forma basis compared to the actual coverage for the 2017-18 fiscal year. Historically, this information has been presented on a pro forma basis. However, presenting this information using 2017-18 Net Auxiliary Revenues that do not include income from additional facilities that are scheduled to come on line in the coming years to calculate coverage on debt that was issued to fund those additional facilities creates artificially low coverage ratios. The University anticipates that the Net Auxiliary Revenues available to make debt service and Base Rental payments will be sufficient to provide sufficient coverage for the life of the Outstanding Parity Bonds and the Subordinate Lease Obligations.

	2017-18																														
Gross Auxiliary Revenues ⁽¹⁾	\$228,587,490																														
Total Auxiliary Expenditures ⁽²⁾	<u>187,628,404</u>																														
Net Auxiliary Revenues	\$40,959,086																														
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-bottom: 1px solid black;">Pro Forma</th> <th style="text-align: center; border-bottom: 1px solid black;">2017-18</th> </tr> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">Maximum Annual</th> <th style="text-align: center; border-bottom: 1px solid black;">Actual Annual</th> </tr> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">Payments</th> <th style="text-align: center; border-bottom: 1px solid black;">Payments</th> </tr> </thead> <tbody> <tr> <td>Debt Service Requirements on Parity Lien Obligations ⁽³⁾</td> <td></td> <td></td> </tr> <tr> <td>Gross Coverage on Parity Lien Obligations ⁽⁴⁾</td> <td style="text-align: center;">x</td> <td style="text-align: center;">x</td> </tr> <tr> <td>Net Coverage on Parity Lien Obligations ⁽⁵⁾</td> <td style="text-align: center;">x</td> <td style="text-align: center;">x</td> </tr> <tr> <td> </td> <td></td> <td></td> </tr> <tr> <td>Debt Service Requirements on Parity & Subordinate Lien Obligations ⁽³⁾</td> <td></td> <td></td> </tr> <tr> <td>Gross Coverage on Parity & Subordinate Lien Obligations ⁽⁶⁾</td> <td style="text-align: center;">x</td> <td style="text-align: center;">x</td> </tr> <tr> <td>Net Coverage on Parity & Subordinate Lien Obligations ⁽⁷⁾</td> <td style="text-align: center;">x</td> <td style="text-align: center;">x</td> </tr> </tbody> </table>		Pro Forma	2017-18		Maximum Annual	Actual Annual		Payments	Payments	Debt Service Requirements on Parity Lien Obligations ⁽³⁾			Gross Coverage on Parity Lien Obligations ⁽⁴⁾	x	x	Net Coverage on Parity Lien Obligations ⁽⁵⁾	x	x	 			Debt Service Requirements on Parity & Subordinate Lien Obligations ⁽³⁾			Gross Coverage on Parity & Subordinate Lien Obligations ⁽⁶⁾	x	x	Net Coverage on Parity & Subordinate Lien Obligations ⁽⁷⁾	x	x
	Pro Forma	2017-18																													
	Maximum Annual	Actual Annual																													
	Payments	Payments																													
Debt Service Requirements on Parity Lien Obligations ⁽³⁾																															
Gross Coverage on Parity Lien Obligations ⁽⁴⁾	x	x																													
Net Coverage on Parity Lien Obligations ⁽⁵⁾	x	x																													
Debt Service Requirements on Parity & Subordinate Lien Obligations ⁽³⁾																															
Gross Coverage on Parity & Subordinate Lien Obligations ⁽⁶⁾	x	x																													
Net Coverage on Parity & Subordinate Lien Obligations ⁽⁷⁾	x	x																													

⁽¹⁾ Includes Laboratory School revenues and Recreational Sports Fee revenues. In the Eighteenth Supplemental Resolution, the Board (a) confirms the pledge of and does thereby pledge the Lab School Revenues, as Auxiliary Revenues, as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2034 and (ii) the maturity date of any Bonds issued to refinance projects for the Lab School, and (b) therein additionally confirm the pledge of, and does thereby pledge, the Recreational Sports Fee Revenues as Auxiliary Revenues as security for the payment of all Bonds Outstanding under the General Bond Resolution and any Supplemental Resolutions until the later of (i) July 1, 2043 and (ii) maturity date of any Bonds issued to refinance projects for the Student Recreational Sports Complex.

⁽²⁾ Excludes debt service on Parity Lien Obligations.

⁽³⁾ Excludes Debt Service Requirements on the Refunded Bonds.

⁽⁴⁾ Gross Coverage is calculated by dividing Gross Auxiliary Revenues by Annual Debt Service.

⁽⁵⁾ Net Coverage is calculated by dividing Net Auxiliary Revenues by Annual Debt Service.

⁽⁶⁾ Gross Coverage is calculated by dividing Gross Auxiliary Revenues by Annual Debt Service and Base Rental Requirements.

⁽⁷⁾ Net Coverage is calculated by dividing Net Auxiliary Revenues by Annual Debt Service and Base Rental Requirements.

Source: University, except with respect to the Debt Service Requirements on the Series 2019 Bonds, which is provided by the Underwriter.

* Preliminary, subject to change.

THE SERIES 2019 BONDS

General

The Series 2019 Bonds will be issued pursuant to the Bond Resolution and the provisions of the Refunding Act, subject to the terms and conditions provided in the Bond Resolution. The principal of, premium, if any, and interest on all Series 2019 Bonds issued under the provisions of the Bond Resolution shall be payable solely from Auxiliary Revenues and shall be entitled to the security and benefit of the Bond Resolution.

The Series 2019 Bonds are issuable as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof, initially in book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("*DTC*"). Purchasers of the Series 2019 Bonds will not receive physical delivery of bond certificates. Ownership interests may be acquired in book-entry form only. See "**BOOK-ENTRY ONLY SYSTEM**" in **APPENDIX H** hereto.

For a discussion of how ownership of the Series 2019 Bonds is to be transferred and how principal and interest are to be paid to and credited by DTC while the Series 2019 Bonds are registered in its name, see "**BOOK-ENTRY ONLY SYSTEM**" in **APPENDIX H** hereto. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of the Series 2019 Bonds and, except as otherwise provided herein with respect to Beneficial Owners of Beneficial Ownership Interests, Beneficial Owners will not be or be considered to be, and will not have any rights as, owner or holders of the Series 2019 Bonds under the Bond Resolution.

The Series 2019 Bonds will be dated the date of delivery, will mature on July 1 of each year thereafter in the principal amounts indicated on the inside front cover page of this Official Statement and will bear interest (computed on the basis of a 360-day year of twelve 30-day months) from the date of delivery thereof, payable on January 1 and July 1 of each year, (each an "*Interest Payment Date*") commencing January 1, 2017, at the rates per annum indicated on the inside front cover page hereof.

Interest on the Series 2019 Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (a) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the date of issuance of the Series 2019 Bonds, or (b) such date of authentication shall be an Interest Payment Date to which interest on the Series 2019 Bonds has been paid in full or duly provided for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Series 2019 Bonds shall be in default, Series 2019 Bonds issued in exchange for Series 2019 Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Series 2019 Bonds or, if no interest has been paid or duly provided for on the Series 2019 Bonds, from the date of delivery thereof.

Provisions Applicable if Book-Entry Only System is Terminated

Payment of Principal and Interest. Purchasers of the Series 2019 Bonds will receive principal and interest payments pursuant to the following provisions only if the book-entry only system is terminated. Otherwise, payments and transfers will be made only as described under "**BOOK-ENTRY ONLY SYSTEM**" in **APPENDIX H** hereto.

Principal of any Series 2019 Bonds which have become due and payable, together with any applicable redemption premium, will be payable only upon presentation and surrender of such Series 2019 Bonds at the principal corporate trust office of the Paying Agent.

Interest on the Series 2019 Bonds (except defaulted interest) will be paid to the Persons who are the Owners of the Series 2019 Bonds at the close of business on the Record Date next preceding the Interest Payment Date. Defaulted interest shall be paid as provided in the General Bond Resolution. Interest shall be paid by check of the Paying Agent mailed on the Interest Payment Date to the Owners at their addresses as they appear on the Bond Register or at such other address as is furnished in writing by an Owner to the Paying Agent prior to the Record Date.

Any Owner of Series 2019 Bonds in an aggregate principal amount of at least \$1,000,000 may, however, elect to have interest payments made to such Owner by wire transfer of Federal Funds. In order to make such election, the Owner must notify the Trustee in writing and provide wire transfer instructions prior to the Record Date for the Interest Payment Date on which such wire transfer payments are to commence. Once an election is made, all subsequent interest payments to such Owner shall be by wire transfer, according to the last wire transfer instructions received prior to the Record Date. The Owner may revoke or change such instructions by delivering a written notice to the Trustee. Such instructions may also provide for the payment of principal and premium by wire transfer of Federal Funds (following presentation and surrender of the Series 2019 Bonds being paid).

Principal of, premium, if any, and interest on the Series 2019 Bonds shall be payable in such coin or currency of the United States of America which is legal tender for payment of public and private debts.

Each payment of principal of, premium, if any, and interest on Series 2019 Bonds shall be accompanied by notice of the CUSIP number of such Series 2019 Bonds.

Exchange and Transfer. As long as Series 2019 Bonds will be in book-entry form, the transfer and exchange of the Series 2019 Bonds will be made in accordance with the procedures of DTC as more fully described under "**BOOK-ENTRY ONLY SYSTEM**" in **APPENDIX H** hereto. Otherwise the transfer and exchange of Series 2019 Bonds will be made as described in the following paragraph.

The Series 2019 Bonds may be transferred and assigned only upon the registration books maintained by the Paying Agent. Upon surrender for registration of transfer of any Series 2019 Bond, the Paying Agent will register and deliver in the name of the transferee or transferees one or more new fully registered Series 2019 Bonds of Authorized Denominations of the same maturity and like aggregate principal amount. At the option of an Owner, Series 2019 Bonds may be exchanged for other Series 2019 Bonds of Authorized Denominations of the same maturity and like aggregate principal upon surrender at such office. Whenever any Series 2019 Bonds are so surrendered for exchange, the Paying Agent will register and deliver in exchange thereof the Bond or Bonds which the Owner making the exchange will be entitled to receive after receipt of the Series 2019 Bonds to be transferred in proper form. All Series 2019 Bonds presented for registration of transfer or exchange will (if so required by the Board or the Paying Agent) be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or by such Owner's duly authorized attorney. No charge will be made to the Owner for any exchange or transfer of Series 2019 Bonds, but the Paying Agent may require payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. The Board and the Paying Agent will not be required to issue, register the transfer of or exchange (a) any Series 2019 Bonds during a period beginning at the opening of business on the Regular Record Date and ending at the close of business on the Interest Payment Date or (b) any Series 2019 Bond called for redemption prior to maturity during a period beginning on the opening of business fifteen (15) days before the date of the mailing of notice of redemption of such Series 2019 Bonds and ending on the date of such redemption. All Series 2019 Bonds delivered upon any registration of transfer or exchange of Series 2019 Bonds will be valid obligations of the Board, evidencing the same debt and entitled to the same benefits under the Bond Resolution as the Series 2019 Bonds surrendered upon authentication thereof by the Paying Agent. Prior to due presentment for registration of transfer of any Series 2019 Bond, the Board, the Paying Agent, and any

agent of the Board or the Paying Agent may treat the person in whose name any Series 2019 Bond is registered as the absolute owner thereof for all purposes (subject to provisions concerning Special Record Dates) whether or not such Series 2019 Bonds will be overdue, and will not be bound by any notice to the contrary.

Redemption Provisions*

Optional Redemption. Beginning on or after July 1, 20__, the Board may redeem Series 2019 Bonds maturing on or after July 1, 20__ in whole on any date or in part as selected by the Trustee by lot at the direction of the Board (in denominations of \$5,000 or any integral multiple thereof) from time to time on any Interest Payment Date, at a price equal to the par amount thereof, plus accrued interest to the redemption date.

Extraordinary Optional Redemption without Premium. The Board may at any time redeem all or any part (in Authorized Denominations) of the Series 2019 Bonds at a redemption price equal to their principal amount plus accrued interest to the redemption date if a particular Auxiliary Facility refinanced by the Series 2019 Bonds is damaged, destroyed or taken by eminent domain or sold under the threat of condemnation and the Board elects pursuant to the damage, destruction and condemnation provisions of the Bond Resolution to use the Net Proceeds of casualty insurance or condemnation or sale under threat of condemnation to redeem Series 2019 Bonds rather than repair, replace, rebuild or restore the Auxiliary Facility. Any such redemption must take place within 120 days following the receipt of casualty insurance or condemnation proceeds relating to such damage, destruction or taking.

The Board will use its reasonable best efforts to repair, replace, rebuild or restore such Auxiliary Facility; however, should it elect to use Net Proceeds to redeem the Series 2019 Bonds, the Board will give the Trustee at least 35 days' notice of any extraordinary optional redemption described in the above paragraph. The notice will specify the redemption date and the principal amounts and maturities of Series 2019 Bonds to be redeemed.

Mandatory Sinking Fund Redemption. The Series 2019 Bonds maturing July 1, 20_____ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

Year	Principal
<u>(July 1)</u>	<u>Amount</u>

(1)

(1)Final maturity

The Series 2019 Bonds maturing July 1, 20_____ shall be subject to mandatory redemption in the following principal amounts ("*Sinking Fund Amounts*") on the following dates by lot in such manner as shall be determined by the Trustee at a redemption price equal to their principal amount plus accrued interest to the redemption date.

* Preliminary, subject to change.

Year (July 1)	Principal Amount
--------------------------	-----------------------------

(1)

(1)Final maturity

However, if Series 2019 Bonds have been redeemed pursuant to the Bond Resolution or if the Board has delivered Series 2019 Bonds to the Trustee for cancellation, the Board may direct that any Sinking Fund Amount be reduced by an amount equal to all or a portion of the principal amount of any Series 2019 Bonds so redeemed or delivered for cancellation (and not previously used to reduce any Sinking Fund Amount). The Board shall deliver any such direction at least 75 days before the redemption date.

If amounts are being held in the 2016 Principal Account of the Bond Fund to be used to redeem Series 2019 Bonds pursuant to the Bond Resolution in lieu of such redemption, the Board may, no later than 75 days before the redemption date, direct the Trustee in writing to use part or all of such moneys to purchase such Series 2019 Bonds, in a principal amount not to exceed the next Sinking Fund Amount, which Series 2019 Bonds are presented to it by Owners for purchase and which the Board directs the Trustee to purchase. The purchase price of such Series 2019 Bonds shall not exceed the redemption price of the Series 2019 Bonds which would be redeemed but for the operation of this paragraph (accrued interest to be paid from the same Fund or Account from which accrued interest would be paid upon the redemption of such Series 2019 Bonds). Any such purchase shall be completed prior to the time notice would otherwise be required to be given to redeem Series 2019 Bonds. All Series 2019 Bonds so purchased shall be cancelled and applied as a credit (in an amount equal to the principal amount of such Series 2019 Bonds) against the next Sinking Fund Amount.

Notice of Redemption of Series 2019 Bonds. At least 30 days, but not more than 60 days, before a redemption date other than mandatory sinking fund redemption, the Trustee shall mail a notice of redemption to the Owner of each Series 2019 Bond which is to be redeemed. The notice shall be sent by first class, registered or certified mail if the Owner holds \$1,000,000 or more in principal amount of Series 2019 Bonds. The failure of the Trustee to mail notice of redemption to any Owner or any defect in any notice of redemption shall not affect the validity of the redemption of any other Series 2019 Bond.

Each notice of redemption shall state the following with respect to the Series 2019 Bonds being redeemed: (1) the complete name of the Series 2019 Bonds (including Series designation); (2) the redemption date; (3) the redemption price; (4) the date of the notice; (5) the issue date; (6) the interest rate; (7) the maturity date; (8) the CUSIP number; (9) that the Series 2019 Bonds called for redemption must be surrendered to the Trustee to collect the redemption price; (10) the Trustee's name and address; (11) that interest on Series 2019 Bonds called for redemption ceases to accrue on and after the redemption date; and (12) any other items which may be necessary or desirable to comply with regulation or custom.

If less than all the Series 2019 Bonds are to be redeemed, the notice of redemption shall specify the numbers and amounts of the Series 2019 Bonds or portion thereof to be redeemed. The notice of redemption relative to the Series 2019 Bonds shall state that it is conditioned on there being sufficient money on deposit to pay the full redemption price of the Series 2019 Bonds.

Two Business Days prior to mailing notice to other Series 2019 Bondholders, a copy of each notice of redemption shall be sent by the Trustee by certified or registered mail to DTC or its nominee which holds any Series 2019 Bonds, provided that the Trustee may, in its discretion, provide for overnight, telecopied or other form of notice to DTC acceptable to or requested thereby. The Trustee shall file, on the same date notices are mailed to other Bondholders, a copy of each notice of redemption with EMMA.

If a Series 2019 Bond is not presented for payment on or within 30 days after its redemption date, the Trustee shall, as soon as reasonably possible, mail a second notice of redemption to the last Owner of record of such Series 2019 Bond, including the same information as in the first notice. The giving of such notice, or the failure to give such notice or any defect in such notice, shall not affect the validity of the redemption of any Series 2019 Bonds.

Payment of Redeemed Bonds. Notice having been given in the manner provided in the Nineteenth Supplemental Resolution and money for the payment of the redemption price of the Series 2019 Bonds or portions thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Series 2019 Bonds or portions thereof so called for redemption shall become payable at the redemption price as specified in such notice; and from and after the redemption date so designated, interest thereon or portions thereof so called for redemption shall cease to accrue, such Series 2019 Bonds or portions thereof shall cease to be entitled to any benefit, protection or security under the Nineteenth Supplemental Resolution and the Owners of such Series 2019 Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price.

SECURITY FOR THE SERIES 2019 BONDS

General

Pursuant to the Bond Resolution, the payment of the principal of, redemption premium, if any, and the interest on the Series 2019 Bonds is payable from a pledge to the Trustee of the Auxiliary Revenues on a parity with the Outstanding Parity Bonds and any Additional Bonds. See "THE AUXILIARY ENTERPRISES" herein.

THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2019 BONDS IS A SPECIAL AND LIMITED OBLIGATION OF THE BOARD PAYABLE SOLELY FROM THE AUXILIARY REVENUES.

THE AUXILIARY REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS.

For purposes of the Nineteenth Supplemental Resolution and this Official Statement, references therein and herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues with the caveat that the pledge of such revenues is limited as set forth in the Nineteenth Supplemental Resolution and as described herein under "**THE AUXILIARY ENTERPRISES.**"

PURSUANT TO THE GENERAL BOND RESOLUTION, THE DEFINITIONS OF AUXILIARY REVENUES AND AUXILIARY FACILITIES MAY BE MODIFIED BY A SUPPLEMENTAL RESOLUTION ADOPTED WITHOUT CONSENT OF THE OWNERS OF THE SERIES 2019 BONDS, PROVIDED NO SUCH MODIFICATION SHALL RESULT IN A MATERIAL ADVERSE CHANGE IN COLLECTIONS OF AUXILIARY REVENUES.

AUXILIARY REVENUES DO NOT INCLUDE FUNDS APPROPRIATED TO THE UNIVERSITY BY THE LEGISLATURE OF THE STATE FROM TIME TO TIME. SEE "THE AUXILIARY ENTERPRISES" HEREIN.

Pledge

All of the Board's right, title and interest to the Auxiliary Revenues are pledged by the Board for the payment of Debt Service Requirements on the Series 2019 Bonds and on the Outstanding Parity Bonds (except as otherwise provided in the General Bond Resolution). The obligation of the Board to pay Debt Service Requirements from Auxiliary Revenues as provided in the Bond Resolution shall be on a parity with the Board's Outstanding Parity Bonds and any Additional Bonds. See "**OUTSTANDING PARITY BONDS**" herein.

Monies in funds or accounts held by the Board which are derived from Auxiliary Revenues will remain subject to the pledge described in the previous sentence. However, such portions of the Auxiliary Revenues in excess of that needed for the payment of Outstanding Parity Bonds and the Series 2019 Bonds, and for transfer to the Bond Fund or Reserve Funds for Outstanding Parity Bonds and the Series 2019 Bonds will be available to the Board to pay Current Expenses, any Subordinated Debt and for any other lawful purpose of the Board, provided that the pledge of Auxiliary Revenues will be deemed to be a cumulative pledge in the event collections for any six month period are insufficient to make a required deposit.

The principal, premium, if any, and interest on the Series 2019 Bonds are payable solely from the Auxiliary Revenues and are not general obligations of the University, the Board, the State or any political subdivision thereof, and neither the faith and credit of the State nor the Board is pledged to the payment of the principal of, premium, if any, or interest on the Series 2019 Bonds.

No Superior Pledge

The Board will grant no security interest or lien of any type in the Auxiliary Revenues which is superior to the security interest created by the Bond Resolution for the Series 2019 Bonds and the Outstanding Parity Bonds and will issue no debt or obligation which is to be paid from Auxiliary Revenues prior to payment of principal of and interest on the Series 2019 Bonds and the Outstanding Parity Bonds and the other payments required under the Bond Resolution. Except for the Outstanding Parity Bonds and Additional Bonds authorized pursuant to the Bond Resolution, the Board will grant no security interest or lien or encumbrance of any type on the Auxiliary Revenues which is on a parity with the pledge made by the Board pursuant to the Bond Resolution. See "**SUBORDINATE LEASE OBLIGATION**" herein.

Special and Limited Obligations

THE SERIES 2019 BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE BOARD PAYABLE SOLELY FROM AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES; PROVIDED THAT (i) THE PLEDGE OF THE LAB SCHOOL REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL AND (ii) THE PLEDGE OF RECREATIONAL SPORTS FEE REVENUES WILL LAPSE ON THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX. THE SERIES 2019 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OR PLEDGE OF THE GENERAL CREDIT OF THE UNIVERSITY, LSU, THE BOARD, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY

CONSTITUTIONAL OR STATUTORY LIMITATION OF INDEBTEDNESS AND SHALL CONTAIN A RECITAL TO THAT EFFECT. NEITHER THE STATE NOR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, OTHER THAN THE BOARD, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THE SERIES 2019 BONDS OR THE INTEREST THEREON, AND THE SERIES 2019 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY AGENCY OR POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE BOARD.

THE AUXILIARY REVENUES, THE LAB SCHOOL REVENUES AND THE RECREATIONAL SPORTS FEE REVENUES ARE PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS ON A PARITY WITH THE BOARD'S OUTSTANDING PARITY BONDS AND ANY ADDITIONAL BONDS; PROVIDED THAT (I) THE LAB SCHOOL REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2034, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE LAB SCHOOL, AND (II) THE RECREATIONAL SPORTS FEE REVENUES SHALL BE SO PLEDGED ONLY UNTIL THE LATER OF (A) JULY 1, 2043, AND (B) THE MATURITY DATE OF ANY BONDS ISSUED TO FINANCE OR REFINANCE PROJECTS FOR THE STUDENT RECREATIONAL SPORTS COMPLEX.

For purposes of the Nineteenth Supplemental Resolution and this Official Statement, references therein and herein to the term "Auxiliary Revenues" shall be deemed to include Lab School Revenues and Recreational Sports Fee Revenues with the caveat that the pledge of such revenues is limited as set forth in the foregoing paragraph.

THE FUTURE AVAILABILITY OF AUXILIARY REVENUES IS DEPENDENT UPON THE CONTINUED OPERATION OF THE UNIVERSITY, WHICH IS PRIMARILY FUNDED BY STUDENT TUITION AND FEES AND STATE APPROPRIATIONS, NONE OF WHICH ARE PLEDGED TO, NOR AVAILABLE FOR, THE PAYMENT OF THE SERIES 2019 BONDS.

Rate Maintenance Covenant; Rules and Adequacy of Charges for Use of the Auxiliary Facilities

The Board covenants in the General Bond Resolution that it will establish and maintain, so long as any of the Series 2019 Bonds remain Outstanding, such fees, rates and charges for the use and enjoyment of the Auxiliary Facilities and the services provided thereby as will be necessary to assure adequate occupancy and use of the same and the services afforded thereby and as will provide and generate Auxiliary Revenues (not including Funds and Accounts held pursuant to the Bond Resolution) projected to equal no less than the amount required for payment of the Debt Service Requirements on the Bonds, Current Expenses of the Auxiliary Facilities, the Reserve Requirement on the Bonds and to make all other payments and charges as are required under the Bond Resolution. See "Approval for Fees and Civil Fines" below.

Approval for Fees and Civil Fines

Article VII, §2.1 of the Louisiana Constitution requires that any new fee or civil fine or increase in an existing fee or civil fine imposed or assessed by the State or any board, department, or agency of the State shall require the enactment of a law by a two-thirds vote of the elected members of each house of the legislature. It is unclear whether this constitutional provision should be applied to any fees, rates and charges for the use and enjoyment of the Auxiliary Facilities and the services provided thereby or any increases thereof which form part of the Auxiliary Revenues. On October 9, 1996 the Louisiana Attorney General issued Opinion Number 96-353, which opined that, for purposes of Article VII, § 2.1 of the Louisiana Constitution, the word "fee" does not include charges for auxiliary and self-generated operations of the University, such as for food services, book store merchandise, medical or veterinary

services, student housing and admittance to extracurricular events. The 1996 opinion was based on the following rationale:

Article 7, Section 2.1 applies to all new fees or fines and all increases to existing fees and fines charged by any state board, department or agency of this state. Adopting a definition of the word fee which would restrict it to a charge for the services of a public official or a privilege under the control of government is a reasonable interpretation which gives effect to the Legislature's intent while preventing an absurd result. Under such an interpretation, charges which are assessed by a governmental entity for the purpose of defraying the costs of providing a governmental service or the costs of regulating a particular area would be considered fees. Those fees or charges for non-governmental functions or products and/or services not in the control of the governmental entity at issue would be exempt from legislative review.

The Louisiana State University System is created and exists for the sole purpose of providing public higher education to the citizens of this State. This is its governmental function. Those charges which are assessed for the provision of higher education to LSU students would be considered fees for purposes of Article 7, Section 2.1. Any charges which are for services or products which are not directly a part of the delivery of an education are not considered fees. Louisiana Attorney General Opinion No. 96-353.

Therefore, according to this opinion, charges assessed by the University for the provision of higher education would be considered fees, but charges which are for services or products which are not directly a part of the delivery of an education are not considered fees. Opinions of the Louisiana Attorney General are advisory only, and are not binding on any court of law.

Subsequent opinions of the Louisiana Attorney General have generally adopted part or all of the above rationale in determining whether or not a charge imposed with respect to a university activity is a "fee" for purposes of Article 7, Section 2.1 of the Louisiana Constitution. (See Louisiana Attorney General Opinion No. 99-15: Charges for credit and noncredit correspondence and distance learning courses were considered "fees" for purposes of Article 7, Section 2.1; Louisiana Attorney General Opinion No. 98-373: A charge for a processing fee for a deferred payment plan for community college tuition was not a "fee" for purposes of Article 7, Section 2.1; Louisiana Attorney General Opinion No. 99-92: A student self-assessed fee, the proceeds of which were to be used to finance renovations and operations of a student wellness, recreation and activity center, was not a "fee" for purposes of Article 7, Section 2.1; Louisiana Attorney General Opinion No. 01-165: The imposition of a utility surcharge was not a "fee" for purposes of Article 7, Section 2.1.)

In litigation brought by an LSU student against the Board (civil action filed on October 16, 2003 captioned "Donald C. Hodge, Jr. vs. Board of Supervisors of Louisiana State University and Agricultural and Mechanical College," Number 512,930, Sect. "D," consolidated into Louisiana Public Facilities Authority v. All Taxpayers, Property Owners, Citizens of the State of Louisiana and Non-Residents Owning Property or Subject to Taxation Therein, et al., 868 So.2d 124 (La. App. 1 Cir. 2003), writ denied 869 So.2d 801 (La. 2004)), which sought to enjoin the Board from implementing a football ticket pricing policy as violative of Article VII, § 2.1 of the Constitution of Louisiana, the 19th Judicial District Court (the "Trial Court") ruled that the Board's adoption of a new general pricing policy for home football games did not constitute implementation or assessment of a fee under said Article VII, Section 2.1 which would otherwise require approval by a vote of two-thirds of each house of the Legislature. The Trial Court decision was appealed by Hodge to the Louisiana First Circuit Court of Appeal (the "Appeal Court"). In affirming the Trial Court's decision, the Appeal Court, as did the Trial Court, agreed with the reasoning of the Louisiana Attorney General that the Legislature has evidenced no intent to have

oversight over "fees" with respect to LSU, other than those fees directly connected with LSU's principal governmental function of providing higher education to the citizens of the State. The Louisiana Supreme Court denied writs on March 11, 2004. While the Hodge action does not directly address Auxiliary Revenues, the above described reasoning of the Attorney General was followed by the courts in this first judicial interpretation of Article VII, Section 2.1 of the Constitution.

There can be no assurance absent favorable judicial interpretation specifically as to Auxiliary Revenues that this Constitutional provision does not apply to charges which generate Auxiliary Revenues. In the event this provision does apply, neither the Board nor the University could increase an Auxiliary Revenue charge or impose a new Auxiliary Revenue charge without a two-thirds favorable vote of the Louisiana Legislature or otherwise complying with the LaGRAD Act, described below. See "Rate Maintenance Covenant; Rules and Adequacy of Charges for Use of the Auxiliary Facilities" above and "BONDHOLDERS' RISKS - Article VII, § 2.1 of the Constitution" herein.

To the extent required by Article VII, § 2.1 of the Constitution of the State of Louisiana of 1974, with respect to fees and civil fines, if any, imposed or increased by the Auxiliary Enterprises, the Board covenants in the Nineteenth Supplemental Resolution to seek any necessary authorization, legislative or otherwise of the imposition of such fees or civil fines or increases thereto in order to comply with the Bond Resolution regarding payments from Auxiliary Revenues.

Act 915 of the 2008 Regular Session of the Louisiana Legislature authorized Louisiana public postsecondary institutions through their governing boards to assess a certain percentage tuition increase based on the disparity of the institution's tuition rate compared to their peers in the South as reported by the Southern Regional Education Board (SREB). For the first time, the Legislature authorized a rate increase to be applied over multiple years for undergraduates and certificate students. LSU was permitted to raise tuition five percent per year for four years.

Act 741 of the 2010 Regular Session of the Louisiana Legislature, titled the Louisiana Granting Resources and Autonomy for Diplomas (LaGRAD) Act, built on the precedent set by Act 915 of 2008, by authorizing tuition increases of up to 10 percent annually for six years beginning in fiscal year 2010-2011 based on continual performance improvement of schools and universities. The tuition-for-performance authority created a longer term budget planning capability that had not existed under periodic, one-time approvals of rate increases. The LaGRAD Act was amended by Act 418 of the 2011 Regular Session of the Louisiana Legislature by adding an extensive array of administrative autonomies similar to those of other universities in other states, such as procurement, investment flexibility, risk management, and facility project management.

Deposit and Disposition of Auxiliary Revenues

Amounts equal to the aggregate of (i) the amount of interest payable on the Series 2019 Bonds on the next Interest Payment Date and (ii) the amount of principal due on the Series 2019 Bonds on the next Principal Payment Date shall be transferred by the Board from Auxiliary Revenues by check or draft on or prior to the fifth day, or wire transfer on or prior to the third day, immediately preceding each January 1 and July 1, as the case may be, commencing January 1, 2020, with respect to the first Interest Payment Date and the first Principal Payment Date, to the Series 2019A Interest Account and the Series 2019B Interest Account, and the Series 2019A Principal Account and the Series 2019B Principal Account, as the case may be, held by the Trustee until necessary for the Trustee to transfer funds to the Paying Agent for payment of the interest or any principal of the Series 2019 Bonds.

Additional Bonds

The Board may issue no bonds, notes or other obligations secured by Auxiliary Revenues except as Additional Bonds or as Subordinated Debt, as described below; provided, however, that the Board may

incur obligations relating to Hedging Transactions payable from and, to the extent permitted by law, secured by Auxiliary Revenues in connection with Outstanding Bonds and in connection with the issuance of Additional Bonds. The Board may issue Additional Bonds secured by Auxiliary Revenues which will be on a parity with the Outstanding Parity Bonds and the Series 2019 Bonds only as and to the extent authorized and described in a Supplemental Resolution, provided that, at the time of issuance thereof, no Event of Default or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing, unless such event will be cured upon issuance of such bonds and either the application of the proceeds thereof or the placing in service of any facilities financed thereby or both. The Bond Resolution permits the issuance of Additional Bonds as follows:

(A) Additional Bonds may be issued without the need for prior approval of Bondholders or any Credit Facility provider, provided that the Debt Service Coverage Ratio for each of the last two completed Fiscal Years for which the financial statements of the Board have been reported upon by an Accountant, taking into account the Outstanding Parity Bonds, other Bonds previously issued and the Additional Bonds then proposed to be issued, is not less than 1.75 and an Authorized Board Representative's certificate so certifying and setting forth in sufficient detail the computation thereof is filed with the Trustee and any Credit Facility provider along with the financial statements and report of the Accountants thereon if they are not already on file with the Trustee and the Credit Facility providers.

(B) Should the Debt Service Coverage Ratio be less than that required as described in paragraph (A) above, and Additional Bonds are proposed to be issued to fund improvements, renovations or new construction, such Additional Bonds may be issued if (i) a Projection demonstrates compliance with the Debt Service Coverage Ratio required by paragraph (A) above, upon completion of the improvements, renovations or new construction and (ii) the Board shall have received the prior written approval of all Credit Facility providers, if any. Such Projection will be filed with any Credit Facility provider and the Trustee by an Authorized Board Representative.

Subordinated Debt

The General Bond Resolution provides that the Board may, at any time, or from time to time, issue or incur Subordinated Debt, pursuant to the Act, for any of its lawful purposes, payable out of, and which may be secured by a pledge of, such amounts in the Subordinated Debt Fund as may from time to time be available for the purpose of payment thereof; provided, however, that such pledge will be, and will be expressed to be, subordinate and junior in all respects to the pledge created by the Bond Resolution as security for the Outstanding Parity Bonds, the Series 2019 Bonds and any Additional Bonds. See "**Subordinate Lease Obligation**" herein.

Funds and Accounts Created Under the Bond Resolution

The General Bond Resolution creates the following special trust funds to be held by the Trustee:

- (i) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Bonds Project Fund (the "*Project Fund*"), which shall consist of a Project Account for each Series of Bonds, as applicable, into which shall be deposited the proceeds of the related Series of Bonds or other funds necessary to pay related Project Costs, as defined in a Supplemental Resolution;
- (ii) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Bonds Bond Fund (the "*Bond Fund*"), which shall consist of a Principal Account and an Interest Account for each Series of Bonds;

- (iii) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Bonds Reserve Fund (the "*Reserve Fund*"), which shall consist of a Reserve Account, if required, for each Series of Bonds; and
- (iv) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue Bonds Subordinated Debt Fund (the "*Subordinated Debt Fund*").

The Nineteenth Supplemental Resolution creates the following special trust funds to be held by the Trustee:

- (i) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue and Refunding Bonds, Series 2019 Bond Proceeds Fund (the "*Series 2019 Bond Proceeds Fund*");
- (ii) Louisiana State University and Agricultural and Mechanical College Auxiliary Revenue and Refunding Bonds, Series 2019A Rebate Fund (the "*Series 2019A Rebate Fund*");
- (iii) Series 2019 Costs of Issuance Account and therein the Series 2019A Costs of Issuance Sub-account and the Series 2019B Costs of Issuance Sub-account, to be held within the Series 2019 Bond Proceeds Fund; and
- (iv) Series 2019A Principal Account and Series 2019A Interest Account; and
- (v) Series 2019B Principal Account and Series 2019B Interest Account.

Moneys in all such funds and accounts may only be invested in Permitted Investments. See "**APPENDIX D - DEFINITIONS OF CERTAIN TERMS - Permitted Investments.**"

Series 2019 Bond Proceeds Fund. The Series 2019 Bond Proceeds Fund shall be maintained with the Trustee and used to receive the proceeds of the Series 2019 Bonds; all to be transferred to the various Funds and Accounts or paid in the amounts specified in the Bond Resolution and as shall be specified in the request and authorization delivered pursuant to the Bond Resolution.

Series 2019A Rebate Fund. The Board will pay, from Auxiliary Revenues, all payments required by the Tax Compliance Certificate at the times required therein, if any, to the United States as a rebate payment if required under the Code. The Series 2019A Rebate Fund will be held for the sole benefit of the United States of America and is not subject to the lien of the Bond Resolution. Deposits will be made into and withdrawals will be made from the Series 2019A Rebate Fund as provided in the Tax Compliance Certificate.

Series 2019 Costs of Issuance Account of the Series 2019 Bond Proceeds Fund. Moneys in the Series 2019 Costs of Issuance Account will be applied by the Trustee to pay, upon the written order of an Authorized Representative, or otherwise upon the receipt of a Requisition (2019 Costs of Issuance) amounts of expenses certified in such request which are fees and expenses incurred or to be incurred in connection with or incident to the issuance and sale of the Series 2019 Bonds. Upon the earlier of (i) one hundred eighty (180) days following the date of issuance of the Series 2019 Bonds, or (ii) receipt of the written direction of an Authorized Board Representative stating that all the Series 2019A Costs of Issuance have been paid, the Trustee will transfer any amounts remaining in the Series 2019A Costs of Issuance Account and Series 2019B Costs of Issuance Account, including the earnings thereon, to the Series 2019A Interest Account and the Series 2019B Interest Account, as applicable.

Series 2019A Interest Account, Series 2019A Principal Account, Series 2019B Interest Account and Series 2019B Principal Account of the Bond Fund. (a) There shall be deposited into the Series 2019A Interest Account and the Series 2019A Principal Account and the Series 2019B Interest Account or the Series 2019B Principal Account, as appropriate, and as and when received (i) all payments pursuant to Pledge of Auxiliary Revenues Article of the Nineteenth Supplemental Resolution and any payments on the Series 2019 Bonds, (ii) all moneys transferred to the Series 2019A Interest Account and Series 2019B Interest Account from the Series 2016 Costs of Issuance Account pursuant to the Nineteenth Supplemental Resolution, (iii) all other moneys required or permitted to be deposited into the Series 2019A Interest Account or Series 2019A Principal Account and the Series 2019B Interest Account or Series 2019B Principal Account pursuant to the Nineteenth Supplemental Resolution, including any supplements or amendments thereto and (iv) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Nineteenth Supplemental Resolution that such moneys are to be paid into the Series 2019A Principal Account or Series 2019A Interest Account or Series 2019B Principal Account or Series 2019B Interest Account. There shall also be retained in the Series 2019A Principal Account or Series 2019A Interest Account, and the Series 2019B Principal Account and Series 2019B Interest Account, respectively, interest and other income received on investment of moneys in the Series 2019A Principal Account and Series 2019A Interest Account or Series 2019B Principal Account or 2019B Interest Account to the extent provided in the Nineteenth Supplemental Resolution. If the Trustee does not receive payments into the Series 2019A Principal Account and Series 2019A Interest Account and the Series 2019B Principal Account or Series 2019B Interest Account, pursuant to the Nineteenth Supplemental Resolution when due, the Trustee will immediately notify the Board of such nonpayment. The Board shall receive a credit against the Board's obligation to make deposits in the Series 2019A Principal Account and Series 2019A Interest Account and the Series 2019B Principal Account and Series 2019B Interest Account to the extent of interest earnings on moneys in the Series 2019A Principal Account or Series 2019A Interest Account and the 2019B Principal Account or 2019B Interest Account.

Investments and Earnings on Certain Funds and Accounts and Valuation Thereof. The amounts on deposit in the Funds and Accounts created by the Nineteenth Supplemental Resolution shall be invested by the Trustee in Permitted Investments, as defined in the Nineteenth Supplemental Resolution, in accordance with written directions signed by an Authorized Board Representative, and notwithstanding any provision of the General Bond Resolution to the contrary, earnings on the amounts held in the Series 2019A Interest Account, or the Series 2019A Principal Account, and the Series 2019B Interest Account or Series 2019B Principal Account of the Bond Fund shall be retained therein. Any provisions of the General Bond Resolution to the contrary notwithstanding, for the purpose of determining the amount in any Fund or Account, all Permitted Investments credited to such Fund or Account shall be valued at fair market value. Except as otherwise described in this paragraph, the Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Certificates of deposit shall be valued at the face amount thereof plus accrued interest. Other investments not specified in this paragraph shall be valued in accordance with the value established by prior agreement between the Board and the Trustee.

Events of Default and Remedies

A default in the due and punctual payment of any interest on any Series 2019 Bond and default in the due and punctual payment of the principal of any Series 2019 Bond, whether at maturity or upon call for redemption, constitutes an Event of Default under the Bond Resolution. In addition, there are numerous other events set forth in the Bond Resolution, including, but not limited to, the Board's failure to comply with certain other covenants, agreements or conditions contained in the Bond Resolution which, if not remedied in a timely manner, can result in an Event of Default under the Bond Resolution. Upon the occurrence of an Event of Default, the Bond Resolution provides that the Trustee shall, but only with the consent or at the direction of all Credit Facility Providers, by notice in writing given to the Board, declare the principal amount of all Series 2019 Bonds then outstanding and the interest accrued thereon to be

immediately due and payable. See "BONDHOLDER'S RISKS - Difficulties in Enforcing Rights and Remedies" herein and "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION - Events of Default and Remedies" in Appendix E hereto for a complete description of Events of Default under the Bond Resolution and, subject to conditions and limitations described therein, the rights and remedies available to the Trustee and the holders of the Series 2019 Bonds upon the occurrence of an Event of Default thereunder.

Subordinate Lease Obligation

General. To meet the need for additional high quality student housing on the main campus of the University, the University and LSU Property Foundation, a private nonprofit corporation organized and existing under the laws of the State (the "*Property Foundation*"), and an exempt organization as described and defined in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*") engaged in an extensive selection process in 2015 and 2016, ultimately partnering with Provident Group - Flagship Properties L.L.C. ("*Provident Flagship*"), which engaged Rise Residential LLC ("*RISE*"), a limited liability company organized and existing under the laws of the State of Georgia and authorized to do business in the State (the "*Developer*") to develop, in four phases over a _____-year period, approximately 1,955 beds of new housing facilities and the redevelopment of approximately 2,850 existing beds, as well as the construction of a student recreation center, surface parking and an 808-space parking deck and approximately 40,000 square feet of retail space (collectively, the "*Development*"). The total development cost is estimated to be \$575,000,000.

Nicholson Gateway. The first phase of the Development was financed by \$226,795,000 original aggregate principal amount of Lease Revenue Bonds (Provident Group-Flagship Properties L.L.C. - Louisiana State University Nicholson Gateway Project) Series 2016A and \$8,500,000 original aggregate principal amount of Taxable Lease Revenue Bonds (Provident Group-Flagship Properties L.L.C. - Louisiana State University Nicholson Gateway Project) Series 2019B (collectively, the "*Nicholson Gateway Bonds*"), which were issued by the Louisiana Public Facilities Authority (the "*Authority*") on September 28, 2016, to provide funds to (i) finance the demolition and abatement of certain existing facilities and the design, acquisition, development, construction, furnishing and equipping of a certain mixed-use development known as "Nicholson Gateway" and the student housing facility known as "Spruce Hall" (collectively, the "*Nicholson Gateway Project*"), to consist of student housing facilities, with all buildings, improvements, fixtures, furnishings, equipment and amenities necessary for the operation thereof (the "*Nicholson Gateway Student Housing Facilities*"), together with market retail space, a parking garage facility, surface parking and associated site infrastructure and various related amenities as same may be expanded from time to time under the master plan, utilities and improvements (collectively, the "*Nicholson Gateway Facility*") at the University.

The proceeds of the Nicholson Gateway Bonds were loaned by the Authority to Provident Flagship pursuant to the terms of the Loan Agreement dated as of September 1, 2016 (the "*Nicholson Gateway Loan Agreement*"), by and between the Authority and Provident Flagship, and was used to pay the cost of the Nicholson Gateway Project, which was timely completed in August 2018. Provident Flagship is a Louisiana limited liability company, the sole member of which is Provident Resources Group Inc., a non-profit corporation duly organized and existing under the laws of the State of Georgia and an exempt organization as described and defined in Section 501(c)(3) of the Code.

Pursuant to the terms of a ground lease, Nicholson Gateway Project, LLC, a Louisiana limited liability company the sole member of which is the Foundation, leases from the Board the land (the "*Nicholson Gateway Land*") upon which the Nicholson Gateway Facility is located. The Foundation is operated for the purpose of providing private financial support for the University, including the planning and construction of facilities of various types for the benefit of the University and its academic programs.

Nicholson Gateway LLC subleases the Land to Provident Flagship, and Provident Flagship engaged RISE to develop, design and construct the Nicholson Gateway Facility pursuant to a development agreement.

Pursuant to the Nicholson Gateway Facilities Lease dated as of September 1, 2016 (the "*Nicholson Gateway Facilities Lease*"), by and between Provident Flagship and the Board, Provident Flagship subleases the Nicholson Gateway Land and leases the Nicholson Gateway Facility to the Board. Pursuant to the Nicholson Gateway Facilities Lease, the University is responsible for, among other things, the residential life operations of the Nicholson Gateway Student Housing Facilities, and Provident Flagship has engaged RISE Residential, LLC, a limited liability company organized and existing under the laws of the State of Georgia authorized to do business in Louisiana, to be responsible for all other operations and maintenance of the Nicholson Gateway Facility pursuant to and in accordance with a facilities operations and maintenance agreement.

The Board is obligated under the Nicholson Gateway Facilities Lease to pay rental to Provident Flagship in amounts sufficient to pay, among other things, debt service on the Nicholson Gateway Bonds. The Board's obligation to pay rental pursuant to the Nicholson Gateway Facilities Lease is payable solely from the Auxiliary Revenues of the University.

Greenhouse District (Phase II). The second phase of the Development was financed by \$87,705,000 original aggregate principal amount of Lease Revenue Bonds (Provident Group-Flagship Properties L.L.C. - Louisiana State University Nicholson Gateway Project) Series 2017 (collectively, the "*Greenhouse District (Phase II) Bonds*"), which were issued by the Authority on October 3, 2017, to provide funds to finance (i) the design, acquisition, development, construction, furnishing and equipping of (a) student housing facilities consisting of the construction of a new Cedar Hall and the renovation of Evangeline Hall and the abatement and renovation of Highland Hall, together with all buildings, improvements, fixtures, furnishings, equipment and associated site infrastructure and amenities necessary for the operation thereof (collectively, the "*Greenhouse District (Phase II) Student Housing Facilities*") and (b) new greenhouse facilities to be located on Ben Hur Drive and existing greenhouse facilities located on Gourrier Drive, including, without limitation, related facilities and associated site infrastructure and amenities necessary for the operation thereof and (ii) the demolition of the existing Kirby Smith Hall and certain existing greenhouse facilities located on the main campus of the University, including, without limitation, related facilities and associated site infrastructure (collectively, the "*Greenhouse District (Phase II) Facility*").

The proceeds of the Greenhouse District (Phase II) Bonds were loaned by the Authority to Provident Flagship pursuant to the terms of the Loan Agreement dated as of October 1, 2017 (the "*Greenhouse District (Phase II) Loan Agreement*"), by and between the Authority and Provident Flagship, and was used to pay the cost of the Greenhouse District (Phase II) Project, which was timely completed in August 2019.

Pursuant to the terms of a ground lease, Greenhouse District Project LLC ("*GDPLLC*"), the sole member of which is the LSU Real Estate and Facilities Foundation, leases from the Board the land (the "*Greenhouse District (Phase II) Land*") upon which the Greenhouse District (Phase II) Facility is located.

GDPLLC subleases the Greenhouse District (Phase II) Land to Provident Flagship, and Provident Flagship engaged RISE to develop, design and construct the Greenhouse District (Phase II) Facility pursuant to a development agreement.

Pursuant to the Greenhouse District (Phase II) Facilities Lease dated as of October 1, 2017 (the "*Greenhouse District (Phase II) Facilities Lease*"), by and between Provident Flagship and the Board, Provident Flagship subleases the Greenhouse District (Phase II) Land and leases the Greenhouse District

(Phase II) Facility to the Board. Pursuant to the Greenhouse District (Phase II) Facilities Lease, the University is responsible for, among other things, the residential life operations of the Greenhouse District (Phase II) Student Housing Facilities, and Provident Flagship has engaged RISE Residential, LLC, to be responsible for all other operations and maintenance of the Greenhouse District (Phase II) Student Housing Facilities pursuant to and in accordance with a facilities operations and maintenance agreement.

The Board is obligated under the Greenhouse District (Phase II) Facilities Lease to pay rental to Provident Flagship in amounts sufficient to pay, among other things, debt service on the Greenhouse District (Phase II) Bonds. The Board's obligation to pay rental pursuant to the Greenhouse District (Phase II) Facilities Lease is payable solely from the Auxiliary Revenues of the University.

Greenhouse District (Phase III). The third phase of the development was financed by \$80,385,000 original aggregate principal amount of Lease Revenue Bonds (Provident Group-Flagship Properties L.L.C. - Louisiana State University Greenhouse District (Phase III) Project) Series 2019A and \$250,000 original aggregate principal amount of Taxable Lease Revenue Bonds (Provident Group-Flagship Properties L.L.C. - Louisiana State University Greenhouse District (Phase III) Project) Series 2019B (collectively, the "*Greenhouse District (Phase III) Bonds*"), which were issued by the Authority on September 26, 2019, to provide funds to finance two new student housing facilities consisting of 881 beds, together with all buildings, improvements, fixtures, furnishings, equipment and associated site infrastructure and amenities necessary for the operation thereof (the "*Greenhouse District (Phase III) Student Housing Facilities*"), certain parking facilities and other facilities, together with all improvements, fixtures, furnishings, equipment and associated site infrastructure and amenities necessary for the operation thereof (collectively, the "*Greenhouse District (Phase III) Facility*").

The proceeds of the Greenhouse District (Phase III) Bonds were loaned by the Authority to Provident Flagship pursuant to the terms of the Loan Agreement dated as of September 1, 2019 (the "*Greenhouse District (Phase III) Loan Agreement*"), by and between the Authority and Provident Flagship, and will be used to pay the cost of the Greenhouse District (Phase III) Project, which is expected to be completed in August 2021.

Pursuant to the terms of a ground lease, GDPLLC leases from the Board the land (the "*Greenhouse District (Phase III) Land*") upon which the Greenhouse District (Phase III) Facility is located.

GDPLLC subleases the Greenhouse District (Phase III) Land to Provident Flagship, and Provident Flagship engaged RISE to develop, design and construct the Greenhouse District (Phase III) Facility pursuant to a development agreement.

Pursuant to the Greenhouse District (Phase III) Facilities Lease dated as of September 1, 2019 (the "*Greenhouse District (Phase III) Facilities Lease*"), by and between Provident Flagship and the Board, Provident Flagship subleases the Greenhouse District (Phase III) Land and leases the Greenhouse District (Phase III) Facility to the Board. Pursuant to the Greenhouse District (Phase III) Facilities Lease, the University is responsible for, among other things, the residential life operations of the Greenhouse District (Phase III) Student Housing Facilities, and Provident Flagship has engaged RISE Residential, LLC, to be responsible for all other operations and maintenance of the Greenhouse District (Phase III) Student Housing Facilities pursuant to and in accordance with a facilities operations and maintenance agreement.

The Board is obligated under the Greenhouse District (Phase III) Facilities Lease to pay rental to Provident Flagship in amounts sufficient to pay, among other things, debt service on the Greenhouse District (Phase III) Bonds. The Board's obligation to pay rental pursuant to the Greenhouse District (Phase III) Facilities Lease is payable solely from the Auxiliary Revenues of the University.

IN ACCORDANCE WITH THE GENERAL BOND RESOLUTION, PAYMENTS OF RENTAL BY THE BOARD PURSUANT TO THE VARIOUS FACILITIES LEASES (THE "SUBORDINATE LEASE OBLIGATION") ARE SUBORDINATE AND JUNIOR IN ALL RESPECTS TO THE PAYMENT OF DEBT SERVICE ON, AND THE PLEDGE OF THE AUXILIARY REVENUES TO, THE OUTSTANDING PARITY BONDS HERETOFORE AND HEREAFTER ISSUED (INCLUDING THE SERIES 2019 BONDS) BY THE BOARD PURSUANT TO AND SECURED BY THE GENERAL BOND RESOLUTION.

See "ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING AUXILIARY REVENUE BONDS AND SUBORDINATE LEASE OBLIGATION" and "DEBT SERVICE AND BASE RENTAL COVERAGE RATIO – ACTUAL AND PROFORMA" herein for additional information regarding the Subordinate Lease Obligation. See also "Future Financing Plans" herein.

Future Financing Plans

The University implemented a Comprehensive Housing plan in 2002 (updated in 2014) and a campus master plan in 2003 projecting capital expenditures for projects throughout the campus. Funding for these projects is expected from various sources, including funding from the State, from the issuance of auxiliary revenue bonds and or subordinate lease obligations payable from Auxiliary Revenues.

To meet the need for additional high quality student housing on the main campus of the University, the University and the Foundation engaged in an extensive selection process in 2015 and 2016, ultimately partnering with Provident Flagship to develop, in four phases (the total plan of finance is estimated to be \$575,000,000) over a ___-year period, approximately 1,955 beds of new housing facilities and the redevelopment of approximately 2,850 existing beds, as well as the construction of a student recreation center, surface parking and an 808-space parking deck and approximately 40,000 square feet of retail space. The Nicholson Gateway Bonds, the Greenhouse District (Phase II) Bonds and the Greenhouse District (Phase III) Bonds were issued to finance the first three phases of the development plan, and the Board currently anticipates financing the final phase of the development plan in the same manner, all as more particularly described herein under "**Subordinate Lease Obligation.**" The payment of the Subordinate Lease Obligation and any future such lease obligations payable from Auxiliary Revenues will be subordinate and junior in all respects to the payment of debt service on, and the pledge of the Auxiliary Revenues to, the Outstanding Parity Bonds heretofore and hereafter issued (including the Series 2019 Bonds) by the Board pursuant to and secured by the General Bond Resolution.

There can be no assurance that, as its needs dictate, the Board will not modify current plans which may reduce or increase the principal amount of the Bonds and or subordinate lease obligations which may be issued.

BONDHOLDERS' RISKS

Purchasers of the Series 2019 Bonds are advised of certain risk factors with respect to the ability of the Board to pay the principal, premium, if any, and interest on the Series 2019 Bonds.

THE FUTURE AVAILABILITY OF AUXILIARY REVENUES IS DEPENDENT UPON THE CONTINUED OPERATION OF THE UNIVERSITY, WHICH IS PRIMARILY FUNDED BY STUDENT TUITION AND FEES AND STATE APPROPRIATIONS WHICH ARE NOT PLEDGED TO, NOR AVAILABLE FOR, THE PAYMENT OF THE SERIES 2019 BONDS. THEREFORE, THE ABILITY OF THE UNIVERSITY TO MAKE PRINCIPAL AND INTEREST PAYMENTS ON THE SERIES 2019 BONDS IS INDIRECTLY CONTINGENT UPON SUFFICIENT ANNUAL STATE

APPROPRIATIONS AND COLLECTION OF STUDENT TUITION AND FEES TO CONTINUE THE OPERATIONS OF THE UNIVERSITY.

Current Operating Budget Environment

During 2016 and 2017, the Louisiana Legislature (the "*Legislature*") held multiple extraordinary sessions in an effort to address the dramatic budget holes that had been caused by the passage of tax reductions and decreased liabilities in the preceding two terms. By June 2017, lawmakers reached a compromise with the governor, and established a set of tax increases and alterations in tax liabilities to stabilize the operations of State government through the foreseeable future. The latest long-range revenue forecast, which was approved in April 2019, shows revenue climbing by roughly \$250 million each year, through fiscal year 2022-23, when the State's general fund is expected to collect \$10.55 billion. This projection is bolstered by the estimation of high employment through 2026, with the State's workforce predicted to grow from 2 million workers to 2.2 million over the next seven years.

While the economic picture for the State looks promising, the Board remains optimistic about the economic prosperity translating into investments for the University and higher education in general. The Board anticipates, based on recent efforts to protect higher education over the last three years, that there will be no budgetary reductions as in years past. State government, faces fiscal pressures over the same horizon, notably rising Medicaid and health care costs. The State is also constitutionally required to address the unfunded pension liability by 2029. While pension obligations are scheduled to increase through 2028, the portfolio has performed extraordinarily well and the University's pension payments have been less than anticipated over the last two years. It is highly unlikely that the pension system will be altered in anyway, and there are legislative procedural safeguards to ensure changes are exhaustively vetted. Politically, higher education has seemingly created a space that insulates institutions from reductions, but investments may be moderate, similar to a small increase in the operating budgets for fiscal year 2019-20. The Legislature appropriated approximately \$1 million to the University to help fund a portion of Statewide expenses (e.g. Retirement, Health Care), which was mostly offset by a reduction in the higher education funding formula.

While it is not legally required, the Legislature has adhered to a funding allocation method recommended by the Board of Regents, a coordinating body created under the current Constitution. The Regents funding formula has been fairly stable over the last several years, and the Board attempts to avoid dramatic swings in the heavily enrollment-based funding plan. In June 2019, the Board of Regents approved a new formula recommendation that resulted in the University losing nearly \$850,000 in State funding. Half of the decline was attributable to enrollment numbers, specifically a decrease in the number of student credit hours produced in academic courses that are assigned heavier weighting inside the formula. The other half of the reduction is related to a change in the variable weightings, with less funding associated with research and more dollars being associated with the degree attainment of specific student populations. At the time of the new formula's adoption, the Board of Regents expressed some concern with the changes and declared its intent to review, and possibly alter, the variables inside the formula, which was news favorable to the University. While it is not possible to predict the changes in the funding formula, the Board does not anticipate any alterations that would cause immediate and significant impacts to the University's funding in future years.

In light of the University's operating budget being composed of 24.3% State funds and over 75% self-generated funding, the institution has taken its future funding into its own hands by increasing investments in recruitment, emphasizing student retention, and developing new online degree programs. In Fall 2018, the University set a historical all-time record for new first-time full-time freshmen enrollment and degrees awarded for the entire year. The University expects to break the new first-time full-time freshmen enrollment record again for Fall 2019. The additional revenues generated in future years from these initiatives will provide the funds necessary for the University to achieve its strategic priorities.

Unlike most other states and universities, Louisiana's Constitution requires a supermajority vote in both chambers of the Legislature to approve tuition and fee increases. Higher education has been provided multi-year limited fee authority since 2010, but the current authorization concludes in June 2020. It is expected that the public higher education systems will request tuition increase authority for another multi-year increment, and given that the issue is set to come up less than a year after the State elections, the political timeliness is most advantageous to colleges and universities. The State's merit-based scholarship program, Taylor Opportunity Program for Students (TOPS), was disassociated with tuition in 2017, meaning that the State is now only providing a limited grant to students. The value of TOPS is based on the award level provided in Fall 2017, which was equal to total tuition (excluding fees) charged that year at each public higher education institution.

The 2019 State elections cycle includes each statewide elected official and all 144 legislative seats. Such a large turnover in elected officials makes it somewhat difficult to predict the future. However, the University's assessment is one of stability over the next four years based on: the likely re-election of a Democratic governor as a check on a Republican controlled Legislature, a returning core number of Republicans who made difficult tax votes and are not interested in rolling those back, and an improving economic picture coupled with proportionately growing cost obligations.

NCAA Compliance Issues

The University is a member of the National Collegiate Athletic Association ("*NCAA*") and the Southeastern Conference ("*SEC*"). As a member institution, the University is subject to certain rules and regulations governing among other things, the recruitment of student athletes, the conduct of athletics personnel, student-athlete eligibility, academic performance, amateurism, financial aid and the benefits available to student athletes. The NCAA has the power to investigate and impose appropriate sanctions based on violations of its rules. In the event that a University athletic program is deemed to be involved in a major violation of NCAA or SEC rules, sanctions could be imposed that might adversely affect the quality of teams fielded by the University as well as the ability of the University to field a team. To the extent that sanctions imposed by the NCAA could adversely affect the quality of teams fielded by the University, sanctions could adversely affect attendance at University athletic contests and thereby impact the revenues of the Athletic Department Auxiliary Enterprise. Revenues from the operation of the Athletic Department Auxiliary Enterprise are significant. See "**THE AUXILIARY ENTERPRISES,**" "**HISTORICAL AUXILIARY REVENUES AND DEBT SERVICE REQUIREMENTS ON OUTSTANDING AUXILIARY REVENUE BONDS—Historical Auxiliary Revenues,**" "**ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING AUXILIARY REVENUE BONDS AND BASE RENTAL REQUIREMENTS,**" and "**DEBT SERVICE AND BASE RENTAL COVERAGE RATIO – PRO FORMA VS. ACTUAL.**"

Possible sanctions vary greatly depending on the nature and severity of infractions and may also be influenced by factors including the institution's history of previous violations. The range of sanctions available to the NCAA include: public reprimand; limiting the number of scholarships available to potential student athletes; prohibitions against television appearances and participation in post season "bowl games;" and the "death penalty," whereby a member institution is prohibited from participating in a particular sport. The death penalty may be applied only in cases where: a member institution is found guilty of a major violation of NCAA rules; the circumstances surrounding the violation indicate a lack of institutional control; and the member institution has a history of violations occurring within a five year period immediately preceding the additional violations. Although previous action by the NCAA does not constitute precedent, the death penalty has been imposed in only one case, involving numerous, serious and persistent recruiting violations indicating a lack of institutional control with respect to a single sport.

The University, on its own and in cooperation with the SEC and NCAA, routinely monitors, investigates and reports certain violations in the football, men's basketball and other programs within its Athletic Department. When violations are determined to have occurred, the University either

self-imposes penalties or is subject to penalties imposed by or in consultation with the SEC and/or NCAA. These violations are not believed to differ materially from violations that occur and are uncovered at other Southeastern Conference institutions. While the University has ongoing monitoring and review efforts relative to certain violations, based on information now available, the University does not believe the known violations or penalties have had or are expected to have a material impact on the financial or other operations of the Athletic Department or any of the athletics programs.

Article VII, §2.1 of the Constitution

Article VII, § 2.1 of the Louisiana Constitution may limit the ability of the Board and the University to impose or increase charges and assessments restricted as Auxiliary Revenues, absent legislative approval by a two-thirds majority, or favorable judicial interpretation or subsequent amendment precluding application of this constitutional provision to the imposition and/or increase in such charges or assessments. See "**SECURITY FOR THE BONDS – Approval For Fees And Civil Fines**" and "**Current Operating Budget Environment**" herein.

Summary Financial Information

Certain financial information of the LSU System is set forth herein and in **APPENDIX A** and **APPENDIX B** hereto. There can be no assurance that the financial results achieved by the University in the future will be similar to historical results. Such future results will vary from historical results, and actual variations may be material. Therefore, the historical operating results of the University cannot be taken as a representation that the University will be able to generate sufficient Auxiliary Revenues in the future to enable the Board to make payments of principal of, redemption premium, if any, and interest on the Series 2019 Bonds.

Difficulties in Enforcing Rights and Remedies

The remedies available to the Trustee or the owners of the Series 2019 Bonds upon an event of default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the rights and remedies provided in the Bond Resolution, and the rights and remedies of any party seeking to enforce the pledge may not be readily available or may be limited. The State Constitution provides that no judgment against the State, a state agency, or a political subdivision will be eligible, payable, or paid except from funds appropriated therefor by the State Legislature or by the political subdivision against which judgment is rendered. Furthermore, the pledge of Auxiliary Revenues under the Bond Resolution does not give any party the right to seize property or funds of the Board or the University, including the Auxiliary Revenues.

The various legal opinions delivered concurrently with the delivery of the Series 2019 Bonds or to be delivered concurrently with the delivery of the Bond Resolution will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, including but not limited to, the ability to seize funds or property of the Board or the University. The exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the University and the State), in a manner consistent with public health and welfare and the applicability of Article VII, § 2.1 of the Constitution to the imposition of or increases in charges imposed by the Auxiliary Enterprises. Enforceability of the Bond Resolution, and availability of remedies to a party seeking to enforce the use of the Auxiliary Revenues where such enforcement or availability may adversely affect public health and welfare, may be subject to these police powers.

Covenant to Maintain Tax-Exempt Status of the Series 2019A Bonds

The excludability from gross income for federal income taxation purposes of the interest on the Series 2019A Bonds is based on the continuing compliance by the Board with certain covenants contained in the Bond Resolution and the Tax Regulatory Agreement. These covenants relate generally to restrictions on the use of the facilities refinanced with the proceeds of the Series 2019A Bonds, arbitrage limitations, and rebate of certain excess investment earnings, if any, to the federal government. Failure to comply with such covenants could cause interest on the Series 2019A Bonds to become subject to federal income taxation retroactive to the date of issuance on the Series 2019A Bonds. See "**TAX MATTERS**" herein.

Secondary Market

There is no guarantee that a secondary trading market will develop for the Series 2019 Bonds. Consequently, prospective Bond purchasers should be prepared to hold their Series 2019 Bonds to maturity or prior redemption. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends, but is not obligated, to make a market in the Series 2019 Bonds.

Failure to Provide Ongoing Disclosure

The Board will enter into an Undertaking pursuant to the Rule (as such terms are defined herein). Failure to comply with the Undertakings and the Rule may adversely affect the transferability and liquidity of the Series 2019 Bonds and their market price. See "**CONTINUING DISCLOSURE**" herein and "Proposed Form of Continuing Disclosure Certificate" in **APPENDIX F** hereto.

Book-Entry

Persons who purchase Series 2019 Bonds through DTC Participants become creditors of the DTC Participant with respect to the Series 2019 Bonds. Records of the investors' holdings are maintained only by the DTC Participant and the investor. In the event of the insolvency of the DTC Participant, the investor would be required to look to the DTC Participant's estate and to any insurance maintained by the DTC Participant, to make good the investor's loss. Neither the Board, the University, the Trustee nor the Underwriter are responsible for failures to act by, or insolvencies of, the Securities Depository or any DTC Participant. See "**BOOK-ENTRY ONLY SYSTEM**" in **APPENDIX H** hereto.

TAX MATTERS

The Series 2019A Bonds

General Matters. In the opinion of Breazeale, Sachse & Wilson, L.L.P., Bond Counsel, under existing law, interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the Board with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2019A Bonds. Failure to comply with such requirements could cause interest on the Series 2019A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2019A Bonds. The Board has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2019A Bonds. It is further the opinion of Bond Counsel that, pursuant to the Refunding Act, the Series 2019A Bonds and the income therefrom shall be exempt from all taxation by the State or any political subdivision thereof.

Notwithstanding Bond Counsel's opinion that interest on the Series 2019A Bonds is not a specific preference item for purposes of the federal alternative minimum tax, such interest will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75 percent of the excess of such corporations' adjusted current earnings over their alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses).

The accrual or receipt of interest on the Series 2019A Bonds may otherwise affect the federal income tax liability of the owners of the Series 2019A Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2019A Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2019A Bonds.

Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2019A Bonds under the laws of the State of Louisiana or any other state or jurisdiction.

Tax Treatment for Original Issue Discount.* The Series 2019A Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above. The amount of original issue discount that is treated as having accrued with respect to a Discount Bond is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

* Preliminary, subject to change.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Tax Treatment of Original Issue Premium.* The Series 2019A Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium Bonds"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Backup Withholding. As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2019A Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2019A Bonds that fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2019A Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

The Series 2019B Bonds

General Matters. Bond Counsel is of the opinion that interest on the Series 2019B Bonds is included in gross income for federal income tax purposes.

It is further the opinion of Bond Counsel that, pursuant to the Refunding Act, the Series 2019B Bonds and the income therefrom shall be exempt from all taxation by the State or any political subdivision thereof. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2019B Bonds under the laws of the State of Louisiana or any other state or jurisdiction.

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2019B Bonds under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential

* Preliminary, subject to change.

purchasers of the Series 2019B Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2019B Bonds.

In general, interest paid on the Series 2019B Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2019B Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Except as stated above, Bond Counsel will express no opinion as to any federal, State or local tax consequences resulting from the ownership of, receipt of interest on or disposition of the Series 2019B Bonds.

Bond Premium. An investor that acquires a Series 2019B Bond for a cost greater than its remaining stated redemption price at maturity and holds such bond as a capital asset will be considered to have purchased such bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Bond premium is generally amortized over the bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any Series 2019B Bond purchased with a bond premium should consult their own tax advisors as to the effect of such bond premium with respect to their own tax situation and as to the treatment of bond premium for state tax purposes.

Market Discount; Original Issue Discount. An investor that acquires a Series 2019B Bond for a price less than the adjusted issue price of such bond (or an investor who purchases a Series 2019B Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of a Series 2019B Bond originally issued at a discount, the amount by which the issue price of such bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of a Series 2019B Bond not originally issued at a discount, the amount by which the stated redemption price of such bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a Series 2019B Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a bond or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a Series 2019B Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a Series 2019B Bond that acquired such bond at a market discount also may be required to defer, until the maturity date of such bond or its earlier disposition in a taxable transaction, the

deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2019B Bond for the days during the taxable year on which the owner held such bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2019B Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

Unearned Income Medicare Contribution Tax. Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals earning certain investment income. Holders of the Series 2019B Bonds should consult their own tax advisors regarding the application of this tax to interest earned on the Series 2019B Bonds and to gain on the sale of a Series 2019B Bond.

Sales or Other Dispositions. If an owner of a Series 2019B Bond sells the bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such bond. Ordinarily, such gain or loss will be treated as a capital gain or loss.

If the terms of a Series 2019B Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a Series 2019B Bond should consult its own tax advisor concerning the circumstances in which such bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance. The legal defeasance of the Series 2019B Bonds may result in a deemed sale or exchange of such bonds under certain circumstances. Owners of such Series 2019B Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding. An owner of a Series 2019B Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Series 2019B Bonds, if such owner, upon issuance of the Series 2019B Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors. An owner of a Series 2019B Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a Series 2019B Bond will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2019B Bond, provided that the owner complies to the extent necessary with certain identification requirements

(including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30 percent United States withholding tax will apply to interest paid and original issue discount accruing on Series 2019B Bonds owned by foreign investors. In those instances in which payments of interest on the Series 2019B Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Series 2019B Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Series 2019B Bond.

Tax-Exempt Investors. In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a Series 2019B Bond incurs acquisition indebtedness with respect to such bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of a Series 2019B Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations. The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the Series 2019B Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the Series 2019B Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the Board or any dealer of the Series 2019B Bonds might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an

ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the Series 2019B Bonds are acquired by such plans or arrangements with respect to which the Board or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Series 2019B Bonds. The sale of the Series 2019B Bonds to a plan is in no respect a representation by the Board or the Underwriter that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the Series 2019B Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "**TAX MATTERS**" or adversely affect the market value of the Series 2019 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2019 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2019 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2019 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2019 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2019 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2019 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2019 BONDS.

RATINGS

Moody's Investors Service, Inc. and Fitch Ratings have assigned ratings of "A2" (Stable Outlook) and "A+" (Stable Outlook), respectively, to the Series 2019 Bonds.

Such ratings reflect only the view of such organizations and any desired explanation of the significance of such ratings should be obtained from Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; and Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2019 Bonds.

The Board has not requested any other organization to consider the assignment of a rating for the Series 2019 Bonds.

Neither the Board nor the Underwriter has undertaken the responsibility of taking any action with respect to possible changes in such ratings or of bringing any such changes to the attention of the owners of the Series 2019 Bonds. See, however, "**CONTINUING DISCLOSURE**" herein and "**FORM OF CONTINUING DISCLOSURE CERTIFICATE**" in **APPENDIX F** hereto with respect to the obligation of the Board to provide notice of certain material events, including, without limitation, rating changes.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and validity of the Series 2019 Bonds and exclusion from gross income for federal income tax purposes of interest on the Series 2019A Bonds are subject to the approval of Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, Bond Counsel, a copy of whose approving opinion will be printed on the Series 2019 Bonds and the proposed form of which is included in **APPENDIX C**. Certain other legal matters will be passed upon for the Board by its counsel, Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, and for the Trustee by its counsel, Gregory A. Pletsch & Associates, Baton Rouge, Louisiana. In addition, certain legal matters will be passed upon for the Underwriter by its counsel, Foley & Judell, L.L.P., Baton Rouge, Louisiana.

Bond Counsel has been engaged primarily for the purpose of reviewing the transcript of proceedings by which the Bonds have been authorized to be issued and rendering opinions as to the validity and enforceability of the Series 2019 Bonds and the tax exempt status (or lack of such status) of the Series 2019 Bonds.

None of the legal counsel referenced in this Offering Memorandum has (a) participated in the underwriting of the Series 2019 Bonds, (b) provided any advice regarding the creditworthiness of the Bonds, or (c) assisted in determining the value of the collateral for the Series 2019 Bonds upon the occurrence of an event of default. Legal counsel will have solely and exclusively opined to those matters which are expressly set forth in their respective opinions which will be delivered simultaneously with the delivery of the Series 2019 Bonds and no holder of a Series 2019 Bond shall be authorized or entitled to infer that such legal counsel have rendered opinions beyond those stated in their written opinions or to rely on the participation of counsel in this transaction. Except for negligent errors in their express written opinions, legal counsel shall have no obligations to holders of the Series 2019 Bonds and holders of the Series 2019 Bonds must not rely either expressly or implicitly upon such counsel in determining whether the Series 2019 Bonds represent suitable investments or otherwise meet their creditworthiness and risk tolerance standards.

LITIGATION

There are no legal proceedings or litigation now pending or, to the knowledge of the Board, threatened against the Board which restrain or enjoin the issuance or delivery of the Series 2019 Bonds or question or affect the legality of the Series 2019 Bonds or the proceedings and authority under which the Series 2019 Bonds are issued.

UNDERWRITING

The Series 2019 Bonds are being purchased for reoffering by Raymond James & Associates, Inc., the Senior Managing Underwriter, as representative of the Underwriters identified on the cover page of this Official Statement (collectively, the "*Underwriters*"), pursuant to a Bond Purchase Agreement. The Series 2019A Bonds are being purchased at an aggregate purchase price of \$_____ (representing \$_____ original principal amount of the Series 2019 Bonds, less \$_____ of Underwriter's discount, plus \$_____ net original issue premium). The Series 2019B Bonds are being purchased at an aggregate purchase price of \$_____ (representing \$_____ original principal amount of the Series 2019A Bonds, less \$_____ of Underwriters' discount, plus \$_____ net original issue premium). The Bond Purchase Agreement requires the Underwriters to purchase all of the Series 2019 Bonds if any are purchased.

The Underwriters intend to offer the Series 2019 Bonds to the public initially at the prices set forth on the cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join with dealers and other underwriters in offering the Series 2019 Bonds to the public. The Underwriters may offer and sell the Series 2019 Bonds to certain dealers at prices lower than the public offering prices. In connection with this offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Series 2019 Bonds offered hereby at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

Citigroup Global Markets Inc., an underwriter of the Series 2019 Bonds, has entered into a retail distribution agreement with UBS Financial Services Inc. ("*UBSFS*"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors through the financial advisor network of UBSFS. As part of this arrangement, Citigroup Global Markets Inc. may compensate UBSFS for its selling efforts with respect to the Series 2019 Bonds.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group ("*WFBNA*"), one of the underwriters of Series 2019 Bonds, has entered into an agreement (the "*WFA Distribution Agreement*") with its affiliate, Wells Fargo Advisors, LLC ("*WFA*"), for the distribution of certain municipal securities offerings, including the Series 2019 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2019 Bonds with WFA. WFBNA has also entered into an agreement (the "*WFSLLC Distribution Agreement*") with its affiliate Wells Fargo Securities, LLC ("*WFSLLC*"), for the distribution of municipal securities offerings, including the Series 2019 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Raymond James may also receive compensation for serving as bidding agent in conducting a competitive bid for the investment of some or all of the proceeds of the Series 2019 Bonds.

VERIFICATION OF COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter on behalf of the Board relating to (a) computation of anticipated receipts of principal and interest on the Defeasance Obligations referred to under "**PLAN OF FINANCE**" and the anticipated payments of principal and interest to redeem and/or defease the Refunded Bonds, and (b) computation of the yields on the Series 2019 Bonds and the Defeasance Obligations was examined by Causey Demgen & Moore P.C. Such computations were based solely upon assumptions and information supplied by the Underwriter on behalf of the Board. Causey Demgen & Moore P.C. has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of future events.

CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of payment for and delivery of the Series 2019 Bonds, the Board will furnish the Underwriter a certificate signed by the Chairman and Secretary of the Board to the effect that (i) the descriptions and statements, including financial data, of or pertaining to the Board on the date of the Official Statement, on the date of the sale of the Series 2019 Bonds and on the date of the delivery thereof, were and are true in all material respects, and, insofar as such matters are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) insofar as the descriptions and statements, including financial data, of or pertaining to governmental and/or non-governmental entities other than the Board and their activities contained in the Official Statement are concerned, such descriptions, statements, and data have been obtained from sources which the Board believes to be reliable and the Board has no reason to believe that they are untrue or incomplete in any material respect, and (iii) there has been no adverse material change in the affairs of the Board between the date the Preliminary Official Statement was deemed final by the Board and the date of delivery of the Series 2019 Bonds.

CONTINUING DISCLOSURE

The Board will enter into an undertaking (the "*Undertaking*") for the benefit of the owners of the Series 2019 Bonds to provide, so long as the Series 2019 Bonds are outstanding and so long as required by the hereinafter defined Rule, certain financial information, operating data and notice of events, pursuant to the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, §240.15c2-12) (the "*Rule*"). See "**FORM OF CONTINUING DISCLOSURE CERTIFICATE**" in **APPENDIX F** hereto.

A failure by the Board to comply with the Undertaking will not constitute an Event of Default under the Bond Resolution (although Bondholders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker-dealer or municipal securities dealer before recommending the purchase or sale of the Series 2019 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2019 Bonds and their market price.

Because the Board's audited financial statements are typically not available until after March 31 of each year, the Board's undertaking in connection with the Series 2019 Bonds will be due on April 30 of each year, and the Board has amended certain prior undertakings to change the due date to April 30 of

each year. The Board has implemented internal and external procedures to ensure timely compliance with its undertakings in the future.

Pursuant to its prior undertakings, the Board is required to file its audited financial statements ("*Audited Financial Statements*") and annual financial information and operating data ("*Operating Data*") relating to the immediately preceding fiscal year (which ends June 30) no later than April 30 of each year.

With respect to fiscal year 2016, the Board filed its Audited Financing Statements and certain Operating Data timely on January 31, 2017, however, the Board inadvertently omitted certain information from its Operating Data. That information and a notice of late filing were filed on July 31, 2017. Furthermore, one or more of the Board's past filings may not have been filed under all outstanding CUSIPs and may have been misfiled under the wrong CUSIP or under the wrong category within the CUSIP. The Board has, however, attempted to cure these late or incomplete filings.

From time to time the Board has issued auxiliary revenue bonds or entered into capital leases in connection with the issuance of municipal bonds for the purpose of financing capital projects for its other campuses or facilities under its control located in New Orleans, Eunice, Bogalusa and Alexandria, Louisiana (the "*Other Campuses*"). Each of such series of bonds or capital lease is issued or entered into pursuant to a different bond resolution or other approving resolution of the Board, as applicable, and is secured by a pledge of revenues of an Other Campus, the source of which is separate and distinct and unrelated to the Auxiliary Revenues of the University which will be used to pay debt service on the Series 2019 Bonds. In connection with each Other Campus bond issue or capital lease to which the Rule applies, the Board, on behalf of each Other Campus, has entered into a separate undertaking pursuant to the Rule. In certain prior instances during the past five years, certain required filings under the continuing disclosure agreements for Other Campuses were either late or incomplete. However, the Board, as the "obligated person" under the Rule with respect to the revenue bond issues benefitting the Other Campuses, has determined that providing continuing compliance information with respect to revenue bonds of such Other Campuses is not necessary or material to the holders of the Bonds. The Board has, however, attempted to cure late or incomplete filings relating to the Other Campuses.

The foregoing description of instances of noncompliance by the Board with continuing disclosure undertakings should not be construed as an acknowledgment that any such instance was material.

The Board has established procedures with respect to all undertakings (including those in connection with the Bonds), to ensure proper filing of such reports with the MSRB in the future. These remedial procedures include the establishment of an MSRB/EMMA tickler system with the University's Associate Vice President for Accounting Services and the Director of Financial Accounting and Reporting of the for timely filing reminders.

Furthermore, Louisiana law provides additional procedures designed to ensure compliance with the Continuing Disclosure Certificate by (i) requiring public entities, such as the Board, to keep certain records demonstrating compliance with the Continuing Disclosure Certificate; and (ii) mandating the Board's auditor, as part of the preparation of the Board's annual financial audit, review the Board's compliance with its continuing disclosure undertakings and record keeping requirements. Such legislation became effective on August 1, 2014.

MISCELLANEOUS

The information set forth herein has been obtained from Board records and other sources which are considered reliable. There is no guarantee that any of the assumptions or estimates contained herein will ever be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions, and reference is made to

such documents for further information. Reference is made to official documents in all respects. Any statement in this Official Statement involving any matter of opinion, whether or not expressly so stated, is intended as such and not as a representation of fact. No representation is made that any such opinion will actually be borne out. This Official Statement is not to be construed as a contract or agreement between the Board or the Underwriter and the purchasers or Registered Owners of any of the Series 2019 Bonds. Prospective purchasers of the Series 2019 Bonds are also cautioned that the accuracy of any statistical, demographic or economic projection or analysis contained herein is not guaranteed and therefore investors are urged to consult their own advisors concerning such projections or analysis.

The Board has duly authorized and directed the delivery of this Official Statement to the Underwriter for use in connection with the public offering of the Series 2019 Bonds.

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

By: _____
Title: Executive Vice President for Finance
and Administration/CFO,
Louisiana State University

APPENDIX A

DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION
RELATED TO THE UNIVERSITY

**DEMOGRAPHIC AND SUMMARY FINANCIAL INFORMATION
RELATED TO THE UNIVERSITY**

DEMOGRAPHIC INFORMATION

ENROLLMENT

The following table reflects the fall semester head count enrollment at the University.

**UNIVERSITY ENROLLMENT
FALL 2014 THROUGH FALL 2018**

	2014	2015	2016	2017	2018
Undergraduate	25,577	26,159	26,123	25,446	25,363
Graduate and Professional	4,874	5,368	5,291	5,417	5,624
Total	30,451	31,527	31,414	30,863	30,987

Source: University

The University anticipates continued enrollment growth for academic year 2019-20. Applications, admissions, and enrollment deposits for Fall 2019 increased by 1.6%, 1.7%, and 9.5% respectively over Fall 2018 counts. The first day of class for the Fall 2019 semester was August 26, 2019. LSU will not have an official enrollment count until the IPEDS Census date, which is September 13, 2019, and will be unable to report the enrollment total until approximately one week after that date.

The following table reflects the applications, admissions and matriculations of new freshmen and transfers at the University for the fall semesters.

**NEW FRESHMEN AND TRANSFER APPLICATION STATISTICS OF UNIVERSITY
FALL 2009 THROUGH FALL 2018**

FALL SEMESTER	APPLICATIONS TOTALS	ADMISSIONS TOTALS	MATRICULATION TOTALS
2009	17,938	12,253	5,628
2010	20,511	14,590	6,335
2011	17,141	13,135	6,085
2012	18,652	13,710	6,550
2013	18,395	13,360	6,367
2014	19,083	14,152	6,555
2015	20,161	15,093	6,670
2016	20,412	15,198	6,259
2017	20,005	14,521	5,620
2018	26,089	19,258	6,539

Source: University

The following table reflects percentages of fall semester freshmen classes at the University returning in the fall of the second through sixth years.

**RETENTION RATES OF NEW FRESHMEN CLASS OF UNIVERSITY
FALL 2008 THROUGH FALL 2017**

Fall Semester	# of New Freshmen	% Returning Fall of Second Year	% Returning Fall of Third Year	% Returning Fall of Fourth Year	% Returning Fall of Fifth Year	% Returning Fall of Sixth Year
2008	5,130	83.6%	74.2%	68.8%	31.1%	7.7%
2009	4,772	84.1%	75.3%	69.0%	30.0%	8.0%
2010	5,475	83.8%	75.1%	69.8%	30.0%	8.1%
2011	5,278	83.0%	73.0%	68.0%	30.1%	7.9%
2012	5,717	82.5%	73.2%	67.6%	28.1%	6.6%
2013	5,498	84.6%	75.5%	69.3%	27.6%	6.8%
2014	5,652	84.7%	74.3%	68.2%	28.8%	n/a
2015	5,619	82.8%	72.7%	67.4%	n/a	n/a
2016	5,470	82.9%	73.4%	n/a	n/a	n/a
2017	4,910	83.7%	n/a	n/a	n/a	n/a

Source: University

The following table reflects the cumulative percentage of new freshmen for the fall semesters at the University graduating after 4, 5 and 6 years.

**GRADUATION RATES OF NEW FRESHMEN CLASS OF UNIVERSITY
FALL 2009 THROUGH FALL 2018**

Fall Semester	# of New Freshmen	Cumulative % Graduating after 4 Years	Cumulative % Graduating after 5 Years	Cumulative % Graduating after 6 Years
2009	4,772	38.1%	60.0%	64.8%
2010	5,475	39.2%	60.5%	65.5%
2011	5,278	38.0%	59.3%	64.2%
2012	5,717	38.8%	59.8%	64.0%
2013	5,498	41.0%	60.9%	n/a
2014	5,652	39.4%	n/a	n/a
2015	5,619	n/a	n/a	n/a
2016	5,470	n/a	n/a	n/a
2017	4,910	n/a	n/a	n/a
2018	5,809	n/a	n/a	n/a

Source: University

TUITION AND FEES

Tuition and fees account for approximately 41.6% of the total current revenue budget of the University. Tuition and fees are set by the Board. The following table reflects the annual tuition and required fees of full-time resident and nonresident undergraduate students of the University.

ANNUAL TUITION AND REQUIRED FEES FULL-TIME UNDERGRADUATE STUDENTS OF UNIVERSITY ACADEMIC YEARS 2010 THROUGH 2019

YEAR	RESIDENT	NONRESIDENT
2010	5,233	14,383
2011	5,764	16,549
2012	6,354	19,362
2013	6,989	22,265
2014	7,873	25,790
2015	8,750	26,467
2016	9,842	27,005
2017	10,814	27,491
2018	11,374	28,051
2019	11,949	28,626

Source: University

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HOUSING AND MEALS

Rates for University residence halls and undergraduate apartments range from approximately \$2,600 to \$4,090 per fall and spring semester. Summer term rates are one-half these amounts. Rents for University owned family/graduate student apartments range from approximately \$3,550 to \$7,080 per semester. Fraternity and sorority house rent and meals range from \$2,800 to \$3,700 per semester. The cost of dining plans range from approximately \$2,015 to \$2,193 during the fall and spring semesters and slightly less during the summer term.

The following table reflects the capacity, occupancy and percent of occupancy of the University residence halls and apartments for the fall semesters.

RESIDENCE HALL AND APARTMENT OCCUPANCY FALL 2014 THROUGH FALL 2018

FALL SEMESTER	TYPE	CAPACITY	OCCUPANCY	% OCCUPANCY
2014	Residence Hall	5,650	5,441	96.3%
	Apartments	336	302	89.9%
2015	Residence Hall	5,806	5,273	90.8%
	Apartments	331	256	77.3%
2016*	Residence Hall	4,592	4,134	90.0%
	Apartments	1,315	1,270	96.6%
2017	Residence Hall	4,322	3,650	84.5%
	Apartments	1,306	1,271	97.3%
2018	Residence Hall	4,867	4,725	97.1%
	Apartments	2,800	2,093	74.8%

**Note: Starting in 2016, East and West Campus Apartments are included as "Apartments." Prior to 2016, they were included under "Residence Hall."*

Source: University

For the Fall 2019 semester, LSU has preleased apartment units (including Nicholson Gateway) at 99% of capacity. The remainder of the LSU housing system is operating at full capacity due to a first-year residency expectation and enrollment growth.

FACULTY AND STAFF

There are 1,474 faculty members at the University, 1,414 of which are full-time faculty members and 60 of which are part-time. Seventy-five percent (75%) of the faculty have doctoral degrees, and eighty-five percent (85%) of the faculty have terminal degrees. The student-faculty ratio is 20:1. Staff members total 3,447.

DEGREES

The University is accredited by the Southern Association of Colleges and Schools and offers 73 bachelor's degrees, 2 post-bachelor's certificates, 73 master's degrees, 50 doctoral degrees, 1 post-doctoral certificate, 1 education specialist, 3 professional degrees, 1 post-professional certificate, and 21 graduate school certificates.

Since its first commencement in 1869, the University has awarded over 277,000 degrees. The University produces about 26% of Louisiana's graduates with baccalaureate degrees; approximately 21% of the master's degrees; and about 57% of the doctoral degrees. In 2017-18, the University awarded 4,852 Bachelor's degrees, 102 Post-Baccalaureate Certificates, 1,181 Master's degrees, 23 Education Specialist degrees, 299 Doctoral degrees, 85 degrees in Veterinary Medicine, 165 Professional degrees in Law, 10 Post-Professional Certificates in Law, and 49 Graduate Certificates for a total of 6,766 degrees awarded.

FINANCIAL AID

During the 2017-18 academic year, approximately 78% of the University's students received some form of financial aid. The total amount of this financial aid in the 2017-18 academic year was over \$400 million. Of this amount, 40% was derived from federal sources, 20% was derived from institutional sources, 14% was derived from private sources, and 26% was derived from state sources.

PRIVATE SUPPORT

The LSU Alumni Association, the LSU Foundation, and the Tiger Athletic Foundation actively seek support from the private sector to supplement State appropriations.

Alumni gifts generated through the association are used to support academic scholarships, alumni professorships, student jobs, faculty awards, and alumni programs, reunions, and publications. In calendar year 2017 the Alumni Association received more than \$2.88 million from alumni and friends.

Private giving through the LSU Foundation focuses on building its endowment for the University's benefit and on gifts designated for specific purposes in the colleges and schools within the University, including professorships, scholarships, library and museum acquisitions, equipment and facilities, distinguished faculty chairs and fellowships, and other purposes that cannot be supported entirely with State funds. In fiscal year 2018, the LSU Foundation received approximately \$36.51 million in cash contributions. The LSU Foundation's endowed funds were valued at approximately \$464.11 million at June 30, 2018.

The contributions to the Tiger Athletic Foundation benefit every athlete and team at LSU through scholarship and academic awards, as well as through the construction and maintenance of athletic facilities. For the calendar year 2017, the Tiger Athletic Foundation received over \$53.54 million in cash contributions.

COMPUTERS

The University maintains a state-of-the-art information technology environment supporting approximately 35,000 users involved in instructional, research and administrative computing. The University's technology infrastructure includes an enterprise server system to support administrative services, multiple high performance computing clusters, a 10 gig network with multiple Internet paths, content and learning management systems, over 200 multimedia classrooms, a virtual lab environment, and secure Wi-Fi coverage for the campus.

Information technology facilities serving the campus include 2 computer labs housing more than 180 networked personal computers and workstations, a faculty technology center, and supercomputing resources. Software resources available to the LSU community include Microsoft and other commercial software products, as well as an extensive selection of open source packages distributed through a University Web-based software library.

LIBRARIES

The LSU Libraries provides resources to support the instructional and research programs of the University. The Libraries is a member of the Association of Research Libraries (ARL), which includes the top academic and research libraries in the U.S. and Canada. With holdings of 5 million volumes and annual expenditures of \$14.3 million, the LSU Libraries is comprised of the main collection located in Middleton Library, the Special Collections in Hill Memorial Library, the Veterinary Medicine Library in the School of Veterinary Medicine, the Law Library in the Law Center, and the Cartographic Information Center in the Department of Geography and Anthropology. The LSU Libraries has been designated a regional depository for U.S. Government documents, a Patent/Trademark Depository, and a Louisiana documents depository. The Law Library is one of the finest in the U.S. Its foreign and comparative law collection has been described by the American Bar Association accreditation committee as a "national treasury".

Special Collections includes the Louisiana and Lower Mississippi Valley Collections (LLMVC), the Rare Book Collection, and the E.A. McIlhenny Natural History Collection, in addition to more than a dozen smaller specialized collections. Comprising the largest accumulation of materials on Louisiana and the lower Mississippi Valley in existence, LLMVC is an international center for researchers studying the region. Special strengths in other collections include natural history, especially ornithology and botany; 18th century British literature and history; and modern fine printing and book arts. Special Collections has contributed more than 50 collections of primary source materials to the Louisiana Digital Library and more than 200,000 pages of historical Louisiana newspapers to *Chronicling America*, both of which are freely available to the public.

LSU Libraries was one of the founding library systems in the creation of LOUIS: the Louisiana Library Network, a partnership of public and private academic libraries in the State.

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RESEARCH

As the Flagship Institution for the State, LSU is committed to its leadership in research, scholarship and creative activity. LSU faculty and researchers are at the forefront of developing new technology and programs, providing education and training for the State's population, and developing a new generation of leadership to take Louisiana forward in the 21st century.

Research is conducted by faculty in academic departments, research centers, institutes, and other specialized units. At any given time, more than 1,200 sponsored research projects are underway at the University. In addition, faculty members pursue numerous research projects that are not sponsored by outside agencies, as do many graduate students.

ATHLETICS

The University's athletic teams, the LSU Tigers, draw some of the largest crowds in all of college athletics. Sellout crowds are the norm at Tiger Stadium and the Tigers annually lead or rank among the nation's leaders in baseball attendance. The Pete Maravich Assembly Center accommodates large crowds for basketball, gymnastics, volleyball and other events.

The University offers intercollegiate sports programs for men and woman in 21 sports and is a charter member of the Southeastern Conference.

The University's athletic facilities include Tiger Stadium (seating 102,321 with 140 box suites, consisting of 7,200 club level seats), Bernie Moore Track Stadium (5,680), Alex Box Stadium (10,150), Pete Maravich Assembly Center (13,215), the Carl Maddox Field House, Natatorium, LSU Soccer Stadium, LSU Tennis Complex, Tiger Softball Park and LSU Beach Volleyball Stadium.

LSU has competed among the nation's elite in the sports of baseball and women's gymnastics while the football team has appeared in a bowl game 18 consecutive years. With increased emphasis on women's athletics in the last decade, LSU is competitive across the board in the Southeastern Conference.

The University's athletic program has a national reputation for its facilities and operation. The Pete Maravich Assembly Center has been the site of the SEC Basketball Tournament and NCAA Regional Basketball and Gymnastics competitions. Alex Box Stadium has hosted the NCAA Baseball Regional and Super Regional Tournaments on numerous occasions. Bernie Moore Track Stadium has hosted the SEC and NCAA Outdoor Track and Field Championships.

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SUMMARY FINANCIAL INFORMATION

OPERATING BUDGET AND STATE APPROPRIATIONS

Less than twenty five percent of the University's current unrestricted revenues are derived from State general fund appropriations. The constitution and statutes of the State require the Board of Regents to design a formula (the "Formula") providing for the distribution of State tax revenues to institutions of higher education. The Board of Regents is a constitutionally created board whose powers include budgetary responsibility for all public institutions of higher education.

The current Higher Education funding formula includes cost basis and outcome performance metrics. The overall distribution is divided between the cost and outcomes calculations to avoid dramatic swings in total funding between institutions. In subsequent years, the goal is to increase the proportion of total funding allocated to institutions utilizing the outcome metrics for each institution type. The recent revisions shifted a larger portion of the institutions' state funding to an outcomes based model with allocations driven by newly developed metrics. The cost component of the funding formula is built on policy driven calculations based on best practices used in other states. This formula was developed to give Louisiana a cost and outcomes based model that focuses on results, increasing numbers of degrees and certificates awarded, increasing research activity, and addressing workforce and economic development needs. Consistent funding and persistent use of the formula will allow institutions to predict their revenue streams based on campus outcome improvements and budget with a greater level of certainty.

The official budget request for postsecondary education, as envisioned by the state constitution and prescribed by law, outlines how the existing system should be supported. The formula serves as the representation of the funding level determined appropriate for providing adequate financial support for the operations of postsecondary institutions. The Board of Regents annually submits a request to the Division of Administration, Office of the Governor (the "Division"), and to the Legislature for full funding of the Formula.

The 2019 Legislature funded the Formula for FY 19-20 in the amount of \$115,968,824 in State General Funds for the Baton Rouge campus. Colleges and universities cannot itemize their budgets until the level of the Formula is established. Consequently, the Legislature appropriates lump sums to the managing boards of the various colleges and universities which then submit itemized budgets to the Board of Regents for review. These budgets are then transmitted to the Division and the Joint Legislative Committee on the Budget for consideration.

Self-generated revenues of public colleges and universities can be categorized as either restricted revenues or non-restricted revenues. All revenues are audited annually and reported in the audited financial statement of the University.

The following table reflects total State general fund appropriations to State higher education, to the LSU System campuses and to LSU. It also displays the ratio of State general fund appropriations to the LSU System as a percentage of total State general fund appropriations to State higher education; and total State general fund appropriations to the University as a percentage of total State general fund appropriations to the LSU System.

**UNIVERSITY STATE GENERAL FUND APPROPRIATION AND COMPARISON
2011 THROUGH 2020**

Fiscal Year	State Higher Education Total Appropriation		LSU System Total Appropriation	% of State	LSU Total Appropriation	% of System
2011	915,709,037	¹	430,802,730	47.05	137,750,466	31.98
2012	973,935,513		460,878,841	47.32	152,453,174	33.08
2013	861,394,800		387,626,503	45.00	132,464,883	34.17
2014	762,050,553		329,482,672	43.24	112,355,056	34.10
2015	738,771,377		316,942,421	42.90	107,149,958	33.81
2016	769,290,958	²	373,477,242	48.55	114,492,041	30.66
2017	737,072,125		348,303,880	47.26	113,941,275	32.71
2018	738,009,329		350,527,829	47.50	115,513,766	32.95
2019	743,009,328		351,477,172	47.30	115,801,563	32.95
2020	769,082,834		361,575,925	47.01	115,968,824	32.07

Source: University Operating Budget

The continued receipt of appropriations at current levels cannot be assured.

¹ In addition to the FY 2011 State General Fund Appropriation the Legislature appropriated the Federal American Recovery and Reinvestment Act (ARRA) as follows: State Higher Education Total Appropriation \$289,600,000; LSU System portion of Total State Appropriation \$133,140,481; and LSU portion of the LSU System appropriation \$56,507,987.

² In addition to the FY 2016 State General Fund Appropriations the Legislature appropriated the Higher Education Initiatives Fund as follows: State Higher Education Total Appropriation \$347,739,868; LSU System portion of Total State Appropriations \$168,821,596; and LSU portion of the LSU System Appropriation \$51,753,432. In FY

2016 the LSU campus was realigned to include the LSU System Administration and the LSU Law Center.

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**TOTAL REVENUES OF UNIVERSITY BY SOURCE
FISCAL YEARS 2009 THROUGH 2018**

		Unrestricted					Restricted		
		State Appropriations ¹		Tuition and Fees		Other Revenues			
Year	Amount	% of total	Amount	% of total	Amount	% of total	Auxiliary Enterprises	Restricted Funds	% of total
2009	250,834,434	30.4%	162,663,891	19.7%	24,793,710	3.0%	166,076,326	220,131,974	46.9%
2010	210,803,301	25.5%	178,433,386	21.6%	22,636,427	2.7%	174,929,606	238,606,409	50.2%
2011	222,655,790	25.5%	212,403,023	24.3%	15,540,418	1.8%	177,386,055	246,004,400	48.4%
2012	160,959,450	18.8%	244,768,439	28.6%	18,517,112	2.2%	182,477,128	249,261,692	50.4%
2013	148,015,762	16.8%	275,178,743	31.3%	10,603,373	1.2%	195,329,251	250,967,016	50.7%
2014	131,666,696	14.3%	306,271,172	33.3%	9,459,055	1.1%	197,089,209	274,013,105	51.3%
2015	126,804,512	13.4%	327,994,068	34.7%	12,573,785	1.3%	213,329,102	265,437,933	50.6%
2016	133,865,417	13.2%	370,148,372	36.5%	9,495,650	0.9%	221,883,575	279,838,528	49.4%
2017	131,749,329	13.0%	382,385,085	37.8%	10,197,137	1.0%	220,689,130	265,925,513	48.2%
2018	137,809,558	13.4%	382,761,610	37.2%	13,584,937	1.3%	217,972,108	277,318,176	48.1%

Source: University

Note: Excludes LSU Agricultural Center. Fiscal Years 2015 and prior excludes LSU Law Center.

Beginning in fiscal year 2016 the LSU campus was realigned to include the LSU Law Center.

¹ Reflects actual appropriations received.

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**UNRESTRICTED REVENUES OF UNIVERSITY BY SOURCE
FISCAL YEARS 2009 THROUGH 2018**

Year	State Appropriations		Tuition and Fees		Other Revenues		Total
	Amount	% of total	Amount	% of total	Amount	% of total	
2009	250,834,434	57.2%	162,663,891	37.1%	24,793,710	5.7%	438,292,035
2010	210,803,301	51.2%	178,433,386	43.3%	22,636,427	5.5%	411,873,114
2011	222,655,790	49.4%	212,403,023	47.1%	15,540,418	3.5%	450,599,231
2012	160,959,450	37.9%	244,768,439	57.7%	18,517,112	4.4%	424,245,001
2013	148,015,762	34.1%	275,178,743	63.4%	10,603,373	2.5%	433,797,878
2014	131,666,696	29.4%	306,271,172	68.5%	9,459,055	2.1%	447,396,923
2015	126,804,512	27.1%	327,994,068	70.2%	12,573,785	2.7%	467,372,365
2016	133,865,417	26.1%	370,148,372	72.1%	9,495,650	1.8%	513,509,439
2017	131,749,329	25.1%	382,385,085	72.9%	10,197,137	2.0%	524,331,551
2018	137,809,558	25.8%	382,761,610	71.7%	13,584,937	2.5%	534,156,105

Source: University

Note: Excludes LSU Agricultural Center. Fiscal Years 2015 and prior excludes LSU Law Center. Beginning in fiscal year 2016 the LSU campus was realigned to include the LSU Law Center.

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**RESTRICTED REVENUES OF UNIVERSITY BY SOURCE
FISCAL YEARS 2009 THROUGH 2018**

Year	Tuition and Fees		Grants and Contracts						Other		Total
			State and Local		Federal		Private				
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	
2009	20,393,159	9.2%	43,346,599	19.7%	99,669,384	45.3%	13,357,905	6.1%	43,364,927	19.7%	220,131,974
2010	17,903,460	7.5%	38,464,684	16.1%	119,243,763	50.0%	15,280,834	6.4%	47,713,668	20.0%	238,606,409
2011	19,198,183	7.8%	35,280,791	14.4%	113,454,350	46.1%	17,763,734	7.2%	60,307,342	24.5%	246,004,400
2012	18,883,635	7.6%	41,038,709	16.5%	110,059,153	44.1%	18,390,610	7.4%	60,889,585	24.4%	249,261,692
2013	18,555,140	7.4%	37,965,480	15.1%	102,654,043	40.9%	19,358,280	7.7%	72,434,073	28.9%	250,967,016
2014	26,370,500	9.6%	38,103,784	13.9%	106,434,717	38.9%	24,441,841	8.9%	78,662,263	28.7%	274,013,105
2015	28,359,187	10.7%	42,630,925	16.0%	94,197,275	35.5%	22,251,598	8.4%	77,998,948	29.4%	265,437,933
2016	33,484,564	12.0%	42,896,241	15.3%	99,760,947	35.6%	18,947,512	6.8%	84,749,264	30.3%	279,838,528
2017	38,203,027	14.4%	39,354,894	14.8%	94,714,555	35.6%	16,599,778	6.2%	77,053,259	29.0%	265,925,513
2018	38,941,839	14.0%	36,520,911	13.2%	99,992,846	36.0%	19,326,415	7.0%	82,536,165	29.8%	277,318,176

Source: University

Note: Excludes LSU Agricultural Center. Fiscal Years 2015 and prior excludes LSU Law Center.

Beginning in fiscal year 2016 the LSU campus was realigned to include the LSU Law Center.

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LOUISIANA STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

		2018	2017
OPERATING REVENUES			
Student tuition and fees		\$422,884,848	\$ 420,892,786
Less scholarship allowances		(83,108,278)	(79,211,594)
Net student tuition and fees		339,776,570	341,681,192
Federal appropriations		-	-
Federal grants and contracts		76,749,642	70,274,136
State and local grants and contracts		36,244,731	37,873,636
Nongovernmental grants and contracts		18,619,468	16,262,480
Sales and services of educational departments		22,564,584	25,199,594
Auxiliary enterprise revenues, including revenues pledged as security for bond issues		204,174,037	208,331,481
Less scholarship allowances		(15,636,010)	(15,692,103)
Net auxiliary revenues		188,538,027	192,639,378
Other operating revenues		10,103,355	9,722,587
Total operating revenues		692,596,377	693,653,003
OPERATING EXPENSES			
Educational and general			
Instruction		307,720,694	284,958,173
Research		137,574,990	152,421,173
Public service		29,353,220	34,131,843
Academic support		85,874,463	87,698,354
Student services		29,606,609	27,905,521
Institutional support		37,580,523	42,753,569
Operation and maintenance of plant		120,833,732	96,828,761
Scholarships and fellowships		41,814,706	39,142,485
Auxiliary enterprises		158,224,852	159,888,635
Other operating expenses		-	-
Total operating expenses		948,583,789	925,728,514
Operating income (loss)		(255,987,412)	(232,075,511)
NONOPERATING REVENUES AND (EXPENSES)			
State appropriations		137,809,558	131,749,329
Gifts		65,713,140	22,805,636
Federal nonoperating revenues (expenses)		25,612,779	23,704,583
Net investment income (loss)		341,821	1,055,437
Interest expense		(13,953,596)	(12,665,152)
Other nonoperating revenues (expenses)		2,420,975	3,169,754
Net nonoperating revenues (expenses)		217,944,677	169,819,587
Income before other revenues, expenses, gains and losses		(38,042,735)	(62,255,924)
Capital appropriations		12,731,540	18,386,081
Capital gifts and grants		9,116,169	22,838,633
Additions to permanent endowments		3,473,724	1,641,681
Other additions, net		2,869,232	(1,334,525)
Increase (decrease) in net assets		(9,852,070)	(20,724,054)
Net assets at beginning of year, restated		(142,116,508)	153,597,166
Net assets at end of year		(151,968,578)	\$ 132,873,112

Source: University

Tables 1 through 8 present an analysis of revenues and expenditures of each of the Auxiliary Enterprises.

TABLE 1
UNIVERSITY STORES
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)

	2018	2017	2016	2015	2014
REVENUES					
Sales and services	\$ 5,434,420	\$ 5,026,812	\$ 6,579,597	\$ 6,555,828	\$ 7,032,188
Interest on investments	9,092	13,803	15,519	23,980	27,696
Gross Revenues	5,443,512	5,040,615	6,595,116	6,579,808	7,059,884
EXPENSES					
Cost of goods sold	4,798,097	4,067,512	6,035,650	5,795,225	6,208,852
Salaries and wages	377,730	386,940	451,658	454,413	452,797
Related benefits	151,562	154,149	172,373	167,098	158,357
Administrative charge	64,225	34,128	51,782	50,264	77,727
Supplies and expenses	120,188	393,155	136,912	163,848	224,127
Travel	2,295	1,861			
Depreciation	-	2,511	-	-	-
Total Expenses	5,514,097	5,040,256	6,848,375	6,630,848	7,121,860
REVENUES OVER EXPENSES	\$ (70,585)	\$ 359	\$ (253,259)	\$ (51,040)	\$ (61,976)

Source: University

Note: Prior to 2017, Travel was included in Supplies and expenses.

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TABLE 2
STUDENT MEDIA
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)

	2018	2017	2016	2015	2014
REVENUES					
Sales and services	\$ 234,992	\$ 283,146	\$ 361,720	\$ 421,105	\$ 600,209
Fee allocations	910,219	948,944	977,035	954,305	946,382
Interest on investments	18,675	13,868	15,591	19,048	25,555
Gross Revenues	1,163,886	1,245,958	1,354,346	1,394,458	1,572,146
EXPENSES					
Salaries & Wages	597,679	694,561	832,448	938,856	927,227
Related benefits	112,861	153,390	169,001	194,364	169,835
Administrative charge	74,757	74,489	83,668	78,607	83,833
Supplies and expenses	192,884	197,207	307,830	368,333	392,439
Travel	5,301	4,800			
Depreciation	37,882	45,067	49,919	39,814	53,450
Total Expenses	1,021,364	1,169,514	1,442,866	1,619,974	1,626,784
REVENUES OVER EXPENSES	\$ 142,522	\$ 76,444	\$ (88,520)	\$ (225,516)	\$ (54,638)

Source: University

Note: Prior to 2017, Travel was included in Supplies and expenses.

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TABLE 3

**LSU UNION
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)**

	2018	2017	2016	2015	2014
REVENUES					
Administration and building services	\$ 731,405	\$ 662,845	\$ 648,402	\$ 603,204	\$ 455,842
Art gallery	-	-	-	13,255	9,705
Barber shop	-	2,528	38,429	149,200	140,188
Event management	-	-	177,589	175,795	108,449
Food services	610,176	676,099	675,653	686,279	617,367
Games area	-	-	-	617	15,713
Leisure arts	-	-	-	114,279	162,296
Media services	-	-	-	-	44,683
Performing arts	-	3,786	-	-	-
Promotions	187,949	188,462	-	-	-
Theater	285,348	264,534	273,979	389,338	499,476
Fee allocations	7,737,199	8,075,330	8,315,492	8,258,430	8,228,369
Interest on Investments	241,413	220,966	220,377	203,284	369,316
Gross Revenues	9,793,490	10,094,550	10,349,921	10,593,681	10,651,404
EXPENSES					
Cost of goods sold	-	-	-	1,239	748
Salaries & Wages	1,315,384	1,307,366	1,352,855	1,815,345	2,223,904
Related benefits	506,445	469,733	507,752	671,989	781,380
Supplies and expenses	1,870,636	1,827,589	2,051,905	1,885,732	2,218,177
Utilities and debt service	4,873,183	4,683,613	5,042,363	5,051,026	5,322,184
Depreciation	33,706	33,446	38,292	41,987	42,558
Total Expenses	8,599,354	8,321,747	8,993,167	9,467,318	10,588,951
REVENUES OVER EXPENSES	\$ 1,194,136	\$ 1,772,803	\$ 1,356,754	\$ 1,126,363	\$ 62,453

Source: University

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TABLE 4

**PARKING AND TRANSPORTATION SERVICES
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)**

	2018	2017	2016	2015	2014
REVENUES					
Sales and services	\$ 8,528,472	\$ 8,633,695	\$ 8,777,833	\$ 8,475,461	\$ 8,962,628
Fee allocations	3,815,494	3,984,650	4,103,649	4,079,274	4,068,525
Interest on investments	206,085	184,328	174,709	129,842	107,365
Gross Revenues	12,550,051	12,802,673	13,056,191	12,684,577	13,138,518
EXPENSES					
Salaries & Wages	1,658,874	1,694,878	1,964,424	2,273,881	2,628,390
Related benefits	622,573	583,146	616,051	683,149	772,439
Administrative charge	844,976	796,428	837,182	731,579	722,533
Supplies and expenses	6,159,748	6,191,531	6,076,537	5,227,855	5,445,267
Travel	4,625	5,065			
Principal and interest	2,467,340	2,353,992	2,363,085	754,135	1,110,465
Utilities	171,171	133,988	-	-	-
Depreciation	70,748	110,344	113,975	105,306	73,429
Total Expenses	12,000,055	11,869,372	11,971,254	9,775,905	10,752,523
REVENUES OVER EXPENSES	549,996	\$ 933,301	\$ 1,084,937	\$ 2,908,672	\$ 2,385,995

Source: University

Note: Prior to 2017, Travel was included in Supplies and expenses.

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TABLE 5
ATHLETICS
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)

	2018	2017	2016	2015	2014
REVENUES					
Men's sports	\$ 47,226,474	\$ 46,620,543	\$ 48,212,235	\$ 48,024,729	\$ 42,939,464
Women's sports	573,531	564,537	500,365	460,570	464,435
Athletic related activities	27,131,721	27,445,237	24,705,022	18,419,968	11,687,864
Southeastern Conference distribution	27,176,584	26,196,959	25,141,784	23,635,149	20,146,291
Hosted events and postseason activity	2,140,960	2,582,215	1,744,984	1,994,466	1,740,561
Miscellaneous	27,627,909	30,142,740	29,557,633	30,237,616	28,983,655
Interest on investments	1,019,788	907,140	993,336	957,866	1,062,725
Gross Revenues	132,896,967	134,459,371	130,855,359	123,730,364	107,024,995
EXPENSES					
Salaries & Wages	32,050,112	30,006,388	26,983,404	26,544,912	24,550,375
Related benefits	10,466,392	9,737,760	8,590,562	8,205,851	7,427,623
Supplies and expenses	57,676,099	56,590,364	57,892,107	52,116,369	42,596,556
Utilities and debt service	7,890,438	7,439,620	6,559,900	7,530,830	9,851,499
Athletic related activities	1,896,757	1,407,045	735,986	657,603	189,837
Scholarships	15,188,999	15,072,974	14,699,715	12,636,655	12,243,759
Hosted events and postseason activity	4,481,731	3,757,609	3,079,298	3,333,236	3,632,318
Depreciation	570,073	571,464	503,546	363,584	484,090
Total Expenses	130,220,601	124,583,224	119,044,518	111,389,040	100,976,057
REVENUES OVER EXPENSES	2,676,366	\$ 9,876,147	\$ 11,810,841	\$ 12,341,324	\$ 6,048,938

Source: University

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TABLE 6

**UNIVERSITY AUXILIARY SERVICES
ANALYSIS OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
(DOLLARS)**

	2018	2017	2016	2015	2014
REVENUES					
Sales and services	\$ 2,542,587	\$ 2,426,932	\$ 2,619,404	\$ 2,511,281	\$ 455,412
Commissions, leases, student meal plans	2,917,135	2,778,821	2,903,016	3,022,848	4,518,167
Interest on investments	230,001	137,224	154,281	124,982	118,812
Gross Revenues	5,689,723	5,342,977	5,676,701	5,659,111	5,092,391
EXPENSES					
Salaries & Wages	795,429	799,624	826,630	881,400	701,305
Related benefits	326,428	336,518	319,443	364,537	251,940
Administrative charge	294,353	292,812	318,701	298,155	205,337
Supplies and expenses	2,321,616	2,333,730	2,261,479	2,207,069	2,066,832
Travel	7,877	10,513			
Utilities	16,171	(1,593)	(13,502)	9,829	17,083
Depreciation	17,837	21,014	19,961	23,168	16,293
Total Expenses	3,779,711	3,792,618	3,732,712	3,784,158	3,258,790
REVENUES OVER EXPENSES	1,910,012	\$ 1,550,359	\$ 1,943,989	\$ 1,874,953	\$ 1,833,601

Source: University

Note: Prior to 2017, Travel was included in Supplies and expenses.

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APPENDIX B

**FINANCIAL REPORT OF THE LSU
SYSTEM FOR THE YEAR ENDED JUNE 30, 2018**

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX D

DEFINITIONS OF CERTAIN TERMS

APPENDIX E

SUMMARY OF CERTAIN PROVISIONS
OF THE BOND RESOLUTION

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

FORM OF CONTINUING DISCLOSURE CERTIFICATE OF THE BOARD

This Continuing Disclosure Certificate (the “*Disclosure Agreement*”) constitutes the written undertaking of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and its successors and assigns (the “*Board*”), for the benefit of the holders of the Board's \$_____ Auxiliary Revenue Refunding Bonds, Series 2019A (the “*Series 2019A Bonds*”), and \$_____ Taxable Auxiliary Revenue Refunding Bonds, Series 2019B (the “*Series 2019B Bonds*” and, together with the Series 2019A Bonds, the “*Series 2019 Bonds*”) required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12) (the “*Rule*”). The Board is an “obligated person” within the meaning of the Rule. The Bonds will be issued pursuant to the General Bond Resolution adopted June 17, 1994, as supplemented and amended from time to time (the “*General Bond Resolution*”), and as supplemented by the Nineteenth Supplemental Resolution adopted by the Board on October 25, 2019 (the “*Nineteenth Supplemental Resolution*” and, together with the General Bond Resolution, the “*Bond Resolution*”).

Section 1. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Financial Information*” means the Audited Financial Statements and Operating Data.

“*Audited Financial Statements*” means the Board’s annual financial report, prepared in accordance with GAAP, which financial report shall have been audited by an Accountant (which may be the Legislative Auditor).

“*Fiscal Year*” means the period commencing on the first day of July of any year and ending on the last day of June of the following year or such other period of twelve consecutive calendar months as shall be specified by the Board.

“*Financial Obligation*” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“*Material Event*” means any of the following events with respect to the Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;

- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of the owners of the Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Board;¹
- (xiii) the consummation of a merger, consolidation or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Board, any of which affect holders of the Bonds, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

“*Material Event Notice*” means the Notice required to be given in accordance with Section 4 hereof.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purposes of the Rule. The continuing disclosure

¹ For the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Board in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing government body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially of the assets or business of the Board.

documents must be provided to the MSRB in searchable portable document format (PDF) to the following:

Municipal Securities Rulemaking Board
Electronic Municipal Market Access Center
www.emma.msrb.org

“*Operating Data*” means certain information pertaining to the operations of the University of the type contained in the Official Statement under the captions as described below and such similar or other information that the Board deems is relevant or necessary to comply with the Rule.

Official Statement	THE AUXILIARY ENTERPRISES HISTORICAL AUXILIARY REVENUES OUTSTANDING AUXILIARY REVENUE BONDS ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING AUXILIARY REVENUE BONDS AND BASE RENTAL REQUIREMENTS ACTUAL AND PROFORMA DEBT SERVICE AND BASE RENTAL COVERAGE RATIOS
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Appendix A	DEMOGRAPHIC AND FINANCIAL INFORMATION CONCERNING THE UNIVERSITY
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“*Participating Underwriter*” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Financial Information.

(a) The Board shall, while any Bonds are Outstanding, provide the Annual Financial Information to the MSRB no later than April 30 of each year (the “*Report Date*”) commencing April 30, 2020. The Board shall include with each submission of Annual Financial Information a written representation to the effect that the Annual Financial Information is the Annual Financial Information required by this Disclosure Agreement and that it complies with the applicable requirements of this Disclosure Agreement. The Board may adjust the Report Date if the Board changes its Fiscal Year by providing written notice of the change of Fiscal Year and the new Report Date to the MSRB; provided that the new Report Date shall be nine months after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration.

(b) If the Board is unable to provide to the MSRB the Operating Data by the date required in Section 2(a), the Board shall send a notice of Material Event to the MSRB within ten business days of such date.

(c) If the Board is unable to provide to the MSRB the Audited Financial Statements by the date required in Section 2(a), the Board shall provide to the MSRB unaudited financial statements of the Board, and, as required by the Rule, Audited Financial Statements, when and if available, must thereafter be provided to the MSRB.

Section 3. Content of Annual Financial Information. The Board's Annual Financial Information shall contain or incorporate by reference the Operating Data, as well as the following:

- (i) the Audited Financial Statements and
- (ii) the accounting principles pursuant to which the Audited Financial Statements were prepared.

The Board reserves the right to cross-reference any or all of such annual financial information and operating data to other documents to be provided to the MSRB.

The Board reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Board; provided that the Board agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

It shall be sufficient if the Board provides to the MSRB the Annual Financial Information by specific reference to documents previously provided to the MSRB or filed with the Securities and Exchange Commission and, if such document is a final official statement, available from the MSRB. The Board shall clearly identify each such other document so incorporated by reference.

Section 4. Reporting of Material Events.

(a) If a Material Event occurs while any Bonds are Outstanding, the Board shall provide a Material Event Notice directly to the MSRB in a timely manner not in excess of ten business days after the occurrence of the event. Each Material Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds.

(b) The Trustee shall promptly advise the Board whenever, in the course of performing its duties as Trustee under the Indenture, the Trustee identifies an occurrence which, if material, would require the Board to provide a Material Event Notice pursuant to paragraph 4(a) above; provided that the failure of the Trustee so to advise the Board shall not constitute a breach by the Trustee of any of its duties and responsibilities hereunder or under the Indenture.

(c) The Board may from time to time choose to provide notice of the occurrence of certain other events, in addition to Material Events, if, in the judgment of the Board, such other event is material with respect to the Bonds, but the Board does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

Section 5. Termination of Reporting Obligation. The Board's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption in whole or payment in full of all of the Bonds. In addition, any provision hereof and any provision relating to the Rule as set forth in the Bond Resolution shall be null and void in the event that the Board delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this Disclosure Agreement, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided that the Board shall have provided notice of such delivery and the cancellation of this Disclosure Agreement and that portion of the Bond Resolution relating to the Rule to the MSRB.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Board may amend this Disclosure Agreement, and any provision of this Disclosure

Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not in and of itself cause the undertakings herein to violate, or adversely affect compliance with the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule.

Provided, however, that the following conditions must be satisfied prior to such amendment:

(a) the undertaking hereunder, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment does not materially impair the interests of the holders of the Bonds, as determined either by parties unaffiliated with the Board (such as bond counsel), or by approving vote of such holders in accordance with the terms of the Bond Resolution at the time of the amendment.

Further, the Annual Financial Information containing the amended operating data or financial information shall explain in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

Further provided, if an amendment is made to an undertaking hereunder specifying the accounting principles to be followed in preparing the Audited Financial Statements, the Annual Financial Information for the year in which the change is made should present a comparison between the Audited Financial Statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the Audited Financial Statements, in order to provide information to investors to enable them to reevaluate the ability of the Board to meet its obligations. To the extent reasonably feasible, the comparison also should be quantitative. A notice of the change in the accounting principles should be sent to the MSRB.

Section 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information or Material Event Notice, in addition to that which is required by this Disclosure Agreement. If the Board chooses to include any information in any Annual Financial Information or Material Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Board shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information or Material Event Notice.

Section 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Board, the Participating Underwriter and the holders of the Bonds, and shall create no rights in any other person or entity.

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Certificate on this, the ____ day of _____, 2019.

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

By: _____

Name: Daniel T. Layzell

Title: Executive Vice President for Finance and
Administration/CFO

APPENDIX G-1

SERIES 2010B REFUNDED BONDS

APPENDIX G-2

SERIES 2012 REFUNDED BONDS

APPENDIX G-3

SERIES 2014 REFUNDED BONDS

APPENDIX H

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning The Depository Trust Company (“DTC”) New York, New York and DTC’s book-entry-only system has been obtained from DTC. None of the Board, the Trustee or the Underwriter make any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for the Bonds, as set forth on the cover page hereof, in the aggregate principal amount of each maturity of the Bonds and deposited with DTC.

DTC, the world’s largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“*DTCC*”). DTCC is the holding company for DTC, National Securities Clearing Corporation & Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”). DTC has an S&P Global Ratings rating of “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“*Beneficial Owner*”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC’s records reflect only the identity

of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Board or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other name as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Tender or Remarketing Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to Tender or Remarketing Agent. The requirement for physical delivery of the Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit for tendered Bonds to Tender or Remarketing Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Board or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from a source that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

THE BOARD, THE UNIVERSITY, THE TRUSTEE AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE BONDS, (ii) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE BOARD, THE UNIVERSITY, THE TRUSTEE NOR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS; (iv) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BONDHOLDERS; (v) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

TAX COMPLIANCE CERTIFICATE

of

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

executed as part of the proceedings for the authorization and issuance of

\$ _____

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Auxiliary Revenue Refunding Bonds
Series 2019A**

\$ _____

**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B**

Dated _____, 2019

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TAX COMPLIANCE CERTIFICATE

This **TAX COMPLIANCE CERTIFICATE** is made and dated _____, 2019 (this "*Tax Compliance Certificate*"), by the **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** and its successors or assigns (the "*Board*") under the Bond Resolution (any capitalized term used in these recitals and preambles shall have the same meanings assigned thereto in Article I hereof).

W I T N E S S E T H :

WHEREAS, the Board has authorized the issuance of \$_____ aggregate principal amount of its Auxiliary Revenue Refunding Bonds, Series 2019A (the "*Series 2019A Bonds*"), the Proceeds of which shall be used, together with other available funds of the Board, for the following purposes:

- (a) to advance refund and defease a portion of the Board's outstanding Series ____ Bonds (the remainder of which will be refunded and defeased using a portion of the proceeds of the hereinafter defined Series 2019B Bonds); and
- (b) to pay the costs of issuance of the Series 2019A Bonds.

WHEREAS, the Board has further authorized the issuance of \$_____ aggregate principal amount of its Taxable Auxiliary Revenue Refunding Bonds, Series 2019B (the "*Taxable Series 2019B Bonds*" and, collectively with the Series 2019A Bonds, the "*Series 2019 Bonds*"), the Proceeds of which shall be used for the following purposes:

- (a) to advance refund and defease a portion of the Board's outstanding Series ____ Bonds (the remainder of which will be refunded and defeased using a portion of the proceeds of the Series 2019A Bonds); and
- (b) to pay the costs of issuance of the Taxable Series 2019B Bonds.

WHEREAS, the Board has determined that a portion of the Proceeds derived from the issuance, sale and delivery of the Series 2019 Bonds, together with other available funds of the Board, is needed to defease all of the Refunded Bonds and to redeem all of the Refunded Bonds no later than July 1, 2024 (the "*Final Redemption Date*"); and

WHEREAS, this Tax Compliance Certificate is being delivered by the Board with respect to the Series 2019A Bonds to comply with § 1.148-2(b)(2) of the Regulations and to ensure compliance with the provisions of the Internal Revenue Code of 1986, as amended, and the Regulations thereunder; and

WHEREAS, to ensure that interest on the Series 2019A Bonds will be and remain excludable from gross income under the Code, the restrictions listed in this Tax Compliance Certificate must be satisfied.

NOW THEREFORE, the Board hereby certifies as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following words and phrases shall have the following meanings. Any capitalized word or term used herein but not defined herein shall have the same meaning given in the hereinafter defined Bond Resolution.

"Abusive Arbitrage Device" means any action which has the effect of (a) enabling the Board to exploit the difference between taxable and tax exempt interest rates to obtain a material financial advantage and (b) overburdening the tax exempt bond market as defined in § 1.148-10 of the Regulations.

"Accounting Method" means both the overall method used to account for the Gross Proceeds of the Series 2019A Bonds (e.g., the cash method or a modified accrual method) and the method used to account for or allocate any particular item within that overall accounting method (e.g., accounting for Investments, Expenditures, allocations to and from different sources and particular items of the foregoing).

"Authorized Board Representative" means, with respect to the Series 2019 Bonds and any document relating thereto, one or more, as required by law or by the Bond Resolution, of the Chairman, the Chairman-Elect, the Secretary and each officer of the Board, the President and the Vice President for Finance or any other Person designated in writing to the Trustee by the Chairman or Chairman-Elect of the Board or designated by a resolution of the Board.

"Average Economic Life" means the average reasonably expected economic life of the Refinanced Facilities financed with the Proceeds of the Series 2019A Bonds as defined in § 147(b) of the Code.

"Average Maturity" means the average maturity of the Series 2019A Bonds as defined in § 147(b) of the Code.

"Bond Counsel" means Breazeale, Sachse & Wilson, L.L.P., or another law firm of nationally recognized bond counsel which is requested to deliver its approving opinion with respect to the issuance of and/or the exclusion from federal income taxation of interest on the Series 2019A Bonds.

"Bond Fund" means the Bond Fund established pursuant to the Bond Resolution, in which there are established the Principal Account and the Interest Account.

"Bond Proceeds Fund" means the Series 2019 Bond Proceeds Fund established pursuant to the Bond Resolution, in which there is established the Costs of Issuance Account.

"Bond Resolution" means, collectively, the General Bond Resolution and the Nineteenth Supplemental Resolution, which resolutions authorize the issuance of and secure the Series 2019 Bonds.

"Bond Year" means the 12 month period commencing at 12:01 a.m. on July 1 of each year and ending at midnight the succeeding June 30 or, at the discretion of the Board, any other 12 month period, during the term of the Series 2019A Bonds, except that the first Bond Year shall commence on the Date of Issue and end at midnight, June 30, 2020 (unless a different period is required by the Regulations or later selected by the Board).

"Bond Yield" means the Yield of the Series 2019A Bonds calculated in accordance with Section 1.148-4 of the Regulations.

"Capital Expenditure" means any cost of a type that is properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under § 1.150-2(c) of the Regulations) under general federal income tax principles. For example, costs incurred to acquire, construct or improve land, buildings and equipment generally are Capital Expenditures. Whether an Expenditure is a Capital Expenditure is determined at the time the Expenditure is paid with respect to the property. Future changes in law do not affect whether an Expenditure is a Capital Expenditure.

"Capital Project" means all Capital Expenditures, plus related working capital expenditures to which the de minimis rule under § 1.148-6(d)(3)(ii)(A) of the Regulations applies, that carry out the governmental purpose of the Series 2019 Bonds. For example, a Capital Project may include Capital Expenditures for one or more building improvements or equipment, plus related start up operating costs.

"Class of Investments" means one of the following, each of which represents a different Class of Investments:

- (a) each category of Yield restricted Purpose Investment and Program Investment, as defined in § 1.148-1(b), that is subject to a different definition of materially higher Yield under § 1.148-2(d)(2);
- (b) yield restricted Nonpurpose Investments; and
- (c) all other Nonpurpose Investments.

"Code" means the Internal Revenue Code of 1986, as amended.

"Computation Date" means an Installment Computation Date or the Final Computation Date.

"Computation Date Credit" means, on the last day of each Bond Year during which there are Gross Proceeds subject to the rebate requirement of Article VI hereof, and on the Final Computation Date, the amount of \$1,670.00 (the foregoing limitation is for calendar year 2017 and is subject to annual cost-of-living increase as provided in the Regulations).

"Consistently Applied" means applied uniformly within a fiscal period and between fiscal periods to account for Gross Proceeds of an issue and any amounts that are in a commingled fund.

"Costs of Issuance" means all costs incurred in connection with the issuance of the Series 2019A Bonds, other than fees paid to or on behalf of credit enhancers as fees for "qualified guarantees" as defined in § 1.148-4(f) of the Regulations. Examples of Costs of Issuance include (but are not limited to):

(a) underwriters' spread (whether realized directly or derived through purchase of the Series 2019A Bonds at a discount below the price at which a substantial number of the Series 2019 Bonds are sold to the public);

(b) counsel fees (including Bond Counsel, underwriters' counsel, issuer's counsel, borrower's counsel, trustee's counsel, and any other specialized counsel fees incurred in connection with the issuance of the Series 2019A Bonds);

(c) financial advisor fees incurred in connection with the issuance of the Series 2019A Bonds;

(d) rating agency fees (except for any such fee that is paid in connection with or as a part of the fee for credit enhancement of the Series 2019A Bonds);

(e) trustee fees incurred in connection with the issuance of the Series 2019A Bonds;

(f) accountant fees incurred in connection with the issuance of the Series 2019A Bonds;

(g) printing costs (for the Series 2019A Bonds and of the preliminary and final Official Statements);

(h) costs incurred in connection with the required public approval process (e.g., publication costs for public notices generally and costs of the public hearing); and

(i) Board fees to cover administrative costs and expenses incurred in connection with the issuance of the Series 2019A Bonds.

"Costs of Issuance Account" means the Series 2019A Costs of Issuance Sub-Account of the Bond Proceeds Fund established by the Bond Resolution.

"Current Outlay of Cash" means an outlay reasonably expected to occur not later than five banking days after the date as of which the allocation of Gross Proceeds to the Expenditure is made.

"Date of Issue" means _____, 2020.

"Discharged" means, with respect to any Series 2019A Bond, the date on which all amounts due with respect to such Series 2019A Bond are actually and unconditionally paid, if cash is available at the place of payment, and no interest accrues with respect to such Series 2019A Bond after such date.

"Economic Accrual Method" (also known as the constant interest method or actuarial method) means the method of computing Yield that is based on the compounding of interest at the end of each compounding period.

"Escrow Fund" means the Escrow Fund established pursuant to the Escrow Agreement.

"Escrow Agreement" means the Escrow Deposit Agreement (Series 2010B, Series 2012 and Series 2014) dated the Date of Issue, between the Board and the Escrow Trustee.

"Escrow Trustee" means The Bank of New York Mellon Trust Company, N.A.

"Exempt Person" means any organization described in Section 501(c)(3) of the Code or a state or local governmental unit of the State.

"Expenditure" means a book or record entry which allocates Proceeds of the Series 2019A Bonds in connection with a Current Outlay of Cash.

"Fair Market Value" means the price at which a willing buyer would purchase an Investment from a willing seller in a bona fide, arm's length transaction. Fair Market Value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (i.e., the trade date rather than the settlement date). Except as otherwise provided in this definition, an Investment that is not of a type traded on an established securities market (within the meaning of § 1273 of the Code), is rebuttably presumed to be acquired or disposed of for a price that is not equal to its Fair Market Value. The Fair Market Value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price. The following guidelines shall apply for purposes of determining the Fair Market Value of the obligations described below:

(a) *Certificates of Deposit.* The purchase of certificates of deposit with fixed interest rates, fixed payment schedules and substantial penalties for early withdrawal will be deemed to be an Investment purchased at its Fair Market Value on the purchase date if the Yield on the certificate of deposit is not less than:

(i) the Yield on reasonably comparable direct obligations of the United States; and

(ii) the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(b) *Investment Contracts.* An investment contract is a contract which is not a certificate of deposit entered into for purposes of investing Gross Proceeds of tax exempt obligations with a party other than the issuer or borrower of tax exempt obligations at an interest rate or rates specified in the contract if all obligations under the investment contract are purchased at par and retired or redeemed at par plus accrued interest. An investment contract will be deemed to be an Investment purchased at its Fair Market Value if:

(i) the Board or its agent makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements: (A) the bid specifications are in writing and are timely forwarded to potential providers; (B) the bid specifications include all material terms of the bid (a term is material if it may directly or indirectly affect the yield or the costs of the investment); (C) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Board or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the Board or any other person for purposes of satisfying the requirements of Section 1.148-5(d)(6)(iii)(B)(1) or (2) of the Regulations; and (D) the terms of the bid specifications are commercially reasonable, i.e., there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield on the Investment;

(ii) the bids received by the Board meet all of the following requirements: (A) the Board receives at least three bids from providers that the Board solicited under a bona fide solicitation meeting the requirements of clause (b)(i) above that do not have a material financial interest in the issue, such as a lead underwriter, financial advisor or a related party of the Board (a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue); any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue; (B) at least one of the three bids is from a reasonably competitive provider; and (C) if the Board uses an agent to conduct the bidding process, the agent did not bid to provide the investment;

(iii) the winning bid is the highest yielding bona fide bid (determined net of any broker's fees); and

(iv) the provider of the investments or the obligor on the guaranteed investment contract must certify the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

In addition, the Board must retain the following items with the bond documents until three years after the Series 2019A Bonds are paid: (a) a copy of the investment contract; (b) the receipt or other record of the amount actually paid by the Board for the investments, including a record of any administrative costs paid by the Board, and the certification referred to in clause (b)(iv) above; (c) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and (d) the bid solicitation form and, if the terms of the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

"Final Computation Date" means the date the last outstanding Series 2019A Bond is Discharged.

"Future Value" means the Value of a Receipt or Payment at the end of any interval as determined by using the Economic Accrual Method and equals the Value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the Series 2019A Bonds, using the same compounding interval and financial conventions used to compute that Yield.

"General Bond Resolution" means the General Bond Resolution adopted by the Board on June 17, 1994, as supplemented and amended to the date hereof.

"Gross Proceeds" means any Proceeds or Replacement Proceeds of the Series 2019A Bonds.

"Installment Computation Date" means the last day of the fifth Bond Year and each succeeding fifth Bond Year, unless changed by the Board pursuant to the Regulations.

"Interest Account" means the Series 2019A Interest Account established pursuant to the Bond Resolution.

"Investment" means any Purpose Investment or Nonpurpose Investment, including any other tax exempt bond.

"Investment Instructions" means the letter of instructions set forth in **Exhibit D** hereto.

"Investment Proceeds" means any amounts actually or constructively received from investing Proceeds of the Series 2019A Bonds.

"Investment Type Property" means any property, other than property described in § 148(b)(2)(A), (B), (C) or (E) of the Code that is held principally as a passive vehicle for the

production of income. Except as otherwise provided, a prepayment for property or services is Investment Type Property if a principal purpose for prepaying is to receive an Investment return from the time the prepayment is made until the time payment otherwise would be made. A prepayment is not Investment Type Property if:

(a) the prepayment is made for a substantial business purpose other than investment return and the issuer has no commercially reasonable alternative to the prepayment; or

(b) prepayments on substantially the same terms are made by a substantial percentage of persons who are similarly situated to the issuer but who are not beneficiaries of tax exempt financing.

"Issue Price" means, except as otherwise provided, issue price as defined in §§ 1273 and 1274 of the Code. Generally, the Issue Price of bonds that are publicly offered is the first price at which a substantial amount of the bonds is sold to the public. Ten percent is a substantial amount. The public does not include bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers. The Issue Price does not change if part of the issue is later sold at a different price. The Issue Price of bonds that are not substantially identical is determined separately. The Issue Price of bonds for which a bona fide public offering is made is determined as of the sale date based upon reasonable expectations regarding the initial public offering price. If a bond is issued for property, the applicable federal tax exempt rate is used in lieu of the federal rate in determining the Issue Price under § 1274 of the Code. The Issue Price of bonds may not exceed their Fair Market Value as of the sale date. With respect to the Series 2019A Bonds, the Issue Price is \$_____.

"Net Sale Proceeds" means Sale Proceeds, less the portion of those Sale Proceeds invested in a reasonably required reserve or replacement fund under § 148(d) of the Code and as part of a minor portion under § 148(e) of the Code.

"Nineteenth Supplemental Resolution" means the Nineteenth Supplemental Resolution relating to the Series 2019 Bonds approved by the Board on October 25, 2019, and executed and effective on the Date of Issue.

"Nonpurpose Investment" means any security, obligation, annuity contract or Investment type property as defined in § 148(b) of the Code, including "specified private activity bonds" as defined in § 57(a)(5)(c) of the Code, but excluding all other obligations the interest on which is excludible from federal gross income. The term "Nonpurpose Investment" does not include the Board's obligations to make payments to the Trustee pursuant to the provisions of the Bond Resolution.

"Payments" means, for purposes of computing the Rebate Amount, (a) amounts actually or constructively paid to acquire a Nonpurpose Investment (or treated as paid to a commingled fund); (b) for a Nonpurpose Investment that is first allocated to an issue on a date after it is actually acquired (e.g., an Investment that becomes allocable to Transferred Proceeds or to Replacement

Proceeds) or that becomes subject to the rebate requirement of the Code on a date after it is actually acquired (e.g., an Investment allocated to a reasonably required reserve or replacement fund for a construction issue at the end of the two year spending period), the Value of that Investment on that date; (c) for a Nonpurpose Investment that was allocated to an issue at the end of the preceding computation period, the Value of that Investment at the beginning of the computation period; (d) on the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of an issue that are subject to the rebate requirement of the Code, and on the final maturity date, a Computation Date Credit; and (e) Yield Reduction Payments on Nonpurpose Investments made pursuant to § 1.148-5(c) of the Regulations. For purposes of computing the Yield on an Investment (including the Value of the Investment), Payment means amounts to be actually or constructively paid to acquire the Investment; provided, however, that payments made by a conduit borrower are not treated as paid until the conduit borrower ceases to receive the benefit of earnings on those amounts. Payments on Investments, including Guaranteed Investment Contracts, are adjusted for Qualified Administrative Costs of acquiring a Nonpurpose Investment.

"Pre-Issuance Accrued Interest" means amounts representing interest that accrued on an obligation for a period not greater than one year before the Date of Issue but only if those amounts are paid within one year after the Date of Issue.

"Principal Account" means the Series 2019A Principal Account of the Bond Proceeds Fund established pursuant to the Bond Resolution.

"Proceeds" means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of an issue. Proceeds do not include, however, amounts actually or constructively received with respect to a Purpose Investment that are properly allocable to the immaterially higher Yield under § 1.148-2(d) of the Regulations or Section 143(g) of the Code or to qualified administrative costs recoverable under § 1.148-5(e) of the Regulations.

"Purpose Investment" means an Investment that is acquired to carry out the governmental purpose of an issue.

"Qualified Administrative Costs" means reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions that are comparable to those charged nongovernmental entities in transactions not involving Tax Exempt Bond proceeds, excluding legal and accounting fees, recordkeeping, custody, or similar costs. In addition, certain indirect administrative costs may be characterized as Qualified Administrative Costs with respect to Nonpurpose Investments in publicly offered regulated investment companies and certain "external commingled funds," as defined in Section 1.148-5(e)(2)(ii) of the Treasury Regulations. For a guaranteed investment contract, a broker's commission or similar fee paid on behalf of either an issuer or the provider is a Qualified Administrative Cost to the extent that the amount of the broker's commission or similar fee does not exceed the lesser of (a) \$39,000; and (b) .2% of the amount of Gross Proceeds the issuer expects, as of the date the guaranteed investment contract is acquired, to be deposited into the guaranteed investment contract over the term of such guaranteed investment contract or, if such amount does not exceed \$4,000, then \$4,000. With respect to all guaranteed investment contracts and investments for yield restricted defeasance

escrows allocated to Gross Proceeds, the aggregate amount of broker's commissions and fees which may be treated as Qualified Administrative Costs cannot exceed \$111,000. The foregoing limitations are effective for calendar year 2017 and may be adjusted annually for cost of living as provided in Section 1.148-5(e)(3) of the Regulations.

"Qualified Hedging Transaction" means a contract which meets the requirements of §1.148-4(h)(2) of the Regulations.

"Rebate Amount" means the excess of the Future Value of all Receipts on Nonpurpose Investments over the Future Value of all the Payments on Nonpurpose Investments. Future Value is computed as of the Computation Date. Rebate Amount additionally includes any penalties and interest on underpayments reduced for recoveries of overpayments. The Rebate Amount is the net Rebate Amount computed for the Series 2019A Bonds.

"Rebate Analyst" means the entity chosen by the Board in accordance with Section 6.06 hereof to determine the amount of required deposits to the Rebate Fund, if any.

"Rebate Fund" means the Series 2019A Rebate Fund established pursuant to the Bond Resolution.

"Rebate Requirements" means the rebate requirements of Code Section 148(f) applicable to the Series 2019A Bonds.

"Receipts" means, for purposes of computing the Rebate Amount, (a) amounts actually or constructively received from a Nonpurpose Investment (including amounts treated as received from a commingled fund), such as earnings and return of principal; (b) for a Nonpurpose Investment that ceases to be allocated to an issue before its disposition or redemption date (e.g., an Investment that becomes allocable to Transferred Proceeds of another issue or that ceases to be allocable to the issue pursuant to the universal cap under § 1.148-6 of the Regulations) or that ceases to be subject to the rebate requirement of the Code on a date earlier than its disposition or redemption date (e.g., an Investment allocated to a fund initially subject to the rebate requirement of the Code but that subsequently qualifies as a bona fide debt service fund), the Value of that Nonpurpose Investment on that date; and (c) for a Nonpurpose Investment that is held at the end of a computation period, the Value of that Investment at the end of that period. For purposes of computing Yield on an Investment, Receipts means amounts to be actually or constructively received from the Investment, such as earnings and return of principal (including the Value of an Investment). Receipts on Investments, including Guaranteed Investment Contracts, are adjusted (reduced) for Qualified Administrative Costs.

"Recomputation Event" means a transfer, waiver, modification or similar transaction of any right that is part of the terms of the Series 2019A Bonds or a Qualified Hedging Transaction that is entered into, or terminated, in connection with the Series 2019A Bonds.

"Refinanced Facilities" means, those Capital Projects originally financed or refinanced by the Series 2019A Bonds as set forth on **Exhibit F** hereto.

"Refunded Bonds" means, collectively, the Series 2010B Bonds, the Series 2012 Bonds and the Series 2014 Bonds.

"Regulation" or **"Regulations"** means the temporary, proposed or final Income Tax Regulations promulgated by the Department of the Treasury and applicable to the Series 2019A Bonds, including §§ 1.148-0 through 1.148-11, § 1.149 and §§ 1.150-1 and 1.150-2 as issued by the Internal Revenue Service.

"Replacement Proceeds" means amounts which have a sufficiently direct nexus to the Series 2019A Bonds or to the governmental purpose of the Series 2019A Bonds to conclude that the amounts would have been used for that governmental purpose if the Proceeds of the Series 2019A Bonds were not used or to be used for that governmental purpose, as more fully defined in § 1.148-1(c) of the Regulations.

"Sale Proceeds" means any amounts actually or constructively received from the sale of the Series 2019A Bonds, including amounts used to pay underwriters' discount or compensation and accrued interest other than Pre-Issuance Accrued Interest.

"Series 2010B Bonds" means the Board's Gulf Opportunity Zone Auxiliary Revenue Bonds, Series 2010B.

"Series 2012 Bonds" means the Board's Auxiliary Revenue Refunding Bonds, Series 2012.

"Series 2014 Bonds" means the Board's Auxiliary Revenue Refunding Bonds, Series 2014.

"SLGS" means United States Treasury Certificates of Indebtedness, Notes and Bonds—State and Local Government Series.

"State" means the State of Louisiana.

"Tax Compliance Certificate" means this Tax Compliance Certificate.

"Transferred Proceeds" means Proceeds of refunded bonds which become Proceeds of refunding bonds and cease to be Proceeds of refunded bonds when Proceeds of the refunding bonds discharge any of the outstanding principal amount of the refunded bonds. The amount of Proceeds of the refunded bonds that become Transferred Proceeds of refunding bonds is an amount equal to the unspent Proceeds of the refunded bonds on the date of that discharge multiplied by a fraction:

(a) the numerator of which is the principal amount of the refunded bonds discharged with Proceeds of the refunding bonds on the date of that discharge; and

(b) the denominator of which is the total outstanding principal amount of the refunded bonds on the date immediately before the date of that discharge.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., as trustee for the Series 2019 Bonds, or any successor under the Bond Resolution.

"Underwriters" means, collectively, the firm of Raymond James & Association, Inc., and the other underwriters designated in the Nineteenth Supplemental Resolution.

"Universal Cap" means the Value of all outstanding Series 2019A Bonds.

"Value" means Value as determined under § 1.148-4(e) of the Regulations for a Series 2019A Bond and Value determined under § 1.148-5(d) of the Regulations for an Investment.

"Yield" means, for purposes of determining the Yield on the Series 2019A Bonds or any Class of Investments, the Yield computed under the Economic Accrual Method using consistently applied compounding intervals of not more than one year. A short first compounding interval and a short last compounding interval may be used. Yield is expressed as an annual percentage rate that is calculated to at least four decimal places (e.g., 5.2525%). Other reasonable, standard financial conventions, such as the 30 days per month/360 days per year convention, may be used in computing Yield but must be consistently applied. The Yield on an issue that would be a Purpose Investment (absent § 148(b)(3)(A) of the Code) is equal to the Yield on the conduit financing issue that financed that Purpose Investment.

The Yield on a fixed yield issue is the discount rate that, when used in computing the present Value as of the issue date of all unconditionally payable payments of principal, interest and fees for qualified guarantees and amounts paid under Qualified Hedging Transactions on the issue (and amounts reasonably expected to be paid as fees for qualified guarantees and under Qualified Hedging Transactions on the issue), produces an amount equal to the present Value, using the same discount rate, of the aggregate issue price of bonds of the issue as of the issue date. In the case of obligations purchased or sold at a substantial discount or premium, the Regulations prescribe certain special Yield calculation rules. For purposes of determining the Yield on an Investment, the Yield shall be computed under the Economic Accrual Method, using the same compounding interval and financial conventions used to compute the Yield on the Series 2019A Bonds.

The Yield on an Investment allocated to the Series 2019A Bonds is the discount rate that, when used in computing the present Value as of the date the Investment is first allocated to the issue of all unconditionally payable receipts from the Investment, produces an amount equal to the present Value of all unconditionally payable payments for the Investment. The Yield on an Investment shall not be adjusted by any hedging transaction entered into in connection with such Investment unless the Trustee and the Board have received an opinion of Bond Counsel that such an adjustment is permitted by the Regulations. Yield shall be calculated separately for each Class of Investments.

"Yield Reduction Payment" means a payment to the United States with respect to an Investment which is treated as a Payment for that Investment that reduces the Yield on that Investment in accordance with § 1.148-5(c) of the Regulations. Yield Reduction Payments include Rebate Amounts paid to the United States.

Section 1.02. Reliance on Board Information. Bond Counsel, the Trustee and the registered owners of the Series 2019A Bonds shall be permitted to rely upon the contents of any certification, document or instructions provided pursuant to this Tax Compliance Certificate and shall not be responsible or liable in any way for the accuracy of their contents or the failure of the Board to deliver any required information.

Section 1.03. Authorized Signature. The undersigned Authorized Board Representative is knowledgeable with respect to the facts and circumstances relating to the Board's election to issue the Series 2019A Bonds, and has made due inquiry with respect to and is fully informed as to matters set forth herein pertaining to the Series 2019A Bonds.

Section 1.04. Reasonable Expectations. The facts and estimates set forth in this Tax Compliance Certificate on which the Board's expectations as to the amount and use of the Gross Proceeds of the Series 2019A Bonds are based are made to the best of the knowledge and belief of the undersigned duly Authorized Board Representative, and the expectations are reasonable. The facts and estimates set forth in this Tax Compliance Certificate are based in part on the Underwriters' expectations, representations and certifications set forth in this Tax Compliance Certificate, and the Board's expectations are based on this Tax Compliance Certificate. The Board does not know of any reason that it cannot rely on the expectations, representations and certifications of the Underwriters.

Section 1.05. No Other Replaced Proceeds. No portion of the amounts received from the sale of the Series 2019A Bonds will be used as a substitute for other funds which were otherwise to be used as a source of financing for the Series 2019A Bonds, and which will be used to acquire, directly or indirectly, Investment Property producing a yield in excess of the Bond Yield.

ARTICLE II

CERTAIN REPRESENTATIONS BY THE BOARD

Section 2.01. Representations with Respect to the Series 2019A Bonds and the Refunded Bonds.

(a) As stated on **Exhibit F**, the Series 2012 Bonds were originally issued **["**to come**"]**. The Series 2012 Bonds are being refunded to achieve present value savings for the Board **["**and to defease the Series 2012 Bonds fully**"]**. The Series 2012 Bonds will be retired on their first optional redemption date following the Date of Issue. See, also, paragraph VII(h) herein.

(b) As stated on **Exhibit F**, the Series 2014 Bonds were **[**to come**]**. The Series 2014 Bonds are being advance refunded to achieve present value savings **[**and to defease the Series 2014 Bonds fully**]**. The Series 2014 Bonds will be retired on their first optional redemption date following the Date of Issue. See, also, paragraph VII(h) herein.

(c) The defeasance of the Refunded Bonds will provide debt service savings with respect to the Refunded Bonds.

Section 2.02. Change in Use or Ownership of the Refinanced Facilities. The Board represents that all of the Refinanced Facilities are or will be owned by the Board and will be used in pursuit of its governmental purposes and will continue to be so used and owned as long as the Series 2019A Bonds are outstanding. The Board recognizes that a change in use or ownership could result in loss of tax exemption on the Series 2019A Bonds or, pursuant to Section 150 of the Code, may have collateral federal income tax consequences for any purchaser of the Refinanced Facilities who is not an Exempt Person. This Section shall not apply to any Refinanced Facilities which may be sold or otherwise disposed of by the Board as a result of the normal wear and tear or obsolescence of such property.

Section 2.03. Certifications by the Board for Purposes of IRS Form 8038-G. Section 149(e) of the Code requires as a condition to qualification for tax exemption of the Series 2019A Bonds that the Board provide to the Secretary of the Treasury certain information with respect to the Series 2019A Bonds and the application of the Proceeds derived therefrom. The following certifications of the Board will be relied upon by Bond Counsel in satisfying this information reporting requirement. Accordingly, the Board hereby represents and certifies, to the best of its knowledge, for the benefit of Bond Counsel and the registered owners of the Series 2019A Bonds, the truth and accuracy of clauses (a) through (o) below:

- (a) Board’s employer identification number72 6000848
- (b) Number of 8038-G reports previously filed by the Board this
calendar year0
- (c) Issue price of the Series 2019A Bonds\$
- (d) Proceeds used for Accrued Interest.....\$-0-
- (e) Costs of Issuance (including Underwriters’ Discount).....\$
- (f) Reasonably Required Reserve Fund Deposits\$-0-
- (g) Proceeds used for Credit Enhancement\$-0-
- (h) Proceeds used to refund prior issue\$
- (i) Nonrefunding Proceeds of the Series 2019A Bonds.....\$-0-
- (j) Date of final maturity of the Series 2019A Bonds..... July 1, 20__
- (k) Stated redemption price at maturity of entire issue of
Series 2019A Bonds.....\$
- (l) Weighted average maturity of entire issue of the
Series 2019A Bonds..... ____ years
- (m) Yield on Series 2019A Bonds..... ____%
- (o) Hedge identified.....No

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.01. Costs of Issuance Account of the Bond Proceeds Fund. Proceeds of the Series 2019A Bonds deposited to the Costs of Issuance Account of the Bond Proceeds Fund will be used to pay Costs of Issuance of the Series 2019A Bonds and will be spent within a one year period beginning on the Date of Issue of the Series 2019A Bonds. Such Proceeds and may be invested without regard to investment yield limitation for a period of one year from the Date of Issue of the Series 2019A Bonds, and thereafter, may not be invested at a yield in excess of the Yield on the Series 2019A Bonds plus .125%, except that any Proceeds of the Taxable Series 2019B Bonds may continue to be invested without regard to investment yield limitation.

Section 3.02. Interest Account and Principal Account of the Bond Fund. The Board will treat the Interest Account and Principal Account of the Bond Fund, collectively, as a bona fide debt service fund, which will be used to pay the principal of and interest on the Series 2019A Bonds as the same become due and which will be depleted at least once a year (except for a reasonable carryover amount not to exceed the greater of one twelfth of the annual debt service on the Series 2019A Bonds or one year's interest earnings on such funds). It is reasonably expected that all amounts received by the Issuer as income from the investment of moneys held in the Interest Account and Principal Account of the Bond Fund will be expended to pay the principal of and interest on the Series 2019A Bonds within one year of receipt thereof. Amounts deposited in the Interest Account and Principal Account of the Bond Fund may be invested without regard to investment yield limitation for a period of 13 months from the date of deposit therein, and thereafter, may not be invested in obligations that bear a yield in excess of the Yield on the Series 2019A Bonds. Any interest earnings or investment gains realized from the investment of such moneys allocable to the Series 2019A Bonds may be invested without regard to yield limitation for a period of one year from the date of receipt, and thereafter, at a yield not in excess of the Yield on the Series 2019A Bonds. Investment earnings on the Gross Proceeds of the Series 2019A Bonds deposited in the Interest Account and Principal Account of the Bond Fund shall be retained in the Interest Account and Principal Account of the Bond Fund and expended as described in this Section 3.02.

Section 3.03. Escrow Fund.

(a) (i) The portion of the Escrow Fund that will pay the Series 2012 Bonds will be funded from two sources of moneys – (1) moneys in the amount of \$_____ contributed and dedicated by the Board to pay debt service on the Series 2012 Bonds accrued to the Date of Issue and unspent Proceeds of the Series 2012 Bonds that are not needed for any Capital Project and (2) Proceeds of the Series 2019A Bonds in the amount of \$_____.

(ii) Moneys deposited in the Escrow Fund from the bond fund for and from unspent Proceeds of the Series 2012 Bonds, will be invested in SLGS

at a yield not in excess of the yield of the Series 2012 Bonds and allocated to the earliest maturing investments and earliest expenditures in such portion of the Escrow Fund.

(iii) Proceeds of the Series 2019A Bonds in the Escrow Fund will be invested in SLGS at a yield not in excess of the yield of the Series 2019A Bonds and will be allocated to investments in and expenditures from the Escrow Fund occurring after the investments and expenditures described in subparagraph (a)(ii) above.

(b) (i) The portion of the Escrow Fund that will pay the Series 2014 Bonds will be funded from two sources of moneys – (1) moneys in the amount of \$_____ contributed and dedicated by the Board to pay debt service on the Series 2014 Bonds accrued to the Date of Issue and unspent Proceeds of the Series 2014 Bonds that are not needed for any Capital Project and (2) Proceeds of the Series 2019A Bonds in the amount of \$_____.

(ii) Moneys deposited in the Escrow Fund from the bond fund for the Series 2014 Bonds, will be invested in SLGS at a yield not in excess of the yield of the Series 2014 Bonds and allocated to the earliest maturing investments and earliest expenditures in such portion of the Escrow Fund.

(iii) Proceeds of the Series 2019A Bonds in such portion of the Escrow Fund will be invested in SLGS at a yield not in excess of the yield of the Series 2019A Bonds and will be allocated to investments in and expenditures from the Escrow Fund occurring after the investments and expenditures described in subparagraph (b)(ii) above.

ARTICLE IV

SOURCES AND USES OF BOND PROCEEDS

Section 4.01. Anticipated Use of Proceeds. The Board represents and certifies for the benefit of Bond Counsel, Trustee and the registered owners of the Series 2019A Bonds that the Sale Proceeds of the Series 2019A Bonds and other Board moneys will be used in the manner set forth in **Exhibit A** hereto and that the Sale Proceeds of the Series 2019A Bonds will be invested in accordance with the Investment Instructions.

Section 4.02. Certification as to Advance Refunding; No Transferred Proceeds. The Board hereby certifies that such amounts set forth in "Sources of Funds" in **Exhibit A** hereto consist only of amounts which are directly related to and necessary to advance refund the Refunded Bonds. As of the date hereof, all of the Gross Proceeds (and earnings on said gross proceeds) of the Refunded Bonds have been expended, except for the amounts described in Section 3.03 hereof, and except for any balances held by the Board to pay rebate obligations on the Refunded Bonds. Any of such amounts not spent to pay rebate obligations will be transferred by the Board to the Interest Account for the Series 2019A Bonds. As of the Date of Issue, there are no other unspent Gross Proceeds of the Refunded Bonds.

ARTICLE V

PRICE OF THE BONDS AND YIELD OF THE BONDS

Section 5.01. Issue Price. The Underwriter has represented in the Underwriter's Certificate attached as **Exhibit E** that the initial offering price to the public (excluding bond houses, brokers, and other intermediaries) at which a substantial amount of the Series 2019A Bonds were sold is the Issue Price of the Series 2019A Bonds equal to \$154,389,305.70, consisting of the par amount of the Series 2019A Bonds of \$137,000,000.00 plus a net original issue premium of \$17,389,305.70.

Section 5.02. Bond Yield. As used in this Certificate, the term "yield" refers to the discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price. The calculations of yield have been made on the basis of semiannual compounding using a 360 day year and upon the assumption that payments are made on the last day of each semiannual interest payment period. For purposes of computing yield, the purchase price of any obligation is equal to the fair market value as of the date of a binding contract to acquire such obligation. The Underwriter has represented in its Underwriter's Certificate attached hereto as **Exhibit E** that the Yield on the Series 2019A Bonds (which is a fixed yield issue) is calculated to be not less than 2.8334%.

ARTICLE VI

ARBITRAGE

Section 6.01. Arbitrage Representations and Elections. In connection with the issuance of the Series 2019A Bonds, the Board hereby represents and certifies as follows:

(a) The Board will use a reasonable, Consistently Applied Accounting Method to account for Gross Proceeds, Investments and Expenditures for the Series 2019A Bonds. The Board shall additionally use a Consistently Applied Accounting Method for allocating Proceeds of the Series 2019A Bonds to Expenditures, subject to the Current Outlay of Cash rule.

(b) The Board shall not commingle Proceeds of the Series 2019A Bonds with any other funds.

(c) The Refunded Bonds will be redeemed on the dates shown on **Exhibit A**.

(d) In connection with the Series 2019A Bonds, there has not been created or established and the Board does not expect that there will be created or established, any sinking fund, pledged fund or similar fund (other than as specifically identified in the Bond Resolution), including without limitation any arrangement under which money, securities or obligations are pledged directly or indirectly to secure the Series 2019A Bonds or any contract securing the Series 2019A Bonds or any arrangement providing for compensating or minimum balances to be maintained by the Board with any registered owner or credit enhancer of the Series 2019A Bonds.

(e) All funds and accounts established pursuant to the Bond Resolution will be invested pursuant to Article III hereof and the Investment Instructions delivered to the Board on the Date of Issue.

(f) The Board will not enter into and will not direct the Trustee to engage in any Abusive Arbitrage Devices. If the Board directs the Trustee to invest any of the Gross Proceeds of the Series 2019A Bonds in certificates of deposit or pursuant to an investment contract or a certificate of deposit, the Board will obtain and provide to the Trustee certifications in the forms attached hereto as **Exhibits B-1** through **B-6**.

(g) The Board hereby makes the following elections and other choices pursuant to the Regulations with respect to the Series 2019A Bonds:

(i) the Board elects the bond year stated in the definition of the Bond Year;

(ii) the Board elects to avail itself of any and all unrestricted yield investments granted in the Regulations for temporary period, reasonably required reserve fund and minor portion investments; and

(iii) the Board elects to treat the last day of the fifth Bond Year (June 30, 2024) as the initial Installment Computation Date and the initial rebate payment

date. The Board elects to treat the last day of each subsequent fifth Bond Year as subsequent Installment Computation Dates and subsequent rebate payment dates. The Board reserves the right to change or adjust such dates as permitted by the Regulations.

Section 6.02. Arbitrage Compliance.

(a) The Board acknowledges that the continued exclusion of interest on the Series 2019A Bonds from gross income of the recipients thereof for purposes of federal income taxation depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code, including the rebate requirement described in Section 6.03 below. The Board hereby agrees and certifies that it shall not permit at any time or times any of the proceeds of the Series 2019A Bonds or other funds of the Board to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Series 2019A Bonds to be "arbitrage bonds" for purposes of Section 148 of the Code. The Board further agrees and certifies that it shall do and perform all acts and things necessary in order to ensure that the requirements of Section 148 of the Code and the Regulations are met.

(b) The Board does not expect that the Series 2019A Bonds will be subject to the Rebate Requirements applicable to the Series 2019A Bonds because (i) it expects that all Gross Proceeds of the Series 2019A Bonds will be invested at less than the Bond Yield, (ii) none of the Series 2019A Bonds are private activity bonds and (iii) the weighted average maturity of the Series 2019A Bonds is greater than five years.

However, if for any reasons the certifications, representations and expectations set forth in this subparagraph or otherwise set forth in this Tax Compliance Certificate are not met or if the Board establishes any cash deposit to any reserve fund or account, any sinking fund or any defeasance escrow for the Series 2019A Bonds, the Borrower will comply with the Rebate Requirements applicable to the Series 2019A Bonds after consulting with Bond Counsel. As taxable obligations, the Taxable Series 2019B Bonds are not subject to the Rebate Requirements.

(c) To the extent the Series 2019A Bonds are or become subject to the Rebate Requirements as discussed in Section 6.02(b) above, the Board shall retain, at its own expense, a Rebate Analyst to make such determinations and calculations as may be necessary in order to ensure that the Board takes the actions described in Sections 6.02 through 6.06 hereof with respect to the Investment of Gross Proceeds on deposit in the funds and accounts established under the Bond Resolution. If the Board fails to retain such Rebate Analyst prior to 90 days immediately preceding a Computation Date, the Trustee shall, at the Board's expense, retain such Rebate Analyst. The Board shall direct the Trustee to make the required transfers and deposits described in Sections 6.02, 6.03 and 6.04 hereof and the Trustee may rely upon information provided by the Board or the Rebate Analyst.

Section 6.03. Calculation of Rebate Amount.

(a) Section 148(f) of the Code requires the payment to the United States of the excess of the amount earned on the Investment of Gross Proceeds in Nonpurpose Investments over the amount that would have been earned on such Investments had the amount so invested been invested at a rate equal to the Yield on the Series 2019A Bonds, together with any income attributable to such excess. Except as may be provided below, the Bond Proceeds Fund and the accounts established therein, the Rebate Fund, the Escrow Fund and the Bond Fund and all other funds or accounts treated as containing Gross Proceeds, are subject to this rebate requirement.

(b) In accordance with the requirements set out in the Code and pursuant to the Bond Resolution, the Board has created the Rebate Fund, to be held by the Trustee, in its capacity as Trustee under the Bond Resolution, and used as provided in this Section.

(i) On or before 25 days following each Computation Date, upon the Board's written direction, an amount shall be deposited to the Rebate Fund by the Trustee from source or sources stated in such direction so that the balance of the Rebate Fund shall equal the aggregate Rebate Amount as of such determination date.

(ii) Amounts deposited in the Rebate Fund shall be invested in accordance with the Investment Instructions by the Trustee at the written direction of the Board.

(iii) All money at any time deposited in the Rebate Fund shall be held by the Trustee, to the extent required by this Tax Compliance Certificate and the Bond Resolution, for payment to the United States of America of the Rebate Amount. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Tax Compliance Certificate.

(iv) For purposes of crediting amounts to the Rebate Fund or withdrawing amounts from the Rebate Fund, Nonpurpose Investments shall be valued in the manner provided in this Article.

(c) In order to meet the Rebate Requirement, the Board agrees and certifies to take or direct the Rebate Analyst to take the following actions:

(i) For each Investment of amounts, if any, held with respect to the Series 2019A Bonds in (A) the Bond Proceeds Fund and the Costs of Issuance Account established therein; (B) the Rebate Fund; (C) the Escrow Fund and (D) the Bond Fund, the Board, or the Trustee as directed by the Board, shall record the purchase date of such Investment, its purchase price, accrued interest due on its purchase date, its face amount, its coupon rate, its Yield, the frequency of its interest payment, its disposition price, accrued interest due on its disposition date

and its disposition date. The Board or a Rebate Analyst retained by the Board shall determine the Fair Market Value for such Investments and the Yield thereon as may be required by the Regulations. The Yield for an Investment shall be calculated by using the method set forth in the Regulations.

(ii) For each Computation Date, the Rebate Analyst shall compute the Yield on the Series 2019A Bonds as required by the Regulations based on the definition of issue price contained in Section 148(h) of the Code and the Regulations. The Series 2019A Bonds constitute a fixed yield issue of obligations, as defined in § 1.148-1 of the Regulations. The Yield on the Series 2019A Bonds has been calculated to be not less than 2.8334% assuming a semiannual compounding period. On each Computation Date or should a Recomputation Event occur, the Board should seek advice of Bond Counsel or a Rebate Analyst to compute the Bond Yield as required by the Regulations based on the definitions of Issue Price contained in Section 148(h) of the Code using payments or prepayments of the principal of, premium, if any, and interest on the Series 2019A Bonds required by the Regulations. For purposes of this Tax Compliance Certificate, the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Series 2019A Bonds were sold is the Issue Price. Any reasonable amounts paid for credit enhancement or under a Qualified Hedging Transaction may generally be treated as interest on the Series 2019A Bonds for purposes of Yield computation to the extent permitted by the Regulations.

(iii) Subject to the special rules set forth in Section 6.03(c)(iv) below, the Rebate Analyst shall determine the amount of earnings received on all Nonpurpose Investments described in Section 6.03(c)(i) above, for each Computation Date. In addition, where Nonpurpose Investments are retained by the Trustee after retirement of the Series 2019A Bonds, any unrealized gains or losses as of the date the Series 2019A Bonds are Discharged must be taken into account in calculating the earnings on such Nonpurpose Investments to the extent required by the Regulations.

(iv) In determining the Rebate Amount computed pursuant to this Section, (A) all earnings on any bona fide debt service fund (including the Bond Fund) shall not be taken into account; (B) the Universal Cap applicable to the Bonds pursuant to § 1.148-6(b)(2) of the Regulations shall be taken into account; (C) all Board elections and other choices set forth in Section 6.01 hereof shall be taken into account; (D) any applicable spending exceptions to rebate met by the Board may be taken into account; (E) the timing and amount of any Transferred Proceeds of the Series 2019A bonds; and (F) any administrative costs, including brokers' fees, that are greater than the limits for Qualified Administrative Costs allowed by the Regulations for any Nonpurpose Investments, including guaranteed investment contracts shall be taken into account.

(v) For each Computation Date, the Rebate Analyst shall calculate for each Investment described in Sections 6.03(c)(i) and (iii) above, an amount equal to the earnings which would have been received on such Investment at an interest rate equal to the Yield on the Series 2019A Bonds. The method of calculation shall follow that set forth in the Regulations.

(vi) For each Computation Date, the Rebate Analyst shall determine the amount of earnings received on all Investments held in the Rebate Fund for the Computation Date. The method of calculation shall follow that set forth in the Regulations.

(vii) For each Computation Date, the Rebate Analyst shall calculate the Rebate Amount and any Yield Reduction Payments for qualified investments, by any appropriate method to be described in the Code and Regulations applicable or which becomes applicable to the Series 2019A Bonds. The determination of the Rebate Amount shall account for the amount equal to the sum of all amounts determined in Section 6.03(c)(iii), all amounts determined in Sections 6.03(c)(v) and (vi), and less any amount which has previously been paid to the United States pursuant to Section 6.04 below. The Rebate Analyst shall notify the Trustee of the Rebate Amount and any Yield Reduction Payments for qualified investments.

(viii) If the sum of the Rebate Amount and any Yield Reduction Payments exceeds the amount on deposit in the Rebate Fund, the Board shall immediately pay such amount to the Trustee for deposit into the Rebate Fund or direct that such deposit be made from other amounts held under the Bond Resolution.

Section 6.04. Payment to the United States of America.

(a) Not later than 60 days after each Installment Computation Date (or such longer period as may be permitted by the Regulations), the Board shall direct the Trustee to pay to the United States an amount that, when added to the Future Value as of such Computation Date of previous rebate payments made for the Series 2019A Bonds, equals at least 90% of the Rebate Amount required to be on deposit in the Rebate Fund as of such payment date and 100% of any Yield Reduction Payments. No later than 60 days after the Final Computation Date, the Board shall direct the Trustee to pay to the United States an amount that, when added to the Future Value as of such Computation Date of previous rebate payments made for the Series 2019A Bonds, equals at least 100% of the balance remaining in the Rebate Fund. Payments required under this Section 6.04 shall take into account any payment made with respect to the Refunded Bonds.

(b) The Trustee shall be directed by the Board to mail each payment of an installment to the Internal Revenue Service, Ogden Submission Processing Center, Ogden, Utah 84201. Each payment shall be accompanied by Internal Revenue Form 8038-T, and, if necessary, a statement summarizing the determination of the Rebate Amount, all of

which shall be prepared by the Rebate Analyst and/or the Board and delivered to the Trustee for mailing with each payment of an installment.

(c) If, on any Computation Date, the aggregate amount earned on Nonpurpose Investments in which the Gross Proceeds of the Series 2019A Bonds are invested is less than the amount that would have been earned if the obligations had been invested at a rate equal to the Yield on the Series 2019A Bonds as determined in Section 5.02 hereof, such deficit may at the written request of the Board be withdrawn from the Rebate Fund and paid to the Board or as the Board shall direct. The Board may direct that any overpayment of rebate may be recovered from any Rebate Amount previously paid to the United States pursuant to §1.148-3(i) of the Regulations.

(d) The Board shall also pay any penalty or interest on underpayments of Rebate Amount not paid in a timely manner pursuant to this Tax Compliance Certificate, the Code and the Regulations.

Section 6.05. Recordkeeping. In connection with the rebate requirement, the Board shall direct the Trustee to maintain the following records:

(a) The Board and the Trustee shall record all amounts paid to the United States pursuant to Section 6.04 hereof. The Trustee shall furnish to the Board copies of any materials filed with the Internal Revenue Service pertaining thereto and shall provide the Board with all records in its possession that the Board or the Rebate Analyst may request relating to the calculation of any Rebate Amount.

(b) The Board and the Trustee shall retain records of the rebate calculations until four years after the Discharge of the last outstanding obligation of the Series 2019A Bonds.

Section 6.06. Rebate Analyst.

(a) The Board shall appoint a Rebate Analyst and shall appoint any successor Rebate Analyst for the Series 2019A Bonds, subject to the conditions set forth in this Section. The Rebate Analyst and each successor Rebate Analyst shall signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Trustee and the Board under which such Rebate Analyst will agree to discharge its duties pursuant to this Tax Compliance Certificate in a manner consistent with prudent industry practice.

(b) The Rebate Analyst may at any time resign and be discharged of the duties and obligations created by this Tax Compliance Certificate by giving notice to the Trustee and the Board. The Rebate Analyst may be removed at any time by an instrument signed by the Board and filed with the Board and the Trustee. The Board shall, upon the resignation or removal of the Rebate Analyst, appoint a successor Rebate Analyst.

(c) Each successor Rebate Analyst appointed pursuant to this Section 6.06 shall be either a firm of independent accountants or Bond Counsel or another entity experienced in calculating rebate payments required by Section 148(f) of the Code.

(d) In order to provide for the administration of the matters pertaining to arbitrage rebate calculations set forth herein, and for compliance with the investment restrictions and Bond Yield calculations referred to in **Exhibit D** hereto, the Board may provide for the employment of the Rebate Analyst by June 30, 2017, but no later than June 30, 2021. The Trustee and the Board may rely conclusively upon and shall be fully protected from all liability in relying upon the opinions, calculations, determinations, directions and advice of the Rebate Analyst. The charges and fees for such Rebate Analyst shall be paid by the Board upon presentation of an invoice for services rendered in connection therewith.

ARTICLE VII

COMPLIANCE WITH CODE

In order to ensure that interest on the Bonds is excludible from the gross income of the recipients thereof for purposes of federal income taxation, the Board hereby represents and certifies as follows:

(a) The Series 2019A Bonds are not and shall not become directly or indirectly "federally guaranteed." Unless otherwise excepted under § 149(b) of the Code, the Series 2019A Bonds will be considered "federally guaranteed" if (i) the payment of principal and interest with respect to the Series 2019A Bonds is guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof); (ii) 5% or more of the proceeds of the Series 2019A Bonds is (A) to be used in making loans, the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof); or (B) to be invested (directly or indirectly) in federally insured deposits or accounts; or (iii) the payment of principal or interest on the Series 2019A Bonds is otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(b) The Board will provide all information necessary to enable Bond Counsel, the Trustee or the Rebate Analyst to complete and file Internal Revenue Forms 8038-G and 8038-T pursuant to Section 149(e) of the Code.

(c) The Board will comply with, and make all filings required by, all effective rules, rulings or regulations promulgated by the Department of the Treasury or IRS with respect to obligations described in Sections 103 and 141 of the Code, such as the Series 2019A Bonds.

(d) The Board has not used or will not use or cause to be used the Refinanced Facilities and will not invest the Proceeds of the Series 2019A Bonds or any other amounts

held by the Trustee under the Bond Resolution or any Investment earnings thereon in a manner that will result in the Series 2019A Bonds becoming "private activity bonds" within the meaning of § 141 of the Code.

(e) The Board acknowledges that in determining whether all or any portion of the Refinanced Facilities or Proceeds of the Series 2019A Bonds are used, directly or indirectly, in the trade or business of a non Exempt Person for purposes of the "private business use test" for determining private activity bonds, use of a portion of the Refinanced Facilities or Proceeds of the Series 2019A Bonds by a non-Exempt person pursuant to a lease, management contract or other arrangement must be examined. A lease, management contract, consulting contract or other arrangement between the Board and a person with respect to the Refinanced Facilities or Proceeds of the Series 2019A Bonds, or any portion thereof, will not result in the Refinanced Facilities or Proceeds of the Series 2019A Bonds being used for federal income tax purposes in the trade or business of the person if the guidelines set forth in § 1.141-3 of the Regulations and Rev. Proc. 97-13, Notice 2014-67 and Rev. Proc. 2016-44.

(f) Other than the Taxable Series 2019B Bonds, there are no obligations of the Board which are issued on a parity with the Series 2019A Bonds, which (i) are issued at substantially the same time as the Series 2019A Bonds, and (ii) will be paid out of substantially the same source of funds or will have substantially the same claim to be paid out of substantially the same source of funds as the Series 2019A Bonds.

(g) The weighted average maturity of the Series 2019A Bonds (_____ years) does not exceed the very conservatively estimated remaining weighted average useful life of the Refinanced Facilities shown on **Exhibit F** hereto.

(h) On the date of issue of the Refunded Bonds (or original new money bonds refunded by the Refunded Bonds), the Board expected that at least 85% of the proceeds of each such series was expected to be expended within three years of such date of issue and that no more than fifty percent (50%) of the proceeds of such series would be invested at a guaranteed yield for a period of 4 years or longer. Consequently, the Series 2019A Bonds are not hedge bonds.

(i) Pursuant to the post-issuance compliance policy adopted by the Board and attached hereto as **Exhibit G**, the Board has designated the officer named in **Exhibit G** as the officer of the Board charged with executing all post-issuance compliance duties, and the Board hereby designates such officer to perform the duties as may be required by the Investment Instructions set forth in **Exhibit D** hereto and the remedial action procedures set forth in **Exhibit G** hereto.

(j) The Board remains responsible for rebate compliance on a timely basis for each issue of the Refunded Bonds pursuant to the terms of the tax covenants set forth in the transcript of proceedings for each issue of the Refunded Bonds. In connection with such

rebate compliance, the final computation date for the Series 2010B Bonds will be July 1, 20__, for the Series 2012 Bonds, July 1, 20__; and for the Series 2014 Bonds, July 1, 20__.

ARTICLE VIII

TERM OF TAX COMPLIANCE CERTIFICATE

This Tax Compliance Certificate shall be effective from the Date of Issue through the date that the last Series 2019A Bond is redeemed, paid or deemed paid pursuant to the terms of the Bond Resolution, except that the requirements of Section 6.05 shall survive until four years after the date the later of the last outstanding obligations of the Series 2019A Bonds are Discharged or any obligation issued to refund the Series 2019A Bonds are Discharged.

ARTICLE IX

AMENDMENTS

Notwithstanding any other provision hereof, any provision of this Tax Compliance Certificate may be deleted or modified at any time at the option of the Board if the Board has provided to the Trustee an opinion, in form and substance satisfactory to the Trustee, of Bond Counsel that such deletion or modification will not adversely affect the exclusion of interest on the Series 2019A Bonds from the gross income of the recipients thereof for purposes of federal income taxation.

ARTICLE X

EVENTS OF DEFAULT, REMEDIES

Section 10.01. Events of Default. The failure of the Board to perform any of its required duties under any provision hereof shall constitute an Event of Default under this Tax Compliance Certificate and under the Bond Resolution; provided, however, that if remedial action has been instituted by the Board and is being diligently pursued following an Event of Default hereunder, the Board shall not be deemed in default hereunder.

Section 10.02. Remedies for an Event of Default. Upon an occurrence of an Event of Default under Section 10.01 hereof, the Trustee may in its discretion, proceed to protect and enforce its rights and the rights of the owners of the Bonds by pursuing any available remedy under the Bond Resolution or by pursuing any other available remedy, including, but not limited to, a suit at law or in equity.

[Remainder of page intentionally left blank]

[signature page to Tax Compliance Certificate]

IN WITNESS WHEREOF, the Board has caused this Tax Compliance Certificate to be executed in its name and by the proper officer thereunto duly authorized, all as of the day and year first written above.

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

By _____
Name: Dr. Daniel T. Layzell
Title: Vice President for Finance and Administration/CFO

EXHIBIT A

**[ATTACH RAYMOND JAMES FINAL NUMBERS FOR BOTH SERIES 2019A BONDS
AND TAXABLE SERIES 2019B BONDS]**

EXHIBIT B-1

**FORM OF DEALER CERTIFICATE OF BONA FIDE BID PRICE
OF A CERTIFICATE OF DEPOSIT**

I, [NAME], [POSITION] OF [ENTITY PROVIDING THE CERTIFICATION] (the "Dealer") HEREBY CERTIFY that the Dealer maintains an active secondary market in certificates of deposit of a type similar to that [sold/purchased] by the Dealer on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board"), and that the price at which the certificate of deposit was [sold to/purchased from] the Board is the bona fide bid price quoted by the Dealer in an active secondary market maintained by the Dealer in such certificates of deposit.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____,
20____.

By _____
Name _____
Title _____

EXHIBIT B-2

FORM OF DEALER CERTIFICATION FOR A CERTIFICATE OF DEPOSIT FOR WHICH NO ACTIVE SECONDARY MARKET EXISTS

I, [NAME], [POSITION], OF [ENTITY PROVIDING CERTIFICATE] (the "Dealer") HEREBY CERTIFY that there is no active secondary market in certificates of deposit of the type [sold/ purchased] on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College [to/from] the Dealer (the "Certificate of Deposit"); that the yield on the Certificate of Deposit is as high or higher than the yield on comparable obligations traded on an active secondary market, and as high or higher than the yield available on reasonably comparable direct obligations offered by the United States Treasury; that the Dealer maintains an active secondary market in comparable certificates of deposit, and that this Certification is based on actual trades adjusted to reflect the size and term of the Certificate of Deposit and the stability and reputation of the person issuing it.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20____.

By _____
Name _____
Title _____

EXHIBIT B-3

FORM OF PROVIDER CERTIFICATION FOR A CERTIFICATE OF DEPOSIT

I, [NAME], [POSITION], OF [ENTITY PROVIDING THE CERTIFICATE OF DEPOSIT] (the "Provider") HEREBY CERTIFY that the yield on the Certificate of Deposit entered into on [DATE] is not less than the highest yield that the Provider publishes or posts for comparable certificates of deposit offered to the public and that the yield on the Certificate of Deposit is not less than the yield available on reasonably comparable direct obligations offered by the United States Treasury.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

By _____
Name _____
Title _____

EXHIBIT B-4

FORM OF PROVIDER CERTIFICATION FOR AN INVESTMENT CONTRACT

I, [NAME], [POSITION], OF [ENTITY PROVIDING INVESTMENT CONTRACT] (the "Provider") HEREBY CERTIFY in connection with the Investment Contract between [NAME] and the Provider dated as of [DATE] (the "Investment Contract") that the yield on the Investment Contract is at least equal to the yield offered on reasonably comparable Investment contracts offered to other persons, if any, from a source of funds other than gross proceeds of an issue of tax exempt bonds and that the amount of administrative costs that are reasonably expected to be paid by the Provider to third parties in connection with the Investment Contract is \$_____. For purposes of this certification, administrative costs include all brokerage or selling commissions paid by the Provider to third parties in connection with the Investment Contract, legal or accounting fees, Investment advisory fees, recordkeeping, safekeeping, custody and other similar costs or expenses.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20____.

By _____
Name _____
Title _____

EXHIBIT B-5

**FORM OF BOARD CERTIFICATION FOR A CERTIFICATE OF DEPOSIT
INVOLVING THREE BIDS**

I, [NAME], [POSITION], OF THE BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (the "Board"), HEREBY CERTIFY in connection with the certificates of deposit of the type purchased by the Board that such purchase was made pursuant to the General Bond Resolution, adopted June 17, 1994, as amended and supplemented, after receipt of at least three bids and that the certificates of deposit were purchased from the highest qualified bidder in an arm's length transaction without regard to yield.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20____.

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

By _____
Name:
Title:

EXHIBIT B-6

**FORM OF BOARD CERTIFICATION FOR AN INVESTMENT CONTRACT
INVOLVING THREE BIDS**

I, [NAME], [POSITION], OF THE BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (the "Board"), HEREBY CERTIFY in connection with the Investment contract between the Board and [Entity Providing Investment Contract] (the "Provider") dated as of _____, 20__ (the "Investment Contract") that (a) at least three bids on the Investment Contract were received from persons other than those with a material financial advantage in the [name of bond issue]; (b) the yield on the Investment Contract purchased is at least equal to the yield offered under the highest qualified bid received from an uninterested party; (c) the price of the Investment Contract takes into account as a significant factor the Board's expected drawdown for the funds to be invested (other than float funds or reasonably required reserve or replacement funds); and (d) any collateral security requirements for the Investment Contract are reasonable.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20__.

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

By _____
Name:
Title:

EXHIBIT C
[RESERVED]

EXHIBIT D

INVESTMENT INSTRUCTIONS

_____, 2016

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

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Auxiliary Revenue Refunding Bonds
Series 2019A**

\$ _____
**BOARD OF SUPERVISORS OF
LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Taxable Auxiliary Revenue Refunding Bonds
Series 2019B**

Dated _____, 2019

Ladies and Gentlemen:

This letter sets forth instructions (the "Instructions") regarding the investment and disposition of moneys deposited in various funds and accounts created under the General Bond Resolution and the Nineteenth Supplemental Resolution (the "Resolution"), authorizing and providing for the issuance of the above-captioned Series 2019A Bonds (the "Series 2019A Bonds") and the Series 2019B Taxable Bonds (the "Series 2019B Taxable Bonds"), adopted by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical Collage (the "Board").

The purpose of these Instructions is to assure that the investment of moneys in the funds and accounts described herein will comply with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder (the "Regulations"). These Instructions implement the investment provisions of the Tax Compliance Certificate executed by the Board on the date of issue of the Series 2019A Bonds and constitute the "Investment Instructions" referred to in said Tax Compliance Certificate. Terms not otherwise defined herein shall have the definitions ascribed to such terms in the Resolution and the Tax Compliance Certificate.

1. Computation of Yield. For purposes of these Instructions, the term "yield" shall have the meaning set forth in the Regulations. The Regulations provide that the term "yield" means that yield which when used in computing the present worth of all payments of principal and interest to be paid on an obligation produces an amount equal to the purchase price of such obligation. The yield of the Series 2019A Series Bonds and the yield of obligations acquired with moneys described in these Instructions shall be computed by using the same frequency of interest

compounding. In the case of the Series 2019A Bonds, based on the representations of the Underwriter in the Underwriter's Certificate, the Issue Price of the Series 2019A Bonds is \$_____, which is the offering price to the public, and the Yield on the Series 2019A Bonds has been calculated to be _____%. There is no accrued interest on the Bonds.

2. Costs of Issuance Account of the Bond Proceeds Fund. Proceeds of the Series 2019A Bonds deposited to the Costs of Issuance Account of the Bond Proceeds Fund will be used to pay Costs of Issuance of the Series 2019A Bonds and will be spent within a one year period beginning on the Date of Issue of the Series 2019A Bonds and may be invested without regard to investment yield limitation for a period of one year from the Date of Issue of the Series 2019A Bonds, and thereafter, may not be invested at a yield in excess of the Yield on the Series 2019A Bonds plus .125%.

3. Interest Account and Principal Account the Bond Fund. The Board will treat the Interest Account and Principal Account of the Bond Fund as a bona fide debt service fund, which will be used to pay the principal of and interest on the Series 2019A Bonds as the same become due and which will be depleted at least once a year (except for a reasonable carryover amount not to exceed the greater of one twelfth of the annual debt service on the Series 2019 Bonds or one year's interest earnings on such funds). It is reasonably expected that all amounts received by the Issuer as income from the investment of moneys held in the Interest Account and Principal Account of the Bond Fund will be expended to pay the principal of and interest on the Series 2019A Bonds within one year of receipt thereof. Amounts deposited in the Interest Account and Principal Account of the Bond Proceeds Fund may be invested without regard to investment yield limitation for a period of 13 months from the date of deposit therein, and thereafter, may not be invested in obligations that bear a yield in excess of the Yield on the Series 2019A Bonds. Any interest earnings or investment gains realized from the investment of such moneys may be invested without regard to yield limitation for a period of one year from the date of receipt, and thereafter, at a yield not in excess of the Yield on the Series 2019A Bonds, except that any portion of such amounts that are allocable to the Taxable Series 2019 Bonds may continue to be invested without regard to investment yield limitation. Investment earnings on the Gross Proceeds of the Series 2019A Bonds deposited in the Interest Account and Principal Account of the Bond Fund shall be retained in the Interest Account and Principal Account of the Bond Fund and expended as described in this Section 3.

4. Escrow Fund. Proceeds of the Series 2019A Bonds deposited in the Escrow Fund will be expended to pay and redeem the Refunded Bonds and will be invested solely in SLGS described in the Escrow Funds.

5. Recordkeeping. In connection with any rebate requirement, the Board shall maintain the following records for a period of four years following the later of the redemption of the Series 2019A Bonds or any bonds issued to refund the Series 2019A Bonds:

- (a) The Board shall record all amounts paid to the United States for the Series 2019A Bonds and Refunded Bonds.

(b) The Board shall retain records of all rebate calculations made with respect to the Series 2019A Bonds and Refunded Bonds.

(c) The Board shall retain documentation pertaining to any investment of proceeds of the Series 2019A Bonds and Refunded Bonds, including the purchase and sale of securities, SLGS subscriptions and actual investment income received from the investment of proceeds and guaranteed investment contracts.

(d) The Board shall retain records and documentation pertaining to any private business use of the Refunded Facilities.

7. Change in Law. These Instructions are based on law in effect as of this date, and we undertake no obligation to monitor or update the status of these Instructions. Statutory or regulatory changes, including but not limited to clarifying Regulations, may affect these Instructions.

The proceeds of the Series 2019B Taxable Bonds are not subject to the investment yield limitations applicable to the Series 2019A Bonds as set forth in the Tax Compliance Certificate and may be invested without regard to investment yield limitations.

Very truly yours,

BREAZEALE, SACHSE & WILSON, L.L.P.

EXHIBIT E

ISSUE PRICE CERTIFICATE

THE UNDERSIGNED, on behalf of Raymond James & Associates, Inc. (the "Underwriters"), in connection with the issuance by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") of its \$_____ Auxiliary Revenue Refunding Bonds, Series 2019A (the "Series 2019A Bonds"), hereby represents the following, based upon information available to it:

On _____, 2019 (the "Sale Date"), the Underwriters made a bona fide offering of the Series 2019A Bonds to the Public (as defined below) at the respective prices (the "Prices") set forth in the Official Statement, dated the Sale Date, with respect to the Series 2019A Bonds. For purposes of this certificate, the "Public" does not include bond houses, brokers, and similar persons acting in the capacity of underwriters or wholesalers.

On the Sale Date, the Underwriters sold at least 10% of each maturity of the Series 2019A Bonds to the Public at its respective Price.

The sole compensation received by the Underwriters in connection with the issuance of the Series 2019A Bonds is the underwriting fee described in the Board's Tax Compliance Certificate allocable to the Underwriters.

The Bond Yield for the Series 2019A Bonds stated in Section 5.02 of the Tax Compliance Certificate to which this Exhibit E is attached is accurate and calculated in accordance with the Regulations and is not less than _____%, as shown on Exhibit A to such Tax Compliance Certificate. In computing Bond Yield, for each maturity of the Series 2019A Bonds sold at a substantial premium have been treated as having been redeemed at their first optional redemption date resulting in the lowest Bond Yield for such maturity.

The Board may rely on the statements made herein in connection with making the representations set forth in the Tax Compliance Certificate to which this Certificate is attached and in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel may also rely on this Issue Price Certificate for purposes of its opinion regarding the treatment of interest on the Series 2019A Bonds as excludable from gross income for federal income tax purposes. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

Dated: _____, 2019

RAYMOND JAMES & ASSOCIATES, INC.

By _____
Name: John B. Poche
Title: Managing Director

EXHIBIT F
REFUNDING HISTORY AND
120% TEST COMPLIANCE

EXHIBIT G

**WRITTEN POLICY OF THE BOARD
FOR POST-ISSUANCE COMPLIANCE**

The attached policy applies to the Series 2019A Bonds and was approved and adopted by the Board on March 20, 2012, and will not be amended or rescinded by the Board after the issuance of the Series 2019A Bonds without prior written notice to Bond Counsel.

[ATTACH BOARD'S POST-ISSUANCE COMPLIANCE POLICIES]



Recommendation to Approve the Fiscal Year 2020-21 Operating Budget Request

To: Members of the Board of Supervisors

Date: October 25, 2019

This is a significant Board matter pursuant to the Board's Bylaws, Article VII, Section 9:

A.1 Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

1. Summary of the Matter

Each year a budget request that details the needs of all LSU campuses and entities for the upcoming fiscal year is completed. The budget request for formula campuses is prepared under instructions issued by the State in which modifications are made to existing operating budget forms. Officially, the total budget request for state funds for formula campuses is submitted by the Board of Regents to the Division of Administration and Legislature with a request for funding of the formula for higher education as calculated that year. On Wednesday, October 23, 2019, the Board of Regents will consider and approve a budget request for postsecondary education based on a preliminary formula calculation for the formula institutions and other identified budget needs for higher education systems, boards, and agencies. The formula will then be updated in the spring as additional information becomes available and presented as the final request to the Legislature at the end of March.

Traditionally, the Division of Administration's higher education budget manager requests that campuses submit information on operational or expanded need activities (see **Attachment I**) that the campuses identify as priority for funding. The submission of these operational or expanded need items is **not** part of the "official" budget request, and is only submitted at the request of the Division of Administration higher education budget manager for informational purposes.

The preliminary total unrestricted budget request for all entities under the supervision of the Board for FY 2020-21 will not be known until the Louisiana Board of Regents releases the preliminary formula for the formula campuses along with other identified budget needs for higher education systems, boards, and agencies. Additional information on the Regents' FY 2020-21 budget request will be sent to the Board under separate cover at that time.

2. Review of Documents Related to Referenced Matter

LSU campuses and entities have submitted their FY 2020-21 budget requests in the format required by the Division of Administration and the Board of Regents. The full requests are available on the website.

ATTACHMENT

I. Summary of FY 2020-21 Operational or Expanded Need Requests

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College (“Board”) does hereby provide authority to President F. King Alexander (“President”) to approve the preliminary proposed budget request for the fiscal year ending June 30, 2021. The budget request consists of state appropriations and other operating budget funds for the LSU campuses and entities based on the requests of the respective campuses and entities and the preliminary Board of Regents funding formula.

BE IT FURTHER RESOLVED that the Board does hereby authorize the President to continue to work with the Board of Regents on the appropriate formula methodology and budget request for the LSU units to be used for the FY 2020-21 budget request and, with notice to the Board, to act on behalf of the Board in approving the final FY 2020-21 budget request for all LSU campuses and entities. The Board hereby delegates all such authority necessary to accomplish such purposes to the President.

BE IT FURTHER RESOLVED that the Board does hereby approve the proposed requests for operational or expanded need activities, based on the information provided by the respective LSU campuses and entities, which will be provided upon request to the higher education budget manager of the state Division of Administration.

BE IT FURTHER RESOLVED that transactions included or referred to in the proposed operating budget that otherwise require Board approval are not approved by mere inclusion in the proposed operating budget.

**OPERATIONAL OR EXPANDED NEED
PRIORITY LISTING**

ATTACHMENT I

School: LSU System and A&M College

State General Fund (Direct)

School: LSU System and A&M College

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Faculty and Staff Merit	\$12,155,000
2	STEM Initiative	\$5,000,000
3	Deferred Maintenance	\$3,000,000
	Total	\$20,155,000

School: LSU - Alexandria

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Faculty/Staff Salary Increase	\$515,130
2	Major Repairs - Science Building Boiler	\$350,000
3	Information Technology Staffing and Resources	\$391,150
4	Library & Scientific Equipment Needs	\$270,000
5	Major Repairs - Coughlin Hall Boiler	\$90,000
6	Major Repairs - Student Center West Roof	\$200,000
	Total	\$1,816,280

School: LSU - Eunice

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Campus Housing	\$6,500,000
2	Expansion of LSUE Online Learning	\$153,700
3	Wireless Internet Solution	\$150,000
4	Campus Wayfinding/Signage	\$250,000
	Total	\$7,053,700

**OPERATIONAL OR EXPANDED NEED
PRIORITY LISTING**

ATTACHMENT I

School: LSU - Shreveport

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Finalization of Takeover of LSUS Student Housing & Student Res Life	\$531,000
2	State of the Art Cybercollaboratory to prepare students to have an immediate impact in the digital economy through creative application of emergent technology	\$1,200,000
3	Quality STEM & Health Care Initiatives Including stellar K-12 Stem Programs	\$1,200,000
4	Enrollment Management Strategy	\$450,000
5	Distance Learning - Infrastructure Support	\$750,000
6	New Office of Diversity, Inclusion, & Community Engagement	\$450,000
7	Strategic Initiatives to Partner with Community for Renovation and Programming of the Health & Physical Education Building	\$750,000
8	Red River Watershed Management Institute Revitalization	\$500,000
	Total	\$5,831,000

School: LSU - Health Sciences Center - New Orleans

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Initiative for Precision Health	\$545,445
2	Dentistry Rural Scholar Track	\$56,836
3	Civil Service Classified Market Adjustments	\$483,632
4	Faculty Promotion in Rank	\$199,679
5	Library Inflation	\$814,047
6	Inflation	\$733,477
7	Group Benefits and Retirement Increases	*
	Total	\$2,833,116

*Annual increases in group insurance and retirement are also requested to be funded.

School: LSU - Health Sciences Center - Shreveport

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Hospital Legacy Costs	\$14,812,765
2	Stonewall Large Animal Research Facility Infrastructure	\$1,655,320
3	Orbitrap Exploris 480 U3000 Nano Research Equipment	\$772,053
	Total	\$17,240,138

**OPERATIONAL OR EXPANDED NEED
PRIORITY LISTING**

ATTACHMENT I

School: LSU Agricultural Center

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Operational Expense Increases	\$4,000,000
2	Plant Biotechnology/Crop Development	\$1,500,000
3	Digital Agriculture	\$1,500,000
4	Food Safety	\$2,000,000
5	Childhood Obesity - Healthy Lifestyles	\$600,000
6	4-H Youth Character/Workforce Development	\$350,000
7	Healthy Communities	\$2,500,000
8	Water Resources	\$1,400,000
	Total	\$13,850,000

School: LSU Pennington Biomedical Research Center

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Basic Metabolic Laboratory Research	\$974,000
2	Bioinformatics Program Development	\$1,010,000
3	Clinical and Translational Expansion	\$1,456,000
	Total	\$3,440,000
	Grand Total	\$72,219,234

**OPERATIONAL OR EXPANDED NEED
PRIORITY LIST**

School: **LSU - Shreveport**

State General Fund (Direct)

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Finalization of Takeover of LSUS Student Housing & Student Res Life	LSUS is in the middle of resolving the buyout of the remaining lease and will take over operations as soon as the purchase is complete. We will establish a residence life program and begin renovations with the proceeds from the financing.	\$531,000
2		State of the Art Cybercollaboratory to prepare students to have an immediate impact in the digital economy through creative application of emergent technology	As part of the strategic plan related to STEM initiatives, LSUS will open its new Cybercollaboratory.
3	Quality STEM & Health Care Initiatives Including stellar K-12 Stem Programs	As part of the strategic plan related to health and healthy communities, LSUS has begun looking at various ways to partner within the community and develop various academic programs, certifications and licensures to achieve goals within the strategic plan.	\$1,200,000
4		We have engaged Ruffalo Noel Levitz in a 3 year contract to devise a Strategic Enrollment Plan to help reverse the decline in undergraduate students. We are now completing year 2 of that three year contract. We've seen success in the Fall '19 undergraduate enrollment with a 15% increase.	\$450,000
5	Enrollment Management Strategy	While our on-line student population has experienced tremendous growth and continues to grow each year, we do need to increase our infrastructure support. The needs associated with on-line teaching are many; including but not limited to, state of the art technology, professional development for faculty to learn how to teach on-line, & support services for students that allow them to succeed.	\$750,000
6	Distance Learning - Infrastructure Support	LSUS is committed to providing a safe and inclusive environment for all of its students; an environment that aligns with the evolving demographic, social and cultural makeup of our community, and society at large.	\$450,000
7	New Office of Diversity, Inclusion, & Community Engagement	We are proposing a partnership with a community partner to do programming for either K-12 or an aging population that will focus on health and well-being.	\$750,000
8	Strategic Initiatives to Partner with Community for Renovation and Programming of the Health & Physical Education Building	The Red River Watershed Management Institute at LSUS is a unique multidisciplinary education and research endeavor with a 585 acre wetland, state-of-the-art water monitoring technology, GIS laboratory, and environmental assessment and monitoring laboratory.	\$500,000
	Red River Watershed Management Institute Revitalization		
Total			\$5,331,000

Other Means of Financing

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Finalization of Takeover of LSUS Student Housing & Student Res Life	LSUS is in the middle of resolving the buyout of the remaining lease and will take over operations as soon as the purchase is complete. We will establish a residence life program and begin renovations with the proceeds from the financing.	\$4,850,000
2		State of the Art Cybercollaboratory to prepare students to have an immediate impact in the digital economy through creative application of emergent technology	As part of the strategic plan related to STEM initiatives, LSUS will open its new Cybercollaboratory.
Total			\$5,250,000

**OPERATIONAL OR EXPANDED NEED
PRIORITY LISTING**

School: LSU - Health Sciences Center - New Orleans

State General Fund (Direct)

PRIORITY	PROJECT/SERVICE	AMOUNT
1	Initiative for Precision Health	\$545,445
2	Dentistry Rural Scholar Track	\$56,836
3	Civil Service Classified Market Adjustments	\$483,632
4	Faculty Promotion in Rank	\$199,679
5	Library Inflation	\$814,047
6	Inflation	\$733,477
7	Group Benefits and Retirement Increases	*
Total		\$ 2,833,116

*Annual increases in group insurance and retirement are also requested to be funded.

Other Means of Financing

PRIORITY	PROJECT/SERVICE	AMOUNT
Total		\$0

**OPERATIONAL OR EXPANDED NEED
PRIORITY LIST**

School: **LSU - Health Sciences Center - Shreveport**

State General Fund (Direct)

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Hospital Legacy Costs		\$14,812,765
2	Stonewall Large Animal Research Facility Infrastructure		\$1,655,320
3	Orbitrap Exploris 480 U3000 Nano Research Equipment		\$772,053
		Total	\$17,240,138

Other Means of Financing

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
		Total	\$0

**OPERATIONAL OR EXPANDED NEED
PRIORITY LIST**

School: **LSU Agricultural Center**

State General Fund (Direct)

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Operational Expense Increases	Faculty/Salary increases and increases to maintain current level of support and operations	\$4,000,000
2	Plant Biotechnology/Crop Development	Support for research under the Center of Research Excellence in Plant Biotechnology and Crop Development	\$1,500,000
3	Digital Agriculture	Funding in support of a core team of faculty to collect research, teach and train stakeholders in the collection and use of digital technology in agriculture	\$1,500,000
4	Food Safety	Improve the health of consumers by focusing on current and emerging issues pertaining to the Food Safety Modernization Act	\$2,000,000
5	Childhood Obesity - Healthy Lifestyles	Additional exhibits, supplies and salaries in support of reducing the prevalence of childhood obesity in Louisiana	\$600,000
6	4-H Youth Character/Workforce Development	Support to implement the State Schools of Character Awards	\$350,000
7	Healthy Communities	Improve the health of citizens by developing locally supported coalitions that promote healthful eating and physically active lifestyles.	\$2,500,000
8	Water Resources	Identify fresh water resource (quantity and quality) issues, develop research plans to address long-term management, demonstrate outreach and guidance in water resource utilization, provide expertise during the creation of public water policy, and offer public education on fresh water topics.	\$1,400,000
Total			\$13,850,000

Other Means of Financing

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
	As a non-student campus we are unable to assess tuition and fees.		
Total			\$0

**OPERATIONAL OR EXPANDED NEED
PRIORITY LIST**

School: **LSU Pennington Biomedical Research Center**

State General Fund (Direct)

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Basic Metabolic Laboratory Research		\$974,000
2	Bioinformatics Program Development		\$1,010,000
3	Clinical and Translational Expansion		\$1,456,000
		Total	\$3,440,000

Other Means of Financing

PRIORITY	PROJECT/SERVICE	BRIEF DESCRIPTION	AMOUNT
1	Basic Metabolic Laboratory Research		\$0
2	Bioinformatics Program Development		\$0
3	Clinical and Translational Expansion		\$0
		Total	\$0



Request from LSU Health Sciences Center New Orleans for Determination of Acceptable University Purpose for LSU Health Foundation New Orleans to establish a Subsidiary 501(c)(3) or other Special Purpose Non-profit Entity to Manage the Zebra House

To: Members of the Board of Supervisors

Date: October 25, 2019

This matter is a significant board matter pursuant to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (Board) Bylaws Art. VII, Section 1:

- A. General Rule.** Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

LSU Health Sciences Center-New Orleans seeks the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College approval of Acceptable University Purpose for LSU Health Foundation-New Orleans to establish a subsidiary 501(c)(3) or other special purpose non-profit entity to manage the Zebra House.

Under the Uniform Affiliation Agreement between the Board and its affiliate, the LSU Health Foundation-New Orleans (Foundation), Article 6, Disbursements and Other Transactions:

- 6.3** In light of the purpose of the Affiliate to be in support of the University, and University's responsibility to determine if a significant transactions of the Affiliate affecting or potentially affecting it are in support of University... require a determination of acceptable University purpose by the Board of Supervisors (unless delegated to the President).

1. Summary of the Matter

LSU Health Foundation-New Orleans ("LSUHF-NO") desires to team with Ochsner Medical Center-Kenner ("Ochsner") and New Orleans Louisiana Neuroendocrine Tumor Specialists ("NOLANETS") to create an affiliate 501(c)(3) non-profit organization ("Zebra House Foundation"). Zebra House Foundation will provide a free home for patients undergoing treatment for neuroendocrine tumors and their caregivers. The home will have 10-12 private bedroom suites with full bathrooms, and a central community living and gathering space with a kitchen, dining room and living room. The home will be a nurturing community that helps patients access the care they need and will offer a supportive, homelike environment where patients and guests can share a meal, join in the evening's activities or unwind in their own private room. Eligible patients will be undergoing active cancer treatment for neuroendocrine tumors and will reside more than 40 miles or an hour or more of travel time away from the LSU-Ochsner Neuroendocrine Tumor Clinic where they will be receiving their treatment.

2. Review of Business Plan

LSUHF-NO will submit the necessary documents for state law formation of Zebra House Foundation to the Louisiana Secretary of State, and the 1023 application for federal tax exempt status to the Internal Revenue Service, a process that could take several months. LSUHF-NO, in coordination with Ochsner and NOLANETS will establish Zebra House Foundation and its Board of Directors. It is anticipated the initial Board of Directors will be made up of two Ochsner representatives, two LSU Health Science

Center-New Orleans or LSUHF-NO representatives and six community members that may be patients of NOLANETS.

Once formed, Zebra House Foundation will raise funds for the construction and continued operation of the home. Ochsner will lease to Zebra House Foundation (at a nominal cost), for a term of 50-99 years, a parcel of land suitable for the construction and operation of the home. The property is located at 200 West Esplanade Avenue, Kenner Louisiana. The Zebra House will be owned by the Zebra House Foundation. Zebra House Foundation will have no employees and will contract with LSUHF-NO to operate and staff the home and to manage the initial fund raising, administration, accounting and management/investment of funds for Zebra House Foundation, which will ensure all funds raised and invested within the LSUHF-NO endowment are restricted for the sole use of the Zebra House Foundation. LSUHF-NO will charge its customary administrative overhead fee (2%) on funds raised to cover costs.

3. Fiscal Impact

Zebra House Foundation anticipates its fundraising efforts will exceed its expenditures. Neither the LSUHF-NO nor the Zebra House Foundation are expected to incur debt to operate, manage or staff the home. The Zebra home building will be owned by the Zebra House Foundation and the real property on which the home will be located is owned by Ochsner and will be leased to Zebra House Foundation for a nominal fee by Ochsner. Zebra House Foundation will have no employees and will contract with LSUHF-NO for operation, management, staff and administrative support for a reasonable overhead fee.

4. Description of Competitive Process

Not Applicable

5. Review of Legal Documents

Not Applicable

6. Parties of Interest

LSUHF-NO, Ochsner and NOLANETS

7. Related Transactions

Not Applicable

8. Conflicts of Interest -None

ATTACHMENTS

None

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Acceptable University Purpose for LSU Health Foundation- New Orleans to form an affiliate 501(c)(3) non-profit organization, the Zebra House Foundation for the purpose of providing a free home for patients with neuroendocrine tumors and receiving treatment, as well as their caregivers.

BE IT FURTHER RESOLVED that LSU Health Foundation-New Orleans is duly authorized to take such actions which, in its discretion, are deemed necessary to consummate the transactions contemplated herein.



Request from LSU Health Sciences Center New Orleans for Determination of Acceptable University Purpose for LSU Health Foundation New Orleans to establish a Subsidiary Limited Liability Corporation or other Special Purpose Subsidiary

To: Members of the Board of Supervisors

Date: October 25, 2019

This matter is a significant board matter pursuant to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (Board) Bylaws Art. VII, Section 1:

- A. General Rule.** Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses

LSU Health Sciences Center-New Orleans seeks the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College approval of Acceptable University Purpose for LSU Health Foundation- New Orleans to establish a subsidiary Limited Liability Corporation or other special purpose subsidiary.

Under the Uniform Affiliation Agreement between the Board and its affiliate, the LSU Health Foundation- New Orleans (Foundation), Article 6, Disbursements and Other Transactions:

- 6.3** In light of the purpose of the Affiliate to be in support of the University, and University's responsibility to determine if a significant transactions of the Affiliate affecting or potentially affecting it are in support of University... require a determination of acceptable University purpose by the Board of Supervisors (unless delegated to the President).

1. Summary of the Matter

LSU Health Foundation-New Orleans ("LSUHF-NO") plans to engage in multiple development projects in the near future that will involve the ownership and leasing of real property, entering into construction contracts with developers, and entering into various service and management agreements for the future operations of such projects, among other items. In order to protect the assets of LSUHF-NO from the liabilities and obligations of the various projects, LSUHF-NO desires to create multiple subsidiary single member limited liability companies ("LLCs") to house the assets and operations of such projects. The LLCs will be direct and indirect subsidiaries ultimately owned by LSUHF-NO as the sole member and will be taxed as disregarded entities for federal tax purposes, meaning the LLCs will be tax-exempt by default without having to separately apply for 501(c)(3) status based on LSUHF-NO's 501(c)(3) tax exempt status.

2. Review of Business Plan

LSUHF-NO will submit the necessary documents for state law formation of the subsidiary LLCs with the Louisiana Secretary of State, a process that could take several months. LSUHF-NO will create a direct single member LLC subsidiary to serve as a holding company which will own one or more subsidiary single member LLCs for each project. It is anticipated the holding company LLC will serve as manager for each of its subsidiaries. Annual financial reporting and required disclosures for these entities will be consolidated within LSUHF-NO's financial reporting and audited in the same manner and at the same level that the Foundation is audited.

3. Fiscal Impact

The creation of the single member LLCs is for structuring purposes only and is necessary to protect LSUHF-NO from the liabilities and obligations of its various projects. The LLCs may incur debt as a course of business operations, but will be disregarded for tax purposes and other than the costs of formation and administration, will otherwise have little fiscal impact.

4. Description of Competitive Process

Not Applicable

5. Review of Legal Documents

Not Applicable

6. Parties of Interest

Not Applicable

6. Related Transactions

Not Applicable

8. Conflicts of Interest -None

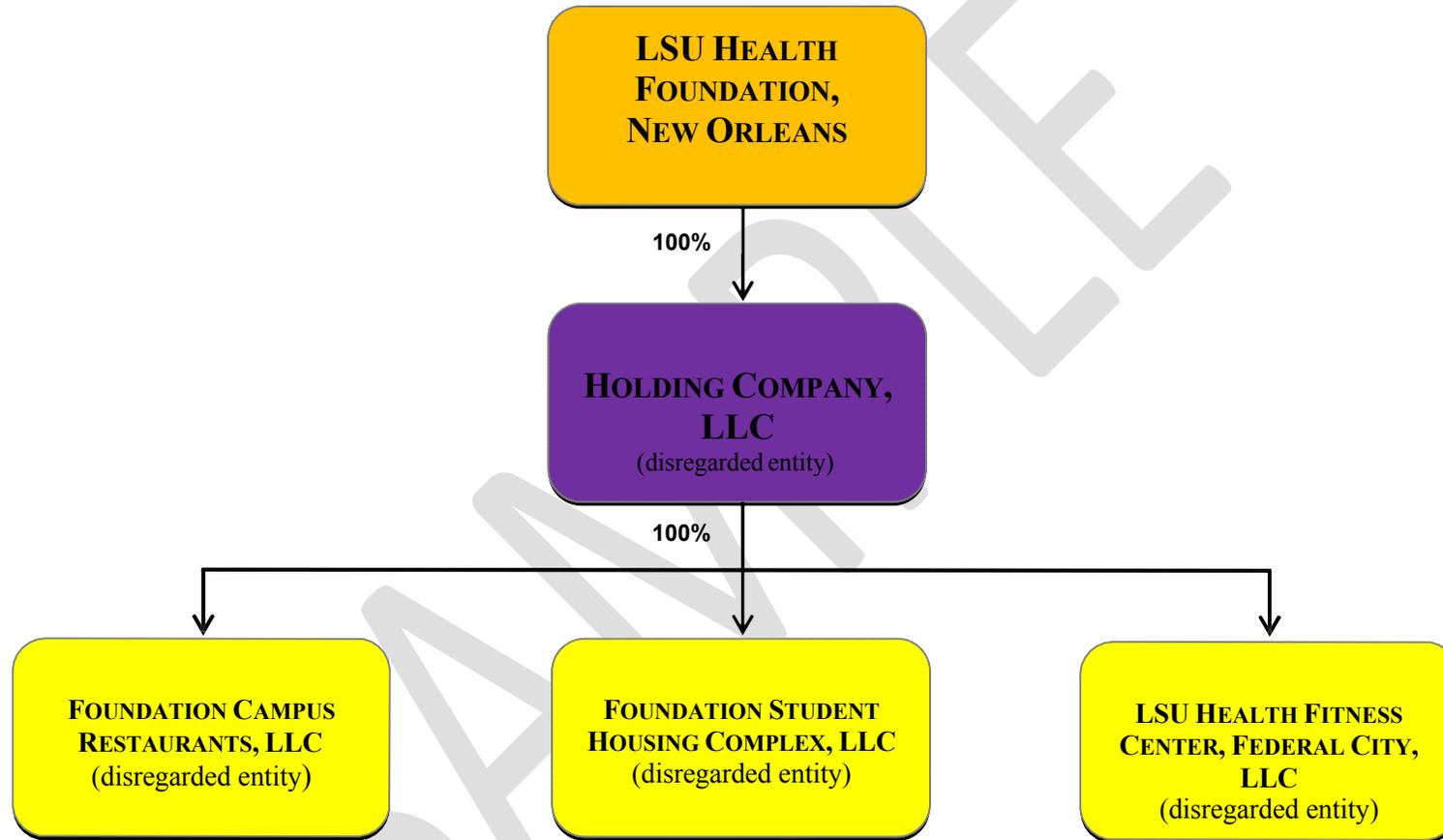
ATTACHMENTS

I. See Exhibit A

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Acceptable University Purpose for LSU Health Foundation-New Orleans to create one or more direct and indirect subsidiary single member limited liability companies for the purpose of owning and operating the various future projects and ventures of LSU Health Foundation-New Orleans.

BE IT FURTHER RESOLVED that LSU Health Foundation-New Orleans is duly authorized to take such actions which, in its discretion, are deemed necessary to consummate the transactions contemplated herein.



- A single member LLC taxed as a disregarded entity will be taxed the same as its parent entity as if the LLC does not exist.
- A single member LLC taxed as a disregarded entity is therefore taxed as a tax exempt organization, without having to apply for separate federal tax exempt status.
- Although disregarded for tax purposes, the LLC is recognized as a separate entity under state law and will provide liability protection if corporate formalities are followed.
- A tax exempt organization can therefore separate various assets and operations for liability purposes and still maintain its tax exempt status throughout.
- For example, in the sample structure provided above, the Foundation would form separate LLCs for each of its projects in order to shield the assets of the Foundation and the other entities from the liabilities and obligations of each other project.



Request to Re-Authorize the President to Establish an Assessment Structure for the Online Programs

To: Members of the Board of Supervisors

Date: October 23, 2019

Pursuant to Article VII, Section 1L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant Board matter.

L. Other Significant Matters

Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

1. Summary of the Matter

On February 1, 2013, the LSU Board of Supervisors authorized Interim President William L. Jenkins to establish a pricing structure for *LSU Online*, LSU A&M's distance learning effort. LSU A&M was entering a partnership with Academic Partnerships to offer programs online. Other campuses engaged with Academic Partnerships for similar services. Academic Partnerships was offering both their experience and capital to stand-up the online programs. The pricing structure authority was based on market demand, the law, and traditional pricing considerations.

Since that February 2013 authority was provided, several factors have changed and warrant a re-authorization of the assessment authority provided to the President. When the 2013 resolution was passed, individual campuses were working with Academic Partnerships, a firm with extensive experience and capital. Since that time, LSU Online severed the partnership with that firm relying now on the in-house expertise and experience to guide the development of the program. Two campuses still have a contractual relationship with Academic Partnerships. LSU Online now includes the collective efforts of several campuses on a variety of online programs. Lastly, the law at the time had strict limitations, but Act 426 of the 2013 Regular Session (codified as R.S. 17:3351.17) gave pricing authority to management boards for distance education programs that were also offered through traditional means on the campus providing the instruction.

The resolution of February 2013 still provides the President the authority, but the underlying principles that supported its adoption have changed. This resolution provides the Board the opportunity to understand the new operating environment and grant the re-authorization based on those new factors.

2. Review of Business Plan

The business plan of online degree programs will not change through the adoption of this resolution.

3. Fiscal Impact

N/A

4. Review of Legal Documents

R.S. 17:3351.17 authorizes the management to make the determination.

A. In addition to the authority granted by any other provision of law, including but not limited to R.S. 17:3139.5, and in accordance with Article VII, Section 2.1 of the Constitution of Louisiana, the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, ... may impose at each institution under its respective management and supervision for the Fall 2013 semester and thereafter tuition and attendance fees for students enrolled in an academic degree program offered entirely through distance education as defined by the Southern Association of Colleges and Schools when such program is comparable to a program offered through traditional in-person classroom instruction.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize the President of Louisiana State University to establish a program-dependent, tuition and fee rate for all students participating in online degree programs.



Board of Supervisors

SECTION C

ATHLETICS COMMITTEE

BOARD OF SUPERVISORS MEETING | OCTOBER 25, 2019



Request from LSU A&M to Approve Employment Contract with Dennis G. Shaver, Head Track & Field and Cross Country Coach

To: Members of the Board of Supervisors

Date: October 25, 2019

Pursuant to Article II, Section 5 of the Regulations of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.1. Appointments and all other personnel actions relating to the President, Head Coaches and Athletic Directors.

1. Summary of the Matter

This resolution seeks approval of the proposed amendment to the employment contract for Dennis Shaver, Head Track & Field and Cross Country Coach. The key terms of the proposed contract are summarized below:

<u>Contract Action</u>	<u>Term</u>		<u>Total Certain Compensation^a</u>		
	<u>Current</u>	<u>Proposed</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
Extension	8/31/2021	8/31/2024	\$305,000	\$370,000	21%

Notes:

- (a) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

2. Review of Business Plan

Not applicable.

3. Fiscal Impact

The Athletic Department currently expects that all funds relating to this employment contract will be paid from revenues generated by the Athletic Department. While authorized by the contract, it is not expected that any foundation dollars will be needed to provide for any of the supplemental compensation. No state general fund or tuition dollars are used.

4. Review of Documents Related to Referenced Matter

The Office of General Counsel has reviewed the proposed contract.

ATTACHMENTS

- I. Memorandum of Agreement: Dennis Shaver, Head Track & Field and Cross Country Coach

RECOMMENDATION:

Based on the recommendation of the Athletic Director, it is recommended that the Board authorize the President to sign the proposed contract with the listed coach.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Dennis Shaver as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.



Summary of Athletic Coaching Contract Dennis G. Shaver, Head Track & Field and Cross Country Coach

		<i>Current</i>	<i>Proposed</i>	<i>Change</i>	<i>%</i>	<i>Notes</i>
<i>Basic</i>	Term Ends	8/31/2021	8/31/2024	3 Year		a
	Base Salary	\$ 280,000	\$ 360,000	\$ 80,000	29%	a
	Supplemental Media Comp.	\$ 10,000	\$ 10,000	\$ -		a
	Supplement Equipment	\$ 15,000	\$ -	\$ (15,000)	-100%	a
<i>Incentive</i>	Post-Season (max)	\$ 155,400	\$ 240,000	\$ 84,600	54%	b
	Academic (max)	\$ 20,000	\$ 20,000	\$ -	0%	c
<i>Benefits</i>	Automobile	\$ -		\$ -		a
	Club Membership	Yes	Yes			a
	Other					
Total Certain Compensation		\$ 305,000	\$ 370,000	\$ 65,000	21%	d

Notes

(a) Coach Shaver's previous four year contract expires on August 31, 2021. Coach Shaver's contract includes a salary increase and three year extension.

(b) As per Schedule A of Coach Shaver's contract, he will receive set amounts for team achievements in SEC and NCAA National Championship Meet as well as incentive for being named the SEC or National Coach of the Year.

(c) The Academic Incentive goal is a team APR score of 930 and include both the mens and the womens' teams as was in his previous contract.

(d) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

This document summarizes the key terms of the proposed employment contract for the athletic coach named below. Unless noted otherwise, the contract is attached and is based on the standard template normally used by LSU for contracts of this type. The campus recommends approval by the Board.

Recommended

Scott Woodward
Athletic Director

Reviewed, No Objections

Daniel T. Layzell, Executive Vice President for Finance
and Administration/CFO

Reviewed, No Objections:

Tom Skinner, LSU General Counsel

EMPLOYMENT AGREEMENT

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

This Employment Agreement (“**Agreement**”) is made and entered into effective the 23rd day of October, 2019, by and between BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (“**LSU**”), a body corporate existing under the Constitution and laws of the State of Louisiana, herein represented by F. King Alexander, its duly authorized President, and Dennis G. Shaver (“**COACH**”).

1. **Definitions.** For purposes of this Agreement, the following terms shall have the meaning shown:

- A. “**LSU A&M**”: The campus of LSU which is located in Baton Rouge, Louisiana.
- B. “**President**”: The President of LSU.
- C. “**Athletic Director**”: Director of Athletics at LSU A&M.
- D. “**Base Salary Amount**”: The annual sum of Three Hundred Sixty Thousand and No/100 dollars (\$360,000.00).
- E. “**Start Date**”: September 1, 2019.
- F. “**End Date**”: August 31, 2024.
- G. “**Program**”: The intercollegiate Track and Field and Cross Country program at LSU A&M.
- H. “**Team**”: The intercollegiate athletic team which is a part of the Program.

2. **Employment.** LSU does hereby employ COACH as Head Track and Field and Cross Country Coach of the Team. COACH will report directly to the Athletic Director and through him to the President. COACH will be responsible for the Program, and hereby agrees to accept such employment and to devote his attention, on a full-time basis, to the performance of the duties described in this Agreement.

3. **Duties and Responsibilities.** As Head Track and Field and Cross Country Coach, COACH's duties and responsibilities shall include the following, all subject to compliance with applicable law, LSU by-laws and policies, and the directives, input, and advice of the President and the Athletic Director:
- A. Administering, managing, and leading the Program in a professionally appropriate and competent manner;
 - B. Administering, managing, and leading the Program in an effort to effectively compete in National Collegiate Athletic Association (NCAA) play;
 - C. Hiring and managing the assistant coaches and other athletic staff necessary and appropriate to assist COACH in meeting the responsibilities herein;
 - D. Directing the Program, including management of staff, budget, and other resources;
 - E. Being reasonably knowledgeable, with reasonable assistance of LSU, of: (i) applicable federal and state laws governing intercollegiate athletics; and (ii) all governing constitutions, by-laws, rules, policies, interpretations, and regulations of the NCAA, the Southeastern Conference (SEC), LSU, and any other conference or organization of which LSU is or becomes a member during the term of this Agreement; all hereinafter collectively referred to as "**Governing Athletics Regulations**";
 - F. Assuring and monitoring compliance with Governing Athletics Regulations by COACH and all student athlete members of the Team, assistant coaches, other Program staff members, and other individuals under or subject to COACH's direct control, authority, or supervision;

- G. Promptly reporting any violation of Governing Athletics Regulations to the Associate Athletic Director for Compliance;
- H. Cooperating fully in any investigation of possible NCAA violations conducted or authorized by LSU or the NCAA at any time;
- I. Reasonably observing, respecting, and promoting the principles of institutional control in the Program;
- J. Reasonably understanding, observing, and upholding LSU's reasonable, written academic standards, requirements, and policies, and reasonably promoting an environment in which admissions, financial aid, academic services for student athletes, and recruiting can be conducted consistently with LSU's mission (provided said mission is reasonable and communicated to COACH in writing);
- K. Using reasonable and good faith personal efforts to cultivate and maintain effective relations with the Board of Supervisors, affiliated foundations, conferences, institutional alumni, the media, the public, students, faculty, staff, and friends of LSU;
- L. Using reasonable efforts to exercise due care and supervision to provide that all student athletes, assistant coaches, other program staff members, and other individuals under or subject to COACH's control, authority, or supervision comply with all Governing Athletics Regulations and act in accordance with the high moral, ethical, and academic standards of the Program and LSU;
- M. Using reasonable efforts to promote the goal of LSU, that every student athlete obtain a baccalaureate degree, and reasonably cooperating with academic counselors or similar persons designated by LSU to assist student athletes and the

faculty and administrators of LSU in connection with the academic pursuits of student athletes;

- N. Performing these duties at all times in a manner consistent with good sportsmanship and in accordance with the high moral, ethical, and academic standards of the Department of Athletics and LSU;
 - O. Performing all other reasonable duties customarily performed by head coaches in Team's sport of commensurate rank serving other NCAA member institutions.
4. **Term.** The term (the "Term") of this Agreement shall be for a definite term, commencing on the Start Date and ending on the End Date, unless terminated sooner in accordance with Section 12 of this Agreement or extended by mutual written agreement of the parties.
5. **Base Salary.** LSU will pay COACH the Base Salary Amount annually, in twelve (12) equal monthly installments on LSU's regular monthly payroll date. Any amounts due to COACH under this Section for a partial Contract Year shall be pro-rated. The Base Salary Amount shall be reviewed at the end of each season of Program and may be adjusted at that time by the Athletic Director, subject to recommendation, review, and approval pursuant to LSU personnel policies. However, in no event will COACH's Base Salary Amount be reduced as a result of any such review.
6. **Supplemental Compensation.**
- A. In addition to the salary described above, COACH each contract year will receive Supplemental Compensation in an amount of Ten Thousand and No/100s dollars (\$10,000.00) for COACH appearing on or participating in, as requested, University sanctioned television, radio and internet programs concerning LSU and

the Team. The amount of Supplemental Compensation payable to COACH shall be determined by the Athletic Director. Any amount earned by COACH pursuant to this provision shall be considered earned on the date(s) on which COACH appears on or participates in the television, radio, and internet programs and shall be paid within 30 days of the last game played by Team in its season, including any post-season play.

- B.** COACH shall not appear without the prior written approval of the President on, or in, any radio, television, or internet programs or other electronic medium other than those produced or sponsored by LSU, except routine news media interviews for which no compensation is received. COACH shall not appear in or make any commercial or commercial endorsement without the prior written approval of the President and the Athletic Director. Such approval shall not be unreasonably withheld.

7. Incentive Compensation.

- A. Post-Season Incentive Compensation.** In the event the Team participates in post-season games, LSU agrees to pay COACH Post-Season Incentive Compensation as additional compensation for the extra services required of COACH in the preparation for and participation in post-season play as follows in accordance with LSU's policies and procedures. The additional sum or sums, if payable, shall be considered earned on the date(s) services are provided for each game at which a post-season goal is attained (or, for SEC Regular Season Champion, the date of the last SEC game in Team's sport played by any SEC team during the regular season) and shall be paid within sixty (60) days following

the final post-season game in which Team participates. This Post-Season Incentive Compensation shall be in the amounts and for meeting the goals set forth in Schedule A, which is attached to and made a part of this Agreement. Post-Season Incentive Compensation may be payable from affiliated foundation funds, subject to approval of LSU and the foundation. To be eligible for such compensation, COACH must provide additional services required in the preparation for and participation in post-season play and must be employed by LSU as of the date on which the incentives are earned.

B. Academic Incentive Compensation. In the event the multi-year Academic Performance Rate “APR” [as defined by the NCAA] for an individual Track and Field or Cross Country team is the minimum APR multi-year score established by the NCAA (current minimum score is 930) or higher in any one contract year, LSU agrees to pay COACH additional compensation in the amount of Ten Thousand and No/100s (\$10,000.00). This incentive can only be achieved once per contract year for a men’s team and once per year for a women’s team (maximum APR compensation per year is \$20,000) The additional compensation, if payable, shall be considered earned on the date on which the APR for LSU is released while COACH is employed at LSU and shall be paid within sixty (60) days of such date. The Academic Incentive Compensation may be paid from affiliated foundation funds, subject to approval of LSU and the foundation. To be eligible for such compensation, COACH must be employed by LSU as of the date on which the incentives are earned.

COACH: DS

LSU: 

8. **Retirement and Fringe Benefits.** COACH shall be entitled to participate in the retirement and fringe benefit programs available to all unclassified professional LSU employees, with contributions and benefit amounts (including state retirement benefits) based only upon the Base Salary Amount and any earned Post-Season Incentive Compensation and in accordance with the limitations of state retirement law. Regardless of whether the services required by this Agreement are performed directly for LSU or through contract with a separate legal entity, whether or not such other entity is under the control of COACH, sums paid or authorized under Sections 6 (Supplemental Compensation), 7.B (Academic Incentive, 8 (Retirement and Fringe Benefits), 9 (Additional Revenue), and 10 (Sports Camps) shall not be considered "base pay," "earned compensation," or "earnable compensation" as such terms are defined in Louisiana Revised Statutes 11:403 and 11:701, or other applicable Louisiana retirement laws, and shall not be included as compensation for the purpose of computation of retirement benefits. COACH understands and agrees that no contributions for purposes of any State of Louisiana retirement program will be made by LSU or withheld from COACH's compensation except as to the Base Salary Amount and any earned Post-Season Incentive Compensation, and COACH shall not be entitled to any retirement benefits that may otherwise be attributable to any other compensation paid pursuant to this Agreement. During the term of this Agreement and in accordance with LSU by-laws and policies, and applicable law, COACH will also receive the following benefits, part or all of which may be paid from affiliated foundation funds, subject to approval of LSU and the involved foundation:

- A. Membership in a social club, such as the University Club of Baton Rouge, provided that: (i) monthly dues shall be paid from affiliated foundation funds, subject to approval of such foundation; (ii) business-related (non-personal) expenses incurred in accordance with LSU and foundation policy will be reimbursed from affiliated foundation funds; and (iii) COACH shall be responsible for payment of all personal charges. Notwithstanding the foregoing COACH shall not be personally responsible for expenses authorized and incurred by COACH and his staff in connection with the ordinary functions associated with an intercollegiate football program, and in accordance with LSU policy;
- B. Mobile communications device and service, for which some or all charges incurred may be paid from affiliated foundation funds;
- C. COACH will be allowed to invite guest(s) for travel to athletic events on chartered commercial transportation subject to approval by the Athletic Director.
- D. Paid vacation as approved by the Athletic Director;
- E. An annual automobile allowance in the amount of up to \$1,000 per month or, to the extent consistent with state ethics laws, concurrent use of courtesy vehicle(s) provided by dealership(s) and related insurance reimbursed from affiliated foundation funds; and
- F. As part of any third-party apparel and/or equipment related contract with LSU, COACH acknowledges and agrees that TEAM may be provided and/or allocated apparel and/or equipment from and by LSU, which apparel and equipment shall be used exclusively and solely by COACH in furtherance of COACH's

employment duties and Team-related activities as applicable to COACH's employment with LSU.

- G. Other customary, reasonable and related employee benefits to be provided by foundations affiliated with LSU, as authorized by the Athletic Director and President after review and approval by the LSU General Counsel and a determination that such benefits are in compliance with LSU by-laws and policies, and state laws.

9. **Additional Revenue.**

- A. Subject to compliance with Governing Athletics Regulations, including but not limited to current NCAA Bylaw 11.2 and 11.3, et seq., and LSU's PM-11, EMPLOYEE may earn or receive other revenue ("Additional Revenue") while employed by LSU, including working with sports camps or clinics, provided, however, that EMPLOYEE shall obtain prior written approval, which approval shall not be unreasonably withheld, from the President before engaging in any commercial or private venture, including the use of EMPLOYEE's name by any commercial, public or private entity. EMPLOYEE shall report annually to the President and the Athletic Director, in writing, in compliance with NCAA Bylaws 11.2.2, 11.3.2.1, and 11.3.2.1.1, and any applicable LSU policy, all athletically-related income or benefits received by EMPLOYEE from sources outside LSU, and LSU shall have reasonable access to all records of EMPLOYEE to verify this report. LSU does not guarantee any amount of Additional Revenue. COACH shall not, without prior written approval of the President and the Athletic Director, arrange for or agree to the receipt by any assistant track and field and cross

country coach of any supplemental pay, bonus or other form of payment from any outside source, except for income earned by assistant coaches from COACH's operation of his sports camps, or as otherwise authorized by LSU in accordance with PM-11.

10. **Sports Camps.** Subject to limitations imposed by this Section and compliance with applicable laws, LSU policies and procedures, and Governing Athletic Regulations, COACH may operate or work at sports camps and/or clinics at LSU. LSU does not guarantee or provide any supplemental compensation or additional revenue from operation of sports camps and/or clinics. COACH shall not be permitted to sell, assign, lease, donate or otherwise transfer any ownership, assets or interests in such a camp or clinic to any other person or entity, without the prior written approval of the President.
11. **Assignment.** To the extent permitted by law, COACH may require LSU to contract with a separate legal entity, whether or not under the control of COACH, for the performance of any services by COACH required or authorized under Section 6 (Supplemental Compensation) only. The form of the contract shall be subject to the approval of LSU which approval shall not be unreasonably withheld.
12. **Termination.** This Agreement may be terminated by the parties only as follows:
 - A. **Termination by LSU for Cause.** This Agreement may be terminated by LSU, acting through the President or Athletic Director, for "cause" as defined herein, at any time prior to its expiration, upon written notice to COACH. In the event of termination for cause, COACH's Base Salary, Supplemental Compensation, Other Supplemental Compensation, Incentive Compensation, Fringe Benefits, and all other compensation and benefits provided for in this Agreement shall terminate

on the termination date, and LSU shall not thereafter be liable to COACH for any sums or damages other than such compensation and benefits earned prior to the termination date. The termination date shall be the date on which notice of termination is given, or on such later date as may be set forth by LSU in the notice of termination. Any decision as to whether the criteria contained in this Section 12.A have been met shall not be made arbitrarily or capriciously by LSU. Prior to termination for cause, COACH: (i) shall be provided with written notice of contemplated termination and a statement of the grounds and facts in support thereof; and (ii) shall have five calendar days from receipt of such notice to make a written request for hearing on the contemplated action. If requested in writing by COACH, a hearing shall be held before the President or his designee(s), and at such hearing COACH shall have the right to counsel and to present the testimony of witnesses and other reliable evidence. The procedures shall conform to, and evidence may be considered consistent with, federal and state due process standards for such hearings.

For purposes of this Section, "cause" shall be defined as:

- i. Committing a material violation of Governing Athletics Regulations, or failing promptly to report any such violation by another person to the President and the Associate Athletic Director for Compliance;
- ii. Commission of a material violation of Governing Athletics Regulations involving any aspect of the Program by any other person if either: (a) the violation occurs or continues to occur after COACH knew or should have known that it occurred, was about to occur or was occurring, or (b)

COACH failed to establish and maintain reasonable policies and procedures, or to follow reasonable policies and procedures established in writing by the Athletic Department for the Program to prevent violations of Governing Athletics Regulations from occurring and to detect promptly any such violations which may occur;

- iii. Committing or being convicted of or pleading no contest to either: (a) any felony; or (b) any misdemeanor involving gambling, drugs, or alcohol;
- iv. Engaging in misconduct which either: (a) displays a continual, serious disrespect or continual, serious disregard for the mission of LSU; (b) brings COACH into substantial public disrepute sufficient to impair COACH's ability to perform the obligations contained herein without adverse impact on the Team or Program; or (c) constitutes moral turpitude or breaches the high moral and ethical standards applicable to COACH as a visible representative of LSU;
- v. Unreasonably refusing or repeatedly failing to perform any duties imposed upon COACH herein (including, but not limited to, those duties and responsibilities set forth in Section 3), or failing to perform the same to the best of COACH's reasonable ability, after written notice to COACH of LSU's reasonable expectation;
- vi. Knowingly committing material or repeated significant violations of any provision of this Agreement, provided said initial violations are not cured within ten (10) days of COACH's receipt of written notice of the same;

- vii. Prolonged absence from LSU without its consent, which will not unreasonably be withheld;
- viii. (a) Committing fraud or making any material misrepresentation in the performance of any duties and responsibilities herein, including, but not limited to, fraud or misrepresentation in the preparation or maintenance of documents or records of LSU, the NCAA, or the SEC, or documents or records pertaining to any recruit or student athlete, including without limitation transcripts, eligibility forms, and compliance reports, or altering any such documents; or (b) counseling, instructing, encouraging, or knowingly and intentionally permitting any other person to commit such fraud or misrepresentation;
- ix. (a) Failing to respond reasonably accurately and fully within a reasonable time to any requests or inquiry relating to the performance of any duties at LSU, or at any prior employment at any other institution of higher learning, propounded by LSU, the NCAA, the SEC or any other governing body having supervision over the athletic programs of LSU or such other institution of higher education, or required by law or Governing Athletics Regulations; or (b) counseling, instructing, encouraging, or knowingly and intentionally permitting any other person to fail to so respond;
- x. (a) Participating in any gambling, bookmaking, wagering, or betting involving any athletic contest whatsoever whether by soliciting, placing, or accepting a bet or wager or through a bookmaker, a pool, or any other method of gambling; or (b) counseling, instructing, encouraging, or

knowingly and intentionally permitting any student athlete, assistant coach, or other individual under or subject to COACH's control, authority, or supervision to participate in such activity;

- xi. (a) Furnishing any information or data, other than information or data provided to the general public through press conferences, news releases, and the like, relating in any manner to any intercollegiate sport or to any student athlete to any individual whom COACH knows or has reason to know to be a gambler, bettor, or bookmaker, or an agent of any such person; or (b) counseling, instructing, or encouraging any student athlete, assistant coach, or other individual under COACH's control, authority, or supervision to furnish such information or data;
- xii. Using or consuming alcoholic beverages or controlled substances, steroids, or other drugs or chemicals, whether prescribed by a physician or not, to such degree and for such a period as to impair COACH's ability to perform the duties herein;
- xiii. Selling, purchasing, using, or possessing any controlled substances, steroids, or other drugs or chemicals, the sale, purchase, use, or possession of which by COACH is prohibited by law or Governing Athletics Rules. The provisions of this subsection do not prohibit the use or possession of substances or drugs lawfully prescribed by a healthcare provider, and used in accordance therewith;
- xiv. Knowingly encouraging or permitting the sale, purchase, use, or possession by any student athlete, assistant coach, or other individual

under COACH's control, authority, or supervision of any controlled substances, steroids, or other drugs or chemicals, the sale, purchase, use, or possession of which by such person is prohibited by law or Governing Athletics Rules. The provisions of this subsection shall not apply to the purchase, use or possession of substances or drugs lawfully prescribed by a healthcare provider, and used in accordance therewith;

- xv. (a) Failing reasonably to cooperate in the investigation and enforcement of Governing Athletics Regulations; or (b) counseling, instructing, or encouraging any other person to fail to cooperate in such investigation and enforcement;
- xvi. Subject to any right of administrative appeal permitted or granted to COACH by the NCAA or SEC, the making or rendition of a finding or determination by the NCAA, SEC, or any commission, committee, council, or tribunal of the same, of any major or repetitive violations by COACH of NCAA or SEC rules, or of any such major or repetitive violations by others under the direct supervision of COACH which were knowingly and intentionally permitted, encouraged, or condoned by COACH, or about which violations COACH knew or reasonably should have known, and should have acted reasonably to prevent, limit, or mitigate (it is recognized that this subsection expressly includes findings or determinations of violations during employment of COACH at any other institution of higher education); or

xvii. Failing to report promptly to the Associate Athletic Director for Compliance any violations of Governing Athletics Regulations involving the Team of which COACH has or should have knowledge.

B. Termination by LSU Without Cause.

- i. LSU shall have the right to terminate this Agreement without cause upon written notice to COACH. The termination date shall be the date on which written notice of termination is given, or on such later date as may be set forth by LSU in the written notice of termination. In such event, LSU will pay COACH liquidated damages, in lieu of any and all other legal remedies or equitable relief as detailed below. In the event of termination by LSU without cause, COACH's Base Salary, Supplemental Compensation, Other Supplemental Compensation, Incentive Compensation, Fringe Benefits, and all other compensation and benefits provided for in this Agreement shall terminate on the termination date, and LSU shall not thereafter be liable to COACH for any sums or damages other than the liquidated damages provided for herein and any compensation earned pursuant to this Agreement prior to the termination date.
- ii. Liquidated damages payable by LSU under this Section 12.B will be the Base Salary Amount per year for the remaining term of this Agreement, including any extended term. A partial year and partial month shall be pro-rated.

- iii. Liquidated damages under this Section 12.B Will be paid in equal monthly installment over a period of time equal to the amount of time then remaining in the term of this Agreement, including any extended term.
- iv. In the event of termination by LSU without cause, the amount of liquidated damages owed by LSU under this section, 12.B shall be reduced and extinguished by and to the extent of any compensation COACH earns, receives, or is entitled to receive from the termination date until LSU's obligation pursuant to this Section 12.B to COACH terminates or ceases to exist. COACH shall exercise due diligence and good faith in seeking other athletically-related employment. In the event COACH obtains such other employment, COACH will notify LSU and provide any and all documentation requested by LSU to determine the amount of compensation received by COACH and the amount of offset due to LSU.
- v. The parties have bargained for this liquidated damages provision, giving consideration to the following: This is a contract for personal services. The parties recognize that termination of this Agreement by LSU prior to its expiration by lapse of term would cause COACH to lose the salary, supplemental compensation, fringe benefits, certain other LSU-provided benefits, and possibly other income and benefits provided by third parties, which damages are impossible to determine with certainty. As such, the damages to be suffered by COACH in the event of a termination of this Agreement by LSU without cause are difficult to presently and accurately

estimate. In addition, the parties expressly agree that all liquidated damages herein are not in any way a donation or a penalty, but rather are a good faith estimate of damages that will be incurred in the event of termination. In consideration of this provision, COACH irrevocably waives any and all rights to equitable relief, including temporary restraining orders and injunctions, or actions seeking specific performance by LSU.

C. Termination by COACH Without Cause.

- i. COACH shall have the right to terminate this Agreement without cause upon written notice to LSU. In the event COACH terminates this Agreement without cause, COACH will pay LSU liquidated damages, in lieu of any and all other legal remedies or equitable relief. In the event of termination by COACH without cause, COACH's Base Salary, Supplemental Compensation, Fringe Benefits, and all other compensation and benefits provided for in this Agreement shall terminate on the termination date which, unless otherwise agreed to in writing by LSU and COACH, shall be the earlier of: (i) the date on which COACH provides written notice of termination to LSU; (ii) the date on which COACH accepts employment from another employer; or (iii) the date on which COACH performs any work or services of any kind or nature whatsoever on behalf of or for the benefit of another employer. LSU shall not thereafter be liable to COACH for any sums or damages other than any

compensation earned pursuant to this Agreement prior to the termination date.

- ii. Liquidated damages under this Section 12.C will be 15% of the Base Salary per year for the remaining term of this Agreement, including any extended term. COACH shall have the option to pay such amount in a lump sum or in equal monthly installments over a period of time equal to the amount of time then remaining in the Agreement, including any extended term.
- iii. Liquidated damages under this Section 12.C may be waived, in the sole discretion of the President, if COACH is not in breach of any provision of this Agreement and LSU determines that such a waiver would serve the best interests of LSU, considering the factors such as, but not limited to, COACH's length of service with LSU, whether COACH is taking another athletically-related job, the impact the timing of COACH's notice has on the Team (whether it is given before, during, or after the Team's season and recruiting period), COACH's ability and willingness to assist LSU if requested during any transition period (such as during post-season play after giving notice at the end of the regular season), ease of recruiting a replacement for COACH, and the impact requiring the payment of liquidated damages would have on recruiting and retaining other similarly-situated coaches.
- iv. The parties have bargained for this liquidated damages provision, giving consideration to the following: This is a contract for personal services.

The parties recognize that termination of this Agreement by COACH prior to its expiration by lapse of term would cause LSU to incur administrative, recruiting, and resettlement costs in obtaining a replacement head coach for Team, in addition to potentially increased compensation costs and loss of ticket revenues, loss of recruits or current student-athletes, loss of continuity and stability, and intangible damages such as damages to LSU's and/or the Program's reputation, and goodwill, which damages are impossible to determine with any certainty. COACH recognizes that his promise to work for LSU until its expiration by lapse of term is an essential consideration of and a material inducement for LSU's decision to employ him in the position described in Section 2, above. COACH also recognizes that LSU is making a highly valuable investment in his continued employment by entering into this Agreement and its investment would be lost or diminished were he to resign or otherwise terminate his employment with LSU prior to the expiration of its Term. The payment owed pursuant to this liquidated damages provision is to pay for the damages suffered as outlined above and to reimburse LSU for expenses, including but not limited to (i) searching for, recruiting and hiring a replacement for COACH, (ii) relocating the new coach, and (iii) buying out the contract, if necessary, of the new coach. COACH expressly agrees that the amount of liquidated damages provided for herein is a reasonable approximation of the harm that LSU will incur in the event of such early termination by COACH. In consideration of this provision, LSU

irrevocably waives any and all rights to equitable relief, including temporary restraining orders and injunctions, or actions seeking specific performance by COACH.

- v. Unless notice of termination under this Section 12 has been given by either party, neither COACH nor any agent on his behalf shall, under any circumstances, discuss or negotiate directly or indirectly prospective employment with any other institution of higher education, professional athletic team, or other athletics-related (including media and sports marketing) prospective employer without giving at least twenty-four (24) hours prior written notice to the President and the Athletic Director.

D. Suspension or Other Disciplinary Action.

- i. In lieu of termination for cause, and in addition to any rights it may have under Section 12.A, LSU may impose upon COACH disciplinary sanctions less severe than termination, up to and including suspension or leave without pay for a period no longer than ninety (90) days for any act or omission which would be grounds for termination for cause. Imposition of such sanctions shall be at the discretion of LSU, and shall not be exercised arbitrarily or capriciously. During a period of suspension under this sub-section, COACH shall not be entitled to receive any compensation or benefits under this Agreement.
- ii. LSU may suspend COACH for an indefinite period during any investigation by LSU, another governmental entity, or the NCAA or SEC to determine whether COACH has violated any laws or Governing

Athletics Regulations. During such suspension, COACH shall receive only the Base Salary Amount set forth in Sections 2 and 4 and the Fringe Benefits set forth in Section 8, and shall not be entitled to receive Supplemental Compensation, Other Supplemental Compensation, Incentive Compensation, or any other benefits, compensation or remuneration set forth in this Agreement for the period of such suspension. If the matter giving rise to the suspension is finally resolved in favor of COACH, and does not otherwise represent an independent basis for termination for cause, LSU shall pay or make available to COACH the benefits and other compensation herein otherwise payable to COACH during the period of suspension. Any such compensation and/or benefits payable pursuant to this Agreement by an affiliated foundation shall only be paid by such foundation, subject to its approval. Suspension under this sub-section shall not limit any rights of LSU to terminate COACH for cause.

- iii. COACH shall be subject to disciplinary or corrective action by the NCAA or SEC for any violation of NCAA and SEC regulations, respectively. Such action by the NCAA or the SEC shall not preclude or in any manner affect LSU's right to take such other corrective or disciplinary action as it deems necessary or proper, including termination for cause.

E. Termination by Death or Disability. In the event of the death of COACH or the inability of COACH to perform the duties and obligations described in this Agreement by reason of disability, illness, or some other occurrence beyond the

control of either party, and such inability to perform has continued or will continue beyond a reasonable period of time, but not less than sixty (60) days, this Agreement shall terminate as a termination for cause and all future obligations between the parties shall cease upon the termination date reasonably established by LSU, unless otherwise required by law.

F. Exclusive Remedies and Waiver of Claims. The financial consequences of termination of this Agreement or suspension herein, and any remedies pertaining thereto, are exclusively set forth herein. Therefore, with the sole exception of payments required by this Agreement, in any instance of termination for cause or without cause, or suspension or other disciplinary sanction effected in accordance with the procedures established in this Agreement, neither COACH nor LSU shall be entitled to receive, and each hereby waives any claim against the other, and their respective board members, officers, directors, agents, employees, successors, and personal representatives for consequential damages by reason of any alleged economic loss, including without limitation loss of collateral income, deferred income, loss of earning capacity, loss of business opportunity, loss of perquisites, loss of fees from speaking, camps or other outside activity, or expectation income, or damages allegedly sustained by reason of alleged humiliation or defamation, or other non-compensatory and compensatory damages, punitive damages, and attorney's fees resulting from the fact of termination, the public announcement thereof, or the release by LSU or COACH of information or documents required by law. COACH acknowledges that in the event of either termination of this Agreement for cause, without cause, or otherwise, or suspension or other

disciplinary sanction effected in accordance with the procedures established in this Agreement, COACH shall have no right to occupy the position of head coach of Team and that COACH's sole remedies are provided herein and shall not extend to injunctive relief or demands for specific performance by LSU. COACH further acknowledges and agrees that COACH is not eligible for and will not be considered for or granted academic tenure by LSU.

G. Key Man Insurance. LSU or its affiliated athletic foundation, at the sole discretion of LSU, shall have the right at any time during the term of this Agreement to purchase "key man" insurance or other insurance on the life of COACH. COACH shall reasonably cooperate in the underwriting and issuance of any such insurance.

13. Retention and Return of all Materials, Records, and Other Items. All documents, records, or materials, including without limitation personnel records, recruiting records, team information, films, statistics, or any other material or data furnished to COACH by LSU or developed by COACH on behalf of or at the expense of LSU or otherwise in connection with the employment of COACH are and shall remain the sole and confidential property of LSU. Within ten (10) days of the expiration or termination of this Agreement, COACH shall cause any such materials in COACH's possession or control to be delivered to LSU. At the same time, COACH shall return to LSU all credit cards, keys, computers, mobile communication devices and other items belonging to LSU which were issued to or are in the possession of COACH.

14. Entire Contract. This Agreement constitutes and expresses the entire agreement and understanding of the parties concerning the employment of COACH by LSU and shall,

upon the effective date hereof, supersede any other oral and written agreements between the parties. There are no oral or other agreements, understandings, promises, or representations between the parties affecting this Agreement. Both parties have relied solely on their own respective judgments in entering into this agreement, with full opportunity to seek advice of competent counsel of their choosing. The Agreement shall be construed, if necessary, without reference to the party that was the principal drafter of the Agreement.

15. **Amendments to Contract.** This Agreement may be amended only by a written instrument duly approved by LSU through its designated representatives and accepted by COACH, such approval and acceptance to be acknowledged in writing. Except where expressly indicated in this Agreement, the written approval of the LSU Board of Supervisors shall be required to amend or waive any terms or conditions set forth herein. COACH expressly acknowledges that it would be unreasonable to rely upon any oral representations, or any representations made by anyone other than the particular LSU representative(s) authorized by this Agreement, that purport to amend or waive any terms of this Agreement.
16. **Severability.** If any provision of this Agreement shall be deemed invalid or unenforceable, either in whole or in part, this Agreement shall be deemed amended to delete or modify, as necessary, the offending provision or to alter the bounds thereof in order to render it valid and enforceable.
17. **No Waiver of Default.** No waiver by the parties hereto of any default or breach of any covenant, term or condition of this Agreement shall be deemed to be a waiver of any

other default or breach of the same or any other covenant, term or condition contained herein.

18. **Sovereign Immunity Not Waived.** It is expressly agreed and understood between the parties that nothing contained herein shall be construed to constitute a waiver or relinquishment by LSU of any rights to claim such exemptions, privileges and immunities as may be provided by law.
19. **"Force Majeure" Clause.** Neither party shall be considered in default of performance of any obligations under this Agreement if such performance is prevented or delayed by Force Majeure. "Force Majeure" shall be understood to be any cause which is beyond the reasonable control of the party affected and which is forthwith, by notice from the party affected, brought to the attention of the other party, including but not limited to war, hostilities, revolution, civil commotion, strike, lockout, epidemic, accident, fire, wind or flood or any requirements of law, or an act of God.
20. **Governing Law.** This Agreement shall be enforced and construed in accordance with the laws of Louisiana. Any civil action to enforce this Agreement shall be brought in a state or federal court having subject matter and personal jurisdiction over the parties that is domiciled in East Baton Rouge Parish, Louisiana.

THE PARTIES hereto have executed this Agreement on the day, month and year first above written.

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

By: _____
F. King Alexander, Ph.D., President Date
Louisiana State University and
Agricultural and Mechanical College

 9/19/2019
Dennis G. Shaver Date

RECOMMENDED:

Scott Woodward, Athletics Director
Louisiana State University and
Agricultural and Mechanical College

Daniel T. Layzell, Executive Vice President for Finance and Administration/CFO
Louisiana State University and
Agricultural and Mechanical College

Schedule A – Dennis G. Shaver

This Schedule A supplements and further defines the provisions of the Employment Agreement dated October 23, 2019, entered into between LSU and Dennis G. Shaver to which it is attached (the “Agreement”). In the event of a direct and clear conflict between the other provisions of the Agreement and this Schedule A, the provisions of this Schedule A shall control.

1. Subject to the terms and conditions set forth in section 7.A of the Agreement, EMPLOYEE shall receive Post-Season Incentive Compensation in the amounts, based on attaining the goals, shown below. The maximum amount of Post-Season Incentive Compensation for achievements a) through e) shall be \$187,500 per contract year:

a) SEC Meet Champion \$ 25,000

AND the highest goal attained of any one of the following:

b) NCAA Top 7 Finish at National Championship Meet \$ 20,000

c) NCAA Top 5 Finish at National Championship Meet \$ 35,000

d) NCAA 2nd Place Finish at National Championship Meet \$ 50,000

e) NCAA National Champions \$100,000

For achievements a) through e), Coach will earn the full amount of the Post-Season Incentive for the highest gender accomplishment and one-half the amount for the lower gender accomplishment.

AND the following based on recognition (maximum amount \$52,500):

h) SEC Coach of the Year \$ 15,000

i) National Coach of the Year (as named by the USTFCCCA) \$ 20,000

For achievements h) through i), Coach will earn the full amount of the recognition incentive for one gender and one-half the amount for the other gender if named for both genders.

2. All other provisions of the Agreement remain unchanged by this Schedule A.

Approved:

By: _____
F. King Alexander, Ph.D., President
Louisiana State University and
Agricultural and Mechanical College

By: 
Dennis G. Shaver



Board of Supervisors

SECTION D

PROPERTY & FACILITIES COMMITTEE



Request from LSU to Enter into a Lease for the Charity Hospital Redevelopment Project

To: Members of the Board of Supervisors

Date: October 25, 2019

This is a significant board matter pursuant to Article VII, Section 1 of the Board's Bylaws:

C. The lease of any immovable property.

1. Summary of the Matter

Charity Hospital in New Orleans has been unoccupied since it was evacuated in the aftermath of Hurricane Katrina in 2005, costing the LSU Health Sciences Center – New Orleans over \$1 million annually to maintain. With the construction of the University Medical Center, Charity is no longer needed as a hospital, and multiple studies have confirmed that it is not feasible to restore it as a functioning hospital. Prior to the current effort, various studies for alternative uses of the former Charity Hospital building have been conducted by both public and private entities, but these were not comprehensive and did not yield consistent recommendations.

The current abandoned and deteriorating state of the Charity Hospital building is significantly hindering the continued development and revitalization of the New Orleans medical district. An extensive competitive process conducted by LSU and the LSU Real Estate and Facilities Foundation (REFF) has identified and selected a developer which has found new uses for the building and will transform the building for the ultimate benefit of the LSU Health Sciences Center – New Orleans and the entire New Orleans medical district.

Benefits to LSU and REFF

The proposed lease agreements will result in significant and immediate benefits for LSU, LSUHSC-NO, and REFF, as well as the people of New Orleans and the State of Louisiana:

1. \$11,850,000 payment of up-front rent to LSU and REFF
2. \$250,000 annual rent to LSU and REFF for the next 99 years, escalating by 10% every 10 years
3. Elimination of over \$1 million in annual expenses by LSUHSC-NO to mothball the building
4. Building returned to commerce, with tenants occupying it within the next three to five years

History and Process

In September 2017, this Board requested that the LSU Real Estate and Facilities Foundation (REFF) undertake the task of returning the building to commerce. Under an Intent to Lease agreement between LSU and REFF, REFF has:

1. Engaged the Urban Land Institute to explore redevelopment options that also would ensure economic development in the surrounding neighborhood;
2. Created a Project Management Committee to spearhead the task, with appropriate stakeholder membership including New Orleans civic leaders and the Louisiana Commissioner of Administration;
3. Engaged Jones Lang Lasalle (JLL), a consulting firm with nationally recognized expertise in this area, to assist its efforts;

4. Consulted with the Spirit of Charity committee formed by the Greater New Orleans Foundation to engage the New Orleans community in discussions about the redevelopment of the Charity building and the opportunities it would provide for the New Orleans Medical District;
5. Conducted a comprehensive, competitive selection process to select a developer for the Charity Hospital Redevelopment Project;
6. Executed, with approval from this Board at its January 2019 meeting, a Predevelopment Agreement (PDA) with the selected developer, 1532 Tulane Partners, Inc. (Developer) memorializing the key business terms to be included in the final lease and related documents;
7. Worked with the Developer to hold additional public forums and meetings, including a meeting of the LSU Board's Property & Facilities Committee, to seek input from the local community for the development and to ensure the Developer is actively working to promote inclusion and diversity in the project; and
8. Negotiated final leases, subleases, and related agreements to complete the transaction in accordance with the terms of the PDA as approved by this Board on January 25, 2019.

Attachment 2 is the formal recommendation from REFF and its Project Management Committee (PMC) summarizing REFF's actions for this project, including a list of all public meetings held to obtain input and feedback from the people of New Orleans who have an interest in what happens to the former Charity Hospital building, which is deeply connected to the history of New Orleans. It, along with Attachment 3, the submission to this Board for its January approval of the PDA, provides a full background and explanation of the key deal terms and how they were competitively obtained.

Lease Structure and Key Terms

Two significant lease agreements will be executed following approval by the Board, as contemplated by the PDA. In the Primary Lease, LSU will lease the former Charity Hospital building, including its grounds and all improvements thereon, to Charity Hospital Redevelopment, LLC (CHR), a special-purpose entity created and controlled by REFF. In the Sublease, CHR will sublease the grounds and improvements to the Developer.

The key business terms of the lease remain unchanged from the PDA. They derive directly from the proposal submitted by the Developer as part of the competitive process. In particular, the rent amounts are exactly what was included in the Developer's proposal submission, other than the addition of a 10% increase every ten years in the annual rent, starting in year 20 of the lease. These key terms are:

1. Developer will pay \$11,850,000 as an up-front capitalized lease payment. Of that amount, 1/3 will be paid upon closing. The remaining 2/3 will be paid within two months of final approval of the Plans and Specifications for the renovations by LSU and the State Office of Facility Planning and Control. Both rental amounts are nonrefundable.
2. Annual rent of \$250,000, escalating by 10% every ten years, starting in year 10.
3. Lease term of 99 years.
4. Developer will adhere to commitments to Diversity, Inclusion, and Equity made in its Proposal and as set forth in the PDA.
5. Review of plans and specifications by LSU and the State Office of Facility Planning and Control in compliance with State law.
6. If final approval of plans and specifications is not obtained within one year from closing, Developer may terminate without penalty before payment of the remaining 2/3 of the up-front payment, but will not receive any refund of the 1/3 already paid.
7. Developer will indemnify, defend, and hold harmless REFF, LSU, and the State for all potential liability related to construction, occupancy, and operation of the building. Developer will maintain specified levels of insurance sufficient to protect REFF, LSU, and the State.

Once the Primary Lease and the Sublease are executed, neither REFF, LSU, nor the State will have any involvement with or responsibility for operations and maintenance of the building, other than to serve as the code authority for the building, insuring that major renovations are conducted in compliance with applicable building codes. The Developer will be solely responsible for all costs and operations of the building for the 99 year term of the leases. REFF and LSU will not have any control over Developer's selection of residential, retail, or commercial tenants. Currently, Developer believes the building will be occupied by both residential and commercial tenants, with the potential for a small amount of retail on the ground floor. However, Developer makes no binding commitments regarding the specific tenant mix. Developer has indicated that the housing component will include work force housing, faculty/student housing, market-rate housing, and co-living units, a combination which will allow for a diverse population to inhabit the building equitably.

Benefits and Risks

Currently, ownership of the former Charity Hospital Building places significant risks on LSU. LSUHSC-NO spends over \$1 million annually simply to keep the building from further deteriorating. The lack of commercial use of the building has hindered New Orleans' efforts to further develop its medical district. The building needs substantial capital investments to become useful and safe again.

By entering into this lease arrangement with REFF and the Developer, LSU will immediately cease to be responsible for maintenance, operations, or further deterioration of the building. Instead of a \$1 million annual liability, LSU and REFF will receive \$250,000 in annual rent, escalating by 10% every 10 years, on top of \$11,850,000 in up-front rent payments.

There are risks involved. There is a risk that the Developer will fail to raise sufficient investment capital to complete the renovations. However, Developer appears to have substantial commitments from investors, and it and its investors have already expended a significant amount of capital in pursuit costs for this transaction. Given the poor and unusable condition of the building, this minimal risk is substantially outweighed by the benefits LSU will receive.

There is a risk that Developer becomes unable to submit and obtain approvals for its plans and specifications for its renovations, which would allow it to terminate the lease prior to making the second up-front lease payment. In that event, LSU will still be better off than it is now. LSU would have received the initial up-front payment of \$3,950,000 and will have avoided one year of liability for the maintenance costs to mothball the building.

There are other political and financial risks, but most of the latter can and will be insured against. Of the former, LSU has worked closely with the State and engaged in multiple conversations with the New Orleans community in creating and moving forward with this process. State officials have expressed their full support for this transaction. Viewed in total, the immediate and potential benefits of the transaction far outweigh the risks.

2. Review of Business Plan

Other than costs for its lawyers and JLL, REFF has not incurred any out-of-pocket expenses for this project. The Developer, at its expense, has engaged an architectural firm to serve as the "Code Review Firm" to independently review Developer's Plans and Specifications for compliance with applicable building codes and make formal recommendations to REFF, LSU, and the State Office of Facility Planning and Control for approval when appropriate. As provided for in the Intent to Lease Agreement, if, for any reason, the leases between LSU and REFF and between REFF and the Developer are never executed, LSU will be obligated to repay REFF for its out-of-pocket expenses. If the leases are executed, REFF will recoup its costs from the up-front rental payment by the Developer.

3. Fiscal Impact

Until execution of the leases, LSU remains responsible for continuing to maintain the building in its current condition, which costs LSUHSC-NO approximately \$1 million annually. Once the Primary Lease and the Sublease are executed, LSU's responsibility for these costs will end. As noted, Developer will make an up-front lease payment of \$11,850,000, which will be paid in two installments. The first installment of \$3,950,000 and will be paid upon execution of the lease agreements. The second installment of \$7,900,000 will be paid after final approval of the plans and specifications for the renovations by LSU and the State Office of Facility Planning and Control. If those plans and specifications have not been approved by one year from the execution of the leases, the Developer will have 60 days to decide whether to terminate the lease (in which case it will not be obligated for the remaining \$7,900,000 but will not get any refund of the initial \$3,950,000). Thereafter, the Developer will pay \$250,000 rent annually. That amount escalates by 10% every ten years, starting in year 10 of the leases.

Once paid, the rent (both up-front and annual) will be split between LSUHSC-NO and REFF. After payment of project-related expenses, LSUHSC-NO will receive 70% of the up-front rent and 50% of the annual rent; REFF will receive 30% of the up-front rent and 50% of the annual rent. REFF will use these proceeds as a source of working capital for future University projects facilitated by REFF.

4. Description of Competitive Process

REFF first engaged the Urban Land Institute to engage in a comprehensive study of the Charity Hospital building and the surrounding area. REFF then engaged, through a competitive process, the JLL firm to assist with marketing the project to prospective developers and conducting a highly competitive selection process. A Request for Qualifications was issued, which resulted in three qualified firms being invited to respond to a subsequent detailed Request for Proposals. Of those three, two firms submitted detailed proposals. After presentations and discussions with each of those two finalists, both were invited to submit best and final offers. At the end of that process, the REFF Project Management Committee unanimously recommended the selection of 1532 Tulane Partners, Inc. as the preferred developer. That choice and the key deal terms were subsequently ratified unanimously by the full REFF board and by the LSU Board of Supervisors at its January 2019 meeting. The key deal terms, as outlined above, have not substantially changed from the Developer's best and final offer, though of course a great deal of legally important detail has been negotiated.

5. Review of Legal Documents

The Primary Lease and the Sublease have been negotiated with the assistance of counsel for REFF, the Phelps Dunbar law firm, and for LSU, the Breazeale, Sachse & Wilson law firm. The Sublease was negotiated between representatives of REFF, LSU, the Developer, and their respective counsel. Once the Sublease was largely complete, the Primary Lease was drafted to ensure it was consistent with the terms of the Sublease. Drafts of the agreements are attached to this submission and are nearly complete. Minor tweaking of the specific language, particularly of the Primary Lease, are likely to still occur prior to final execution, and, as is common in complex real estate transactions, there may be various consents or other ancillary agreements that must be executed in order to close the transaction. All leases and other documents will be finally reviewed by applicable outside counsel and the LSU Office of General Counsel prior to execution by the President.

6. Parties of Interest

The following parties are known to have an interest in and/or are involved with this transaction.

LSU
State of Louisiana
LSU Real Estate and Facilities Foundation, with bridge financing support from the LSU Foundation
Members of the REFF Project Management Committee
1532 Tulane Partners, Inc.
1532 Tulane HOLDCO, LLC

Subcontractors, Investors, and other parties engaged by the Developer, key members of which are shown on the Organizational Chart provided by 1532 Tulane Partners, Inc. as Exhibit M to the Draft Sublease (Attachment V). *Note that these key participants are subject to change by the Developer, in accordance with the terms of the PDA and the leases.*

7. Related Transactions

Developer has expressed an interest in leasing additional property in the area owned by LSU, but there are no commitments for such at this time.

8. Conflicts of Interest

None known.

ATTACHMENTS

- I. Transmittal Letter
- II. REFF Project Management Committee Report
- III. January 2019 Board Submission for Approval of the PDA
- IV. Executed Predevelopment Agreement
- V. Draft Sublease
- VI. Draft Primary Lease

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes the LSU President, Dr. F. King Alexander, or his designee to execute a Primary Lease and any other related agreements, consents, or assignments required to lease the former Charity Hospital Building and its grounds to Charity Hospital Redevelopment, LLC, the sole member of which is the LSU Real Estate and Facilities Foundation; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby determines that an Acceptable University Purpose exists, for purposes of the Uniform Affiliation Agreement, for Charity Hospital Redevelopment, LLC to enter into a Sublease with 1532 Tulane HOLDCO, LLC and to execute any additional agreements, consents, or assignments necessary to complete the lease of the former Charity Hospital Building and its grounds.



CAMPUS CORRESPONDENCE

To: F. King Alexander, President of LSU
Finance & Administration / CFO

Date: October 8, 2019

Through: Daniel T. Layzell, Executive Vice President for
Finance & Administration / CFO

Through: Tony Lombardo, Associate Vice President for
Facilities & Property Oversight

From: Patrick H. Martin, V, Assistant Vice President for
Real Estate, Public Partnerships, and Compliance 

Re: Board of Supervisors Agenda, October 25, 2019
Request from LSU to Enter into a Lease for the Charity Hospital Redevelopment Project

This board item authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to execute a Main Lease and any other related agreements, consents, or assignments required to lease the former Charity Hospital Building and its grounds to Charity Hospital Redevelopment, LLC, the sole member of which is the LSU Real Estate and Facilities Foundation.

Furthermore, this item declares the Board of Supervisors determines that an Acceptable University Purpose exists, for purposes of the Uniform Affiliation Agreement, for Charity Hospital Redevelopment, LLC to enter into a Primary Sublease with 1532 Tulane Partners, LLC and to execute any additional agreements, consents, or assignments necessary to complete the lease of the former Charity Hospital Building and its grounds

I recommend that this item be included on the agenda for the October 25, 2019 Board of Supervisors meeting.

Charity Hospital Redevelopment Project

Final Report of the Project Management Committee of the LSU Real Estate and Facilities Foundation

Approved by PMC: October 8, 2019

Approved by REFF: October 14, 2019

Submitted to LSU Board of Supervisors pursuant to Intent to Lease dated December 8, 2017

Background and History

In 2017, the LSU Real Estate and Facilities Foundation (REFF) retained the services of the Urban Land Institute (ULI) to explore the future of the former Charity Hospital Building. The ULI Advisory Services Program brings in planning and real estate experts from around the country to provide consultative services gratis on a variety of land use issues. ULI reviewed building history, interviewed over 75 stakeholders, analyzed the market, and built pro formas. Ultimately, the study assessed both the building and the neighborhood. Key recommendations included:

- The Charity Hospital Building must remain in place.
- An RFQ/RFP process should be the vehicle(s) for the building's reuse.
- The process should be inclusive, equitable, and transparent.
- The project and the neighborhood would benefit from an "Economic Development District" for the neighborhood surrounding the building and leverage tax increment financing (TIF) to support this and other projects within the District.
- Reuse should encompass financial feasibility and stewardship.
- Reuse should encompass public use, community benefit, improved connectivity, partnership and collaboration, high-quality design and construction, and strategic planning.

Following these recommendations, on January 22, 2018, the LSU and the LSU Real Estate and Facilities Foundation (REFF) issued a Request for Proposals for Project Advisor Services related to the Charity Hospital (Property) Redevelopment Project (Project). Upon reviewing submissions, REFF selected Jones Land LaSalle Americas, Inc. (JLL) to act as Project Advisor and to concentrate efforts on soliciting development proposals from qualified Master Developers who would enter into a sublease with REFF (see *Intent to Lease Agreement* below) and lead the redevelopment of the Property.

There have been several public meetings related to the Project over the course of the above described engagement:

- REFF engaged the Urban Land Institution (ULI) to study the Property, solicit input from a wide range of stakeholders, and recommend a process for engaging a development partner; this report, published November 2017, recommended that REFF hire a Project Advisor to manage the redevelopment of the Property and form a separate "Spirit of Charity" effort to engage the community in a visioning exercise for the neighborhood as a whole.
- REFF publicly announced the issuance of a Request for Qualifications on April 16, 2018 through press release as well as publication in local periodicals.
- REFF publicly announced the conclusion of the RFQ process on May 18, 2018 and the subsequent selection of teams led by 1532 Tulane Partners Inc. (a partnership between El-Ad US

Holdings and CCNO Development LLC), HRI Properties LLC and Matthews Southwest to be invited to respond to a Request for Proposals on May 29, 2018.

- REFF publicly released and announced the release of the RFQ, RFQ Response Material and RFP Specifications on July 26, 2018.
- REFF publicly announced its receipt of proposals from two of the three teams on August 20, 2018, and subsequently published proposal abstracts, redacted versions of the full proposals, and both teams' "best and final" proposals on September 11, 2018 and September 18, 2018, respectively.
- REFF publicly announced its recommendation to advance discussions with 1532 Tulane Partners Inc. on October 2, 2018; REFF also published a document outlining its rationale for selecting 1532 Tulane Partners Inc. over HRI Properties LLC.
- REFF publicly announced its intent to seek approval by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU Board") of a Predevelopment Agreement between REFF and 1532 Tulane Partners Inc. on January 24, 2019, which was then subsequently approved by the LSU Board of Supervisors on January 25, 2019.

Though a separate process, members from REFF, JLL, and the proposing teams from 1532 Tulane Partners Inc, HRI Properties LLC, and Matthews Southwest attended and actively participated in community workshops held by the Greater New Orleans Foundation (GNOF) to discuss visioning for the Spirit of Charity Innovation District. These groups participated in community workshops held on July 25, 2018 and August 13, 2018.

Intent to Lease Agreement

The LSU Property Foundation ("Foundation") and the LSU Board entered into an Intent to Lease Agreement on September 8, 2017, which provided an outline of the process and guidelines that the Foundation would observe in connection with the selection of vendors and negotiation of a proposed agreement with a Master Developer for Charity Hospital and related agreements. The Intent to Lease Agreement called for the formation of a Project Management Committee ("Committee"), composed of seven (7) members appointed by the Foundation and six (6) members appointed by the LSU President.

At the time this document is issued, the Committee members are:

- State of Louisiana: Jay Dardenne
- LSU Foundation: Rob Stuart (Chair), Gary LaBorde
- LSU Real Estate Facilities Foundation: Gary Graphia, Teri Fontenot
- LSU Health Foundation: Matt Altier
- LSU Health Sciences Center: Dr. Larry Hollier, Jerry Jones, Ed Murray, John Harman
- LSU System: Dan Layzell, Tony Lombardo, Patrick Martin
- New Orleans Community: Dan Foley, Ravi Sangisetty, Ron Sholes

As stated in the Intent to Lease, the purpose of the Committee is to manage the process to effect:

- The solicitation and selection of a Project Advisor;
- The solicitation and selection of a Master Developer through a competitive process;
- The negotiation of all Master Developer Agreements;
- A proposed Lease Agreement between the Foundation and the LSU Board; and

- Recommendations for the approval of contracts and other actions to the Board of Directors of the Foundation.

Solicitation and Selection of a Project Manager

Request for Qualifications

The Committee first issued a Request for Qualifications to identify qualified partners that could deliver the Project, prior to engaging potential partners in a more robust Request for Proposals.

Issuance and Distribution

To identify potential recipients of the RFQ, the Committee, through JLL, contacted numerous potential development partners throughout the country who were identified as having the appropriate level of experience with similar type projects.

The RFQ was formally issued on April 16, 2018. The Committee sought to ensure that distribution of the RFQ was done publicly and far reaching. To this end, the Committee published a website (<https://www.charityprojectneworleans.com>) where potential respondents could access the RFQ. In addition, the website provided access to a “data room” that contained all due diligence that LSU and its affiliate entities had gathered on the Property thus far. This information was also publicly available. Finally, the website included functionality whereby interested parties could register and have their contact information presented publicly, on the website, in the interest of partnering with other groups. The goal of this effort was to ensure that local firms could have an opportunity to broadcast their interest in the Project and encourage lead developer teams to contact these groups and have them included on their teams.

Responses Received

The due date for the RFQ was May 16, 2018. By this deadline, the Committee received six responses from:

- 1532 Tulane Partners, Inc.
- Fillmore Capital Partners
- Healing Minds Nola
- HRI Properties LLC
- Insite Group
- Matthews Southwest

Evaluation and Advancing to RFP

The evaluation criteria in the RFQ outlined expectations that qualified firms would commit to an equitable approach to development, the experience of key personnel, team financial qualifications and capacity, and the team’s experience with similar projects to include:

- Adaptive reuse of large facilities;
- Engagement and long-term coordination with institutions similar to the REFF;
- Engagement with community stakeholders;
- Markets similar to New Orleans;

- Projects that were catalytic in revitalizing their surrounding communities, and particularly those revitalization efforts which the Respondent directly facilitated;
- Projects for which the Respondent attracted users, including both private and public sector tenant(s);
- Projects for which the Respondent secured public/below market financing and incentives.

Committee members scored each team's RFQ submission on a 5-point scale, with each individual criterion outlined above having its own weighting in terms of the Committee's judgement on the relative importance of each.

Based on this evaluation, the Committee elected to advance 1532 Tulane Partners, Inc, HRI Properties LLC, and Matthews Southwest to the invite-only RFP stage.

The Committee determined that the response provided by Healing Minds Nola to the RFQ was noncompliant due to the submission's failure to address key points as requested in the RFQ.

Request for Proposals

All teams were notified on May 29, 2018 of the Committee's determination, and the three teams that the Committee identified as qualified were sent the RFP. Proposals were ultimately received from 1532 Tulane Partners, Inc and HRI Properties LLC. Matthews Southwest did not submit a proposal due to the death of a principal team member during the RFP response period.

RFP Distribution

Prior to distributing the RFP to the qualified teams, the Committee held one-on-one meetings with each of the shortlisted teams. The purpose of these meetings was to establish the parameters of the upcoming RFP and proposal period, and to solicit input from each of the teams as to how to best solicit meaningful information through the Request for Proposals in a uniform manner that would best facilitate evaluation.

The RFP was formally distributed to the qualified teams on June 4, 2018.

Proposals Received

Responses were due August 20, 2018. As noted, Matthews Southwest did not submit a proposal.

The initial proposals from both 1532 Tulane Partners, Inc. and HRI Properties LLC are as summarized as follows:

Item	1532 Tulane Partners	HRI Properties/Iris Development
1. Cover Letter	Present	Present
2. Table of Contents	Present	Present
3. Team	Firms in <i>italics</i> are DBE	Firms in <i>italics</i> are DBE
<u>Primary Team Members</u>		
Lead Developer	1532 Tulane Partners, Inc. (Entity formed by El-Ad US Holdings and CCNO Development)	HRI Properties
Co-Developer		<i>Iris Development Company</i>
Community Outreach	<i>Hawthorne Agency</i>	<i>DMM & Associates</i>
Lead Architect	bnim	HCI Architecture
Other Architect	John C. Williams Architects	
Construction Manager		HCI Construction <i>J.C. Patin CAG</i>
General Contractor	The McDonnel Group	Woodward Tishman, A Joint Venture
Property Manager	Triumph Housing Management (housing only) 1532 Tulane Partners and Affiliates	HRI Management
Legal Counsel		Elkins, PLC
<u>Financial Partners/Advisers</u>		
Bond Financing	Walker Dunlop	
Financing	Carlton Group	Stonehenge Capital Company
Historic Tax Credits	Tax Credit Capital	National Trust Community Investment Corporation
LIHTC	<i>Hopkins Development Group</i>	RBC Capital Markets
NMTC		Capital One
<u>Other Consultants/Advisers</u>		
Affordable Housing Design	<i>Volume Zero</i>	
Biomedical Facilities Planning		Facility Logix

Item	1532 Tulane Partners	HRI Properties/Iris Development
Biomedical Architectural Design		Ewing Cole
Civil Engineering	<i>Julien Engineering</i>	<i>ILSI Engineering</i>
Energy Consulting		Building Science Innovators Ice Energy
Historic Architecture	Koch & Wilson	<i>Clio Associates</i>
Housing Consultant	<i>Key Realty</i>	
Innovation Hub Experience Designer	Land as Art	
Landscape	<i>Dana Brown & Associates</i>	
MEP Engineering	<i>WDG</i>	<i>Square Button</i> Johnson Controls (Smart City component) <i>W.I.S.E/WISP - LA (Smart City component)</i>
Retail Developer		Stirling Properties JCH Properties Creative Alliance of New Orleans
Structural Engineering	<i>Julien Engineering</i>	Woodward Engineering
Traffic Planning		Hall Planning and Engineering
Urban Planning		Baque Hoffman Studio
Water Management		Waggonner & Ball Architects
4. Diversity, Inclusion, Equity	<p>Overview:</p> <p>1532 Tulane plans to meet or exceed the following City of New Orleans goals:</p> <ul style="list-style-type: none"> ▪ 35% utilization of DBE ▪ 50% utilization of businesses that are locally owned and controlled ▪ DBE among project ownership group encouraged ▪ 40% of all work hours completed by Louisiana workers performed by local workers ▪ 20% of local workers DBE as part of HIRE NOLA 	<p>The summary below has been inserted by JLL in what are the likely appropriate sections.</p> <p>HRI's proposal notes affordable housing and community amenities as elements of its equity plan. While these are important aspects to equitable and accessible real estate and community development, these do not directly meet the requirements of the RFP and are ultimately present in both proposals.</p>

Item	1532 Tulane Partners	HRI Properties/Iris Development
	<ul style="list-style-type: none"> ▪ 20% apprentices should be disadvantaged local workers (if using apprentices) 	
Community Outreach Plan	<p>Led by Hawthorne Agency. Includes:</p> <ol style="list-style-type: none"> 1) Strategic communications effort through a) research, b) messaging, and c) core outreach tools. Outreach tools will include editorial board meetings, print media, electronic media, social media, graphic design, websites, community and stakeholder events, a persistent telephone information line, public open house sessions, pop-up information stations, and an advisory committee 2) Tracking outreach effectiveness through a) baseline telephone survey, b) mobile survey, and c) annual tracking surveys. Three-year period total 3) Measuring economic and other impacts of outreach and construction efforts 	<p>HRI and DMM Associates will lead:</p> <ol style="list-style-type: none"> 1) Community Benefits Agreements tied to NMTC funding that will included standards and requirements for affordable housing, living wage job creation, DBE minimums, and also implement a first source hiring policy targeting low- and moderate-income residents. 2) Workforce development through partnerships with Delgado, YouthForce NOLA, Goodwill, the Foundation for Louisiana, and many others (HRI provided commitment letters from many of these organizations) 3) Resource sharing for DBE capacity (likely more applicable for Construction below) 4) Global tourism initiatives that result in local economic development; however, unclear if there is a formal plan or partnership in place
Project Ownership and Investment	<ul style="list-style-type: none"> ▪ Hopkins Development Group will have majority ownership of LIHTC equity component. ▪ Project will contain affordable for-sale housing units, and 1532 will retain a home ownership counseling firm to work with current tenants (not yet retained). 	<ul style="list-style-type: none"> ▪ Notes that Iris Development is at the sponsorship level with HRI. Both firms will likely bring in fees.
Construction	<p>The McDonnell Group will ensure compliance with DBE goals through the following:</p> <ol style="list-style-type: none"> 1) Aggressive outreach through community meetings, advertisements, notification to organizations, etc. 2) Targeted bid solicitation, forwarding construction drawings to organizations and clearly outlining opportunities/scopes of work to aid to 	<p>Woodward Tishman and DMM & Associates will ensure compliance with DBE goals through the following:</p> <ol style="list-style-type: none"> 1) Adopting and adhering to the City's goal of 35% DBE participation 2) An aggressive outreach plan, DBE certified firm listings, buyout process and schedule, and ongoing construction monitoring by Woodward Tishman

Item	1532 Tulane Partners	HRI Properties/Iris Development		
	<p>companies identifying opportunities to participate</p> <ol style="list-style-type: none"> 3) Project labor agreements to ensure participation, and implementing a construction apprenticeship plan with guidance from GNO AFL-CIO 4) Cash flow assistance to firms that may not have financial capacity to acquire materials 5) Equal opportunity measures, including ensuring and equal working environment for all employees 	<ol style="list-style-type: none"> 3) Weekly site visits by DMM & Associates 4) Technology-driven approach to monitoring that includes: <ol style="list-style-type: none"> a. Monthly status report b. Analytics such as contracting trends, goal achievements, payment history, etc. c. DBE Participation and DBE Utilization Reports d. Subcontractor profiles e. Certifying DBE's 		
Asset and Facility Management	<p>Hawthorne Agency will facilitate:</p> <ol style="list-style-type: none"> 1) Aggressive outreach 2) Coordination with Small Business Exchange to identify qualified, local, DBE firms 3) General opportunities for education and workforce development 	<p>In clarification questions, advises that ongoing partnerships during operations would be outlined in the CBA.</p>		
5. Project Programming	<p>Proposal includes use of Laundry as "Phase 1-B" to include an Innovation Center expansion as well as a future Tulane University research facility. Phase 1-B is not included in the development budget, pro forma, or financial offer.</p> <p>Also includes Butterworth as "Phase 1-C," though this is not included in the program, development budget, schedule, pro forma, or financial offer.</p>	<p>HRI Provides three scenarios. The first scenario assumes the City is a tenant. The second scenario assumes that, if the City is not a tenant, Tulane or United Way will become a tenant. The third scenario assumes that, if both the City and Tulane/United Way fail to materialize, then Charity is 100% redeveloped as housing.</p> <p>In their clarification questions, HRI noted that City Hall may need between 300k-400k SF pending a full needs assessment.</p> <p>HRI's proposal also relies on a ~400,000 square foot retail-anchored development across the street from Charity to generate \$40 million in TIF funding. More detail is provided below under "Non REFF- or State-Owned Property."</p>		
Development Program		<i>Scenario 1</i>	<i>Scenario 2</i>	<i>Scenario 3</i>
City Hall		440,000 SF		

Item	1532 Tulane Partners	HRI Properties/Iris Development		
Courts				
Other Office Tenant	175,000 SF		Present (no SF)	
Housing				
<i>Housing (Market Rate)</i>	<i>311,975 SF</i>	<i>119,580 SF</i>	<i>162,185 SF</i>	<i>269,870 SF</i>
<i>Housing (Worforce/Affordable)</i>	<i>92,825 SF</i>	<i>124,374 SF</i>	<i>162,185 SF</i>	<i>263,970 SF</i>
Housing (Total)	465,075 SF	243,954 SF	324,370 SF	533,840 SF
Retail	46,175 SF	17,800 SF	62,000 SF	
Parking	86,950 SF	40,000 SF		
Other Uses				
Innovation	66,425 SF			
Education	15,900 SF			
Community	81,000 SF			
Tenant, Renter, Operator Commitments	<p>Provided commitment letters for the following:</p> <ul style="list-style-type: none"> ▪ Tulane (Office) ▪ Triumph Housing Management (Housing; manager only and not a “tenant”) ▪ Innovation (Land as Art LLC) ▪ Education (Tulane, Charter programs) <p><i>No commitments for community space, retail, or parking</i></p>	<p>Provided commitment letters for the following:</p> <ul style="list-style-type: none"> ▪ Tulane (Office) ▪ United Way (Office) ▪ Historic New Orleans Foundation (Museum) ▪ Pythian Market (Grocery) ▪ Audubon Primary Academy (Education) <p><i>No commitments from City or other retail space</i></p>		
Other Elements	<p>Discusses the following:</p> <ul style="list-style-type: none"> ▪ Will honor all easements, including Entergy ▪ Provides consideration for public open space and connectivity through pedestrian circulation ▪ General comments about consideration for streetscapes elements ▪ Site grading will remain “as is” ▪ Parking will provided in lower level 	<p>Offered in-depth discussion about the market and how luxury apartments and hospitality would not be feasible.</p> <p>Also discusses innovation and consideration related to water management, traffic planning, “Smart Building”/”Smart City” energy efficiency solutions, an energy plan, parking, and connecting to the Enwave thermal chilled water loop. With the exception of the last item, these elements are discussed at the district level and are not specific to Charity itself.</p>		

Item	1532 Tulane Partners	HRI Properties/Iris Development		
Non REFF- or State-Controlled Property	Proposal includes Laundry as Phase 1-B. Includes a number of other properties in later phases, but not part of formal proposal. Does not discuss contingencies specifically related to the Laundry.	HRI's proposal relies on TIF generating from sales taxes that result from developing 382,000 square feet of retail and 82 apartments directly across Tulane Avenue from Charity.		
6. Project Schedule and Phasing	Project initiation October 2018. Occupancy begins February 2021. Does not provide discussion of risks and contingencies as requested, other than noting how limited public financing will mitigate risk.	Project initiation October 2018. City Hall and Phase 1 residential occupancy in December 2021. Provides detail behind certain elements of construction, but does not provide discussion of risks and contingencies as requested.		
7. Development Budget and Phasing Plan				
Development Budget	Total: \$245 million	Total: \$349 million to \$380 million		
Financing Plan and Uses		Scenario 1	Scenario 2	Scenario 3
<u>Sources</u>				
Permanent Loan	\$95,000,000	\$34,700,000	NA	\$77,600,000
GP Equity	\$29,622,340	\$0	NA	\$0
Deferred Developer Fee	\$15,445,233 (in the form of a note @ 5.5% and 10 years)	\$2,220,853	NA	\$7,011,664
Tax Credits (All)			NA	
Federal LIHTC	<i>Not Disclosed</i>	\$63,749,560	NA	\$95,624,340
Federal HTC	<i>Not Disclosed</i>	\$68,786,440	NA	\$62,333,011
State HTC	<i>Not Disclosed</i>	\$59,060,483	NA	\$53,525,938
NMTC	\$0	\$19,422,000	NA	\$12,909,000
Tax Credits (Total)	\$79,932,701	\$211,018,483	NA	\$224,392,289
Tax-Exempt Bonds (non-TIF)	\$25,100,080	\$0	NA	\$0
Tenant Prepaid Rent	\$0	\$91,680,000	NA	\$0
TIF	\$0	\$40,000,000	NA	\$40,000,000
Total Sources	\$245,100,354	\$379,619,336	NA	\$349,003,953
<u>Uses (using ULI structure)</u>				
Hard Costs and Contingency	\$168,997,923	\$251,443,578	NA	\$301,723,678

Item	1532 Tulane Partners	HRI Properties/Iris Development		
Soft Costs and Contingency	\$15,547,696	\$47,489,436	NA	\$40,140,987
Tenant Improvements	\$22,622,992	\$6,210,200	NA	\$2,255,300
Developer Fee	\$25,488,744	\$36,849,074	NA	\$33,278,518
Other Uses (“community benefit budget” in ULI study)	\$12,443,000	\$7,011,664	NA	\$2,220,853
Total Uses	\$245,100,354	\$379,619,336	NA	\$349,003,953
8. Asset and Facility Management				
Operations	Provides discussion for lease-up and operations plan for each program component, including a discussion of managing disparate program components. Discussion includes retail, housing, office space used by Tulane, innovation hub, educational uses, and provides discussion about management of uses in Laundry.	<p>Provides discussions for operation of residential portions, particularly lease-up as it pertains to the affordable housing components and ensuring that tenancy aligns with expectations for LIHTC-funded housing.</p> <p>Notes that letters of support secured for retail spaces, including The Historic New Orleans support for grocery and other uses.</p> <p>biomedical research, will require significant work to secure tenants. Members of the team are in place to effect these activities should this program be pursued.</p> <p>In clarification questions, notes that the lease for City Hall would be coterminous with the ground sublease, or 99 years. No other discussion regarding operations of City Hall provided.</p> <p>Does not directly address management of disparate</p>		
Maintenance	Provides some discussion of long term maintenance.	Provides in depth discussion of a Property Maintenance Plan that would be put in place for all aspects of the building.		

Item	1532 Tulane Partners	HRI Properties/Iris Development
9. Due Diligence	Requests a 6-month due diligence period, extendable in 3-6-month periods based on findings. Offers detailed exploration of how that time will be used. Does not offer any hard or soft money deposits.	Requests a 12-month due diligence period. Offers detailed exploration of how that time will be used. Offers an earnest money deposit of \$100,000.
10. Documentation	Provided	Provided

Evaluation

The Committee reviewed both proposals in depth. In addition, both teams were also invited to make a presentation to the Committee, which occurred on September 17, 2019. Based on this initial review of the proposals, as well as information gleaned from the presentations, the Committee, with JLL, compiled a series of follow-up questions and topics that each team would address through a “best and final information request.” This request was issued to both teams on September 18, 2019 with a due date of September 25, 2018.

Based on a complete evaluation of the proposals, presentations, and best and final information submissions, the Committee determined that 1532 Tulane Partners, Inc. be invited to progress to the next step: negotiation of a predevelopment agreement. The rationale for this decision is as follows (which has also been shared publicly):

- Many elements of both Proposals are equivalent in both opportunity and risk; these are not outlined here
- Key risks posed by HRI/Iris with regard to elements of their Proposal include:
 - Development Budget and Financing Plan
 - Reliance on a separate project, for which HRI/Iris does not have site control, to generate financing through TIF
 - Uncertainty as to the magnitude of State historic tax credits
 - Reliance on an anchor tenant to prepay rent
 - Schedule and Phasing
 - Pursuing “optionality” that includes City Hall as a parallel pursuit to others still presents risks to timeliness of occupancy and operations
 - Though financial offer is greater, it is subject to successful completion by phase rather than lease execution
- 1532 Tulane Partners, Inc. does present some risks which are addressed in more detail during negotiations and due diligence:
 - Housing program remains larger than HRI/Iris proposal, and of that 1) a larger proportion is market rate, and 2) proposed market rate rents are higher than HRI/Iris (though 1532’s proposed market rate rents are still lower than other new buildings in the market)
 - Given size of the housing program, there is still some risk in relative experience compared to HRI/Iris
 - 1532 Tulane Partners should review and ensure appropriate allowances and contingencies for elements of the construction budget

Negotiation of Contract Documentations

Predevelopment Agreement Negotiations

Negotiation of the pre-development agreement commenced on October 25, 2018 and was approved by the LSU Board of Supervisors at the January 2019 board meeting. Items negotiated and agreed to during the negotiation were insurance amounts, access issues, refundability and timing of deposits,

accommodation for environmental based delays, key staff and altering that staff, and others outlined below.

The terms of the Predevelopment Agreement approved by the LSU Board are as follows:

1. Due Diligence Period

- a. Upon execution of PDA, Developer will pay a \$100,000 non-refundable deposit to REFF.
- b. Initial Due Diligence is 6 months. Developer can request up to 2 additional, 3-month periods. Developer must pay additional, non-refundable \$50,000 deposit for each additional periods.
- c. REFF and LSU to provide prompt and ready access to Developer and its contractors.
- d. Developer has right to terminate or not close if due diligence uncovers Title or Environmental Defects, subject to loss of deposit.
- e. Developer is entirely at own risk during Due Diligence. If a final lease agreement is not completed for any reason, neither LSU nor REFF have any financial obligations to Developer.
- f. Developer will complete Preliminary Plans during Due Diligence, and Code Review Firm, LSU, and FP&C must approve during same Period.
- g. Closing must take place within 30 days after the completion of the Due Diligence. LSU and REFF must take every reasonable effort to obtain required approvals, including the State (Division of Administration).
- h. Under no circumstances is REFF, LSU, or the State liable to Developer for its costs during proposal or due diligence period.

2. Final Lease Agreement Key Terms

- a. Developer will pay \$11,850,000 as up-front capitalized lease payment. Negotiations continue as to whether this will be a single lump-sum payment or split into two payments upon approval by LSU of certain aspects of Developers plans and specifications for the project.
- b. Annual rent of \$250,000.
- c. Lease term of 99 years.
- d. State review of all plans and specifications.
- e. If final approval of plans and specifications not obtained one (1) year from closing, Developer can terminate without penalty, but will not receive refund of any amounts already paid.
- f. Developer to adhere to significant commitments to Diversity, Inclusion, and Equity made in its Proposal.
- g. Developer to indemnify, defend, and hold harmless REFF, LSU, and State for all potential liability related to construction, occupancy, and operation of the building. Developer to maintain specified level of insurance sufficient to protect REFF, LSU, and State.
- h. Assignments require reasonable consent by REFF and LSU.

3. Approvals

- a. REFF (or its LLC) is the signing party to the Predevelopment Agreement, not LSU nor the State.
- b. Leases subject to approval by REFF, LSU, and State. REFF to use “every reasonable effort” to obtain.

- c. Plans and Specifications to be reviewed by a third party Code Review Firm engaged by REFF at Developer's expense, making recommendations to LSU and FP&C, who must approve the Preliminary Plans. Review will be for code compliance only, except for very small number of areas mutually agreed by Developer, REFF, LSU, and FP&C, including key structural, exterior appearance, and historical aspects of the building to review for aesthetic appearance, impact on historical components, and engineering soundness.
- d. Preliminary Plans to be reviewed as above only by Code Review Firm, LSU, and FP&C. Final Plans and Specifications to be reviewed by same plus state Fire Marshal and state Department of Health and Hospitals. No other bodies will be required to approve Preliminary or final Plans and Specifications.
- e. Timelines will be established to ensure prompt review.
- f. No other approvals will be required except as mutually agreed by Developer, REFF, LSU, and State.

Ground Lease Negotiations

Ground lease negotiations officially commenced on April 23, 2019. Negotiations over the ground lease will conclude with the approval of the LSU Board of Supervisors on October 25, 2019. The key business terms of the lease remain unchanged from the PDA. They derive directly from the proposal submitted by the Developer as part of the competitive process. In particular, the rent amounts are exactly what was included in the Developer's proposal submission, other than the addition of a 10% increase every ten years in the annual rent, starting in year 20 of the lease. These key terms are:

- 1. Developer will pay \$11,850,000 as an up-front capitalized lease payment. Of that amount, 1/3 will be paid upon closing. The remaining 2/3 will be paid within two months of final approval of the Plans and Specifications for the renovations by LSU and the state Office of Facility Planning and Control. Both rental amounts become nonrefundable immediately upon payment.
- 2. Annual rent of \$250,000, escalating by 10% every ten years, starting in year 20.
- 3. Lease term of 99 years.
- 4. Review of plans and specifications by LSU and the state Office of Facility Planning and Control in compliance with state law.
- 5. If final approval of plans and specifications are not obtained one year from closing, Developer can terminate without penalty before payment of the remaining 2/3 of the up-front payment but will not receive any refund of the 1/3 already paid.
- 6. Developer will adhere to commitments to Diversity, Inclusion, and Equity made in its Proposal and as set forth in the PDA.
- 7. Developer will indemnify, defend, and hold harmless REFF, LSU, and State for all potential liability related to construction, occupancy, and operation of the building. Developer will maintain specified level of insurance sufficient to protect REFF, LSU, and State.



**Request from LSU REFF to Find an Acceptable University Purpose
for a Predevelopment Agreement with 1532 Tulane Partners, Inc.
for the Charity Hospital Redevelopment Project**

To: Members of the Board of Supervisors

Date: January 25, 2019

This is a significant board matter pursuant to Article VII, Section 1 of the Board's Bylaws:

- A Any matter having a significant or long-term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses
- C The lease of any immovable property.

1. Summary of the Matter

Charity Hospital in New Orleans has been unoccupied since it was evacuated in the aftermath of Hurricane Katrina in 2005, costing the LSU Health Sciences Center – New Orleans over \$1 million annually to maintain. With the construction of the University Medical Center, Charity is no longer needed as a hospital, and multiple studies have confirmed that it is not feasible to restore it as a functioning hospital. Prior to the current effort, various studies for alternative uses of the former Charity Hospital building have been conducted by both public and private entities, but these have not been comprehensive and have not yielded consistent recommendations.

The current abandoned and deteriorating state of the Charity Hospital building is significantly hindering the continued development and revitalization of the New Orleans medical district. As the owner of the former Charity Hospital building, LSU must take effective action to find a new use for the building and find a commercial partner who can transform the building for the ultimate benefit of the LSU Health Sciences Center – New Orleans and the entire New Orleans medical district.

In September 2017, the Board approved an Intent to Lease agreement with the LSU Real Estate and Facilities Foundation (REFF) for the purpose of returning the building to commerce. Through this agreement, REFF has:

1. Engaged the Urban Land Institute to explore redevelopment options that would promote economic development in the surrounding neighborhood;
2. Created a Project Management Committee to spearhead the task, with appropriate stakeholder membership including New Orleans civic leaders and the Louisiana Commissioner of Administration;
3. Engaged JLL, a consulting firm with nationally recognized expertise in this area, to assist its efforts;
4. Consulted with the Spirit of Charity committee formed by the Greater New Orleans Foundation to engage the New Orleans community in discussions about the redevelopment of the Charity building and, more broadly, the opportunities it would provide for the New Orleans Medical District; and
5. Conducted a comprehensive, competitive selection process to select a developer for the Charity Hospital Redevelopment Project.

The competitive selection process for a developer for this project consisted of three phases as outlined below:

1. A Request for Qualifications (RFQ) was issued on April 16, 2018, which was open to any interested parties.
2. From the responses received on May 16, 2018, three firms were invited to exclusively submit responses to a much more detailed Request for Proposals (RFP). Of those three firms, two submitted proposals.
3. After meetings with both firms, each was asked to submit a best and final offer. At the end of this process, 1532 Tulane Partners was selected as the preferred Developer by a unanimous vote of the Project Management Committee, and REFF thereafter unanimously approved the Committee's selection.

Since the selection of 1532 Tulane Partners, Inc. (the "Developer"), REFF, with assistance from JLL, outside counsel, and LSU staff, has been negotiating the terms of a Predevelopment Agreement (PDA) that will govern the parties' obligations during a period of due diligence and the negotiation of final lease documents between REFF, the Developer, and LSU. While minor details remain to be worked out by counsel for both parties, REFF and the Developer have reached substantive agreements on the key business terms of the PDA.

REFF requests authorization from the Board to enter into the PDA under the terms of the Uniform Affiliation Agreement between LSU and REFF. While approval by this Board of the PDA does not create a binding legal commitment to enter into the subsequent Main Lease between LSU and REFF, and does not authorize REFF to enter into the Primary Sublease between REFF and the Developer, it is an expression of the Board's and University's commitment to the process, the project, and the Developer. The Developer will undertake significant expenses during the due diligence period governed by the PDA, in reliance on the Board's commitment to the process outlined in the Intent to Lease Agreement, as reaffirmed with this authorization for REFF to enter into the PDA with 1532 Tulane Partners, Inc.

Once the PDA is executed, REFF and the Developer will immediately begin to negotiate the final lease terms, while the Developer begins its efforts to review title issues, further analyze the building condition and environmental factors, and conduct other due diligence. While it is expected that the bulk of the agreements will be completed in a matter of a few months, final details may not be completely resolved until the end of the due diligence period called for in the PDA (up to 12 months). Once the leases (the Main Lease from LSU to REFF and the Primary Sublease from REFF to the Developer) are fully completed, they will be presented to this Board for final approval.

The PDA contains several key business terms, some of which are relevant only to the due diligence period, and some of which relate to terms which must be in the final lease agreements. In short, LSU will lease the Charity property (both building and land) to REFF in the Main Lease. REFF will sublease it to the Developer in the Primary Sublease. The Developer will pay an up-front lease payment of \$11,850,000, as described in more detail below, and will thereafter pay an additional \$250,000 in rent annually. There will be a substantial period of due diligence after the signing of the PDA and before closing on the leases. While final details are still being negotiated, the parties believe that the due diligence period will last between six months and one year.

Developer will contractually agree to follow the City of New Orleans diversity and inclusion goals for contractors. Section 4 of the Developer's proposal, which sets forth its commitment to promoting diversity and inclusion, will be attached to and made a part of the PDA, and is attached here as Attachment III.

The PDA and subsequent lease agreements will also set the terms and conditions for review of the building renovation plans and specifications by REFF, LSU, and the state office of Facility Planning and Control (FP&C). Because the building is owned by LSU, a state entity, FP&C is the code review authority, meaning it is legally required review and approve architectural and engineering plans that would normally be the responsibility of the local government planning office. To expedite plan review, REFF will engage, at Developer's expense, a third-party architectural or engineering firm to conduct this review and make recommendations to LSU and FP&C. FP&C and LSU staff will focus on a small number of items to review themselves, primarily in areas related to the building's structural integrity and key historical components.

Once the Main Lease and the Primary Sublease are executed, neither REFF, LSU, nor the state will have any involvement with or responsibility for operations and maintenance of the building. The Developer will be solely responsible for all costs and operations of the building for the 99-year term of the Main Lease and Primary Sublease. REFF and LSU will not have any control over Developer's selection of residential, retail, or commercial tenants. Currently, Developer believes the building will be occupied by both residential and commercial tenants, with the potential for a small amount of retail on the ground floor. However, Developer has not made binding commitments regarding the specific tenant mix. Developer has indicated that the housing component will include work force housing, faculty/student housing for Tulane University, market-rate housing, and co-living units, a combination which will allow for a diverse population to inhabit the building in an equitable way.

2 Review of Business Plan

Other than costs for its lawyers and JLL, REFF will not incur any out-of-pocket expenses during the PDA due diligence period. REFF will engage a third-party firm to review the plans and specifications for the building, but that cost will be paid by the Developer under the terms of the PDA. As provided for in the Intent to Lease Agreement, if for any reason the leases between LSU and REFF and between REFF and the Developer are never executed, the University will be obligated to repay REFF for its out-of-pocket expenses. If the leases are executed, REFF will recoup its costs from the up-front rental payment from the Developer.

3 Fiscal Impact

During the term of the PDA, LSU will be responsible for continuing to maintain the building in its current condition, which costs HSC-NO approximately \$1 million annually. Once the Main Lease and the Primary Sublease are executed, LSU's responsibility for these costs will end. As noted, Developer will make an up-front lease payment of \$11,850,000, which will be paid in one or more installments over the course of the first year after execution of the agreements, on a schedule set forth in the leases. That amount, and the annual rent of \$250,000 in subsequent years, will be distributed in accordance with the terms of the Main Lease agreement between LSU and REFF.

4 Description of Competitive Process

REFF first engaged the Urban Land Institute to engage in a comprehensive study of the Charity Hospital building and the surrounding area. REFF then engaged, through a competitive process, the Jones Lang Lasalle (JLL) firm to assist with marketing the project to prospective developers and conducting a highly competitive selection process. A Request for Qualifications was issued which resulted in three qualified firm being invited to respond to a subsequent detailed Request for Proposals. Of those three, two firms submitted detailed proposals. After presentations and discussions with each of those two finalists, both were invited to submit best and final offers. At the end of that process, the REFF Project Management Committee unanimously recommended the selection of 1532 Tulane Partners as the preferred developer. That choice has since been ratified unanimously by the full REFF board.

5. Review of Legal Documents

The Predevelopment Agreement (PDA) terms are being negotiated by counsel for Developer and REFF. The most recent draft is attached as Attachment V. This document is subject to change as the parties continue to negotiate. The Developer has approved in writing the Summary of Key Business Terms (Attachment II), so the final version will be consistent with those terms. The final version of the PDA will be reviewed by the Office of General Counsel prior to execution by the President.

6. Parties of Interest

The following parties have an interest in and/or are involved with this transaction.

LSU

State of Louisiana

LSU Real Estate and Facilities Foundation, with bridge financing support from the LSU Foundation
Members of the REFF Project Management Committee

LSU Health Foundation

1532 Tulane Partners, Inc.

Subcontractors, Investors, and other parties engaged by the Developer., which are shown on the Organizational Chart provided by 1532 Tulane Partners, Attachment IV. *Note that these key participants are subject to change by the Developer, in accordance with the terms of the PDA.*

7. Related Transactions

Under the terms of the PDA, the Developer and REFF will negotiate to develop a Primary Sublease between REFF and the Developer. Simultaneously, REFF and LSU will negotiate the terms of the Main Lease between LSU and REFF. This generally follows the process used for LSU's successful Nicholson Gateway development.

8. Conflicts of Interest

None known.

ATTACHMENTS

- I. Transmittal Letter
- II. Summary of Key Business Terms for Predevelopment Agreement
- III. Diversity and Inclusion Commitment from Developer
- IV. 1532 Tulane Partners, Inc. Key Partners
- V. Draft Predevelopment Agreement

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to determine, after reviewing the final agreement and finding that it contains adequate provisions to protect the interests of the Board, that an Acceptable University Purpose exists for the LSU Real Estate and Facilities Foundation or its subsidiary to enter into a Predevelopment Agreement with 1532 Tulane Partners, Inc. in connection with the Charity Hospital Redevelopment Project process approved by this Board on September 8, 2017; and

BE IT FURTHER RESOLVED that the Board expresses its support for REFF's efforts toward the Charity Hospital Redevelopment Project through the process established by the Board on September 8, 2017 and the resulting Intent to Lease Agreement for that project, and the Board affirms its intention to continue to support REFF's efforts to negotiate the various agreements required between LSU and REFF and between REFF and 1532 Tulane Partners to successfully place the former Charity Hospital building back into commerce under terms that are satisfactory to all parties.



CAMPUS CORRESPONDENCE

To: F. King Alexander, President of LSU
Finance & Administration / CFO

Date: January 15, 2019

Through: Daniel T. Layzell, Executive Vice President for
Finance & Administration / CFO

Through: Tony Lombardo, Associate Vice President for
Facilities & Property Oversight

From: Patrick H. Martin, V, Assistant Vice President for
Real Estate, Public Partnerships, and Compliance 

Re: Board of Supervisors Agenda, January 25, 2019
Request from LSU REFF to Find an Acceptable University Purpose for a Predevelopment
Agreement with 1532 Tulane Partners, Inc. for the Charity Hospital Redevelopment Project
Center

The LSU Real Estate and Facilities Foundation (REFF) is requesting that the Board of Supervisors authorize the President to find an acceptable university purpose, once the final document has been negotiated, to enter into a Predevelopment Agreement with 1532 Tulane Partners, Inc. for the redevelopment of the former Charity Hospital building.

We request this item be placed on the agenda for the January 25, 2019 Board of Supervisors meeting.

Thank you.

Summary of Key Business Terms for Charity Redevelopment PDA

Due Diligence Period

1. Upon execution of the PDA, Developer will pay a \$100,000 deposit to REFF, which becomes non-refundable (except in cases of default by REFF).
2. The initial Due Diligence Period is for 6 months. At the end of that 6 months, Developer can request up to 2 additional, 3-month periods for due diligence. Developer must pay an additional, non-refundable \$50,000 deposit for each of the 2 additional due diligence periods. Those are non-refundable immediately (except in cases of default by REFF).
3. REFF and LSU to provide prompt and ready access to the building for Developer and its contractors for Due Diligence purposes.
4. Developer has the right to terminate or not close for a variety of reasons during the Due Diligence Period. That will result in loss of deposit, except in cases of default by REFF.
5. The Developer is entirely at its own risk during the Due Diligence Period. If a final lease agreement is not completed for any reason, neither LSU nor REFF have any financial obligations to Developer, other than return of the deposit in cases of default by REFF.
6. Developer will complete Preliminary Plans during Due Diligence Period, the Code Review Firm will review, and REFF will obtain LSU and state FP&C approvals within that same time period.
7. Closing must take place within 30 days after the completion of the Due Diligence Period. REFF must take every effort to obtain all required landlord approvals during that time period.
8. Under no circumstances is REFF, LSU, or the State liable to Developer for its costs during proposal or due diligence period.

Key Terms for Final Lease Agreements

1. Developer will pay \$11,850,000 as an up-front capitalized lease payment. Specific details of the payment will be negotiated as part of the lease agreements, with the general understanding that the full amount will be paid within the first year after Closing.
2. Annual rent of \$250,000.
3. Lease term of 99 years.
4. Review of plans and specifications as described below.
5. If final approval of plans and specifications not obtained 1 year from closing, Developer can terminate without penalty, but will not receive refund of any amounts already paid.
6. Developer to adhere to commitments to Diversity, Inclusion, and Equity made in its Proposal. Section 4 of its Proposal setting forth this commitment will be attached to the PDA as an exhibit.
7. Developer to indemnify, defend, and hold harmless REFF, LSU, and State for all potential liability related to construction, occupancy, and operation of the building. Developer to maintain specified level of insurance sufficient to protect REFF, LSU, and State. LSU to maintain property insurance on the building through state Office of Risk Management during term of the PDA.

Approvals

1. The Main Lease and the Primary Sublease will be approved by REFF, LSU, and the state. REFF to use every effort to obtain those approvals.
2. Preliminary and final Plans and Specifications will be reviewed by a third party Code Review Firm engaged by REFF at Developer's expense. REFF will transmit plans to LSU and FP&C for review, along with recommendation for approval from the Code Review Firm. All communications regarding LSU or FP&C approvals or approvals as noted will be coordinated with Developer through the Code

Review Firm to simplify communications for the Developer. Review by Code Review Firm, LSU, and FP&C will be for code compliance only, except for a very small number of areas mutually agreed by Developer, REFF, LSU, and FP&C. This very limited number will include key structural, exterior appearance, and historical aspects of the building which will be reviewed for aesthetic appearance, impact on historical components, and engineering soundness.

3. Any approvals required by law from other state entities (such as the state Fire Marshal) shall be obtained directly by Developer.
4. Timelines will be established to ensure prompt review of Plans and Specifications.



Section 4

DIVERSITY, INCLUSION, EQUITY

Community Outreach Plan

Embracing the Past and Investing in the Future The Hawthorne Agency, Inc. will guide our team in the formation of an outreach plan that evokes transparency and promotes diversity, inclusion, and equity. We recognize that the conceptualization of this plan must include an appreciation of the many New Orleanians who still embrace the spirit of their individual perception of what Charity Hospital represents to them, in a non-tangible context. Through them, the spirit of Charity lives and encompasses how they identify their legitimacy as bonified natives of this city. For many, it has been a birthplace, a healing place, and/or a place of departure for friends, neighbors, and “ya mama nem.” It is for these reasons, we are proposing that a balance be established between the physical design of the Charity Hospital redevelopment and the concepts and ideas of the community—building on local cultural assets, preventing displacement, and honoring the many communities that make up a diverse NOLA.

The strategic communications efforts will include a combination of print, electronic, and social media, editorial board meetings, design charettes, coordination with elected officials, community organization and stakeholder events, assistance with content development for the existing website, and a designated telephone information line. Media relations tasks, directed by Monica G. Pierre, will assist in establishing/maintaining open communication with media representatives that facilitates the dissemination of factual project information to the community on a continual basis.

Additionally, we will utilize the resources already available to us, such as the information on economic development outlined by Mayor Cantrell in her “Forward Together New Orleans” transition document, the “Spirit of Charity” master plan study, and the 2017 ULI Advisory Services Panel Report for the redevelopment of Charity Hospital to accomplish the goals of this project. Our results-oriented strategy is designed to facilitate community support for this cultural landmark in the city’s history.

To successfully accomplish the aforementioned approach, our community outreach plan of action will consist of the following components:

Task 1 - Research

To conduct a thorough review of prior outreach efforts and an assessment of the demographics within the project parameters. Understanding the dynamics of the population and documented stakeholder perceptions will yield a data-driven, inclusive communications process. A stakeholder contact list will be developed and maintained for future correspondence.

Task 2 – Messaging

Building on the project narrative that has been established, our team will craft key messages that promote consistency, continuity, and accuracy of information about the project. Tailored to reach and engage diverse stakeholders, the creation of memorable messaging will aid in clearly communicating the project’s objectives in easy to understand language, void of technical jargon.

Task 3 – Core Outreach Tools

Since by its very nature, adaptive reuse projects are contentious, the method of educating the community and acquiring their feedback must be ongoing, flexible, and transparent. Therefore, advantageous community outreach and engagement goes beyond minimal public meetings; it is constant and commences prior to any construction activity. The communications strategy will employ a mix of core outreach tools as described on the next page.



EDITORIAL BOARD MEETINGS

A critical aspect of transparency is the credibility of the fact provider. In telling the project's story, editorial board meetings will serve as opportunities to formally present important project-related information directly to the media hierarchy in order to effectively achieve this objective.

PRINT MEDIA

Print media will be leveraged to provide current status information about the project via articles, ads, and/or feature stories that validate the teams' commitment to total transparency and engagement.

ELECTRONIC MEDIA

Personal interaction between the project team and the New Orleans community will be afforded through electronic media for the presentation of clear, concise information about varying phases of the project and its public inclusion efforts.

SOCIAL MEDIA

Use of social media will expand the opportunity to engage a broader, more diverse audience. It will also aid in the promotion of events.

GRAPHIC DESIGN

Creating a protocol of accepted fonts, colors, and graphics will provide an aligned, recognizable, and uniformed visual look for the project. Compelling outreach materials will be developed for print, electronic, and social media utilizing a combination of dynamic graphics and text that result in pieces that are both visually appealing and reader-friendly.

WEBSITE CONTENT DEVELOPMENT

To ensure accessibility to updated information about the project, outreach materials will be made available for use on the existing website, www.charityinnovationdistrict.com.

COMMUNITY ORGANIZATION AND STAKEHOLDER EVENTS

Presentations at community organization meetings are recommended as a means of listening to and interacting with

the community to garner their thoughts and ideas. Additionally, special events centered around project milestones will help to publicize the project's progress and further community participation.

TELEPHONE INFORMATION LINE

A designated telephone line will provide residents easy access to verbally communicate inquiries or concerns and obtain approved responses from appropriate project team members. It will be in operation during regular business hours and include a voice mail system for receiving calls outside of those hours to be addressed the next business day.

PUBLIC OPEN HOUSE SESSIONS

In continuing with the outreach initiated during the strategic planning process, an inclusive method for communicating with the public will be maintained through conducting open house sessions. During these sessions, the community will be educated on the project's status and able to provide their input in an informal, interactive setting. Attendees will be given the opportunity to speak one-on-one with members of the project team while they view displays, make comments, and meaningfully participate as this amazing project comes to fruition.

POP-UP INFORMATION STATIONS

The utilization of pop-up information stations in the project area will allow our team to meet the public where they are, especially during project milestones, to obtain input and address specific concerns that may arise as the project progressively evolves.

ADVISORY COMMITTEE

An advisory committee comprised of individuals with expertise in the identified project sectors (i.e. housing/quality of life, transportation and mobility, parks, public spaces and green infrastructure, equitable economic growth, and the charity building, etc.) is suggested to make recommendations for the benefit of the community and/or provide key information that will aid in consensus building.



Providing mechanisms for measurable outreach results

To accomplish the objectives envisioned by JLL and LSU REFF, we propose utilizing quantitative and qualitative research methodologies to effectively measure and explore the perceptions, expectations, and vision of residents for Charity Hospital, to ensure that our team's proposed solution is respectful and supportive of the culture and history of the community. One of the primary objectives of our outreach efforts is to measure and evaluate the level of public awareness and expectations based on stakeholder understanding about the former Charity Hospital Redevelopment project. Our research will be led by Dr. Silas H. Lee III, who has conducted extensive research for previous developments with similar objectives.

Our multi-year research initiative is customized to analyze the concerns, expectations, and priorities of residents bounded by Poydras St, S. Claiborne Ave., Iberville St., and Loyola Ave. As researchers and planners, we recognize the importance of including the opinions of the diverse residents in this emerging community and have incorporated a multi-modal strategy to measure their opinions.

RESEARCH COMPONENT 1: BASELINE TELEPHONE SURVEY (YEAR ONE)

The first component of our research initiative is to conduct an extensive baseline survey of 300 residents to not only measure the cumulative support, awareness and perceptions of residents about the development, but evaluate the results by key demographic groups such as age, race, gender, proximity to the project, and other demographics. Respondents from landline and cell phone households will be interviewed by trained interviewers calling from a centralized research company.

RESEARCH COMPONENT 2: MOBILE ACCESSIBLE SURVEY (YEAR ONE)

The second component of this research strategy is a mobile/web friendly version of the baseline survey accessible to residents. This survey will be available to respondents for a limited period of time to avoid response duplication.

RESEARCH COMPONENT 3: ANNUAL TRACKING SURVEYS (YEARS TWO-THREE)

An annual tracking survey is proposed to measure shifts in perceptions, expectations, and satisfaction of residents. The data from the annual tracking survey will allow planners an opportunity to proactively address issues before they evolve into major obstacles.

Measurement of Impact

Our team will measure the success of our diversity, inclusion, and equity methods through an economic impact calculator (EIC). By tracking our team's progress, we will be able to ensure that we are on track with meeting and exceeding the diversity and inclusion goals set forth for this project. These efforts will be led by the team's community outreach group, The Hawthorne Agency. The EIC will track*:

- Total economic impacts, including both direct and indirect benefits
- How much of the benefit stays in the local area
- Number of jobs generated within the impact area including indirect jobs
- Total local, state and federal tax benefits of the project

*Reports by contract or aggregate



Project Ownership and Investment

Ownership and investment opportunities represent a significant strategy in promoting diversity, inclusion, equity, and access opportunities in this development. Our team's plan is to implement equity at the ownership and developer levels with Hopkins Development Group who will have the majority interest in ownership and development fees in the Low Income Housing Tax Credit portion of this the Charity Hospital redevelopment and have a consulting role in the workforce, faculty/student, and market rate housing portions of the project. Hopkins' valuable insight will help shape the Spirit of Charity Innovation District and continue to provide housing opportunities for the low and very low income future residents of the area.

Units in the project set aside for workforce housing or affordability will also be kept in those designations to provide opportunity for permanent ownership by disadvantaged families and persons. It is anticipated that any sale of units—the aforementioned tenants will have priority in ownership opportunity—would occur only after a Historic, Low Income or Opportunity Tax Credit hold period. 1532 Tulane Partners intends to procure a local HUD-approved home ownership counseling firm to work with current tenants and prospective disadvantaged buyers, allowing disadvantaged tenants to build resources and receive home ownership counseling aiding in home ownership qualification. This would also allow for permanent housing opportunities in these set aside units, beginning approximately 3 years prior to the end of the investment hold period.

Employment and career opportunities for neighborhood stakeholders and disadvantaged persons and businesses will ensure equity and increase quality of life. The proposal for the creation of a Tax Increment Finance District in the Spirit of Charity boundaries is a chance to provide just such opportunities. Opposed to using these TIF funds to pay down debt on a single building, better use would be to have the funds administered by a district-wide non-profit (such as the Greater New Orleans Foundation or a Spirit of Charity Innovation District located non-profit) to provide grants and subsidies to disadvantaged residents or business tenants for direct career or business growth in the area. 1532 Tulane Partners will set aside space and offer stipends or reduced rates for time at co-working and maker spaces within the innovation hub to recipients' of any such grants.



Construction

Opportunities to realize equity outcomes during the construction of the project include, but are not limited to, ensuring the participation of disadvantaged business enterprise contractors, working with and supporting pre-apprenticeship and training programs that expand the pipeline of qualified workers, local hiring commitments, and other initiatives. Subcontractors who may not otherwise have the benefit of performing work on associated projects will be given the opportunity to expand, grow, and become more proficient in every area of the trade (i.e. accounting, trade skills, management, etc.) through the Charity Hospital redevelopment. Furthermore, our team's contractor, The McDonnell Group (TMG), is committed to establishing long-term relationships with those who effectively perform their respective scopes of work and render a quality product.

Our team will promote equity and demonstrate accountability in the diversity and inclusion goals that have been set forth by JLL, LSU REFF, and the City of New Orleans **during the construction phases of the project** through employment of the following means:

Aggressive Outreach

Outreach and good faith efforts are needed to generate interest, identify recruitment sources and structure procurement to allow MBE/WBE/DBE contracting firms the opportunity for involvement. We shall accomplish this via the following methods: community outreach meetings, advertisements, notification to related organizations, project scope forms, time lines and particulars sent to prospective MBE/WBE/DBE by certified mail return receipt requested, follow up by telephone five days after mailing, pre-bid meetings, structuring of bid packages to allow for breakdown of work and comparable scope between similar trades, and matching MBE/WBE/DBE's with prospective bidders on large packages where they may not be competitive.

TMG shall begin outreach through advertisements to trade organizations, special interests group publications and large distribution publications. This shall make the contracting opportunities widely recognizable. TMG's advertisements shall demonstrate sincerity and responsibility. Subcontractors who respond shall be maintained in a database for future contact when their appropriate scope of work is bid.

Targeted Bid Solicitation

In addition to advertisements, TMG shall notify organizations and special interest groups targeting the construction industry. Letters requesting initial interest and membership listings shall be for-warded to these organizations. Organizations wishing to participate shall have their members added to the bid solicitation contact list. TMG shall also advertise contracting opportunities by speaking at organization meetings. During these presentations, scopes of work with approximate dollar amounts shall be made clear and known.

To accommodate bidding, TMG shall forward construction drawings and documents to the organization. When a particular scope of work is published for bid solicitation, TMG shall host pre-bid meetings if any of the following conditions are met: TMG deems it to be in the best interest of the subcontractors, subcontractors request a meeting, or the complexity of scope requires clarification. During the meeting, bidders shall be issued a bid package defining the scope of work, submission requirements, availability, and access to construction documents.

Bid packages shall be structured for simplicity with easy identification of scope split between various sub-contractors. To accommodate MBE/WBE/DBE participation, bid bonds shall not be requested unless deemed necessary by TMG. A bid bond shall be requested only if said scope of work meets one of the following characteristics: scope is highly technical, work is critical to the project schedule, scope of work is comprised of a high dollar value, or if required by Owner. Once bids are received, TMG shall ensure that all subcontractors bid on comparable scopes of work.



Project Labor Agreements

Our team has consulted with Tiger Hammond, President of the Greater New Orleans AFL-CIO. If our team is awarded, Tiger shall be engaged to implement a construction apprenticeship plan following the guidelines of the North America's Building Trades Unions. This major inclusive provision of our proposal with the GNO AFL-CIO shall offer priority training to displaced and nearby residents with the opportunity to participate in construction. Contract negotiations and design shall allow ample time to integrate these individuals into the team so they can be gainfully employed by the time construction starts.

This skilled craft apprenticeship system program establishes an "earn while you learn" system with opportunities for college credit through many of its parts. National partners include the National Urban League, Wider Opportunities for Women, and Helmet to Hardhats. The program provides career training to disadvantaged individuals including low-income, minority, veteran, and female workers, and is widely referred to as "the other four-year degree."

Our team proposes the use of a Project Labor Agreement (PLA) with the mission to realize equity outcomes and ensure access to economic opportunity for area residents. PLA's positively impact construction projects, and research by nationally recognized institutions such as Cornell University, UCLA, and Michigan State University supports their use. The program shall provide:

- Workforce training and apprenticeship programs
- Education and work programs targeted to displaced residents
- Local hiring provisions
- Minimum wage rates and benefits
- Disadvantaged Business Enterprise participation
- Union Labor participation
- Cost Controls
- Timely schedule delivery
- Heightened level of safety

Cash Flow Assistance

To assist MBE/WBE/DBE subcontractors who have inadequate monetary resources to fulfill their portion of work, TMG offers cash flow assistance. Cash flow assistance can include any of the following: TMG will allow the subcontractors assign their subcontract agreements to financial institutions to accommodate lending requirements which affects cash flow distribution, TMG will also offer subcontractors assistance in accounting by monthly payroll draws, joint check arrangements to vendors, etc. Efforts by TMG to aid MBE/WBE/DBE contractors shall continue into and through the construction process.

Equal Opportunity Measures

TMG shall create an environment conducive to equality among all subcontractors and employees regardless of age, race, or gender. TMG expects subcontractors to participate in such a work environment and requires acknowledgment of the same through The McDonnell Group's Equal Opportunity Policy. TMG shall refer minority, woman, and disadvantaged applicants to the proper union halls, trade organizations, subcontractors when TMG cannot properly accommodate them.

During construction, TMG shall meet employment goals by following up on initial contacts whether initiated by TMG or on behalf of the applicant, by requesting lists of minority participants through the local unions and trade organizations and disseminating lists to respective subcontractors.

TMG shall bind all subcontractors to the same terms and conditions of the MBE/WBE/DBE subcontracting and hiring plan. All subcontractors are also encouraged to comply with the spirit of Open Access through all the same phases of their contracting and employment opportunities. Subcontractors shall be required to forward a written plan on how they are to meet the goals of the Subcontracting Plan.

[READ MORE ABOUT NORTH AMERICA'S BUILDING TRADE UNION HERE](#)



Asset and Facility Management

Opportunities to promote equity during the ongoing operation of the Charity Hospital Redevelopment project include, but are not limited to, ensuring the participation of disadvantaged business enterprise contractors, working with and supporting workforce development programs that expand the pipeline of qualified workers, local hiring and wage commitments, and other initiatives. For the **ongoing asset and facility management phase of the project**, the Hawthorne Agency will assist with the outreach efforts on behalf of 1532 Tulane Partners. Our team will track and archive all responses, and make them available for review by development team members and project stakeholders to promote a transparent process to our teams approach to equity in asset and facility management. Our team will also employ the following methods to promote equity and demonstrate accountability in the diversity and inclusion goals that have been set forth by JLL, LSU REFF, and the City of New Orleans:

Aggressive outreach

Our team will develop an aggressive outreach plan, generating interest for local workforce development through advertising and a direct, targeted, multi-level approach that will include:

- Newspaper
- Contact by fax/email/telephone follow-up (certified and “certifiable” businesses).
- Segment on local weekly radio/television

Small Business Exchange

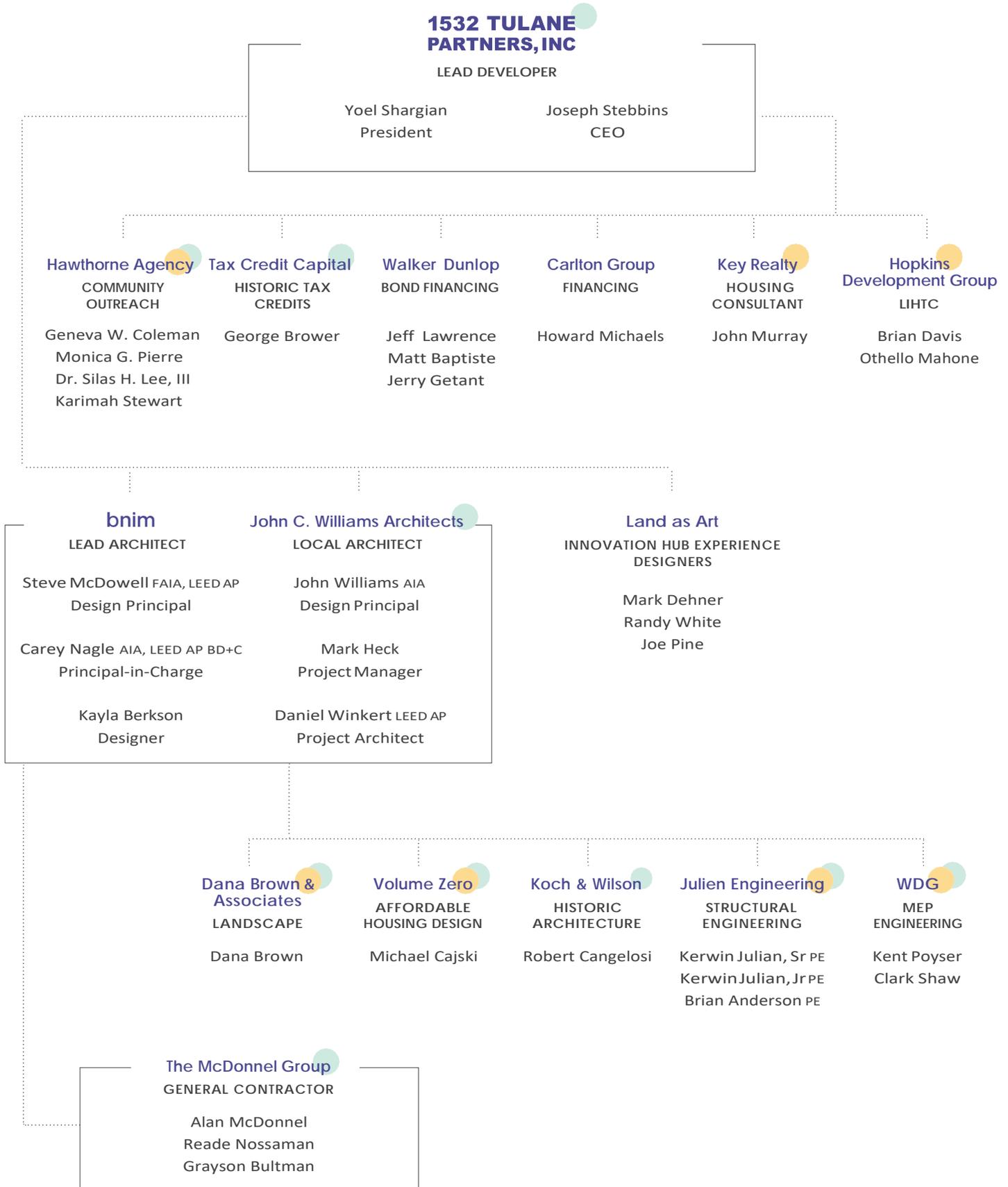
DBE engagement for the hiring of skilled workers and management groups for asset and facility management will be led by Valerie Voorhies of the Small Business Exchange (SBE). SBE has a 34 year history of providing DBE’s owned by minorities, women, and veterans (especially disabled veterans) with access to information and resources that enable them to successfully enter and compete in both local and global economies. We will utilize the SBE and its extensive database and outreach tools for inclusion in both the construction and facilities management for this project. To ensure transparency and ease of response, our team will provide “open access” to the procurement process through SBE’s “Bid Opportunity Tracking” system. This includes:

- Pre-bid stage
- Out-to-bid stage with planholder/prospective bidder listing
- Bid results with sub-to-low bidders at 1st, 2nd and 3rd tier levels

Educational Opportunities + Workforce Development

Through our proposed programming for internship and apprenticeship opportunities within the innovation hub and in partnership with Tulane University, the Gulf Coast Education and Training Consortium, and other local institutions, we have designed a long-term equity and community investment strategy for the Charity Hospital redevelopment. These opportunities will be managed by the institutions with which they are associated, and will each serve as gateways to lifelong careers in the medical industry. In turn, these programs will provide a pipeline of skilled workers, adding workforce and productivity to the area’s biomedical industry and entrepreneurial incubators.

Organizational Chart



= MBE/WBE/DBE = LOCALLY OWNED / OPERATED

PREDEVELOPMENT AGREEMENT

dated as of February 18, 2019

by and between

**Charity Hospital Redevelopment LLC,
as Sublessor,**

and

**1532 Tulane Partners, Inc.
as Developer**

PREDEVELOPMENT AGREEMENT

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Exhibit A	Parcel Plat
Exhibit B	Parcel Description
Exhibit C	Diversity, Inclusion, and Equity Plan

PREDEVELOPMENT AGREEMENT

THIS PREDEVELOPMENT AGREEMENT (this "**Agreement**") is made and entered into effective as of this 18th day of February, 2019 (the "**Effective Date**"), by and between **Charity Hospital Redevelopment LLC**, as sublessor (the "**Sublessor**"), a Louisiana special purpose limited liability company and a wholly owned subsidiary of the **LSU REAL ESTATE AND FACILITIES FOUNDATION**, a Louisiana non-profit corporation ("**REFF**"), and 1532 Tulane Partners, Inc., a Louisiana corporation, as developer (the "**Developer**"). The Sublessor and the Developer are each a "**Party**" and together the "**Parties**".

WITNESSETH:

WHEREAS, REFF is party to the certain Intent to Lease Agreement for the Charity Hospital Redevelopment Project dated December 8, 2017 (the "**Intent to Lease**"), among the State of Louisiana (through the Division of Administration) (the "**State**"), the Board of Supervisors of the Louisiana State University and Agricultural and Mechanical College ("**LSU**"), a public constitutional corporation, and REFF, which addresses the process and guidelines for the negotiation of a proposed agreement with a developer for the redevelopment of the Charity Hospital buildings and grounds, and recognizes that REFF may form a special purpose entity to perform all responsibilities otherwise ascribed to REFF in relation to the Charity Hospital project;

WHEREAS, REFF has formed the Sublessor for that purpose;

WHEREAS, if the conditions and covenants of this Agreement are satisfied, the Sublessor intends to lease from LSU (i) a certain parcel of immovable property resubdivided as Tract D (formerly a portion of Squares 367, 402 and 405),¹ bounded by Tulane Avenue, LaSalle Street, Gravier Street, and North Claiborne Avenue, located in the First Municipal District, City of New Orleans, Parish of Orleans, State of Louisiana, as shown on the survey of Colin B. Gravois, PLS License No. 5115, dated 7/30/2018 attached as **Exhibit A** hereto and incorporated herein and described more particularly in **Exhibit B** attached hereto and incorporated herein (collectively, the "**Parcel**") and (ii) the building formerly known as Charity Hospital (the "**Building**"), and together with the Parcel collectively the "**Property**"), a twenty story building with the municipal address of 1532 Tulane Avenue, New Orleans, Louisiana 70112, located on the Parcel;

WHEREAS, REFF, through a competitive process (the "**Process**"), issued a Request For Proposals dated June 4, 2018 for the Adaptive Reuse of the Former Charity Hospital Building (the "**RFP**");

¹ Resubdivision plat and description to be used. The resubdivision survey submitted to the City of New Orleans, Exhibit "A" hereto, along with the legal description of the land shown thereon, Exhibit "B" hereto, shall replace any other such Exhibits when finalized after the approval of that certain application for subdivision identified as One Stop Project SD 5D-146 18 on the records of the New Orleans City Planning Commission.

WHEREAS, the Developer submitted a Proposal dated August 20, 2018, as supplemented by a Response to Best and Final Information Request dated September 18, 2018 (collectively the "**Proposal**") in connection with the RFP;

WHEREAS, after the Effective Date, LSU, the Sublessor and the Developer will enter into a License for Use of Facilities and Premises (the "**Access Agreement**") that grants the Sublessor access, and the right to grant the Developer access, to the Property;

WHEREAS, REFF, through the Process, has selected the Developer for the redevelopment of the Property into a mixed-use project (the "**Project**");

WHEREAS, the Developer will conduct due diligence and commence the development of plans, budgets, construction contracts, subleases, and financing for the Project, and the Sublessor will provide (or cause to be provided) the agreed upon temporary rights of access to the Property as set forth in the Access Agreement to the Developer and its potential lenders (Developer's actual lenders being "**Developer's Lenders**") and potential investors (Developer's actual investors being "**Developer's Investors**", and together with Developer's Lenders, collectively "**Developer's Financing Parties**"), and their respective employees, agents, consultants, and contractors, for site assessments, environmental surveys, inspections and other due diligence, and the Sublessor and the Developer will negotiate the sublease of the Property by the Sublessor to the Developer together with the Transaction Documents as defined in Section 3 hereof, all under the terms and conditions set forth in this Agreement or hereinafter negotiated between the Parties ; and

WHEREAS, this Agreement is the Memorandum of Understanding contemplated by Section 3 of the Intent to Lease;

NOW, THEREFORE, intending to be legally bound, the Parties agree as follows:

1. **Recitals.** The foregoing recitals are incorporated herein by reference.
2. **Predevelopment; Closing.** Subject to the terms and conditions set forth in this Agreement, the Sublessor and the Developer agree that during the Term (as defined in Section 6) the Developer shall undertake due diligence as provided in Section 5 and shall commence to develop plans, budgets, construction contracts, subleases, and other contractual arrangements for the renovation, improvement, financing and operation of the Project, and the Sublessor and the Developer shall negotiate the Transaction Documents (as defined in Section 3). Commencing on the date (the "**Closing Date**") of the closing (the "**Closing**") for the execution of the Transaction Documents, the Developer will proceed with the Project, the Developer and the Sublessor each will perform its respective obligations under the Primary Sublease and other Transaction Documents to which it is a party, and the Sublessor will use every reasonable effort to cause LSU and the State to perform their respective obligations under the Transaction Documents to which they are parties. The Closing shall be held no later than thirty (30) days after the later to occur of (i) the end of the Due Diligence Period (as defined below), including any extension(s) thereof as provided below, or (ii) the date of which the Required Approvals (as defined in Subsection 4(a)) have been obtained, unless the Parties mutually agree in writing to close on a different date.

3. **Transaction Documents**. The Sublessor and the Developer will each devote appropriate personnel and resources to meet (by phone or in person) and negotiate in good faith on a regular basis toward the finalization and execution of the documents described in this Section. To the extent that some of these documents must be negotiated with and executed by other parties (such as the Developer's Financing Parties, LSU and the State), each of Sublessor and Developer shall use reasonable efforts to cause those parties with whom it has the primary relationship also to work expeditiously toward the finalization and execution of these documents. The documents will be (x) a Sublease to the Developer of the Property (the "**Primary Sublease**") pursuant to which the Developer will renovate, improve and operate the Property as the Project, and (y) such other documents to which the Sublessor, LSU, or the State is a party (one or more) as may be reasonably determined by the Developer to be reasonably required for the Project (the Primary Sublease, the Main Lease, and such other documents are collectively, the "**Transaction Documents**"). The Primary Sublease will (i) provide for an aggregate term (including renewal terms) of 99 years, (ii) for the Developer to pay a negotiated portion of \$11,850,000 as an up-front capitalized lease payment (the "**Up-Front Payment**") (with specific details of this payment to be negotiated as part of the lease agreements, with the general understanding that the full amount will be paid within the first year after Closing) and annual rent payments thereafter of \$250,000.00, (iii) that the Developer may assign its interest as set forth in Section 18, (iv) that the Sublessor will reasonably cooperate with the Developer in maintaining the Property's exemption from property taxes and otherwise maintain its status as State owned property, and (v) that the Final Plans and Specifications will be completed within one year after the Closing Date as provided in Section 8. The Primary Sublease and the other Transaction Documents will reflect the applicable terms set forth herein (unless otherwise mutually agreed by the Parties) and further appropriate terms, conditions, representations, covenants, warranties, indemnities and other terms mutually agreed to by the Parties. The Sublessor acknowledges that the Developer contemplates the availability of various federal, state, and local incentives, including historic tax credits, qualified opportunity zone tax incentives, and incentives pertaining to ad valorem taxes (if any), and the Sublessor shall, and shall cause LSU to, reasonably cooperate with the Developer to negotiate Transaction Documents that allow a structure to achieve the contemplated incentives. In the event of any ambiguity regarding a provision of this Agreement, reference may be made to the RFP and the Proposal where applicable to provide clarification. In addition to the Primary Sublease, the Transaction Documents are expected to include:

- (a) a Notice of Primary Sublease, for recordation in the Orleans Parish real estate conveyance records;
- (b) An estoppel certificate, a non-disturbance agreement, and other agreements by the Sublessor as may be reasonably required by the Developer or the Developer's Financing Parties;
- (c) An estoppel certificate, a non-disturbance agreement, and other agreements by LSU as lessor under the Main Lease (as defined below), as may be reasonably required by the Developer or the Developer's Financing Parties;

(d) An instrument by the State confirming its approval of the Main Lease and the Primary Sublease and, if reasonably required by the Developer or the Developer's Financing Parties, other Transaction Document(s); and

(e) All other documents, agreements, certificates, and instruments as may be reasonably required by the Developer or the Developer's Financing Parties to carry out or in connection with the transaction contemplated by this Agreement.

Additionally, during the Term, the Sublessor will negotiate a lease of the Property from LSU (the "**Main Lease**"). The Main Lease will be for a term that is no less than the term of the Primary Sublease with all renewal terms, will be consistent with the terms of the Primary Sublease, and will permit and empower the Sublessor to grant to the Developer and permit the Developer to exercise all of the rights granted to the Developer in the Primary Sublease. As part of the Closing, the Main Lease will be fully executed, and a Notice thereof will be recorded in the conveyance records of Orleans Parish, Louisiana. The Main Lease will be one of the Transaction Documents.

4. **Conditions to Closing.**

(a) The obligation of the Sublessor to proceed with the Closing under this Agreement is subject to the fulfillment prior to or at the Closing of the following conditions, any one or more of which may be waived in whole or in part by the Sublessor:

(i) Each representation and warranty of the Developer contained in this Agreement and the Transaction Documents shall be true and correct in all material respects on and as of the Closing Date, and the Sublessor shall have received a certification by the Developer of the same;

(ii) The Developer shall have performed in all material respects all the covenants and complied with all of the provisions required by this Agreement to be performed or complied with by it at or before the Closing;

(iii) No federal, state, or local laws, rules, ordinances or regulations (collectively "**Laws**") or court orders or judgments shall be in effect that restrain or prohibit the transaction contemplated hereby;

(iv) The Transaction Documents shall be in form and substance satisfactory to the Sublessor;

(v) LSU and the Sublessor shall have agreed to the Main Lease of the Property in accordance with this Agreement and otherwise in form and substance satisfactory to the Sublessor; and

(vi) The Primary Sublease shall have been approved by REFF, and then by LSU and the State of Louisiana (collectively, the "**Required Approvals**").

The Sublessor agrees to and shall use every reasonable effort to obtain the Required Approvals.

(b) The obligation of the Developer to proceed with the Closing under this Agreement is subject to the fulfillment prior to or at the Closing of the following conditions, any one or more of which may be waived in whole or in part by the Developer:

(i) Each representation and warranty of the Sublessor contained in this Agreement and the Transaction Documents shall be true and correct in all material respects on and as of the Closing Date, and the Developer shall have received a certification by the Sublessor of the same;

(ii) The Sublessor shall have performed in all material respects all the covenants and complied with all of the provisions required by this Agreement to be performed or complied with by it at or before the Closing;

(iii) No Laws or court order or judgment shall be in effect that restrains or prohibits the transaction contemplated hereby;

(iv) The Developer shall not have elected to terminate this Agreement during the Due Diligence Period as provided in Subsection 5(b);

(v) All Required Approvals and all other approvals of Louisiana State Governmental Authorities reasonably determined to be necessary by the Developer or the Developer's Financing Parties shall have been granted;

(vi) The Primary Sublease, the Main Lease, and all other Transaction Documents shall be in form and substance satisfactory to the Developer;

(vii) The Developer's Preliminary Plans (as defined below) for the Project have received the final written approval of the Approval Bodies (as defined below), and

(viii) On the Closing Date, the Property shall be free and clear of all recorded liens, encumbrances and servitudes, except the Permitted Exceptions (as defined below).

(c) (c) At Closing, the Parties will satisfy the following obligations:

(i) The Sublessor will:

A. Execute and deliver to the Developer the Primary Sublease;

B. Deliver to the Developer an original of the fully executed Main Lease and originals of all of the other Transaction Documents, fully executed by all Parties to them other than the Developer (to the extent that the Developer is a party) and the Developer's Financing Parties (to the extent that they are a party); and

C. Execute and deliver to the title company an Owner's Affidavit and such other title company documents as are customary in a real estate closing, with provisions consistent with Subsection 14(b), in form and substance reasonably satisfactory to the Sublessor.

(ii) The Developer will:

A. Deliver to the Sublessor or LSU, as may be directed by the Sublessor, the portion of the Up-Front Payment that is mutually agreed will be paid at Closing as a capitalized lease payment, by wire transfer of Good Funds (the "**Closing Payment**"). "**Good Funds**" as used herein shall mean currently available funds, in United States dollars, paid in the form of a wire transfer, such that the payment may not be stopped by the paying party.

B. Execute and deliver to the Sublessor the Primary Sublease; and

C. Execute and deliver to the Sublessor originals of all Transaction Documents to which the Developer is a party and deliver originals of all Transaction Documents to which the Developer's Financing Parties are a party.

5. **Due Diligence.**

(a) At the execution of this Agreement, the Developer has delivered to the Sublessor a deposit in the amount of one hundred thousand (\$100,000.00) dollars (such amount, together with any amounts added thereto under Subsection 5(b), and together with all interest thereon, collectively the "**Deposit**"). The Deposit shall be held by the Sublessor in an interest-bearing, federally-insured account. The Deposit shall be refundable to the Developer to the extent provided for hereinafter.

(b) During the Due Diligence Period, the Developer and its potential lenders and investors and their respective employees, agents, consultants, inspectors, and contractors (all of the foregoing, collectively, the "**Developer Access Persons**") have the right to physically inspect, review and analyze (x) all aspects of the Property and the condition thereof (including without limitation the environmental condition thereof), and (y) the Due Diligence Materials (as defined in Subsection 5(d) below), all as the Developer reasonably desires, including access to the Property. The Sublessor agrees to cooperate reasonably with the Developer and to cause REFF and LSU to cooperate reasonably with the Developer in connection with the evaluation of the Property by the Developer and its potential lenders and investors. The Sublessor shall not bear any out-of-pocket expenses in connection with the Developer's due diligence (except for the costs of the Sublessor's attorneys and own consultants). The term "**Due Diligence Period**" means the Original Due Diligence Period (as defined below), as extended by each of the First Extended Due Diligence Period (as defined below) and Second Extended Due Diligence Period (as defined below) upon Developer's exercise of its option to extend for each of those extension periods, as provided below:

(i) The Developer's initial due diligence period shall begin on the Effective Date and extend to the date that is six (6) months following the Effective Date (the "**Original Due Diligence Period**").

(ii) Conditioned upon the Developer having delivered to the Sublessor (x) copies of each of the Title Commitment, the Survey, and the environmental report(s) obtained as required by Subsection 5(e) below and (y) an additional deposit in the amount of fifty thousand (\$50,000.00) dollars (the "**First Increase**") by wire transfer of Good Funds as an increase to the Deposit no later than five (5) business days before the last day of the Original Due Diligence Period, the Developer has the right, at its option, to extend the Due Diligence Period by three (3) months (the "**First Extended Due Diligence Period**") by providing a written extension notice electing such extension to the Sublessor at least five (5) business days before the last day of the Original Due Diligence Period.

(iii) Conditioned upon the Developer having delivered to the Sublessor an additional deposit in the amount of fifty thousand (\$50,000.00) dollars (the "**Second Increase**") by wire transfer of Good Funds as an increase to the Deposit no later than five (5) business days before the last day of the First Extended Due Diligence Period, the Developer has the further right, at its option, to extend the Due Diligence Period by an additional three (3) months (the "**Second Extended Due Diligence Period**") by providing written notice electing such extension to the Sublessor at least five (5) business days before the last day of the First Extended Due Diligence Period.

(iv) Each addition to the Deposit shall be refundable to the extent provided for hereinafter.

Notwithstanding the time periods set out above, if the Developer gives the Sublessor written notice of its objection to any Title Defect (as defined below) or Environmental Defect (as defined below), and the Sublessor has elected to cure but has not completed the cure by the date that is ten (10) business days before the end of the Due Diligence Period, then the Due Diligence Period will be extended without payment of an additional Deposit until the earlier of (x) ninety (90) days or (y) the date that is ten (10) business days after the Title Defect or Environmental Defect, as the case may be, has been cured by Sublessor.

Notwithstanding anything to the contrary in this Agreement, the Developer will have the right to terminate this Agreement for any or no reason by notice to the Sublessor given no later than the last day of the Due Diligence Period. If the Sublessor does not receive the Developer's notice of election to terminate this Agreement on or before the last day of the Original Due Diligence Period, the Deposit then being held by the Sublessor shall become non-refundable. If the Developer timely terminates this Agreement during the Original Due Diligence Period, the Sublessor shall promptly refund the Deposit and any interest thereon to the Developer. If the Developer elects the First Extended Due Diligence Period, then if the Developer timely terminates this Agreement during the First

Extended Due Diligence Period the Sublessor shall promptly refund the First Increase (and the interest thereon) to the Developer, and if not so terminated then the First Increase shall become non-refundable. If the Developer elects the Second Extended Due Diligence Period, then if the Developer timely terminates this Agreement during the Second Extended Due Diligence Period the Sublessor shall promptly refund the Second Increase (and the interest thereon) to the Developer, and if not so terminated then the Second Increase shall become non-refundable. If Developer fails to deliver notice of termination to Sublessor in a timely manner then Developer shall have waived the Developer's termination right under this Section 5(b).

(c) (i) During the Term, the Developer and the Developer Access Persons shall have the right, at the Developer's cost and risk and subject to the terms of the Access Agreement, to inspect the condition of the Property and conduct and make such plans, surveys, tests, studies, inspections, investigations, and any other examinations and evaluations as the Developer may reasonably desire, in all cases using reasonable care to avoid damage to the Property, including with respect to matters of title, survey, utilities, zoning and environmental issues; provided, however, that no physically invasive testing or investigations (such as drilling or test borings) may be undertaken without the express advance written consent of the Sublessor, which consent shall not be unreasonably withheld, conditioned or delayed, and Sublessor's consent shall be governed by the time periods set out in Subsection 5(c)(ii) below. Notwithstanding the foregoing, the Sublessor may not withhold consent to the performance of a "Phase II" environmental review, but the Sublessor and LSU shall have reasonable timely input into the scope of such Phase II environmental report (subject to the time periods set out in Subsection 5(c)(ii) below). The Developer's right to access the Property is subject at all times to the Developer maintaining the insurance coverage required in Subsection 5(g) below and having delivered evidence of same to the Sublessor. The Developer will be a party to the Access Agreement and agrees to comply with the provisions thereof that apply to the Developer.

(ii) In each instance at least three (3) business days prior to any entry and inspection, the Developer shall provide the LSU officials specified in the Access Agreement or their designee contact (the "**LSU Representative**") and the Sublessor with the following (collectively, the "**Entry Submissions**"):

(A) Consistent with the Access Agreement and Subsection 5(d), the Developer shall deliver to the Sublessor and the LSU Representative written notice of its plan to enter the Property to conduct any inspection or investigation and the proposed date and time of entry. Each written notice shall contain Developer's affirmative report as to whether utilities will be required, and if so, which ones. The Sublessor or LSU Representative shall have the right to reasonably approve such access and shall have the right to have one or more agents or representatives accompany the Developer and the Developer Access Persons at any times

while they are on the Property, provided that the employer of all such accompanying agents or representatives will be disclosed to Developer at least one (1) business day prior to the date such agent or representative is to accompany Developer or Developer's Access Person, and said employer shall provide evidence of Worker's Comp coverage reasonably satisfactory to Developer. Agents or Representatives of Sublessor shall not unreasonably hinder or alter any such activity. The Developer shall have the right but not the duty to video record all words and actions of any such agent or representative present and acting under the Sublessor's direction and control and shall not be liable for the gross negligence or willful misconduct of said agents or representatives. Under no circumstances shall Sublessor's agent(s) or representative(s) be considered an agent or employee of Developer;

- (B) The Developer shall provide the Sublessor and the LSU Representative with a copy of a work plan for any physically invasive testing of the Property for the Sublessor's and the LSU Representative's prior approval, which approval will not be unreasonably withheld, conditioned, or delayed; and
- (C) If the Developer or its contractors have not previously delivered current certificates of insurance as required hereunder (or if such a previous certificate has expired on its face), the Developer will include with its notice such certificates.

Upon receipt of an Entry Submission under this Agreement, Sublessor or the LSU Representative will endeavor to respond within one (1) business day), but in no event an entry later than three (3) business days after the receipt of same, except in the case of environmental work plans the Sublessor may, by notice to the Developer within three (3) business days after receipt stating the reason therefor, extend the time period to respond by an additional three (3) business days. Notwithstanding the foregoing process, the Sublessor will cooperate with the Developer to submit and obtain approval by LSU of a preapproved list of individuals among the Developer Access Persons who will be performing non-physically invasive, non-destructive tasks not involving testing (such as measuring the Building floor spaces), who will be added to the list of persons permitted entry at the Building.

(iii) The Developer shall, at its sole cost and expense, comply with all applicable Laws in conducting any entry, inspection or physical testing of the Property. Notwithstanding approvals granted by the Sublessor and LSU of access and proposed activities by the Developer and the Developer Access Persons, the

Developer is responsible for obtaining any licenses and permits that may be required by other Governmental Authorities (as defined in Subsection 10(b) below) and for compliance with any other business, safety, health, or other requirement of Laws applicable to activities under this Agreement.

(iv) Developer and the Developer Access Persons shall not be permitted to store or deposit any materials or equipment on the Property including placing banners, signs or other Project related material, unless prior consent has been obtained from Sublessor, which consent will not be unreasonably withheld, conditioned, or delayed. The Developer will have the right to leave tools, equipment, and other personal property on the Property to the extent and for the period necessary for its inspections and tests; however, all tools, equipment and other personal property brought or placed upon the Property by the Developer or its Developer Access Persons shall be removed prior to the expiration of the Due Diligence Period. The Developer shall remove all trash, debris, and other waste materials remaining on the Property as a result of any of its or its Developer Access Persons' activities. Upon failure of the Developer to remove any such trash, debris or other waste materials, or tools, equipment or other personal property by the expiration of the Due Diligence Period (or promptly after the termination of this Agreement, if earlier) and if this failure continues for fifteen (15) days after written demand by the Sublessor, then LSU or the Sublessor may remove any of same at the expense of the Developer, which expense the Developer shall reimburse within ten (10) days of invoicing.

(v) The Developer acknowledges that LSU shall have the right (but not the obligation) to patrol and police the Property during the Term, and all security services shall be under the supervision of the LSUHSC-NO Police Department.

(vi) During the Term, the Developer shall not enjoy legal possession of the Site.

(d) Promptly after the Effective Date, the Sublessor shall deliver to Developer a copy of all prior title searches, abstracts, title investigations, site plans and surveys, all environmental reports, surveys, remediation reports and governmental approvals pertaining to environmental condition, all plans and specifications, all material maintenance and repair records, all engineering, soils, and other inspection reports, and all other studies, reports, and other materials that are in Sublessor's, REFF's, or LSU's possession or control that directly pertain to the Property or its title or condition ("**Due Diligence Materials**") that LSU can locate with reasonable due diligence and of which it is currently aware and that have not been previously delivered to the Developer or its agent or made available prior to the Effective Date as part of the Process, in all cases at the Developer's sole cost and expense, but excluding privileged materials (such as attorney work product and communications and HIPAA-restricted records). (However, there may be other documents and materials held by other Governmental Authorities pertaining to the Property of which the Sublessor is unaware.) Any and all Due Diligence Materials are provided without any representation, warranty or recourse to the Sublessor

(or to REFF, LSU or the State) as to the truth, accuracy or reliability thereof or the Developer's right to use or rely on them.

(e) Promptly after the commencement of the Due Diligence Period, the Developer shall order (x) an ALTA title commitment issued by Capdevielle Title Corporation, as agent for a national title insurance company acceptable to the Developer, for the Parcel ("**Title Commitment**"), disclosing all exceptions or defects affecting title to the Parcel, (y) an updated and current survey for the Parcel ("**Survey**"), and (z) current environmental report(s) for the Property (Phase I and, if appropriate, Phase II reports). The Developer shall deliver to the Sublessor a written statement of all objections to title to the Property and shall indicate which objections that the Developer is requesting the Sublessor to cure. Said written statement shall be accompanied by copies of the Title Commitment and the Survey, and the Developer's objections shall be based on exceptions shown on the Title Commitment or matters shown on the Survey. The Developer shall deliver all title objection materials to Sublessor on or before the date that is sixty (60) days after the Effective Date unless otherwise extended by agreement of the Parties (the "**Title Objection Deadline**"). The Sublessor, upon receiving the Developer's timely written statement of title objections or title defects (collectively "**Title Defects**") shall, within ten (10) business days after receipt of such notice (the "**Response Period**"), notify the Developer, as to each Title Defect, that it intends to cure that Title Defect prior to Closing or that it has elected not to cure that Title Defect. In the event that the Title Commitment and Survey disclose one or more Title Defects that the Sublessor agrees in its response would render the Property not commercially viable whether to the Developer or others (a "**Material Title Defect**"), then the Sublessor shall promptly use commercially reasonable efforts with LSU in attempting to cure each Material Title Defect. If the Sublessor elects not to cure any Title Defects that the Developer has requested, then, subject to the next sentence, the Developer shall be entitled, at its option, either (i) to terminate this Agreement with full refund of its Deposit and interest thereon so long as such notice of termination is given to the Sublessor within ten (10) business days after the end of the Response Period, or (ii) to proceed with the Closing subject to those Title Defects (in which event they shall become Permitted Exceptions). The preceding sentence notwithstanding, with respect to any Title Defect which appears of record or arises after the effective date of the Title Commitment and Survey, or in the event that the Sublessor notifies the Developer of its intention to cure a Title Defect but fails to do so on or before the Closing Date, the Developer shall have the options specified in the preceding sentence, except that the option to terminate this Agreement may be exercised at any time up to and including the Closing Date pursuant to Subsection 4(b)(viii). "**Permitted Exceptions**" shall mean (i) all matters appearing of public record on the Effective Date, (ii) applicable zoning ordinances and regulations, (iii) any requirement that any lot or portion of the Property may need to be subdivided into a lot of record in accordance with the rules and regulations of the City of New Orleans, (iv) all matters reflected on the Title Commitment or the Survey that are not subject to a specific timely title objection notice from the Developer hereunder, and (v) Title Defects that the Developer has agreed or is deemed hereinabove to accept as Permitted Exceptions. Notwithstanding anything to the contrary in the foregoing, if a title exception is a mortgage or monetary lien against the Property that can be cured by the payment at Closing of a liquidated amount of money that is less than the Closing

Payment, then the Developer will not be required to object to that mortgage or lien, that mortgage or lien will not be one of the Permitted Exceptions, and the Developer will have the right, at its option, to proceed to Closing, and in that case, a portion of the Closing Payment equal to the amount necessary to obtain the cancellation of such mortgage or lien will be applied to obtain that cancellation.

(f) The Developer waives any claims against the Sublessor, REFF, LSU, and the State and any of their employees and agents for damage to property arising out of any inspections or physical testing of the Property, including any damage to the tools and equipment of the Developer and its representatives, all of which shall be brought on the Property at the sole risk and responsibility of the Developer and its representatives; provided, however, the Developer does not waive any claims against any such party arising out of the gross negligence or intentional misconduct of such party. The Developer agrees to keep the Property free of any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of the Developer or its representatives with respect to any inspections or physical testing of the Property. The Developer shall, at its sole cost and expense, promptly restore or repair any damage caused to the Property or any part thereof by the Developer or any Developer Access Person, in the course of such access or tests or otherwise, and shall restore such damaged portion to substantially the same condition as existed prior to such test or damage. The Developer shall indemnify and hold harmless the Sublessor, REFF, LSU, and the State and the other Sublessor Indemnified Parties (as defined in Section 17) from any injury to persons or damage to property or mechanics' or construction liens (and any expenses related to any of the foregoing, including without limitation reasonable attorneys' fees and costs) to the extent arising from the acts or omissions of the Developer or any Developer Access Person as a result of any entry onto the Property or in making any of such plans, surveys, tests, studies, inspections, investigations and examinations on the Property; provided however, the Developer will not be required to indemnify, defend, or hold harmless the Sublessor or the other Sublessor Indemnified Parties from any matters to the extent arising from the gross negligence or intentional misconduct of the Sublessor or any of the Sublessor Indemnified Parties. The provisions and obligations under this subsection shall survive Closing hereunder or the expiration or earlier termination of this Agreement for any reason.

(g) Prior to entering upon the Property, or permitting any agent, employee or contractor of the Developer to enter upon the Property, the Developer shall obtain and maintain, and shall deliver to the Sublessor reasonable evidence of, the following insurance:

(i) A policy of commercial general liability insurance (which shall include contractual liability coverage for otherwise-insured bodily injury and property damage for which Developer has agreed to indemnify Sublessor in this Agreement) covering all acts of the Developer and the Developer Access Persons, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$5,000,000.00 in combined single limit liability coverage for any one accident or occurrence (this coverage may be provided by a combination of primary and umbrella or excess policies) (the "**Liability Policy**").

(ii) Automobile liability including coverage for all owned and non-owned vehicles, including rented or leased vehicles, with a combined single limit of \$1,000,000.00.

(iii) Workers' compensation and employers' liability insurance covering each employee of the Developer, issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such worker's compensation insurance policies to cover all persons employed by the Developer in connection with the Project and to cover full liability for compensation under any such statute. The Developer shall require each of its contractors and subcontractors to maintain workers' compensation and employers' liability insurance that satisfies these requirements with respect to each such contractor's or subcontractor's employees, and shall provide the Sublessor with a certificate of insurance with respect to each contractor's or subcontractor's coverage before any such contractor or subcontractor enters the Property.

All insurance required in this Section and all renewals of such insurance shall be issued by companies authorized to transact business in the State, and rated at least A- Class VIII by AM Best Company or in the two highest rating categories of S&P and Moody's. To the extent such endorsements are commercially obtainable, all insurance policies provided by or on behalf of the Developer shall expressly provide that the policies shall not be canceled or materially modified without thirty (30) days' prior written notice to the Sublessor and LSU, and shall, to the extent obtainable, provide that no act or omission of the Developer which would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained and that no insurer shall hold any right of subrogation against the Sublessor, REFF, LSU, and the State. Independent of any notice from the insurer, the Developer shall provide thirty (30) days' prior written notice to the Sublessor before any suspension, cancellation, material modification or non-renewal of any required insurance of the Developer (and, to its actual knowledge, notice as any such change to any contractor's or subcontractor's insurance). The Sublessor makes no representation or warranty that the insurance required herein will be sufficient to protect the Developer's interests. All insurance required in this Section shall remain in effect during the entire Term of this Agreement, including any extensions. The Developer shall be liable to the Sublessor, REFF, LSU, and the State for all deductibles maintained under any of the insurance coverages required under Section. Any deductible or self-insured retention in excess of \$25,000.00 must be declared to and approved in advance in writing by the Sublessor.

The Liability Policy and automobile liability policy that the Developer is obligated to maintain according to this Agreement will name the Sublessor, REFF, LSU, and the State as additional insureds. Certificates of insurance with respect to these policies (together with copies of the endorsements naming the Sublessor, REFF, LSU, and the State as additional insureds) and evidence of the payment of all premiums of such policies will be delivered to the Sublessor from time to time at least thirty (30) days prior to the expiration of the term of each policy. If requested by the Sublessor in writing, the

Developer shall promptly direct its broker and insurer to provide complete, certified copies of all required insurance policies, including endorsements necessary to effect coverage required by this Agreement. The Liability Policy maintained by the Developer shall be written as primary policies, not contributing with and not in excess of coverage that the Sublessor, REFF, LSU, and the State may carry, if any. The limits of the Liability Policy will not, however, limit the liability of the Developer hereunder.

(h) From time to time as the Developer receives the Title Commitment, the Survey and Phase I or Phase II environmental reports, in each instance the Developer shall promptly provide the Sublessor with a copy thereof (provided that this requirement shall not apply to interim drafts, but only the final work product or the last draft thereof, as applicable).

(i) Communications by the Developer coordinating access requests with LSU shall be made in the following manner. Routine site access requests shall be provided to Mr. Ball or his designee contact, with a copy to Mr. Ball as specified below, and all other communications except for routine site access requests shall be directed to both Mr. Lombardo and Mr. Ball or their designee contact with copies as specified below:

Tony Lombardo, Associate Vice President for Facility and Property Oversight
Facilities Services Building
Engineering Lane
Louisiana State University
Baton Rouge, LA 70803
Phone: (225) 578-5603
E-mail: lombardo@lsu.edu

AND

John Ball, Associate Vice Chancellor of Property and Facilities
LSU Health Sciences Center
433 Bolivar Street Room 803
New Orleans, LA 70112
Phone: (504) 568-4500
E-mail: jball@lsuhsc.edu

6. Termination.

(a) The term of this Agreement (the "**Term**") shall commence on the Effective Date and end on the Closing Date or the earlier termination of this Agreement in accordance with the terms hereof (including by the expiration of the time, if and as extended by mutual written agreement, allowed for the Closing under Section 2). Upon termination of this Agreement, the Developer and the Sublessor agree to execute and deliver to the other a certificate evidencing the termination of this Agreement, but failure of a party to execute such a certificate upon request has no effect or bearing as to whether termination has occurred.

(b) This Agreement may be terminated at any time prior to the Closing Date: (i) by mutual written consent of the Parties; (ii) by the Developer, prior to the expiration of the Due Diligence Period as provided in Subsection 5(b) or as provided in Subsection 5(e), (iii) by either party, if the deadline for the Closing under Section 2 passes without Closing and without fault by such party, (iv) by the Sublessor, if any of the conditions specified in Subsection 4(a) hereof shall not have been fulfilled by the Closing Date, and shall not have been waived by the Sublessor; (v) by the Developer, if any of the conditions specified in Subsection 4(b) hereof shall not have been fulfilled by the Closing Date, and shall not have been waived by the Developer; (vi) by the Developer, in the event of casualty or expropriation, to the extent provided in Section 21, or by the Sublessor, if mutual agreement is not reached as provided in Section 21, or by either the Sublessor or the Developer, if mutual agreement is not rendered as provided in Section 13; or (vii) by either the Sublessor or the Developer if a Governmental Authority shall have issued a nonappealable final order, decree or ruling or taken any other nonappealable final action having the effect of permanently restraining, enjoining or otherwise prohibiting the transactions contemplated hereby. If this Agreement is validly terminated pursuant to this Section, thereafter there will be no liability or obligation on the part of either party except as otherwise provided in this Agreement.

(c) Upon termination of this Agreement for any reason, and as a condition precedent to any return of the Deposit (if applicable) to the Developer as provided for herein, the Developer shall promptly (and in any event no later than thirty (30) days after termination) return all Due Diligence Materials to the Sublessor as may have been previously delivered to the Developer by or on behalf of the Sublessor, including any materials that were provided to Developer that are due to LSU under the terms of the Access Agreement. If termination of this Agreement was not by reason of an Event of Default by Sublessor, then the Developer shall offer to provide to the Sublessor copies of all written third-party reports, tests, designs, plans (including the Plans and Specifications), title commitments, surveys, studies, inspection data, materials, written information, and documentation that were obtained by Developer and that are in Developer's possession or that the Developer has the right to obtain, relating to the Property including inspections or physical testing thereof (the "**Third Party Reports**") (to the extent not previously provided to the Sublessor), excluding privileged communications such as attorney work product and communications. The Developer shall provide to the Sublessor a reasonably detailed list of all such Third Party Reports. The Sublessor shall have the option to obtain all, some or none of such Third Party Reports at its election by (i) providing written notice to the Developer of its selection within sixty (60) days after termination, (ii) if the termination was by reason of an Event of Default by Sublessor, returning the Deposit to the Developer, and (iii) paying to the Developer its out of pocket costs for each Third Party Report selected, including all third party fees and charges for inspections and generating that Third Party Report and all architects' and engineers' fees in preparing the Plans and Specifications (if selected). The Developer will assign to the Sublessor the selected Third Party Reports and the Sublessor may use and rely thereon as to the providers thereof, but the Developer will not be deemed or construed to warrant the truth, accuracy or reliability of these assigned Third Party Reports.

(d) In the event this Agreement is terminated by the Developer by reason of an Event of Default by Sublessor, then the Sublessor shall promptly return the Deposit and the interest thereon to the Developer. In the event this Agreement is terminated by the Sublessor by reason of an Event of Default by Developer, then the Sublessor shall retain the entire Deposit.

(e) The Developer is entirely at its own risk during the Due Diligence Period. In no circumstance whatsoever, including termination of this Agreement for any reason (including termination by reason of an Event of Default by Sublessor or failure to complete and execute the Primary Sublease for any reason), will the Sublessor, REFF, LSU or the State have any financial responsibility of any nature to the Developer (including for its costs in connection with the Proposal or during the Due Diligence Period), except only for the Sublessor's responsibility for (x) the return of the Deposit if termination of this Agreement is by reason of an Event of Default by Sublessor and (y), if applicable, payment for selected assigned Third Party Reports pursuant to Subsection 6(c).

(f) The provisions of this Section shall survive the expiration or earlier termination of this Agreement for any reason.

7. **Development Milestones.** The Primary Sublease will establish a series of target dates (the "**Target Dates**") for achieving the series of agreed upon development milestones (the "**Development Milestones**"), which will be subject to extension due to Force Majeure (as hereinafter defined) and other reasons as set forth in the Primary Sublease. The Developer and the Sublessor shall jointly determine the Development Milestones and Target Dates prior to execution of the Primary Sublease, which Development Milestones and Target Dates shall generally conform to the Proposal.

8. **Plans and Specifications.**

(a) During the Due Diligence Period, the Developer shall develop a set of preliminary plans and specifications to the level generally known as a "Permit Set" as necessary to depict and construct the core, shell and abatement improvements that the Developer will require to renovate the Property for its use and occupancy and any changes to the Building's exterior, lobby and other historical components (the "**Preliminary Plans**"). The final architectural and engineering drawings and specifications for the Project, including any revisions, amendments and addenda thereto, required to complete the construction of the Project (the "**Final Plans and Specifications**"), shall be prepared within one year after the Closing Date as provided in Subsection 8(c) and shall be signed and sealed by a registered professional architect licensed in the State of Louisiana.

(b) The Developer acknowledges that the Preliminary Plans and the Final Plans and Specifications are subject to the review as provided in the immediately following sentence and written approval of the Sublessor, the State's Office of Facility Planning and Control ("**OFPC**"), and LSU (collectively, the "**Approval Bodies**"), which review shall not be unreasonably withheld, conditioned or delayed. Compliance by the Preliminary Plans and the Final Plans and Specifications and the Project with applicable building codes, including those applicable due to

the specific uses of particular tenants, and a very small number of additional areas mutually agreed by the Developer and the Sublessor (in consultation with REFF, LSU, and OFPC) primarily in areas related to the Building's structural integrity and key historical components, including key structural components, exterior appearance, and historical aspects of the Building, which will be reviewed also for aesthetic appearance, impact on historical components, and engineering soundness, shall be reviewed by an engineering firm (the "**Code Review Firm**"). The Code Review Firm will be hired and selected by the Sublessor from a list of three (3) qualified engineering firms designated by the Developer (which shall not include firms with conflicts of interest), at the Developer's cost and expense. The Developer shall pay the monthly invoices from such Code Review Firm within thirty (30) days after receipt. All communications regarding LSU or OFPC approvals or approvals as noted will be coordinated by the Sublessor with the Developer through the Code Review Firm to streamline these communications for the Developer, and the Sublessor will transmit plans to LSU and OFPC for review along with recommendation for approval from the Code Review Firm. The Preliminary Plans shall be completed, reviewed, and approved before the expiration of the Due Diligence Period. Timelines will be established by the Developer and the Sublessor (in consultation with the Code Review Firm, LSU, and OFPC) to ensure prompt review. The Developer acknowledges that its plans accordingly will be subject to review for code compliance and the mutually agreed additional areas by the aforesaid parties throughout the process before and after the Closing. From time to time, the Developer will provide the Code Review Firm with conceptual, preliminary, revised, or Final Plans and Specification for review and on each such occasion, the Code Review Firm will review and return these plans and specifications to Developer, in consultation with the Sublessor, LSU and OFPC, marked "approved" or "approved as noted." The Developer agrees to periodically review its preliminary construction budget as the Preliminary Plans and the Final Plans and Specifications are developed and insure that appropriate allowances and contingencies are included for all elements of such plans in the revised construction budget, which will indicate allowances, contingencies and costs attributable to changes caused by the Code Review Firm.

(c) The Developer will obtain directly any other approvals from other state entities (such as the State Fire Marshall and the State Department of Health and Hospitals) required by law, provided that no such applications for approvals conflicts with the State's authority and control over the Property as its owner.

(d) The Primary Sublease shall provide for the rights and obligations after the Closing set forth in this subsection:

After the Closing, the Developer will take possession of the Property and commence its work under the core, shell and abatement Preliminary Plans that were approved during the Due Diligence Period pursuant to Subsection 8(a). The Developer also will proceed after Closing as expeditiously as possible to the finalization and approval of the Final Plans and Specifications under the procedures provided in this Section 8. There shall be a mutually agreed upon timetable and procedures for the expeditious submission to and approval by the Code Review Firm. If final approval of the Final Plans and Specifications is not obtained within one year after the Closing Date, the Developer will have the right but not the obligation, to terminate the Primary Sublease without penalty by providing written notice of termination to the Sublessor on or before the expiration of thirteen (13) months after the Closing Date, but in the event of such termination the

Developer will not receive refund of any amounts already paid (including the Deposit, the Closing Payment and any other portion of the Up-Front Payment already paid). Furthermore, in the event of such termination, all alterations, modifications, improvements and other work of any nature made to or on the Property shall be owned by the Sublessor without payment or other compensation to or need of further document with the Developer.

9. **Diversity, Inclusion, and Equity Provisions.** The Primary Sublease will include specific covenants by the Developer consistent with the Diversity, Inclusion and Equity commitments made in the Developer's Proposal with periodic reporting and compliance obligations. Those commitments as set forth in Section 4 of the Proposal are attached hereto as Exhibit C and incorporated herein.

10. **Additional Provisions.**

(a) **General Rights and Obligations.** Under the Primary Sublease, the Developer will have overall responsibility for the design, permitting, construction, financing, and development and the leasing, occupancy, and use of the Project, and shall be responsible for payment of all ad valorem taxes, if any, imposed upon the Property.

(b) **Compliance with Laws.** The Developer will diligently take all actions reasonably necessary to obtain all governmental, regulatory and administrative approvals, permits, and rights of way (collectively, "**Governmental Approvals**"), required by any federal, state, local or other government or political subdivision or any agency, authority, board, department or instrumentality thereof, or any court, or tribunal or quasi-governmental agency (each, a "**Governmental Authority**" and collectively, the "**Governmental Authorities**") having jurisdiction over the Property to permit the development of the Project, including various proposed uses by tenants, in accordance with this Agreement. The Preliminary Plans and the Final Plans and Specifications prepared by the Developer, and all work by the Developer with respect to the development of the Project, shall be in conformity, in all material respects, with all applicable Laws. The Sublessor shall reasonably cooperate with the Developer, at no out of pocket expense to the Sublessor, in connection with the Governmental Approvals process and shall provide assistance as reasonably requested by the Developer in connection with obtaining Government Approvals, including assisting in the execution by LSU of such forms and applications as may be necessary by the owner of the Property. The Developer shall keep the Sublessor advised of the status of the Governmental Approval process for each portion of the Project by inclusion in the periodic Status Conferences (and the written summaries thereof pursuant to Subsection 16(b) below).

(c) **Key Personnel.** The Developer shall not, without the Sublessor's prior written consent, which shall not be unreasonably withheld, delayed or conditioned, replace (or reduce substantially the role of) any Key Personnel, who shall remain involved in the Project in a material, substantial and meaningful manner, unless the Developer's decision to replace (or reduce substantially the role of) any such team member is based on cause as defined below. The term "**Key Personnel**" means the Developer and each member of the Developer's Project team as outlined in the Developer's original Proposal response who were described as being involved in the Project in a material manner. As used in this

Section, "**cause**" shall mean the unavailability of any Key Personnel to perform their duties or obligations due to personal reasons such as death, disability, or normal voluntary retirement, or the failure by such Key Personnel to satisfactorily and timely perform their duties or obligations or for business and financial reasons such as bankruptcy or lack of bonding capacity, or bids, expenses or costs that exceed the Developer's budget for their work. In the case of substituted contractors, architects and engineers, the Developer will promptly submit to the Sublessor their qualifications evidencing equal or better qualifications to the replaced team member. If the Sublessor does not respond within five (5) business days, the substitution is deemed approved.

(d) **Notice of Litigation.** The Developer shall promptly notify the Sublessor of any litigation instituted against the Developer, or between its equity owners, that, if adversely determined, would have a material adverse effect upon the financial condition or business of the Developer or the Project.

11. **Project Cost and Financing.** The Developer will be solely responsible for all equity and debt financing, if any, required to pay the cost of all development in connection with the Project, including any cost overruns or contingencies relating to the Project. Except solely in connection with selected assigned Third Party Reports as provided in Subsection 6(c), the Sublessor shall not bear any costs whatsoever incurred by the Developer. Additionally, the Developer cannot put debt on the Property or any rights therein prior to Closing.

12. **Representations and Warranties.**

(a) **Representations and Warranties of the Developer.** The Developer represents and warrants to the Sublessor as of the Effective Date:

(1) The Developer is a corporation duly incorporated and in good standing under the laws of the State of Louisiana.

(2) The Developer has the right, power and authority to enter into this Agreement and to consummate the transactions contemplated herein in accordance with the terms and conditions hereof.

(3) The individual executing this Agreement on behalf of the Developer has all requisite authority to execute this Agreement, and this Agreement, as executed, is a valid, legal and binding obligation of the Developer.

(4) Neither the execution and delivery of this Agreement, nor compliance with the terms and conditions of this Agreement by the Developer, nor the consummation of the transactions contemplated herein, constitutes a violation or breach of any agreement or other instrument to which it is a party or to which the Developer is subject or by which it is bound.

(5) The execution and delivery of this Agreement by the Developer has been duly authorized by all necessary corporate action on the part of the Developer, and except for the consents expressly contemplated in this Agreement, no consent

is necessary in connection therewith from any Governmental Authority having jurisdiction over the Developer or the subject matter of this Agreement.

(6) There is no administrative agency action, litigation, or other governmental proceeding of any kind pending or to the knowledge of the Developer threatened against the Developer which would prohibit or materially affect the ability of the Developer to comply with the terms and conditions of this Agreement or to consummate the transactions contemplated herein.

(b) **Representations and Warranties of the Sublessor.** The Sublessor represents and warrants to the Developer as of the Effective Date:

(1) The Sublessor is a Louisiana nonprofit limited liability company duly formed and in good standing.

(2) Subject to the Required Approvals of REFF, LSU, and the State, the Sublessor has the right, power and authority to enter into this Agreement and to consummate the transactions contemplated herein in accordance with the terms and conditions hereof.

(3) The individual executing this Agreement on behalf of the Sublessor has all requisite authority to execute this Agreement, and this Agreement, as executed, is a valid, legal and binding obligation of the Sublessor.

(4) Neither the execution and delivery of this Agreement, nor compliance with the terms and conditions of this Agreement by the Sublessor, nor the consummation of the transactions contemplated herein, constitutes a violation or breach of any other agreement or other instrument to which the Sublessor is a party or by which it is bound.

(5) The execution and delivery of this Agreement by the Sublessor has been duly authorized by all necessary corporate action on the part of the Sublessor, and no consent is necessary for Sublessor's execution and delivery hereof from any Governmental Authority having jurisdiction over the Sublessor or the subject matter of this Agreement, other than as provided in Subsection 12(b)(2) and Subsection 16(c).

(6) There is no litigation, to the knowledge of the Sublessor, pending or threatened against the Sublessor, REFF, LSU, or the State that would prohibit or materially affect the Sublessor's ability to perform its obligations under this Agreement, the Primary Sublease, and the other Transaction Documents, or otherwise affect the ability of LSU or the State to perform its respective obligations as contemplated by this Agreement, the Primary Sublease, and the other Transaction Documents.

13. Regulated Substances. The Developer acknowledges that the Sublessor, REFF, LSU and the State shall not be responsible to perform any remediation of any regulated or hazardous substances or environmental conditions existing on or within the Property. The Developer shall

notify the Sublessor in writing promptly following the Developer becoming aware of any such substances or conditions on or in the Property (an "**Environmental Defect**") that requires remediation. The Sublessor shall have the right to approve any contractor or subcontractor performing any such remediation (including approving any relevant liability insurance carried by such contractor or subcontractor), but this approval will not be unreasonably withheld, conditioned, or delayed. The remediation shall be conducted in accordance with a protocol mutually agreed upon between the Sublessor and the Developer prior to the Closing (and the Closing Date shall be extended without penalty to a mutually agreed time), and the Sublessor's consent and approval of any such protocol will not be unreasonably withheld, conditioned, or delayed.

14. Condition of Property.

(a) The Developer acknowledges and agrees that its due diligence and access are, and the Primary Sublease will be granted on, the basis that the Developer accepts the Property in its **AS-IS, WHERE-IS CONDITION, WITH ALL DEFECTS AND FAULTS, WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW.** The Developer expressly agrees and acknowledges and represents and warrants to the Sublessor that the Developer has not entered into this Agreement based upon any representation, warranty, statement or expression of opinion by the Sublessor or any person or entity acting or allegedly acting for or on behalf of the Sublessor, REFF, LSU or the State with respect to any condition of the Property mentioned in this Section. The Developer acknowledges that Developer and its agents will have the opportunity to inspect the Property pursuant to Section 5 hereof, including undertaking environmental studies of the Property. The Sublessor is not obligated to make any improvements or repairs to any portion of the Property or to perform any remediation with respect to any portion of the Property. The Developer waives any claim or action against the Sublessor, REFF, LSU and the State with respect to the condition of the Property. The Sublessor makes no warranty or representation, express or implied, with respect to the Property or any part thereof, including its fitness for use, fitness or suitability for any particular use or purpose, the physical condition of the Property including improvements thereon or any repairs required thereto, the presence or absence of hazardous substances or other environmental conditions (including as to any underground or above-ground storage tanks on or about the Property), the availability of utilities, compliance with Laws, investment potential, tax ramifications or consequences, or any other matter with respect to the Property. The Developer acknowledges that there have been no representations, warranties, or covenants as to the compliance of the Property with any Laws including those pertaining to construction, building and health codes, land use, zoning, hazardous substances or toxic waste, pollutants, contaminants or other environmental matters.

(b) The Developer acknowledges and agrees that the Primary Sublease will provide a warranty by the Sublessor against persons lawfully claiming by, through and under the Sublessor, REFF or LSU (but not otherwise), and at Closing the Developer will accept the Property subject to then existing status of title and to all Laws, covenants, survey conditions, zoning (to the extent applicable), restrictions and servitudes now or hereafter in effect, specifically including but not limited to its classification as State property

(c) The Developer acknowledges that its rights with respect to matters covered by this Section are limited solely to the termination of this Agreement before the expiration of the Due Diligence Period, except for later termination based solely as to matters covered by Subsection 4(b)(viii).

15. **Default and Remedies.**

(a) **Default by the Developer; Remedies of Sublessor.**

(i) The occurrence of any of the following events shall, at the Sublessor's option, constitute an event of default by Developer hereunder (each, an "**Event of Default by Developer**"):

(1) the Developer shall file a voluntary petition in bankruptcy or voluntary petition seeking reorganization or to effect a plan or an arrangement with or for the benefit of its creditors, or any such petition shall be filed against the Developer and such petition is not withdrawn or dismissed within sixty (60) days, or the Developer shall apply for or consent to the appointment of a receiver, trustee or conservator for any portion of its property or such appointment shall be made without its consent and shall not be removed within sixty (60) days following appointment or application;

(2) a default by the Developer in the performance of any term, condition, covenant or agreement set forth in this Agreement (not covered by another paragraph of this Subsection) and such default shall continue for thirty (30) days after written notice of the default, and if such default cannot reasonably be cured within such thirty (30) days, Developer shall fail to commence to cure such default within such thirty (30)-day period and to thereafter diligently and without unnecessary delays pursue such cure to completion;

(3) any representation or warranty made by the Developer shall prove false or misleading in any material respect when made;

(4) a violation of Section 18 (Assignment);

(5) a default caused by the Developer under and termination of the Access Agreement; or

(6) a failure to timely deliver any portion of the Deposit to the Sublessor as and when required hereunder.

(ii) In the event of an Event of Default by Developer that has not been cured and is continuing, the Sublessor may terminate this Agreement by notice to the Developer and retain all amounts paid by the Developer to date (including the Deposit), following which termination the Developer shall comply with its obligations under Subsection 6(c) of this Agreement. The rights and remedies of the Sublessor as provided herein shall be cumulative, and the exercise of one or more remedies shall not be exclusive of Sublessor's right exercise any and all other remedies.

(b) Default by the Sublessor; Remedies of the Developer.

(i) The occurrence of any of the following events shall, at the Developer's option, constitute an event of default by Sublessor hereunder (each, an "**Event of Default by Sublessor**"):

- (1) the Sublessor shall dissolve or cease to exist;
- (2) a default by the Sublessor in the performance of any term, condition, covenant or agreement set forth in this Agreement (not covered by another paragraph of this Subsection) and such default shall continue for thirty (30) days after written notice of the default, and if such default cannot reasonably be cured within such thirty (30) days, Sublessor shall fail to commence to cure such default within such thirty (30)-day period and to thereafter diligently and without unnecessary delays pursue such cure to completion; or
- (3) any representation or warranty made by the Sublessor shall prove false or misleading in any material respect when made.

(ii) In the event of an Event of Default by the Sublessor that has not been cured and is continuing, the Developer may terminate this Agreement by notice to the Sublessor, and in that event, (x) the Sublessor shall promptly return the Deposit to the Developer and (y) the Developer shall return comply with its obligations under Section 6. The Developer acknowledges that its sole and exclusive remedy under this Agreement upon termination of this Agreement by reason of an Event of Default by Sublessor is to have the Deposit returned to the Developer.

(c) In no event shall the Developer or the Sublessor be liable under this Agreement for any special, indirect, punitive or consequential damages.

16. Communications.

(a) Confidentiality. The Developer and the Sublessor each agrees to keep confidential and not disclose any Confidential Information (as defined below), (i) except that disclosure may be made to those agents, employees, design professionals, engineering firms (including code review professionals), contractors, advisors, attorneys, accountants, consultants and bankers (the "**Representatives**") of that party who have a

“need to know”, and (ii) except to the extent already publicly disclosed in connection with the Process. Nothing herein shall preclude the Developer from publicly disclosing information regarding the Project and its design and features in the ordinary course in connection with its due diligence, its preparation of plans and specifications, its financing, its obtaining of all required consents and approvals, the construction of the Project and subleasing of the Project, and the like. Nothing herein shall preclude the Sublessor from regularly informing REFF, the Project Management Committee created by REFF, LSU, and the State of the progress of negotiations and the results of information, materials, reports and data obtained in connection with or resulting from the Developer’s due diligence. For purposes of this Agreement, “**Confidential Information**” means the terms and conditions of this Agreement or the transactions contemplated hereby, the Due Diligence Materials, and all other information, whether oral or written, communicated by either party hereto (or its agents) to the other party hereto (or its agents) regarding the ownership, condition, use, development, leasing or operation of the Property (regardless of whether labelled as “confidential”). Notwithstanding anything contained herein to the contrary, the following information shall not be Confidential Information:

- (i) Information in the public domain or forming part of the public record;
- (ii) Information received lawfully from third parties without breach of confidentiality obligations;
- (iii) Information required to be disclosed by law (including the Louisiana Public Records Law) or court order; and
- (iv) Documents executed by or on behalf of LSU or the State.

Notwithstanding anything to the contrary in the foregoing, each party will have the right to disclose Confidential Information in any legal proceeding in which that information is relevant. No announcement or press release regarding the existence of this Agreement or the Transaction Documents shall be made without the express written consent of the other party. The provisions of this Subsection 16(a) shall survive the termination of this Agreement (whether at Closing or otherwise) for a period of one year.

(b) **Status Conferences.** The Developer shall schedule standing telephone or in-person conferences with the Sublessor (each, a “**Status Conference**”) to communicate the status of the development of the Project and any updates thereto, to be held on a monthly basis unless otherwise agreed by the Parties. The Developer shall be responsible for coordinating each Status Conference, setting the agenda thereof and promptly distributing written summaries of each Status Conference. The Developer acknowledges and agrees that the Sublessor will be keeping REFF, the Project Management Committee created by REFF, LSU, and the State regularly informed of the progress of negotiations and due diligence.

(c) **REFF, LSU and the State Approvals.** The Developer acknowledges that after the Main Lease and the Primary Sublease are prepared, and all the financial and design

details of the Project are known and reduced to writing, along with the Project specific organizational structures and business plans and all of the foregoing is submitted to REFF, LSU and the State, the Main Lease and the Primary Sublease will be presented first to the board of REFF and then the board of LSU and the State for the Required Approvals. The Sublessor will make every reasonable effort to have these boards and the State review and approve the Main Lease and the Primary Sublease promptly after they have been finalized (subject, however, to the LSU board's schedule of regular meetings). No binding decisions with respect to the Project will be made until those boards and the State have had an opportunity to review the final details of the foregoing. The Sublessor shall keep the Developer apprised of the status of these approvals, will give the Developer prior written notice of the dates of all REFF board or LSU board meetings where such approvals are an advance agenda item, and from time to time, on written request by Developer, will provide Developer with the status of all presentations to REFF, the board of LSU, and the State and all reviews and approvals by those boards or bodies.

(d) Notices. All notices and demands delivered pursuant to this Agreement shall be in writing and shall be given by (i) registered or certified mail, return receipt requested, or (ii) recognized overnight delivery service providing positive tracking of items (e.g., Federal Express), or (iii) personal delivery to and receipt by the person to whom delivered, or (iv) telecopy with receipt confirmed by telephone, in each case addressed or telecopied as follows, or at such other address or telecopy number of a party shall have given notice as herein provided:

If to the Sublessor

Charity Hospital Redevelopment LLC
3796 Nicholson Drive
Baton Rouge, LA 70802
Telephone: (225) 578-3811
Facsimile: (225) 578-0530
Email: lgreco@lsufoundation.org
Attention: Leu Anne Greco, VP/General Counsel

with a copy to:

Phelps Dunbar, L.L.P.
II City Plaza
400 Conventional Street, Suite 1000
Baton Rouge, LA 70802
Telephone: (225) 346-0285
Facsimile: (225) 381-9197
Email: ragan.richard@phelps.com and
jim.stuckey@phelps.com
Attention: P. Ragan Richard and James A. Stuckey

and with a copy to: Board of Supervisors of Louisiana State University
and Agricultural and Mechanical College
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Telephone: (225) 578-4126
Facsimile: (225) 578-5524
Email: tskinner@lsu.edu
Attention: Thomas V. Skinner, General Counsel

If to the Developer: 1532 Tulane Partners, Inc.
4127 South Claiborne Avenue
New Orleans, LA 70128
Telephone: (504) 822-4811
Facsimile: (504) 822-4881
Email: Joseph@ccnodev.com and
yshergian@elagropu.com
Attention: Joseph Stebbins

With a copy to: Sher Garner Cahill Richter Klein & Hilbert, L.L.C.
909 Poydras Street, 28th Floor
New Orleans, Louisiana 70112
Attn: Leopold Z. Sher and James Garner
Telephone: (504) 299-2100
Facsimile: (504) 299-2300
Email: lsher@shergarner.com and
jgarner@shergarner.com

All such notices and documents shall be deemed to have been sufficiently given for all purposes hereof only upon receipt by the party to whom such notice is sent (in the case of telecopy, during normal business hours). Notices by the Parties may be given, but not received, on their behalf by their respective attorneys. With respect to all notices and demands given as set out above, a courtesy copy (which shall not constitute notice) will be sent simultaneously by email to each party to whom the notice or demand is directed.

17. Indemnifications. The Developer shall indemnify, defend and hold harmless the Sublessor, REFF, LSU, and the State and each of their trustees, directors, officers, employees, agents, and attorneys (the "**Sublessor Indemnified Parties**") for, and will pay to the Sublessor Indemnified Parties the amount of any loss, liability, claim, damage and expense (including reasonable costs of investigation and defense and reasonable attorneys' fees and costs), whether the action is for money damages, or otherwise at law, or for equitable or declaratory relief (collectively, the "**Damages**"), to the extent arising from or in connection with: (i) any claim by any person for Damages in connection with the violation of any Law or any negligence by the Developer or by any employee or agent of Developer, with respect to activities pursuant to or otherwise related to this Agreement; or (ii) a breach of a representation or warranty provided by the Developer under this Agreement. The Developer hereby acknowledges and agrees that its duty to defend is a separate and distinct obligation herein and, on the filing of any action, claim,

suit or proceeding of any nature or kind, shall defend the applicable Sublessor Indemnified Party. When in the course of fulfilling its obligations under this Section, the Developer must engage attorneys to defend a Sublessor Indemnified Party, the Developer shall obtain the prior written consent of that Sublessor Indemnified Party as to the attorneys to be engaged. The provisions and obligations under this Section shall survive for five (5) years after the Closing hereunder or the earlier expiration or termination of this Agreement for any reason.

18. Assignment.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

(b) The Developer may not assign this Agreement or any rights hereunder to a person or entity that is not a Permitted Assignee (as defined below) without the Sublessor's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned. The Developer will have the right to assign this Agreement without the Sublessor's prior written consent, but with prompt written notice to the Sublessor, to any person or entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Developer (a "**Permitted Assignee**"). The term "**control**" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through ownership of voting securities, by contract or otherwise. The transfer of direct or indirect ownership interests in the Developer by its shareholders that results in a change of control of the Developer (including by merger or otherwise) shall be based upon good cause shown by the Developer for any such change in control and shall require prior the written consent of the Sublessor. "**Good cause**" in this Section 18(b) shall mean business reasons such as changes in tax or other laws necessitating a change of control, any court ordered change in control, or a change of control providing a financial benefit to the Project that cannot otherwise be achieved. Without limiting the foregoing, a "change of control" shall include (i) any merger, reorganization, consolidation or combination involving the Developer other than with a Permitted Assignee, (ii) any merger, reorganization, consolidation or combination involving a shareholder of the Developer in which either the shareholder on the Effective Date is not the surviving entity or the surviving entity is not a Permitted Assignee; (iii) any person becomes the beneficial owner, directly or indirectly, of securities of the Developer who is not a shareholder of the Developer on the Effective Date or a Permitted Assignee and thereby acquires control of the Developer; (iv) a sale, lease, or exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Developer; (v) approval by the shareholders of the liquidation or the dissolution of the Developer; or (vi) the acquisition by any person or group (other than the shareholders on the Effective Date) of the control of the election or appointment of a majority of the Developer's directors. No assignment by the Developer pursuant to this Subsection shall release the Developer from its respective obligations hereunder. The Developer shall not encumber or make any collateral assignment of this Agreement.

(c) The Primary Sublease will provide that (x) the foregoing provisions shall automatically expire and become null and void upon full execution and delivery of the Sublease; (y) during the first five (5) years after the Closing Date, the Developer shall not assign or sublease the entirety of the Property without the Sublessor's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned, except to assign (with prior written notice to the Sublessor) to a Permitted Assignee, and (z) commencing five (5) years after the Closing Date, the Developer may assign the Primary Sublease without consent of, but with prior written notice to, the Sublessor.

19. Force Majeure. In the event that the Sublessor or the Developer shall be delayed or prevented from doing or performing any act or thing required hereunder (by reason any act or event beyond the reasonable control of and not the fault of the non-performing party and that the non-performing party is unable to avoid or overcome by the exercise of commercially reasonable diligence, including an act of God, fire, flood, hurricane, explosion, act of war or terrorism, riot, labor dispute, electronic or mechanical failure, power outage, or action, inaction, or restraint by Governmental Authority, or inability after diligent effort to obtain necessary licenses or permits (but not because of insolvency, lack of funds, or other financial cause), if the act or event meets the above requirements in this Section (collectively referred to in this Agreement as "**Force Majeure**"), then such delay or failure to perform shall not constitute a default that exposes that party to liability for breach; provided, however, that (a) the party seeking the benefit of this provision shall, within ten (10) days after the commencement of any such delay, have first notified the other party in writing of the cause(s) thereof and (b) the requesting party must diligently seek removal or avoidance of the hindrance. Force Majeure excludes economic hardship, changes in market conditions, and insufficiency of funds. Notwithstanding anything to the contrary in the foregoing, (x) no action, inaction, or restraint by REFF, LSU, or the State will delay or excuse any performance by the Sublessor or constitute "**Force Majeure**" as to the Sublessor and (y) with respect to the Developer, no action, inaction, or restraint by any Governmental Authority or inability to obtain licenses or permits, other than the Required Approvals, will extend the Due Diligence Period or the deadline for closing under Section 2.

20. Operations Prior to Closing. The Sublessor shall do or shall cause REFF or LSU to do all of the following during the Term:

(a) Without the prior written consent of the Developer (not to be unreasonably withheld, delayed or conditioned), not enter into any agreements affecting the Property which would survive the Closing, including any subleases;

(b) Not grant or allow a mortgage on the Property or cause any new liens or encumbrances not present on the Effective Date and not constituting Permitted Exceptions to affect title to the Property, and not voluntarily take any other action, in any case which will prevent the Sublessor from delivering title to the subleasehold of the Property at the Closing in the condition required hereunder;

(c) Provide copies to the Developer promptly after the Sublessor's receipt hereafter of: (i) any written notice of a taking or condemnation affecting or relating to the Property; (ii) any written notice instituting or asserting any material claim, action, or proceeding affecting the Sublessor's, REFF's, or LSU's interest in the Property; and (iii) any written

notice from any Governmental Authority asserting any violation of law or asserting any claim with respect to environmental matters affecting the Property; and

(d) Use commercially reasonable efforts consistent with past practice to keep the Building secured against the elements and from vandalism and perform all maintenance, repairs, and replacements necessary to keep the Building's roof watertight and to continue the Property's mothballed maintenance program consistent with past practice, except as provided in Section 21 (Damage and Destruction/Expropriation).

21. Damage and Destruction/Expropriation

(a) If prior to Closing, the Building or any material part of it is damaged or destroyed by fire, flood, or other casualty or the Property or a material part of it is taken by expropriation, then the Developer will have the right, at its option, either (i) to terminate this Agreement by notice to the Sublessor, and in that event, the Sublessor shall promptly return the Deposit to the Developer, and thereafter there will be no liability or obligation on the part of either party except as otherwise provided in this Agreement, or (ii) proceed to Closing, and in that event (and subject to the following mutual agreement), the amount to be paid by the Developer at Closing will be reduced by (i) upon a damage or destruction, the costs of repairing and restoring the Property to its condition prior to the damage or destruction as mutually agreed before Closing by the Sublessor and the Developer, or (ii) upon an expropriation, all proceeds of the expropriation.

(b) The Sublessor shall cause property insurance to be maintained by LSU on the Building during the Term through the state Office of Risk Management, which may include participation in the self-insurance program.

22. Exclusivity. From the Effective Date until the Closing or earlier termination of this Agreement, the Sublessor shall not, and shall cause REFF to not, directly or indirectly, solicit, pursue, negotiate, or accept any offers or options for the purchase, lease, or use of the Property or any part of it (other than the Main Lease, the Access Agreement, or any other agreement permitting Sublessor or REFF to perform their respective obligations with respect to the Property).

23. Miscellaneous.

(a) Waiver. No delay or failure of the Sublessor or the Developer in exercising any right, power, or privilege, nor any single or partial exercise thereof or abandonment or discontinuance of steps to enforce such a right, power, or privilege, shall preclude any further exercise thereof. Any waiver, consent, or approval of any kind or character on the part of either Party of any breach or default under this Agreement, or any waiver of any provision or condition of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing.

(b) Modifications. No modification, amendment or waiver of any provision of this Agreement will be effective unless the same is in writing and signed, and then such modification, amendment or waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(c) Severability. If any one or more of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect by any court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

(d) Entire Agreement. This Agreement (including the exhibits attached hereto) constitutes the entire agreement between the Parties and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, except to the extent the RFP and the Proposal may provide clarification as provided in Section 3.

(e) Counterparts. This Agreement may be executed in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same agreement. For purposes of this subsection, emailed, electronic, facsimile and PDF signatures are acceptable, and this Agreement may be enforced based on the electronic form of signature, but each Party agrees to provide original signature pages for substitution as soon as practicable.

(f) Interpretation. In this Agreement, the singular includes the plural and the plural the singular; words importing any gender include the other genders; the word "or" shall be deemed to include "and/or;" the words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to sections (or subdivisions of sections) or exhibits are to those of this Agreement unless otherwise indicated; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Agreement. Caption and section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. Exhibits to this Agreement (including exhibits and schedules to such Exhibits) are incorporated into and made a part of this Agreement. The Parties to this Agreement agree that the terms and conditions of this Agreement are the result of arm's length negotiations between such Parties and their legal counsel. Neither Party shall be considered to be the drafter of this Agreement or any provision hereof for the purpose of any statute, jurisprudential rule, or rule of contractual interpretation or construction that might cause any provision to be construed against the drafter.

(g) Governing Law, Jurisdiction and Venue. This Agreement shall be deemed to be made in the State of Louisiana. THIS AGREEMENT WILL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE LAWS OF THE STATE OF LOUISIANA. Each Party irrevocably submits to the exclusive jurisdiction in the 19th Judicial District Court for the Parish of East Baton Rouge, or the federal district court encompassing East Baton Rouge Parish, in any action or proceeding arising out of or relating to this Agreement and waives any objection which it may have at any time to the laying of venue in such court and any claim that such action or proceeding has been brought in an inconvenient forum.

(h) Waiver of Jury Trial. EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. THE PARTIES ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

(i) Time of the Essence. Time is of the essence of the obligations of the Parties hereto.

(j) Days. The term “days” will mean calendar days unless “business days” are stated. The term “business days” will mean all days other than Saturdays, Sundays, and other days on which banks in the Orleans Parish, Louisiana are permitted to be closed for business.

(k) No Partnership. Neither the Sublessor nor the Developer shall be construed as acting as an agent for the other in contracting for any inspection of or improvements to the Property or otherwise acting pursuant to this Agreement. Nothing contained in this Agreement shall be deemed or construed to create the relationship of principal and agent or of partnership or joint venture between the Parties hereto.

(l) Third Party Beneficiaries. This Agreement shall endure solely to the benefit of the Parties hereto and their respective permitted successors and assigns, and not to the benefit of any other third parties, except as expressly provided herein in favor of LSU, REFF, and the State and other Sublessor Indemnified Parties.

(m) Attorneys’ Fees. If either Party is required to commence legal proceedings relating to this Agreement, the prevailing Party shall be entitled to receive reimbursement for its reasonable attorneys’ fees and costs of suit.

(n) Brokers. The Sublessor and the Developer each represent and warrant to the other that it has dealt with no broker, agent, or other intermediary in connection with this Agreement who is entitled to a brokerage commission, fee or similar payment.

(o) Limitation on Liability. The provisions of this Agreement do not waive or abrogate, nor are they intended to waive or abrogate, the limitation or liability established under La. R.S. 13:5106 for LSU or the State.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the day and year first set forth above.

SUBLESSOR:

CHARITY HOSPITAL REDEVELOPMENT LLC

By: 
Name: J. Bryan Benchoff
Title: Manager

DEVELOPER:

1532 TULANE PARTNERS, INC.

By: _____
Yoel Shargian, President

By: _____
Joseph A. Stebbins, II, EVP, Secretary /Treasurer

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the day and year first set forth above.

SUBLESSOR:

CHARITY HOSPITAL REDEVELOPMENT LLC

By: _____
Name: _____
Title: _____



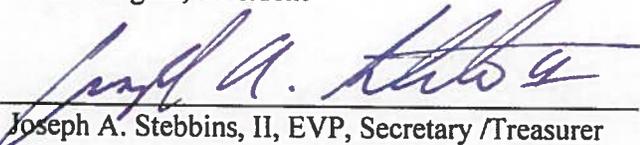
DEVELOPER:

1532 TULANE PARTNERS, INC.

By: _____

Yoel Shargian, President

By: _____



Joseph A. Stebbins, II, EVP, Secretary /Treasurer

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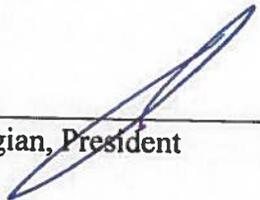
SUBLESSOR:

CHARITY HOSPITAL REDEVELOPMENT LLC

By: 
Name: J. Bryan Benchhoff
Title: Manager

DEVELOPER:

1532 TULANE PARTNERS, INC.

By: 
Yoel Shargian, President

By: _____
Joseph A. Stebbins, II, EVP, Secretary /Treasurer

EXHIBIT A
PARCEL PLAT

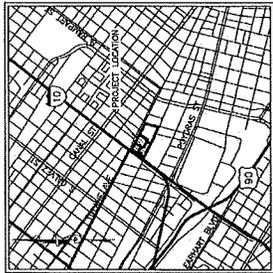
Tract D resubdivision plat attached

(1 page attached)

EXHIBIT A

PARCEL DRAWING

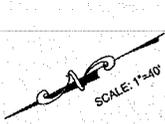
Tract D resubdivision plat attached



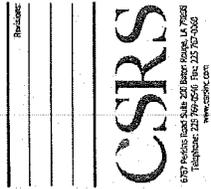
VICINITY MAP
Scale: 1"=2000'

GENERAL NOTES:

- THIS SURVEY WAS PROVIDED AND BASED UPON THE REFERENCE MAPS NOTED HEREON. NO TITLE ABSTRACT WORK WAS REQUESTED OF OR SUPPLIED BY THE CLIENT IN THE PERFORMANCE OF THIS SURVEY. THE PROPERTY LINE AND STREET RIGHT OF WAY LIMITS WERE BASED UPON AN ACTUAL GROUND SURVEY BEING VARIOUS YEARS OLD. THE CLIENT HAS BEEN ADVISED THAT THE REFERENCE MAPS MAY BE INCOMPLETE AND THAT THE ACTUAL PROPERTY LINE AND STREET RIGHT OF WAY LIMITS MAY BE DIFFERENT FROM THOSE SHOWN ON THE REFERENCE MAPS. THE CLIENT SHOULD OBTAIN A FULL TITLE ABSTRACT AND EXAMINATION BE SUPPLIED WHICH WOULD REVEAL FACTS UNKNOWN TO THE SURVEYOR AS OF THE DATE OF THIS SURVEY.
- REFERENCE DOCUMENTS:
 - "MAP SHOWING SURVEY OF SQUARES 367, 402, 405 AND PREVIOUSLY REVOKED PORTIONS" BY CSRS, DATED JULY 31, 2013
 - "MAP SHOWING CHARTY HOSPITAL" BY WESS, DEPTOWIS, & SEIFERTH ARCHITECTS, DATED MARCH 8, 1937.
 - "MAP SHOWING MAIN SITE LEASE PARCEL" BY JOHN J. MOYRY AND ASSOC. INC., DATED APRIL 22, 1984.
 - "MAP SHOWING 20'x40' LOOSE AREA FOR ENTRY TRUSSELMAN..." BY LANDMARK SURVEYING, INC., DATED FEBRUARY 15, 2015.
- NO ATTEMPT HAS BEEN MADE BY CSRS, INC. TO VERIFY THE ACTUAL LEGAL DIMENSIONS, DEED RESTRICTIONS, EASEMENTS, OR OTHER BURDENS ON THE PROPERTY, OTHER THAN THAT FURNISHED BY THE CLIENT OR HIS REPRESENTATIVE.
- NO LEGISLATIONAL, METALAND DETERMINATION HAS NOT BEEN DONE BY CSRS, INC. AND IS NOT PART OF THIS SURVEY.
- AREAS SHOWN ARE BUILDING FOOTPRINT AND DOES NOT INDICATE TOTAL USABLE ENCLOSED AREA.



SCALE: 1"=40'



**Map Showing Resubdivision
Survey**

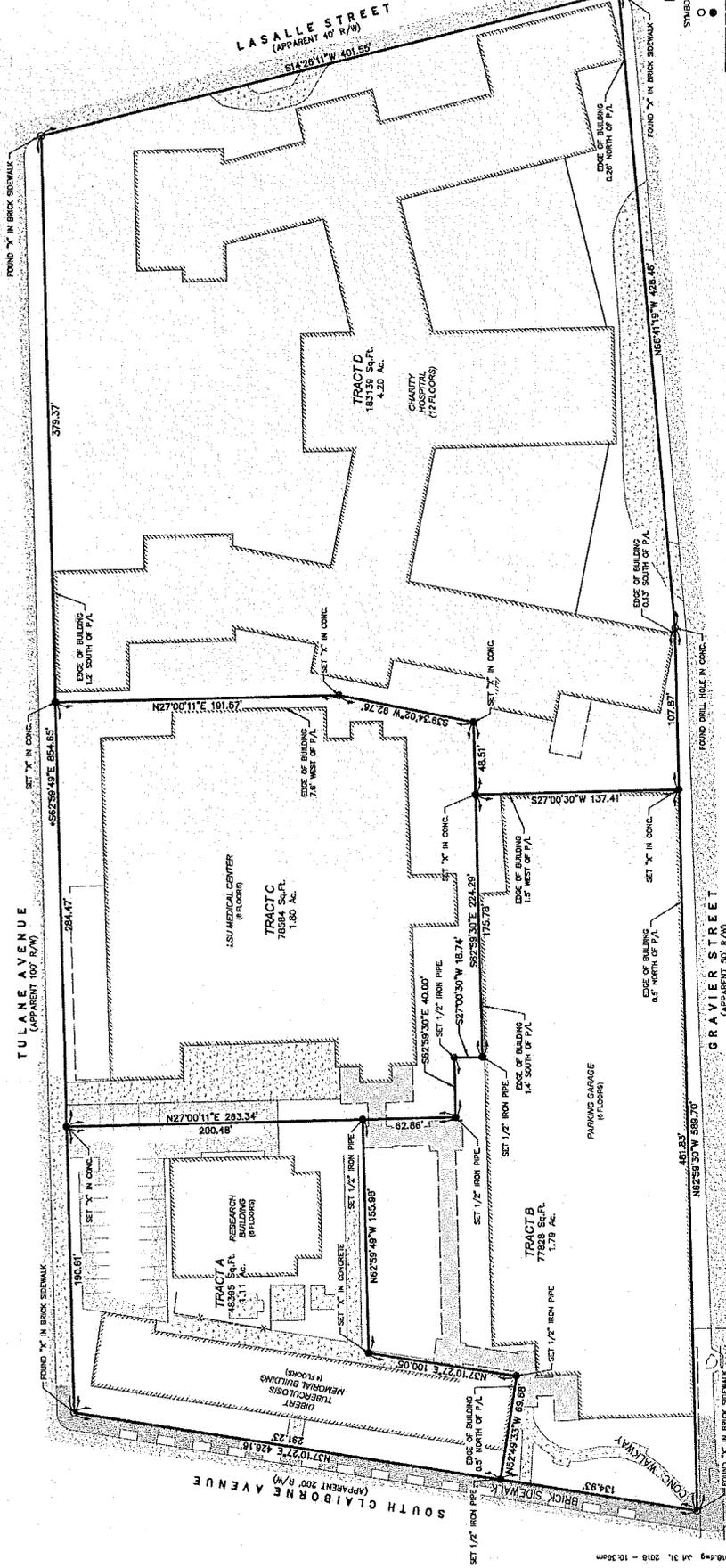
OF
**Square 367, 402, 405 and
Previously Revoked Sections
of South Robertson and
Magnolia Street**

Into
**Tracts A, B, C & D
Located In**

THE FIRST MUNICIPAL DISTRICT
ORLEANS PARISH,
LOUISIANA

For

**LSU
Health Sciences Center**



LEGEND:

SYMBOL	DESCRIPTION
○	CONCRETE CURB
●	CONCRETE CURB
—	EXISTING FROM PREVIOUS PROPERTY LINE
—	EXISTING BUILDING

Date:	JULY 31, 2015
Project Number:	20971
Drawn By:	SJP
Checked By:	DDC
Scale:	

CERTIFICATION:
I, COLIN B. CHAVES, P.L.S., A PROFESSIONAL SURVEYOR LICENSED IN THE STATE OF LOUISIANA, CERTIFY THAT THIS PLAT IS MADE IN ACCORDANCE WITH THE STATUTES OF LOUISIANA GOVERNING THE SUBDIVISION OF LAND AND THE PRACTICE OF SURVEYING, AND THAT I AM A MEMBER IN GOOD STANDING OF THE BOARD OF SURVEYING OF LOUISIANA, AND THAT I AM A LICENSED PROFESSIONAL SURVEYOR IN THE STATE OF LOUISIANA.



DATE
7-30-15

EXHIBIT B

PARCEL DESCRIPTION

TRACT D

One (1) certain tract or parcel of ground designated as "Tract D", containing 4.20 Ac. (183,139 Sq. Ft.) being a portion of the First Municipal District of Orleans Parish, Louisiana, and more particularly described as follows:

Commence at a "x" in a brick sidewalk at the intersection of the Southerly right-of-way line of Tulane Avenue with the Westerly right-of-way line of LaSalle Street, said point also being the Point of Beginning;

Thence, along the Westerly right-of-way line of LaSalle Street, South 14 degrees 26 minutes 11 seconds West a distance of 401.55 to a "x" in a brick sidewalk, said "x" being on the Northerly right-of-way line of Gravier Street; thence, along said right-of-way line, North 66 degrees 41 minutes 19 seconds West a distance of 428.46 feet to a drill hole in concrete; thence, North 62 degrees 59 minutes 30 seconds West a distance of 107.87 feet to a "x" in concrete; thence, departing said right-of-way line, along a line common with both Tracts B and D, North 27 degrees 00 minutes 30 seconds East a distance of 137.41 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, South 62 degrees 59 minutes 30 seconds East a distance of 48.51 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, North 39 degrees 34 minutes 02 seconds East a distance of 92.76 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, North 27 degrees 00 minutes 11 seconds East a distance of 191.57 feet to a "x" in concrete, said "x" being on the Southerly right-of-way line of Tulane Avenue; thence, along said right-of-way line, South 62 degrees 59 minutes 49 seconds East a distance of 379.37 feet to the Point of Beginning, Tract being the same Tract D as shown on the map showing Resubdivision Survey of Square 367, 402, 405 and Previously Revoked Sections of South Robertson and Magnolia Street into Tracts A, B, C and D by Colin B. Gravois, P.L.S. dated July 30, 2018.

[end of Exhibit B]

EXHIBIT C

DIVERSITY, INCLUSION, EQUITY PLAN

Section 4 of the Developer's Proposal attached
(8 pages attached – consisting of pp. 12-19 of the Proposal)



Section 4

DIVERSITY, INCLUSION, EQUITY

Community Outreach Plan

Embracing the Past and Investing in the Future The Hawthorne Agency, Inc. will guide our team in the formation of an outreach plan that evokes transparency and promotes diversity, inclusion, and equity. We recognize that the conceptualization of this plan must include an appreciation of the many New Orleanians who still embrace the spirit of their individual perception of what Charity Hospital represents to them, in a non-tangible context. Through them, the spirit of Charity lives and encompasses how they identify their legitimacy as bonified natives of this city. For many, it has been a birthplace, a healing place, and/or a place of departure for friends, neighbors, and “ya mama nem.” It is for these reasons, we are proposing that a balance be established between the physical design of the Charity Hospital redevelopment and the concepts and ideas of the community—building on local cultural assets, preventing displacement, and honoring the many communities that make up a diverse NOLA.

The strategic communications efforts will include a combination of print, electronic, and social media, editorial board meetings, design charettes, coordination with elected officials, community organization and stakeholder events, assistance with content development for the existing website, and a designated telephone information line. Media relations tasks, directed by Monica G. Pierre, will assist in establishing/maintaining open communication with media representatives that facilitates the dissemination of factual project information to the community on a continual basis.

Additionally, we will utilize the resources already available to us, such as the information on economic development outlined by Mayor Cantrell in her “Forward Together New Orleans” transition document, the “Spirit of Charity” master plan study, and the 2017 ULI Advisory Services Panel Report for the redevelopment of Charity Hospital to accomplish the goals of this project. Our results-oriented strategy is designed to facilitate community support for this cultural landmark in the city’s history.

To successfully accomplish the aforementioned approach, our community outreach plan of action will consist of the following components:

Task 1 - Research

To conduct a thorough review of prior outreach efforts and an assessment of the demographics within the project parameters. Understanding the dynamics of the population and documented stakeholder perceptions will yield a data-driven, inclusive communications process. A stakeholder contact list will be developed and maintained for future correspondence.

Task 2 – Messaging

Building on the project narrative that has been established, our team will craft key messages that promote consistency, continuity, and accuracy of information about the project. Tailored to reach and engage diverse stakeholders, the creation of memorable messaging will aid in clearly communicating the project’s objectives in easy to understand language, void of technical jargon.

Task 3 – Core Outreach Tools

Since by its very nature, adaptive reuse projects are contentious, the method of educating the community and acquiring their feedback must be ongoing, flexible, and transparent. Therefore, advantageous community outreach and engagement goes beyond minimal public meetings; it is constant and commences prior to any construction activity. The communications strategy will employ a mix of core outreach tools as described on the next page.



EDITORIAL BOARD MEETINGS

A critical aspect of transparency is the credibility of the fact provider. In telling the project's story, editorial board meetings will serve as opportunities to formally present important project-related information directly to the media hierarchy in order to effectively achieve this objective.

PRINT MEDIA

Print media will be leveraged to provide current status information about the project via articles, ads, and/or feature stories that validate the teams' commitment to total transparency and engagement.

ELECTRONIC MEDIA

Personal interaction between the project team and the New Orleans community will be afforded through electronic media for the presentation of clear, concise information about varying phases of the project and its public inclusion efforts.

SOCIAL MEDIA

Use of social media will expand the opportunity to engage a broader, more diverse audience. It will also aid in the promotion of events.

GRAPHIC DESIGN

Creating a protocol of accepted fonts, colors, and graphics will provide an aligned, recognizable, and uniformed visual look for the project. Compelling outreach materials will be developed for print, electronic, and social media utilizing a combination of dynamic graphics and text that result in pieces that are both visually appealing and reader-friendly.

WEBSITE CONTENT DEVELOPMENT

To ensure accessibility to updated information about the project, outreach materials will be made available for use on the existing website, www.charityinnovationdistrict.com.

COMMUNITY ORGANIZATION AND STAKEHOLDER EVENTS

Presentations at community organization meetings are recommended as a means of listening to and interacting with

the community to garner their thoughts and ideas. Additionally, special events centered around project milestones will help to publicize the project's progress and further community participation.

TELEPHONE INFORMATION LINE

A designated telephone line will provide residents easy access to verbally communicate inquiries or concerns and obtain approved responses from appropriate project team members. It will be in operation during regular business hours and include a voice mail system for receiving calls outside of those hours to be addressed the next business day.

PUBLIC OPEN HOUSE SESSIONS

In continuing with the outreach initiated during the strategic planning process, an inclusive method for communicating with the public will be maintained through conducting open house sessions. During these sessions, the community will be educated on the project's status and able to provide their input in an informal, interactive setting. Attendees will be given the opportunity to speak one-on-one with members of the project team while they view displays, make comments, and meaningfully participate as this amazing project comes to fruition.

POP-UP INFORMATION STATIONS

The utilization of pop-up information stations in the project area will allow our team to meet the public where they are, especially during project milestones, to obtain input and address specific concerns that may arise as the project progressively evolves.

ADVISORY COMMITTEE

An advisory committee comprised of individuals with expertise in the identified project sectors (i.e. housing/quality of life, transportation and mobility, parks, public spaces and green infrastructure, equitable economic growth, and the charity building, etc.) is suggested to make recommendations for the benefit of the community and/or provide key information that will aid in consensus building.



Providing mechanisms for measurable outreach results

To accomplish the objectives envisioned by JLL and LSU REFF, we propose utilizing quantitative and qualitative research methodologies to effectively measure and explore the perceptions, expectations, and vision of residents for Charity Hospital, to ensure that our team's proposed solution is respectful and supportive of the culture and history of the community. One of the primary objectives of our outreach efforts is to measure and evaluate the level of public awareness and expectations based on stakeholder understanding about the former Charity Hospital Redevelopment project. Our research will be led by Dr. Silas H. Lee III, who has conducted extensive research for previous developments with similar objectives.

Our multi-year research initiative is customized to analyze the concerns, expectations, and priorities of residents bounded by Poydras St, S. Claiborne Ave., Iberville St., and Loyola Ave. As researchers and planners, we recognize the importance of including the opinions of the diverse residents in this emerging community and have incorporated a multi-modal strategy to measure their opinions.

RESEARCH COMPONENT 1: BASELINE TELEPHONE SURVEY (YEAR ONE)

The first component of our research initiative is to conduct an extensive baseline survey of 300 residents to not only measure the cumulative support, awareness and perceptions of residents about the development, but evaluate the results by key demographic groups such as age, race, gender, proximity to the project, and other demographics. Respondents from landline and cell phone households will be interviewed by trained interviewers calling from a centralized research company.

RESEARCH COMPONENT 2: MOBILE ACCESSIBLE SURVEY (YEAR ONE)

The second component of this research strategy is a mobile/web friendly version of the baseline survey accessible to residents. This survey will be available to respondents for a limited period of time to avoid response duplication.

RESEARCH COMPONENT 3: ANNUAL TRACKING SURVEYS (YEARS TWO-THREE)

An annual tracking survey is proposed to measure shifts in perceptions, expectations, and satisfaction of residents. The data from the annual tracking survey will allow planners an opportunity to proactively address issues before they evolve into major obstacles.

Measurement of Impact

Our team will measure the success of our diversity, inclusion, and equity methods through an economic impact calculator (EIC). By tracking our team's progress, we will be able to ensure that we are on track with meeting and exceeding the diversity and inclusion goals set forth for this project. These efforts will be led by the team's community outreach group, The Hawthorne Agency. The EIC will track*:

- Total economic impacts, including both direct and indirect benefits
- How much of the benefit stays in the local area
- Number of jobs generated within the impact area including indirect jobs
- Total local, state and federal tax benefits of the project

*Reports by contract or aggregate



Project Ownership and Investment

Ownership and investment opportunities represent a significant strategy in promoting diversity, inclusion, equity, and access opportunities in this development. Our team's plan is to implement equity at the ownership and developer levels with Hopkins Development Group who will have the majority interest in ownership and development fees in the Low Income Housing Tax Credit portion of this the Charity Hospital redevelopment and have a consulting role in the workforce, faculty/student, and market rate housing portions of the project. Hopkins' valuable insight will help shape the Spirit of Charity Innovation District and continue to provide housing opportunities for the low and very low income future residents of the area.

Units in the project set aside for workforce housing or affordability will also be kept in those designations to provide opportunity for permanent ownership by disadvantaged families and persons. It is anticipated that any sale of units—the aforementioned tenants will have priority in ownership opportunity—would occur only after a Historic, Low Income or Opportunity Tax Credit hold period. 1532 Tulane Partners intends to procure a local HUD-approved home ownership counseling firm to work with current tenants and prospective disadvantaged buyers, allowing disadvantaged tenants to build resources and receive home ownership counseling aiding in home ownership qualification. This would also allow for permanent housing opportunities in these set aside units, beginning approximately 3 years prior to the end of the investment hold period.

Employment and career opportunities for neighborhood stakeholders and disadvantaged persons and businesses will ensure equity and increase quality of life. The proposal for the creation of a Tax Increment Finance District in the Spirit of Charity boundaries is a chance to provide just such opportunities. Opposed to using these TIF funds to pay down debt on a single building, better use would be to have the funds administered by a district-wide non-profit (such as the Greater New Orleans Foundation or a Spirit of Charity Innovation District located non-profit) to provide grants and subsidies to disadvantaged residents or business tenants for direct career or business growth in the area. 1532 Tulane Partners will set aside space and offer stipends or reduced rates for time at co-working and maker spaces within the innovation hub to recipients' of any such grants.



Construction

Opportunities to realize equity outcomes during the construction of the project include, but are not limited to, ensuring the participation of disadvantaged business enterprise contractors, working with and supporting pre-apprenticeship and training programs that expand the pipeline of qualified workers, local hiring commitments, and other initiatives. Subcontractors who may not otherwise have the benefit of performing work on associated projects will be given the opportunity to expand, grow, and become more proficient in every area of the trade (i.e. accounting, trade skills, management, etc.) through the Charity Hospital redevelopment. Furthermore, our team's contractor, The McDonnell Group (TMG), is committed to establishing long-term relationships with those who effectively perform their respective scopes of work and render a quality product.

Our team will promote equity and demonstrate accountability in the diversity and inclusion goals that have been set forth by JLL, LSU REFF, and the City of New Orleans **during the construction phases of the project** through employment of the following means:

Aggressive Outreach

Outreach and good faith efforts are needed to generate interest, identify recruitment sources and structure procurement to allow MBE/WBE/DBE contracting firms the opportunity for involvement. We shall accomplish this via the following methods: community outreach meetings, advertisements, notification to related organizations, project scope forms, time lines and particulars sent to prospective MBE/WBE/DBE by certified mail return receipt requested, follow up by telephone five days after mailing, pre-bid meetings, structuring of bid packages to allow for breakdown of work and comparable scope between similar trades, and matching MBE/WBE/DBE's with prospective bidders on large packages where they may not be competitive.

TMG shall begin outreach through advertisements to trade organizations, special interests group publications and large distribution publications. This shall make the contracting opportunities widely recognizable. TMG's advertisements shall demonstrate sincerity and responsibility. Subcontractors who respond shall be maintained in a database for future contact when their appropriate scope of work is bid.

Targeted Bid Solicitation

In addition to advertisements, TMG shall notify organizations and special interest groups targeting the construction industry. Letters requesting initial interest and membership listings shall be for-warded to these organizations. Organizations wishing to participate shall have their members added to the bid solicitation contact list. TMG shall also advertise contracting opportunities by speaking at organization meetings. During these presentations, scopes of work with approximate dollar amounts shall be made clear and known.

To accommodate bidding, TMG shall forward construction drawings and documents to the organization. When a particular scope of work is published for bid solicitation, TMG shall host pre-bid meetings if any of the following conditions are met: TMG deems it to be in the best interest of the subcontractors, subcontractors request a meeting, or the complexity of scope requires clarification. During the meeting, bidders shall be issued a bid package defining the scope of work, submission requirements, availability, and access to construction documents.

Bid packages shall be structured for simplicity with easy identification of scope split between various sub-contractors. To accommodate MBE/WBE/DBE participation, bid bonds shall not be requested unless deemed necessary by TMG. A bid bond shall be requested only if said scope of work meets one of the following characteristics: scope is highly technical, work is critical to the project schedule, scope of work is comprised of a high dollar value, or if required by Owner. Once bids are received, TMG shall ensure that all subcontractors bid on comparable scopes of work.



Project Labor Agreements

Our team has consulted with Tiger Hammond, President of the Greater New Orleans AFL-CIO. If our team is awarded, Tiger shall be engaged to implement a construction apprenticeship plan following the guidelines of the North America's Building Trades Unions. This major inclusive provision of our proposal with the GNO AFL-CIO shall offer priority training to displaced and nearby residents with the opportunity to participate in construction. Contract negotiations and design shall allow ample time to integrate these individuals into the team so they can be gainfully employed by the time construction starts.

This skilled craft apprenticeship system program establishes an "earn while you learn" system with opportunities for college credit through many of its parts. National partners include the National Urban League, Wider Opportunities for Women, and Helmet to Hardhats. The program provides career training to disadvantaged individuals including low-income, minority, veteran, and female workers, and is widely referred to as "the other four-year degree."

Our team proposes the use of a Project Labor Agreement (PLA) with the mission to realize equity outcomes and ensure access to economic opportunity for area residents. PLA's positively impact construction projects, and research by nationally recognized institutions such as Cornell University, UCLA, and Michigan State University supports their use. The program shall provide:

- Workforce training and apprenticeship programs
- Education and work programs targeted to displaced residents
- Local hiring provisions
- Minimum wage rates and benefits
- Disadvantaged Business Enterprise participation
- Union Labor participation
- Cost Controls
- Timely schedule delivery
- Heightened level of safety

Cash Flow Assistance

To assist MBE/WBE/DBE subcontractors who have inadequate monetary resources to fulfill their portion of work, TMG offers cash flow assistance. Cash flow assistance can include any of the following: TMG will allow the subcontractors assign their subcontract agreements to financial institutions to accommodate lending requirements which affects cash flow distribution, TMG will also offer subcontractors assistance in accounting by monthly payroll draws, joint check arrangements to vendors, etc. Efforts by TMG to aid MBE/WBE/DBE contractors shall continue into and through the construction process.

Equal Opportunity Measures

TMG shall create an environment conducive to equality among all subcontractors and employees regardless of age, race, or gender. TMG expects subcontractors to participate in such a work environment and requires acknowledgment of the same through The McDonnell Group's Equal Opportunity Policy. TMG shall refer minority, woman, and disadvantaged applicants to the proper union halls, trade organizations, subcontractors when TMG cannot properly accommodate them.

During construction, TMG shall meet employment goals by following up on initial contacts whether initiated by TMG or on behalf of the applicant, by requesting lists of minority participants through the local unions and trade organizations and disseminating lists to respective subcontractors.

TMG shall bind all subcontractors to the same terms and conditions of the MBE/WBE/DBE subcontracting and hiring plan. All subcontractors are also encouraged to comply with the spirit of Open Access through all the same phases of their contracting and employment opportunities. Subcontractors shall be required to forward a written plan on how they are to meet the goals of the Subcontracting Plan.

[READ MORE ABOUT NORTH AMERICA'S BUILDING TRADE UNION](#) 

Asset and Facility Management

Opportunities to promote equity during the ongoing operation of the Charity Hospital Redevelopment project include, but are not limited to, ensuring the participation of disadvantaged business enterprise contractors, working with and supporting workforce development programs that expand the pipeline of qualified workers, local hiring and wage commitments, and other initiatives. For the **ongoing asset and facility management phase of the project**, the Hawthorne Agency will assist with the outreach efforts on behalf of 1532 Tulane Partners. Our team will track and archive all responses, and make them available for review by development team members and project stakeholders to promote a transparent process to our teams approach to equity in asset and facility management. Our team will also employ the following methods to promote equity and demonstrate accountability in the diversity and inclusion goals that have been set forth by JLL, LSU REFF, and the City of New Orleans:

Aggressive outreach

Our team will develop an aggressive outreach plan, generating interest for local workforce development through advertising and a direct, targeted, multi-level approach that will include:

- Newspaper
- Contact by fax/email/telephone follow-up (certified and "certifiable" businesses).
- Segment on local weekly radio/television

Small Business Exchange

DBE engagement for the hiring of skilled workers and management groups for asset and facility management will be led by Valerie Voorhies of the Small Business Exchange (SBE). SBE has a 34 year history of providing DBE's owned by minorities, women, and veterans (especially disabled veterans) with access to information and resources that enable them to successfully enter and compete in both local and global economies. We will utilize the SBE and its extensive database and outreach tools for inclusion in both the construction and facilities management for this project. To ensure transparency and ease of response, our team will provide "open access" to the procurement process through SBE's "Bid Opportunity Tracking" system. This includes:

- Pre-bid stage
- Out-to-bid stage with planholder/prospective bidder listing
- Bid results with sub-to-low bidders at 1st, 2nd and 3rd tier levels

Educational Opportunities + Workforce Development

Through our proposed programming for internship and apprenticeship opportunities within the innovation hub and in partnership with Tulane University, the Gulf Coast Education and Training Consortium, and other local institutions, we have designed a long-term equity and community investment strategy for the Charity Hospital redevelopment. These opportunities will be managed by the institutions with which they are associated, and will each serve as gateways to lifelong careers in the medical industry. In turn, these programs will provide a pipeline of skilled workers, adding workforce and productivity to the area's biomedical industry and entrepreneurial incubators.

PD 10/11/19

CHARITY HOSPITAL REDEVELOPMENT

SUBLEASE OF REAL PROPERTY AND IMPROVEMENTS

between

**Charity Hospital Redevelopment LLC
as Sublessor,**

and

1532 Tulane HOLDCO, LLC, as Sublessee,
Appearing through its Managing Member, [an entity wholly owned by Joseph
Stebbins, II and Yoel Shargian]

Dated: _____, 2019

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SUBLEASE OF REAL PROPERTY AND IMPROVEMENTS

THIS SUBLEASE OF REAL PROPERTY AND IMPROVEMENTS (“Sublease”) is made and entered into as of this ___ day of _____, 2019, by and between **Charity Hospital Redevelopment LLC**, a Louisiana special purpose limited liability company, as sublessor (“**CHR**”), and **1532 Tulane HOLDCO, LLC**, a Louisiana limited liability company (the “**Sublessee**”). Each of CHR and Sublessee is a “**Party**” and together, the “**Parties**.”

RECITALS:

A. CHR is a wholly owned subsidiary of the LSU Real Estate and Facilities Foundation, a Louisiana non-profit corporation (“**REFF**”).

B. REFF is party to that certain Intent to Lease Agreement dated December 8, 2017, for the Charity Hospital Redevelopment Project (the “**Intent to Lease**”), among the State of Louisiana (through the Division of Administration) (the “**State**”), the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a Louisiana public constitutional corporation (“**LSU**”), and REFF, which addresses the process and guidelines for the negotiation of a proposed agreement with a developer for the redevelopment of the Charity Hospital building and grounds, and recognizes that REFF may form a special purpose entity to perform all responsibilities otherwise ascribed to REFF in relation to the Charity Hospital project, and REFF has formed CHR for that purpose.

C. REFF, as part of a competitive process (the “**Process**”), issued a Request For Proposals dated June 4, 2018, for the Adaptive Reuse of the Former Charity Hospital Building (the “**RFP**”, which includes all addenda, exhibits, and all other materials related to it or issued in conjunction with it) and through the Process, has selected Developer for the redevelopment of the Property.

D. 1532 Tulane Partners, Inc., a Louisiana corporation (“**Developer**”), submitted a Proposal dated August 20, 2018, as supplemented by a Response to Best and Final Information Request dated September 18, 2018 (collectively the “**Proposal**”), in connection with the RFP.

E. REFF, through the Process, selected Developer for the redevelopment of the Charity Hospital building and grounds into a mixed-use project.

F. CHR and Developer entered into a Predevelopment Agreement (“**Predevelopment Agreement**”) dated February 18, 2019, which provided, *inter alia* that upon the satisfaction of certain conditions, the following would occur:

- (i) CHR would lease from LSU (a) a certain parcel of immovable property resubdivided as Tract D (formerly a portion of Squares 367, 402 and 405), bounded by Tulane Avenue, LaSalle Street, Gravier Street, and North Claiborne Avenue, located in the First Municipal District, City of New Orleans, Parish of Orleans, State of Louisiana, as shown on the survey of Colin B. Gravois, PLS License No. 5115, dated July 30, 2018, attached as **Exhibit A** hereto and incorporated herein

and described more particularly in **Exhibit B** attached hereto and incorporated herein (collectively, the “**Land**”), (b) the building formerly known as Charity Hospital, a twenty-story building as existing on the Effective Date with the municipal address of 1532 Tulane Avenue, New Orleans, Louisiana 70112, located on the Land (the “**Building**”), and (c) all appurtenances, rights, privileges, servitudes, and easements benefiting, belonging, or pertaining to the foregoing, together with all buildings, structures and improvements thereon (the “**Ancillary Items**” and together with the Building and the Land, collectively, the “**Premises**”) (the lease of the Premises by LSU to CHR is the “**Primary Lease**”); and

(ii) CHR and Developer would negotiate, finalize, and execute this Sublease of the Premises by CHR to Developer pursuant to which Developer would renovate, improve and operate the Premises.

[NOTE: DESCRIPTION TO BE CONFORMED TO RESUBDIVISION]

G. Developer has assigned to Sublessee its right to sublease the Premises from CHR, and CHR has consented to this assignment and agreed to accept Sublessee as the subtenant under the Sublease.

H. The conditions set out in the Predevelopment Agreement have been satisfied or waived by CHR and Developer, the Primary Lease has been executed, and CHR and Sublessee, as the Developer’s assignee, now wish to execute this Sublease in accordance with the Predevelopment Agreement.

NOW THEREFORE, IN CONSIDERATION of the mutual covenants, conditions and agreements set out in this Sublease, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, CHR does hereby lease, demise and let to Sublessee and Sublessee hereby leases and takes from CHR all of the Premises, together with all appurtenances, rights, privileges, servitudes, and easements benefiting, belonging, or pertaining thereto, and together with all buildings, structures, and Improvements thereon.

TO HAVE AND TO HOLD the Premises unto Sublessee, its successors and assigns, for the purposes and term of years set forth herein.

ON THE TERMS AND SUBJECT TO THE CONDITIONS that are hereinafter set forth:

ARTICLE 1. RECITALS AND DEFINITIONS.

1.1. Recitals. The foregoing recitals (the “**Recitals**”) are incorporated in and form a part of this Sublease for all purposes.

1.2. Definitions. In addition to terms defined in other sections of this Sublease, as used herein, the following terms have the following meanings:

“**Affiliate:** of a non-governmental Person means any Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under

common control with, that Person. For purposes of the definition of “Affiliate,” the term “**control**” (including the terms “**controlled by**” and “**under common control with**”) as to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“**All Plans and Specifications**” means collectively the Preliminary Plans, the Final Plans and Specifications, and all further architectural and engineering drawings and specifications, including any revisions, amendments and addenda to any of the foregoing, for the renovations, constructions, additions, alterations, changes, modifications, improvements and restorations to the Improvements from time to time made by or on behalf of Sublessee during the Term.

“**Ancillary Items**” has the meaning given to it in Recital F(i).

“**Annual Rent**” has the meaning given it in Section 3.1.3.

“**Applicable Laws**” means all laws, constitutions, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, notices, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation, reports, guidelines, and requirements of all Governmental Authorities having jurisdiction over the Property, or otherwise affecting the Property, including without limitation, the Americans with Disabilities Act of 1990, as amended, and all applicable Environmental Laws, whether now or hereafter in effect. The term “**Applicable Laws**” in a particular provision will refer to the laws, constitutions, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, notices, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation, reports, guidelines, and requirements in effect on the date this reference becomes applicable under that particular provision and the facts and events pertaining thereto.

“**Approval Bodies**” means CHR, OFPC, and LSU.

“**Approval Period**” has the meaning given it in Section 5.1.6.

“**Architect**” means on the Effective Date, the Initial Improvements Architect and such other architects as are engaged by Sublessee, and after the Effective Date, any other architectural firm or architect that Sublessee may select to replace or assist the Initial Improvements Architect with respect to the Initial Improvements or any subsequent Improvements. At least one of the Architects shall be a registered professional architect licensed in the State. The term “**Architect**” will mean the architect or architects that are engaged by Sublessee with respect to the construction being performed at the time the reference becomes operative.

“**Automobile Policy**” has the meaning given to it in Section 9.1.2.

“**Award**” has the meaning given to it in Section 15.1.

“**Builder’s Risk Policy**” has the meaning given to it in Section 9.1.5.

“**Building**” has the meaning assigned to it in Recital F(i).

“**Business Day**” means each day other than Saturdays, Sundays, and days on which national banks in New Orleans, Louisiana, are authorized to be closed for business.

“**Casualty**” has the meaning given to it in Section 14.1.

“**cause**”, with reference to obligations of either Party to cause another Person to do or not do an act, means undertaking reasonable commercial efforts in good faith to effect such Person’s compliance.

“**change of control**” has the meaning given to it in Section 16.2.1.

“**CHR Indemnified Parties**” has the meaning given to it in Section 9.5.

“**CHR Parties**” means CHR, REFF, LSU, the State, and their respective successors, assigns, employees, and representatives.

“**Code**” means the Internal Revenue Code of the United States, as amended, together with all related portions of the US Code of Federal Regulations (“**CFR**”).

“**Code Review Firm**” means NANO, L.L.C. (“**NANO**”), an architecture firm selected pursuant to that certain Request for Quote & Qualifications for Code Review Engineering Services issued April 5, 2019 by CHR to a list of qualified review firms agreed upon by CHR and Developer, with NANO selected from all respondents and hired by the Developer at its sole cost and expense, and all future qualified firms that shall be hired and selected to serve as the Code Review Firm by CHR and Sublessee in accordance with the provisions for same set forth in that certain Predevelopment Agreement between CHR and Developer dated February 18, 2019.

“**Completion Deadline**” has the meaning given to it in Section 5.1.10.

“**Construction Approvals for Second Up-Front Payment**” has the meaning given to it in Section 3.1.2 and **Exhibit G**.

“**control**” has the meaning given to it in Section 16.2.1.

“**controlled by**” has the meaning given to it in Section 16.2.1.

“**CPI**” means the monthly Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average (All Items), not seasonally adjusted, 1982-1984 Base, published by the Bureau of Labor Statistics of the U.S. Department of Labor. If this index is changed, then the new index will be used with all applicable conversion formulae so that the replacement CPI will be as close as possible to the original CPI. If this index is no longer published, then the CPI shall refer to a comparable index measuring changes in the cost of living for urban consumers as published by an agency of the United States or, if no such comparable index is published by an agency of the United States, then a comparable

nationally recognized index published by a reputable financial source selected by Sublessee and acceptable to CHR.

“**Damages**” has the meaning given to it in Section 9.5.

“**days**” means calendar days unless “Business Days” are specified.

“**Deadline Default Notice**” has the meaning given to it in Section 5.1.10.

“**Deposit**” has the meaning given to it in the Predevelopment Agreement.

“**Developer**” means 1532 Tulane Partners, Inc. a Louisiana corporation wholly owned and controlled by Yoel Shargian, its President, and Joseph A. Stebbins, II its Executive Vice President and Secretary/Treasurer.

“**Development Milestones**” has the meaning given to it in Section 5.1.8.

“**Effective Date**” shall be the date on which this Sublease has been fully executed and delivered by both Parties. When the Effective Date has been established, if this Sublease is not executed by all the Parties together at a closing ceremony, then the Effective Date shall be memorialized in a written addendum to this Sublease and made a part of it for all purposes.

“**Environmental Event**” means and shall include a spill, discharge, leakage, pumpage, drainage, pourage, interment, emission, emptying, injecting, escaping, dumping, disposing, migration or other release of any kind of Hazardous Substances on, from, in, to, under or about the Property in violation of applicable Environmental Laws, or the presence of Hazardous Substances on, in, under or about the Property in violation of applicable Environmental Laws.

“**Environmental Laws**” means all Applicable Laws with respect to environmental conditions at or in the Property or the use, generation, manufacture, production, storage, treatment, disposal, or transportation of Hazardous Substances, including, without limitation, the following laws and all regulations promulgated thereunder: Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, including without limitation by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. Section 9601, et seq.), the Hazardous Material Transportation Act, as amended, (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act, as amended, including without limitation by the Used Oil Recycling Act of 1980, the Solid Waste Disposal Act Amendments of 1980, and the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. Section 6901, et seq.), the Toxic Substance Control Act, as amended (15 U.S.C. Section 2601, et seq.), the Louisiana Environmental Quality Act, as amended (La. R.S. 30:2001, et seq.), the Louisiana Solid Waste Management and Resource Recovery Law, as amended (La. R.S. 30:2151, et seq.), the Louisiana Hazardous Waste Control Law, as amended (La. R.S. 30:2171, et seq.), the Hazardous Materials Transportation and Motor Carrier Safety Law, as amended (La. R.S. 32:1501, et seq.), and the successor laws and regulations thereto.

“**Environmental Reports**” has the meaning given to it in Section 12.2.1.

“**Equipment**” means all apparatus, machinery, equipment, devices, fixtures, appurtenances, and equipment installed or located on or within the Property after the Effective Date that become a component part of the Property, including but not limited to any and all awnings, shades, screens and blinds; asphalt, vinyl, composition and other flooring, wall and ceiling coverings; partitions, doors and hardware; elevators, escalators and hoists; heating, plumbing and ventilating apparatus; gas, electric and steam fixtures; chutes, ducts and tanks; air-cooling and air-conditioning equipment; washroom, toilet and lavatory fixtures and equipment; engines, pumps, dynamos, motors, generators, electrical wiring and equipment; tools, building supplies, lobby decorations and window washing hoists and equipment; garage equipment, security systems, and landscaping; swimming pool, permanently attached recreational equipment; refrigerators, dishwashers, disposals, ranges, washers, dryers, and other kitchen appliances, in each case only to the extent incorporated into the Land or the Building so as to become a component part of it, or permanently attached to the Improvements or otherwise attached so as to become a component part of the Property under Applicable Law; and all additions thereto and replacements thereof. The term “**Equipment**” will not include items that belong to Tenants and that Tenants have the right to remove from the Property, subject to their obligation to repair all damage caused by the removal.

“**Event of Default**” has the meaning given it in Section 18.1.

“**Expiration Date**” means the day immediately preceding the ninety-ninth (99th) anniversary of the Effective Date.

“**Extension Payments**” means the First Extension Payment, the Second Extension Payment and the Third Extension Payment (each if made).

“**Final Plans and Specifications**” has the meaning given it in Section 5.1.2.

“**First Extension**” has the meaning given to it in Section 5.1.10.

“**First Extension Payment**” has the meaning given to it in Section 5.1.10.

“**First Up-Front Payment**” has the meaning given it in Section 3.1.1.

“**Force Majeure**” means any (a) strike, lock-out or other labor troubles, (b) governmental restraint or prohibition, (c) failure or shortage of electrical power, gas, water, fuel oil, or other utility or service, (d) riot, war, insurrection or other national or local emergency, (e) accident, flood, fire or other casualty, (f) adverse weather conditions necessitating extraordinary measures and expense for construction work resulting in cessation of work for in excess of one week, (g) other act of God, (h) inability after diligent effort to obtain an approval for construction from one of the Approval Bodies or any other State-level government authority having jurisdiction or a certificate of occupancy from a State-level government authority having jurisdiction (but not because of insolvency, lack of funds, or other financial cause), or (i) other cause similar or dissimilar to any of the foregoing, in all of the foregoing events and causes to the extent beyond the reasonable

control of and not the fault of the person in question and that the non-performing party is unable to avoid or overcome by the exercise of commercially reasonable diligence. Force Majeure excludes economic hardship, changes in market conditions, and insufficiency of funds, and neither economic impracticality nor the inability of a person to perform in whole or in part for economic reasons shall constitute Force Majeure. However, restrictions or limitations by the State or LSU will not excuse or delay performance by CHR.

“**good cause**” has the meaning given to it in Section 16.2.1.

“**Governmental Approvals**” means all governmental, regulatory and administrative approvals, permits, and rights of way required by any State-level Governmental Authorities having jurisdiction over the Property to permit the development of the Project and its use, including various proposed uses by Tenants.

“**Governmental Authorities**” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, parish, district, municipality, city or otherwise) whether now or hereafter in existence that have authority over the Premises, and “**Governmental Authority**” means any one of these Governmental Authorities.

“**Hazardous Substances**” means (a) any substance, emission or material now or hereafter defined as, listed as or specified in any Environmental Law as a “regulated substance,” “hazardous substance”, “toxic substance”, “pesticide”, “hazardous waste”, “hazardous material” or any similar or like classification under any Environmental Law, including by reason of ignitability, corrosivity, reactivity, carcinogenicity or reproductive or other toxicity of any kind, or (b) any other hazardous or toxic substance, material, pollutant, contaminant or waste that is or becomes regulated by any federal, state, or non-preempted local government authority, and will include, without limitation, any material or substance that is (i) defined as a “hazardous substance” under the Louisiana Environmental Quality Act, La. R.S. § 30:2001 et seq., (ii) petroleum, (iii) regulated levels of asbestos, (iv) designated as a “toxic pollutant” pursuant to the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), as amended, (v) defined as a “hazardous waste” pursuant to the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. Section 6901 et seq., as amended, (vi) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., as amended, or (vii) defined as a “regulated substance” pursuant to RCRA Subchapter IX (Regulation of Underground Storage Tanks), 42 U.S.C. Section 6991 et seq.

“**Improvements**” means all additions, alterations, changes, improvements, and restorations to the Building and all other constructions made on the Land or Building by or on behalf of Sublessee, during the Term. The term “**Improvements**” will not include additions, alterations, changes, or improvements made by a Tenant unless and until those additions, alterations, changes, or improvements become Sublessee’s property.

“Initial Improvements” means the alterations, additions, changes, improvements, and restorations to be constructed pursuant to the Preliminary Plans and the Final Plans and Specifications.

“Initial Improvements Architect” has the meaning given to it in Section 5.1.1.

“Insurance Requirements” has the meaning given it in Section 6.2.1.

“Insurance Trustee” has the meaning given to it in Section 14.3.1.

“Intent to Lease” has the meaning given to it in Recital B.

“Key Personnel” has the meaning given to it in Article 24.

“Land” has the meaning assigned to it in Recital F(i).

“Land Records” means the land records of the Clerk of the Civil District Court for Orleans Parish, Louisiana, specifically including, without limitation, the Conveyance and Mortgage records and the Notarial Archives.

“Lease Year” means (a) the period commencing on the Effective Date and ending on the day immediately preceding the first (1st) anniversary of the Effective Date, and (b) each successive period of twelve (12) consecutive full calendar months thereafter commencing on each anniversary of the Effective Date. If this Sublease ends on a day that is not the day immediately preceding an anniversary of the Effective Date, then the last Lease Year will comprise fewer than twelve (12) full calendar months, will commence on the Effective Date anniversary that immediately precedes the Termination Date, and will end on the Termination Date.

“Leasehold Estate” means the entire leasehold estate in the Premises held by Sublessee under this Sublease.

“Leasehold Mortgage” means any mortgage or multiple indebtedness mortgage, leasehold mortgage, or other document securing indebtedness at any time encumbering all of Sublessee’s leasehold interest in the Premises and its ownership interest in the Improvements, as well as any other security interest therein existing at any time under any other form of security instrument or arrangement used from time to time in development of the Property (including but not limited to any such other form of security arrangement arising under any sale-and-leaseback documents, or any financing statement, security agreement or other documentation used pursuant to the Uniform Commercial Code or any successor or similar statute), provided that such mortgage or other instrument evidencing such collateral or security arrangement has been recorded in the Land Records or in such other place as is, under Applicable Laws, required for such instrument to give constructive notice of the matters set forth therein.

“Leasehold Mortgagee” means the Person or Persons secured by a Leasehold Mortgage.

“**Liability Policy**” has the meaning given to it in Section 9.1.1.

“**Liens**” means mortgages, pledges, collateral assignments, and security interests, as well as liens, privileges, judgments, and other encumbrances.

“**LSU**” has the meaning assigned to it in Recital B.

“**Major Subsequent Improvements**” means Improvements made after completion of the Initial Improvements either (i) to the exterior of the Building and costing more than \$250,000.00 (as adjusted every five (5) years after the Effective Date in accordance with the percentage change in the CPI since the Effective Date), or (ii) to the interior of the Building and costing more than \$1,000,000.00 (as adjusted every five (5) years after the Effective Date in accordance with the percentage change in the CPI since the Effective Date). Improvements shall not be broken into smaller segments to avoid such work exceeding such restrictions.

“**Managing Member**” has the meaning given to it in Section 7.1.1.

“**Memorandum of Sublease**” has the meaning assigned to it in Section 21.2.

“**Monetary Default**” means a failure by Sublessee to pay an installment of Rent when due.

“**New Sublease**” has the meaning given to it in Section 17.1.2.E.

“**Nonmonetary Default**” means all failures or defaults by Sublessee other than a Monetary Default, an Other Insurance Default or a Property Insurance Default.

“**OFPC**” means the State’s Office of Facility Planning and Control or any successor to it.

“**Operating Expenses**” has the meaning given to it in Section 8.6.

“**Other Insurance Default**” means a failure by Sublessee to maintain any of the insurance required in this Sublease in full force and effect other than the Property Policy.

“**Partial Taking**” has the meaning given to it in Section 15.1.

“**Party**” and “**Parties**” has the meaning given to it in the introductory paragraph.

“**Permitted Assignee**” has the meaning given to it in Section 16.2.1.

“**Permitted Delays**” means delays caused (i) by Force Majeure, (ii) by the failure of any of the Approval Bodies or the Code Review Firm to respond to a request for approval within the time prescribed in this Sublease, (iii) by the act or omission of any of CHR Parties contrary to the terms of this Sublease, (iv) by the default by Sublessee’s general contractor if Sublessee is proceeding with commercially reasonable diligence to obtain performance by that general contractor or otherwise overcome the non-performance or (v)

affirmative actions taken by any federal, state, or local governmental authority not within Sublessee's reasonable control that materially impede or prevent construction or completion as long as Sublessee is proceeding with commercially reasonable diligence to obtain relief from and otherwise overcome these governmental actions, in each instance to the extent that it materially adversely affects the ability of Sublessee to perform.

"Permitted Encumbrances" means any and all instruments and matters of record or in fact on the date hereof, including but not limited to the instruments and matters listed or described on **Exhibit C**, which is attached to and made a part of this Sublease.

"Permitted Uses" has the meaning given to it in Section 6.1.

"Person" means a natural person, a corporation, a partnership, a limited liability company, a government body (including an agency or political subdivision thereof), or any other form of legal entity.

"Personal Property" means all furniture, fixtures, equipment, signs, inventory, and other property located on the Property at any time during the Term, whether owned or leased by Sublessee, a Tenant, or any other Person, and not forming a component part of the Property.

"Predevelopment Agreement" has the meaning given to it in Recital F.

"Preliminary Plans" has the meaning given it in Section 5.1.1.

"Premises" has the meaning given to it in the Recital F(i).

"Primary Lease" has the meaning given to it in the Recital F(i).

"Prime Rate" means the prime rate or equivalent base or reference rate for corporate loans that is from time to time: (i) published in the Wall Street Journal, or (ii) if that rate is no longer so published or announced, then an equivalent rate published by an authoritative third party agreed upon by the Parties.

"Process" has the meaning given to it in Recital C.

"Prohibited Uses" means the uses listed on **Exhibit D**.

"Project" means the financing and construction of the Initial Improvements and the redevelopment of the Property into a mixed-use project.

"Property" means the Premises, the Improvements, and the Equipment, collectively.

"Property Insurance Default" means a failure by Sublessee to maintain the Property Policy in full force and effect continuously.

"Property Policy" has the meaning given to it in Section 9.1.4.

“**Proposal**” has the meaning given to it in Recital D.

“**Real Property Taxes**” has the meaning given it in Section 8.1.

“**Recitals**” has the meaning given to it in Section 1.1.

“**REFF**” has the meaning given to it in Recital A.

“**Remaining Occupant**” has the meaning given to it in Section 10.2.

“**Remedial Work**” has the meaning given to it in Section 12.2.2.

“**Rent**” means all funds payable to CHR by Sublessee including the Up-Front Payment and Annual Rent.

“**Repairs**” has the meaning given to it in Section 14.2.

“**RFP**” has the meaning given to it in Recital C.

“**Second Extension**” has the meaning given to it in Section 5.1.10.

“**Second Extension Payment**” has the meaning given to it in Section 5.1.10.

“**Second Payment Date**” has the meaning given it in Section 3.1.2.

“**Second Up-Front Payment**” has the meaning given it in Section 3.1.2.

“**Significant Occupation**” means that no less than 150,000 square feet of the Building is Substantially Completed and comprises (i) rentable areas leased to a Tenant or Tenants that are in actual possession and in active use of that leased space, or as to residential housing space is ready and available for lease, and (ii) common areas of that Substantially Completed portion of the Building (provided that only up to 25,000 square feet of common areas space may be counted towards the 150,000 requirement).

“**Specified Review Areas**” has the meaning given to it in Section 5.1.3.

“**State**” means the State of Louisiana.

“**Sublease**” has the meaning given to it in the introductory paragraph.

“**Sublessee Personal Property Taxes**” has the meaning given to it in Section 8.4.

“**Sublessee’s Insurance Policies**” has the meaning given to it in Section 9.1.

“**Sublessee Termination Period**” means the time period that commences on the day after the last day of the Approval Period and ends two months later.

“**Substantial Completion**” (and “**Substantially Completed**”) means that the Initial Improvements are sufficiently completed, substantially in accordance with the Final

Plans and Specifications as approved by the Approval Bodies to the extent required under this Sublease, and in compliance with all Applicable Laws and the provisions of this Sublease, so the Sublessee can occupy or utilize the Initial Improvements for their intended use, subject only to punch list items listed by the professional of record in the substantial completion certificate. Issuance of a temporary or permanent certificate of occupancy shall be by the appropriate Governmental Authority.

“**Taking**” has the meaning given to it in Section 15.1.

“**Tax Credit Requirements**” shall mean all requirements, imposed by an authority having jurisdiction, that are applicable to historic tax credits, specifically including without limitation, requirements for historic tax credits set forth in 26 U.S.C. §47 and La. R.S. 47:6019, any regulations thereunder as well as all other related regulatory requirements and any applicable requirements as administered by the State of Louisiana, its duly empowered departments, agencies, councils, and boards of any kind, as well as federal entities having jurisdictional authority, including without limitation the National Park Service, and the Louisiana Department of Culture, Recreation and Tourism.

“**Temporary Taking**” has the meaning given to it in Section 15.8.

“**Tenancy Agreement**” means a lease (sub-sublease) agreement between Sublessee (or a master subtenant) and a Tenant under the terms of which the Tenant is entitled to enjoy possession of a portion of the Property.

“**Tenant**” means a Tenant under a Tenancy Agreement.

“**Term**” has the meaning given it in Article 2.

“**Termination Date**” has the meaning given it in Article 2.

“**Third Extension**” has the meaning given to it in Section 5.1.10.

“**Third Extension Payment**” has the meaning given to it in Section 5.1.10.

“**Total Taking**” has the meaning given to it in Section 15.1.

“**Transaction Documents**” means all documents listed on **Exhibit E**, attached hereto and made apart hereof for all purposes.

“**Umbrella Policy**” has the meaning given to it in Section 9.1.7.

“**under common control with**” has the meaning given to it in Section 16.2.1.

“**Up-Front Payment**” has the meaning given to it in Section 3.1.2.

ARTICLE 2. TERM. This Sublease is for a term (“**Term**”) of ninety-nine (99) years commencing on the Effective Date and ending on the Expiration Date, or any earlier date on which this Sublease terminates in accordance with its terms (the “**Termination Date**”). Nothing in this

Sublease shall be deemed in any way to extend or permit the extension of the Term beyond the day immediately preceding the ninety-ninth (99th) anniversary of the Effective Date.

ARTICLE 3. RENT.

3.1. Amount. As periodic rent for the Property, Sublessee will pay CHR rent consisting of two components, an Up-Front Payment and Annual Rent. Sublessee's obligation to pay all Rent is unconditional, and Sublessee shall pay Rent without any deduction, set-off or withholding (but Sublessee will receive credit for the Deposit as provided in Section 3.1.1). Sublessee waives any rights Sublessee may have under Applicable Law to set-off any claim against the Rent or otherwise make any deduction or withholding from the Rent. Sublessee acknowledges and agrees that Sublessee bears the risk of early termination of this Sublease for any reason whatsoever. Each Rent payment once made under any Section of this Sublease is completely non-refundable and fully earned by CHR upon receipt. In no event shall any portion of Rent, including without limitation any portion of the Up-Front Payment, once paid, be refundable for any reason, including without limitation termination of this Sublease for any reason whatsoever. Sublessee acknowledges and confirms that no agreement (written or oral), promise or understanding exists to the contrary. The Up-Front Payment is also consideration for the early termination option provided to Sublessee in Section 5.1.6. The periodic rent payments consist of the following:

3.1.1. First Up-Front Payment. As the first payment of rent, Sublessee will pay CHR the amount of \$3,950,000.00 (the "**First Up-Front Payment**") on the Effective Date of this Sublease. The Deposit being held under the Predevelopment Agreement will be applied to the First Up-Front Payment.

3.1.2. Second Up-Front Payment. In addition to the First Up-Front Payment, on the date provided below, Sublessee will pay CHR \$7,900,000.00, which is the balance of the \$11,850,000.00 initial rent payment amount (this \$7,900,000.00 payment is the "**Second Up-Front Payment**") (the First Up-Front Payment and the Second Up-Front Payment are collectively the "**Up-Front Payment**"). The Second Up-Front Payment deadline is not subject to Permitted Delays and shall be due on the earlier of following dates:

- (x) On the fifth (5th) Business Day following the date on which all of the following have occurred: (a) the Final Plans and Specifications have been approved in writing by the Code Review Firm and by all Approval Bodies, and these approvals have been delivered to Sublessee, and (b) all other Construction Approvals for Second Up-Front Payment for the construction of the Initial Improvements as depicted in the Preliminary Plans and in the Final Plans and Specifications as so approved have been issued, and (c) as specified on **Exhibit G**, LSU, jointly with CHR, has delivered to Sublessee a written authorization to start construction (the date on which all of (a), (b) and (c) have occurred is the "**Second Payment Date**"), or
- (y) If the Second Payment Date does not occur during the Approval Period, and Sublessee does not timely terminate this Sublease as provided in Section 5.1.6 within the Sublessee Termination Period, then on the first Business Day after the end of the Sublessee Termination Period (even if the

Construction Approvals for Second Up-Front Payment still have not all been issued).

“Construction Approvals for Second Up-Front Payment” means only (a) the approval of the Final Plans and Specifications by the Approval Bodies, and (b) the other approvals from other State-level entities, specifically including but not limited to the Office of the State Fire Marshal, required by Applicable Law for the construction of the Initial Improvements, that are all listed on **Exhibit G**. For the avoidance of doubt, Construction Approvals for Second Up-Front Payment does not include consents, authorizations or approvals (from State-level entities or otherwise) required for Sublessee to obtain historic tax credits or other financings for the Project.

3.1.3. Annual Rent. Commencing with the second Lease Year and continuing through the term of this Sublease, Sublessee will pay CHR the annual ground rent (the **“Annual Rent”**) in the following amounts.

- (a) During the second Lease Year through the 10th Lease Year, the Annual Rent will be in the amount of \$250,000.00 per year;
- (b) During 11th Lease Year through the 20th Lease Year, the Annual Rent will be in the amount of \$275,000.00 per year;
- (c) During the 21st Lease Year through the 30th Lease Year, the Annual Rent will be in the amount of \$302,500.00 per year;
- (d) During the 31st Lease Year through the 40th Lease Year, the Annual Rent will be in the amount of \$332,750.00 per year;
- (e) During the 41st Lease Year through the 50th Lease Year, the Annual Rent will be in the amount of \$366,025.00 per year;
- (f) During the 51st Lease Year through the 60th Lease Year, the Annual Rent will be in the amount of \$402,627.50 per year;
- (g) During the 61st Lease Year through the 70th Lease Year, the Annual Rent will be in the amount of \$442,890.50 per year;
- (h) During the 71st Lease Year through the 80th Lease Year, the Annual Rent will be in the amount of \$487,179.25 per year;
- (i) During the 81st Lease Year through the 90th Lease Year, the Annual Rent will be in the amount of \$535,897.25 per year; and
- (j) During the remainder of the term, the Annual Rent will be in the amount of \$589,487.00 per year;

The first payment of Annual Rent will be due and payable, in advance, on the first anniversary of the Effective Date, and each subsequent payment will be due and payable,

in advance, on or before each subsequent anniversary of the Effective Date, continuing until the Expiration Date, and will be paid by delivering it to CHR at the place and in the manner herein provided for under Article 20 for Notices.

3.1.4. Late Payments. Each installment of rent not paid when due that continues to be unpaid for ten (10) Business Days after written notice by CHR to Sublessee that this payment is due shall be subject to a late charge equal to five (5%) percent of the rent payment past due, subject to Section 3.1.5. Furthermore, following and during the continuance of an Event of Default, all past due rent or other sums owing by Sublessee and not paid when due shall bear interest at a rate equal to the lesser of (a) four percent (4%) above the Prime Rate, or (b) the maximum rate permitted to Applicable Laws. The assessment of interest or a late charge will not create any grace period for payment not expressly stated in this Sublease or preclude CHR from exercising any of its default remedies.

3.1.5. Increased Late Payments. If (i) Sublessee is late in payment of an installment of rent and this failure continues for more than ten (10) Business Days after written notice by CHR to Sublessee that this payment is due and (ii) Sublessee was late in paying rent in the immediately preceding Lease Year and written notice of non-payment to Sublessee was given by CHR to Sublessee and the failure to pay continued for more than ten (10) Business Days after that written notice, then the late charge for this past due rent payment shall be ten (10%) percent.

3.2. Net Lease. Other than as expressly set forth in this Sublease, this is a net lease, and during the Term, all costs, expenses, liabilities, charges or other deductions whatsoever with respect to the Property and the construction, ownership, leasing, operation, maintenance, repair, rebuilding, use, occupation of, or conveyance of the Property shall be the sole responsibility of Sublessee, including, but not limited to any cost, expenses, liabilities, charges or other sums, in connection with the closing of the financing of the Improvements or otherwise incurred by CHR in connection with the Improvements. Notwithstanding anything to the contrary in the foregoing, CHR and LSU will be responsible for their own legal fees (except as provided in Section 25.12), the cost of third-party consultants (except for the Code Review Firm) retained by CHR or LSU (except to the extent otherwise expressly agreed to by Sublessee), and CHR's and LSU's respective own personnel costs.

ARTICLE 4. CONDITION OF PROPERTY; PEACEFUL POSSESSION; PRIMARY LEASE.

4.1. Condition. On the Effective Date, Sublessee accepts the Premises in AS-IS, WHERE-IS CONDITION, WITH ALL DEFECTS AND FAULTS, WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW BY CHR, REFF, LSU, OR THE STATE. Sublessee expressly agrees and acknowledges and represents and warrants to CHR that Sublessee has not entered into this Sublease based upon any representation, warranty, statement, or expression of opinion by CHR or any person or entity acting or allegedly acting for or on behalf of CHR, REFF, LSU, or the State with respect to any condition of the Premises. Sublessee acknowledges that Sublessee and its agents have had the opportunity to inspect the Premises, including undertaking

environmental studies of the Premises. CHR is not obligated to make any improvements or repairs to any portion of the Premises or to perform any remediation with respect to any portion of the Premises. Sublessee waives any claim or action against CHR, REFF, LSU and the State with respect to the condition of the Premises. Sublessee releases CHR, REFF, LSU, and the State from any liability that may arise from their actual or constructive knowledge of Sublessee's intended use of the Property, or from their actual or constructive knowledge of the condition of the Property. Sublessee hereby assumes responsibility for the condition of the Property as of the Effective Date within the meaning of La. R.S. 9:3221. Sublessee waives and renounces in particular any warranties that the Property is free from defectives or deficiencies, whether hidden or apparent, and all warranties under La. Civil Code Articles 2682(2), 2691, and 2696-2699 or any other provision of Louisiana law. Sublessee also waives any right Sublessee might have as a result of the condition of the Property (i) to the return of all or any portion of any Rent, (ii) to cancel this Sublease, or (iii) to have CHR repair or replace all or any part of the Property. CHR makes no warranty or representation, express or implied, with respect to the Premises or any part thereof, including its fitness for use, fitness or suitability for any particular use or purpose, the physical condition of the Premises, including improvements thereon or any repairs required thereto, the presence or absence of Hazardous Substances or other environmental conditions (including as to any underground or above-ground storage tanks on or about the Premises), the availability of utilities, compliance with Applicable Laws, investment potential, tax ramifications or consequences, or any other matter with respect to the condition of the Premises. Sublessee acknowledges that there have been no representations, warranties, or covenants as to the compliance of the Premises with any Applicable Laws, including those pertaining to construction, building and health codes, land use, zoning, Hazardous Substances or other environmental matters. This Section 4.1 shall survive termination of this Sublease.

4.2. Limited Warranty of Title. CHR hereby represents and warrants that on the Effective Date, it is the tenant of the Premises under the Primary Lease; the Primary Lease has a term of ninety-nine (99) years; the Primary Lease is in full force and effect, enforceable in accordance with its terms; and CHR has the full right and power to enter into this Sublease and thereby to sublease the Premises to Sublessee. CHR further warrants title to the Premises against all Persons lawfully claiming by, through, or under CHR, REFF, or LSU (but not otherwise), and Sublessee accepts the Premises subject to all Applicable Laws, Permitted Encumbrances, covenants of record, conditions that would be shown on an accurate survey of the Premises, zoning (to any extent applicable), restrictions, and servitudes, specifically including, but not limited to, its classification as property owned by LSU (as stated in Section 8.1), a public constitutional corporation of the State.

4.3. Peaceful Possession. CHR hereby warrants that Sublessee will have peaceful possession of the Premises against disturbances caused by Persons lawfully claiming by, through or under CHR, REFF, or LSU throughout the Term hereof so long as all of Sublessee's obligations hereunder are timely performed when due or cured within the notice and cure periods set out in this Sublease.

4.4. CHR Obligations with Respect to Primary Lease.

4.4.1. CHR shall perform all of its obligations under the Primary Lease when due.

4.4.2. CHR shall keep the Primary Lease in effect at all times during the Term and

shall not permit it to terminate.

4.4.3. CHR shall cause LSU not to disturb Sublessee's peaceful possession of the Premises consistent with Section 4.3.

4.5. Default Under other Transaction Documents. A failure or default by any party to any of the other Transaction Documents will be a default by CHR under this Sublease if that failure or default disturbs Sublessee's peaceful possession of the Premises.

ARTICLE 5. IMPROVEMENTS.

5.1. Initial Improvements.

5.1.1. Prior to the Effective Date, Sublessee has developed, and CHR and LSU have approved, plans and specifications prepared by John C. Williams Architects, LLC, and Berkebile Nelson Immenschuh McDowell, Inc. (the “**Initial Improvements Architect**”), dated _____, for the interior demolition, abatement, lobby and other interior historical components, and exterior improvements (including without limitation the manner of attachment of exterior panels, and treatment of all windows) that Sublessee will use to prepare for construction of the improvements for the intended use of the Building (these plans are the “**Preliminary Plans**”). The completion of use and occupancy of the Building will require approval of Final Plans and Specifications defined in 5.1.2. CHR hereby represents and warrants that the Preliminary Plans required for the start of the conversion of the Building have been approved by all Approval Bodies and the Code Review Firm, and written notice has been provided to Sublessee from CHR stating that the portion of the Project set out in the Preliminary Plans is approved and released for construction start as specified in **Exhibit G**.

5.1.2. The complete architectural and engineering drawings and specifications, including any revisions, amendments and addenda thereto, required for construction of Sublessee’s Initial Improvements (the “**Final Plans and Specifications**”), shall be prepared, reviewed, revised, and approved within one year after the Effective Date and shall be signed and sealed by the Sublessee’s Architect that is a registered professional architect licensed in the State. Sublessee shall provide a summary of any inconsistencies with or omissions from the Preliminary Plans with its initial submission of the draft Final Plans and Specifications. The authorization to proceed with the construction will be issued as provided in Section 3.1.2 and **Exhibit G**.

5.1.3. Sublessee acknowledges that the Final Plans and Specifications are subject to the review and written approvals of the Approval Bodies, which approvals as to CHR and LSU shall not be unreasonably withheld, conditioned, or delayed. Compliance by the Final Plans and Specifications and the Initial Improvements with (i) applicable building codes, including those applicable due to the specific uses of particular Tenants, and (ii) the additional areas listed on **Exhibit F** (this Exhibit is the “**Specified Areas and Process Exhibit**” and the areas specified on this Specified Areas and Process Exhibit are, collectively, the “**Specified Review Areas**”) are part of this approvals process. For the approvals of the Final Plans and Specifications and the Initial Improvements, the Code Review Firm shall be a critical component of this approvals process. Sublessee shall pay the monthly invoices from the Code Review Firm within thirty (30) days after receipt. All communications regarding LSU or OFPC approvals or approvals as noted will be coordinated by CHR with Sublessee through the Code Review Firm to streamline these communications for Sublessee, and CHR will, promptly after delivery to CHR in each instance, transmit plans and specifications to LSU and OFPC for review along with recommendation for approval from the Code Review Firm. Sublessee and CHR acknowledge that Sublessee will submit plans and drawings prepared pursuant to the

Preliminary Plans, including those draft plans selected for submission by Sublessee, and that these plans and drawings shall be promptly reviewed by CHR, LSU, and OFPC for code compliance and the Specified Review Areas throughout the process of its preparation of the Final Plans and Specifications. From time to time, Sublessee will provide the Code Review Firm with conceptual, preliminary, revised, or Final Plans and Specification for review and on each such occasion, the Code Review Firm will review and return these plans and specifications to Sublessee, in consultation with the Approval Bodies, marked "approved" or "approved as noted." In each case, each of the Approval Bodies will respond to approval requests within the time periods provided in **Exhibit F** after it receives the plans and specifications or draft plans and specifications to be approved, as will Sublessee regarding its responses to rejections. The Final Plans and Specifications may be modified to the extent required by Governmental Authorities for permits or approvals; however, the approvals of the Approval Bodies must first be obtained for modifications that materially affect any of the Specified Review Areas, which approvals will not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Sublessee acknowledges and agrees that the granting by the Approval Bodies of approval or acceptance of any of the All Plans and Specifications from time to time shall create no responsibility or liability on the part of the Code Review Firm or the Approval Bodies, and shall not be construed as a warranty to Sublessee or others as to their adequacy, completeness, or design sufficiency or compliance with Applicable Laws or as to any construction made in accordance therewith.

5.1.4. Sublessee agrees to periodically review its preliminary construction budget as the Final Plans and Specifications are developed and insure that appropriate allowances and contingencies are included for all elements of such plans in the revised construction budget, which will indicate allowances, contingencies and costs attributable to changes caused by the Code Review Firm.

5.1.5. Sublessee will apply directly for and diligently pursue such approvals as may be required by other State-level Governmental Authorities, including without limitation the Office of the State Fire Marshal and the State Department of Health and Hospitals, under Applicable Laws. In the event that unforeseen delays are caused by an order issued by a court of competent jurisdiction sought by another governmental entity (not listed on **Exhibit G**) claiming to have authority over the Premises, then any deadline or time period imposed upon the Parties by this Sublease shall be suspended without penalty or default for the duration of the delay and the Parties hereby commit and bind themselves to cooperate fully and use reasonable efforts to resolve the delay.

5.1.6. If Sublessee has submitted the Final Plans and Specifications to the Code Review Firm, the Approval Bodies and other State-level entities as provided in Section 5.1.3 and Section 5.1.5, and has diligently sought the approvals of the other State entities, the Approval Bodies and the Code Review Firm, but these Final Plans and Specifications have not been approved by the Approval Bodies by the end of the one year period after the Effective Date (this one year period is the "**Approval Period**"), then Sublessee will have the right, but not the obligation, to terminate this Sublease without penalty by providing written notice of termination to CHR before the expiration of the Sublessee Termination Period, and in the event of such timely termination, Sublessee shall have no further

obligation of any kind to CHR (except for Sublessee's obligations that expressly survive termination hereunder), Sublessee will not owe the Second Up-Front Payment, and Sublessee will not receive any refund of any amounts already paid (including without limitation the Deposit and the First Up-Front Payment). Furthermore, in the event of such termination, all alterations, modifications, improvements and other work of any nature made to or on the Property shall become the property of and be owned by CHR on the basis provided in Section 19.1. If Sublessee does not timely elect such termination, then Sublessee shall pay the Second Up-Front Payment on the first Business Day after the end of the Sublessee Termination Period.

5.1.7. On the Effective Date, Sublessee will commence the interior demolition and abatement work approved as part of the Preliminary Plans. Upon the approval of the Final Plans and Specifications by the Approval Bodies and the issuance of all other Construction Approvals for Second Up-Front Payment and other Governmental Approvals needed for the construction of the remainder of the Initial Improvements as depicted in the Final Plans and Specifications as so approved, Sublessee will commence and perform the construction of the remainder of the Initial Improvements in accordance with the Final Plans and Specifications. Once the commencement of construction of the remainder of the Initial Improvements has begun, Sublessee shall prosecute their completion with commercially reasonable diligence and in good faith, subject to Permitted Delays. After such commencement and until Substantial Completion of the Initial Improvements, Sublessee shall not abandon (or permit to be abandoned) such work for any sixty (60) consecutive days except (i) to the extent of Permitted Delays, and (ii) work stoppage of up to six (6) months when necessary for refinancing, new construction financing, no work affidavits and clean lien and privilege certificates, and financial closing title and other requirements. Sublessee shall give CHR written notice of each work stoppage that exceeds one month with an estimate of its anticipated duration, and shall further give prompt written notice of material changes in that duration and of the resumption of work.

5.1.8. The interior demolition and abatement work approved as part of the Preliminary Plans and the construction of the remainder of the Initial Improvements in accordance with Section 5.1.7 will be performed substantially in accordance with the development milestones and target dates that are set out on **Exhibit H**, which is attached to and made a part of this Sublease (the "**Development Milestones**"). To the extent that achieving any of the Development Milestones is delayed by a Permitted Delay, those Development Milestones and all subsequent Development Milestones will be extended for the period of that Permitted Delay.

5.1.9. When seeking the benefit of any extension under this Sublease for a Permitted Delay, Sublessee shall, within thirty (30) days after the commencement of any such delay, have first notified CHR in writing of the cause(s) thereof and an estimate of the anticipated delay, and Sublessee must diligently seek removal or avoidance of the hindrance. If Sublessee asserts the continuation of a Permitted Delay for a period longer than thirty (30) days, Sublessee shall give CHR written notice each month during such continuation which includes an updated estimate of the anticipated continued delay. Within ten (10) Business Days of acquiring knowledge of cessation of such Permitted Delay, Sublessee shall give CHR written notice of the date of such cessation.

5.1.10. Sublessee shall achieve both Substantial Completion of the Initial Improvements and Significant Occupation on or before the date that is thirty (30) months after the Construction Approvals for the Second Up-Front Payment have occurred (subject to extension of such date for a period equal to delay resulting from Force Majeure) (the “**Completion Deadline**”). If Sublessee fails to achieve Substantial Completion and Significant Occupation by the Completion Deadline, then CHR will have the right, at its option, to give written notice to Sublessee that the Completion Deadline has not been met and that CHR considers this failure a failure to perform under Section 18.1.5 (a “**Deadline Default Notice**”), and Sublessee will have the right at its option to cure this failure and to extend the Completion Deadline for six (6) months (the “**First Extension**”) by delivery to CHR within thirty (30) days after the Deadline Default Notice of (i) written notice of such election and (ii) payment of the sum of \$250,000.00 (the “**First Extension Payment**”). If Sublessee (i) does not deliver the extension notice and the First Extension Payment to CHR within such thirty (30) day period or (ii) does deliver such extension notice and First Extension Payment to CHR within this thirty (30)-day period but does not achieve Substantial Completion and Significant Occupation by the Completion Deadline, as extended for these six (6) months by the First Extension, then CHR may, at its option, treat Sublessee’s failure to have achieved Substantial Completion and Significant Occupation to be a failure by Sublessee to observe and perform a provision of this Sublease under Section 18.1.5 of this Sublease and upon giving Sublessee the notice and opportunity to cure required under Section 18.1.5 and giving to all Leasehold Mortgagees (subject to Section 17.1.2(A) below) all required notices and opportunities to cure, CHR shall have the right, at its option, to exercise its default rights and remedies under Section 18.2. If the First Extension is properly exercised but Sublessee fails to achieve Substantial Completion and Significant Occupation by the Completion Deadline plus six (6) months, then CHR will have the right, at its option, to give a Deadline Default Notice to Sublessee, and Sublessee will have the right at its option to cure this failure and to extend the Completion Deadline for another six (6) months (the “**Second Extension**”) by delivery to CHR within thirty (30) days after the Deadline Default Notice of (i) written notice of such election and (ii) payment of the sum of \$200,000.00 (the “**Second Extension Payment**”). If Sublessee (i) does not deliver the extension notice and the Second Extension Payment to CHR within such thirty (30) day period or (ii) does deliver such extension notice and Second Extension Payment to CHR within this thirty (30)-day period but does not achieve Substantial Completion and Significant Occupation by the Completion Deadline, as extended for these twelve (12) months by the First Extension and this Second Extension, then CHR may, at its option, treat Sublessee’s failure to have achieved Substantial Completion and Significant Occupation to be a failure by Sublessee to observe and perform a provision of this Sublease under Section 18.1.5 of this Sublease and upon giving Sublessee the notice and opportunity to cure required under Section 18.1.5 and giving to all Leasehold Mortgagees (subject to Section 17.1.2(A) below) all required notices and opportunities to cure, CHR shall have the right, at its option, to exercise its default rights and remedies under Section 18.2. If the First Extension and the Second Extension are properly exercised but Sublessee fails to achieve Substantial Completion and Significant Occupation by the Completion Deadline plus twelve (12) months, then CHR will have the right, at its option, to give a Deadline Default Notice to Sublessee and Sublessee will have the right at its option to cure this failure and to extend the Completion Deadline for another six (6) months

(the “**Third Extension**”) by delivery to CHR within thirty (30) days after the Deadline Default Notice of (i) written notice of such election and (ii) payment of the sum of \$200,000.00 (the “**Third Extension Payment**”). If Sublessee (i) does not deliver the extension notice and the Third Extension Payment to CHR within such thirty (30) day period or (ii) does deliver such extension notice and Third Extension Payment to CHR within this thirty (30)-day period but does not achieve Substantial Completion and Significant Occupation by the Completion Deadline, as extended for these eighteen (18) months by the First Extension, the Second Extension and this Third Extension, then CHR may, at its option, treat Sublessee’s failure to have achieved Substantial Completion and Significant Occupation to be a failure by Sublessee to observe and perform a provision of this Sublease under Section 18.1.5 of this Sublease and upon giving Sublessee the notice and opportunity to cure required under Section 18.1.5 and giving to all Leasehold Mortgagees (subject to Section 17.1.2(A) below) all required notices and opportunities to cure, CHR shall have the right, at its option, to exercise its default rights and remedies under Section 18.2. If Sublessee extends the Completion Deadline (one, two or three times) but fails to Substantially Complete the Initial Improvements by the Completion Deadline as so extended, and if CHR wishes to treat this failure as a failure to perform under Section 18.1.5 of this Sublease as provided above, then it must give written notice of this default in accordance with Section 18.1.5 of this Sublease to Sublessee and to all Leasehold Mortgagees (subject to Section 17.1.2(A) below) within two (2) months after the Completion Deadline as so extended. Each Extension Payment made to CHR shall be non-refundable and fully earned by CHR upon CHR’s receipt thereof and shall not be applied against any other payment required under this Sublease, including any other Rent.

5.1.11. In the event of termination of this Sublease (i) under Section 5.1.6 or (ii) under Section 18.2 by reason of Sublessee’s failure to have Substantially Completed the Initial Improvements by the Completion Deadline, as it may have been extended, and the failure of Sublessee and Leasehold Mortgagees to cure this default within the cure periods set out in this Sublease, CHR shall retain in full all Rent which has been paid to CHR, and Sublessee shall surrender the Property to CHR as required pursuant to Section 19.1. Thereafter the Parties shall be released from all obligations set forth in this Sublease except any such obligations that survive termination as provided for herein. In the event of any such termination, Sublessee shall have no claim for payment of any costs or expenses incurred by it in connection with this Sublease.

5.1.12. Within three (3) months after Substantial Completion of the Initial Improvements, Sublessee shall deliver to each of CHR and LSU (i) a certificate from the Initial Improvements Architect certifying that the Initial Improvements have been substantially completed in accordance with the Final Plans and Specifications, (ii) two complete sets of final as built plans and specifications of the completed Initial Improvements, and (iii) one complete set of operations and maintenance manuals for all systems, equipment and fixtures forming a part of the Initial Improvements. Furthermore, if obtained by Sublessee, CHR and LSU each will be provided with a copy of any as-built survey of the Initial Improvements as completed.

5.1.13. Construction Bonds. Any performance bond, payment bond, or completion bond provided by a contractor for the Initial Improvements shall contain a dual obligee

rider in favor of CHR, REFF, and LSU; however, Sublessee is not required to have a bonded contract.

5.2. Additional Improvements by Sublessee. In addition to the Initial Improvements to be constructed in accordance with Section 5.1, simultaneously with its construction of the Initial Improvements and thereafter throughout the Term, Sublessee will have the right to construct such additional Improvements, to install such Equipment, and to alter, modify, remove, and replace the Improvements and Equipment it has previously constructed and installed as it may reasonably consider necessary or desirable for its Permitted Uses of the Property, without the approvals of the Approval Bodies; provided, however, the approvals of the Approval Bodies will be required for:

5.2.1. The Initial Improvements, to the extent required in Section 5.1 above; and

5.2.2. Improvements other than the Initial Improvements that are Major Subsequent Improvements, to extent required on the Specified Areas and Process **Exhibit F**.

To the extent that the approval of the Approval Bodies is required for Major Subsequent Improvements, then to obtain this approval, Sublessee shall submit to CHR a written request pertaining thereto, along with reasonably detailed plans and specifications showing generally the Major Subsequent Improvements proposed to be made by Sublessee and showing in reasonable detail the aspects and areas of such Major Subsequent Improvements that require the Approval Bodies' approval, and such other information with respect to code compliance and the Specified Review Areas as the Approval Bodies may reasonably request. Following Substantial Completion of the Initial Improvements, Sublessee shall provide the documents required in Section 5.1.12 of this Sublease, and upon substantial completion of other Major Subsequent Improvements, Sublessee shall provide to CHR (i) a certificate from a licensed professional engineer or architect certifying that such Improvements have been substantially completed in accordance with the final plans therefor (subject to minor immaterial deviations) and (ii) final as built plans and specifications for such Major Subsequent Improvements.

5.3. Sublessee Obligations with respect to all Improvements. The Initial Improvements and all other Improvements shall be constructed in a good and workmanlike manner, pursued diligently to completion (subject to (i) Permitted Delays and (ii) with respect to the Initial Improvements, the provisions of Sections 5.1.7 and 5.1.10), using new materials or those substantially the same quality as the Initial Improvements approved by the Approval Bodies, except that historically correct materials may be used when required by a Governmental Authority having jurisdiction, and at Sublessee's cost and expense or the cost and expense of its Tenants if they are responsible for their own improvements, but in any event, at no cost or expense to the State, LSU, REFF, or CHR. All Improvements shall be made in accordance with all applicable building codes and the other Applicable Laws. At all times during performance of such work, Sublessee shall maintain or cause to be maintained the Property in a clean and orderly manner, and remove all trash and other debris from the Property. Sublessee shall take commercially reasonable measures and precautions to minimize the risk of damage, disruption or inconvenience caused by such work on properties in the immediate vicinity of the Property and shall make adequate provisions for the safety of all Persons affected thereby in connection with any work. Dust, noise

and other effects of such work shall be controlled using commercially accepted methods and shall comply with all Applicable Laws.

5.4. Ownership of Improvements. At all times during the Term of this Sublease, (i) the Improvements and all Equipment shall be owned by Sublessee, and (ii) Sublessee shall have the right to amortize capital costs and to claim all other federal or state tax benefits attributable to the Property, the Improvements, and the Equipment. However, CHR shall not be considered to have made any representation, warranty or guaranty to Sublessee as to the matters stated in the preceding sentence, which merely establish CHR's acquiescence thereto if achievable under Applicable Laws. CHR and Sublessee each agree that Sublessee shall have control and dominion over the Property, Improvements and Equipment at all times during the Term of this Sublease for all federal and state income tax purposes. Although ownership of the Building is not being transferred to the Sublessee, CHR and Sublessee acknowledge that Sublessee must treat this Sublease as capital lease evidencing a conveyance of the Building for federal income tax purposes. Without limiting the generality of these provisions, at all times during the Term of this Sublease, Sublessee alone shall be entitled to all of the income tax attributes and obligations of ownership of the Property, Improvements and Equipment, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim the federal historic tax credit described in all applicable requirements specifically including without limitation those provided to taxpayers by Section 47 of the Internal Revenue Code of 1986, as amended, and the state historic tax credit described in La. R.S. 47:6019 as amended, restated, or replaced. At the expiration or earlier termination of the Term, Sublessee shall peaceably leave, quit and surrender the Premises and the Improvements and Equipment in the manner required under Section 19.1 of this Sublease. Upon such expiration or termination, the Improvements and all Equipment then located on the Premises shall become the sole property of CHR on the basis provided in Section 19.1.

5.5. Mechanics', Materialmen's, and Laborer's Liens.

5.5.1. If any mechanics', materialmen's, or laborer's lien is filed or claimed against CHR's or LSU's interest in the Property, or Sublessee's interest in the Property, by reason of work or materials provided in connection with any Improvements or other work performed by Sublessee on the Property, Sublessee shall cause that lien to be cancelled of record by bond or otherwise within ninety (90) days after written demand by CHR or LSU, and Sublessee shall defend, indemnify and hold harmless CHR and LSU against and from each and every liability, claim of liability or expense (including but not limited to reasonable attorneys' fees, costs, and expenses) incurred by CHR on account of any such lien.

5.5.2. Nothing in this Sublease shall be deemed in any way (a) to constitute CHR's or LSU's consent or request, express or implied, to any labor or materials provided by any contractor, subcontractor, laborer, or materialman for any alteration, addition, improvement or repair to any or all of the Property, or (b) to give Sublessee any right or power to contract for or on behalf of CHR for the furnishing of any service or materials, or (c) to evidence CHR's or LSU's consent that the Property will or may be subjected to any such lien.

5.5.3. Notwithstanding the foregoing, Sublessee may, at its sole cost and expense, contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any mechanics', materialmen's, or laborer's liens, provided that: (i) no Event of Default has occurred and is continuing; (ii) the proceeding will suspend the enforcement or collection of the lien; (iii) no part of the Property will be in danger of being sold or forfeited; and (iv) Sublessee gives prompt written notice to CHR and defends itself, CHR, REFF, and LSU against the lien.

5.6. CHR's and LSU's Joinder for Applications. During the Term, promptly upon Sublessee's request and if required under Applicable Laws, at Sublessee's sole expense, CHR will join in and shall cause LSU to join (to the extent consistent with Section 5.8) in (a) Sublessee's applications to any authority having jurisdiction over the Property for the building permits, approvals, and other permits needed for the construction of Improvements or for sewer, water or other utility services, or other permits or approvals necessary to permit the development, improvement, use, and occupancy of the Property for the purposes permitted under and contemplated by this Sublease, and (b) the grant of a servitude, right of use, right of way, or right of access to a utility or other service provider as required for utilities or services that are, in Sublessee's reasonable opinion, necessary or desirable for the development or use of the Property. Without limiting the generality of the foregoing, CHR shall reasonably cooperate with the Sublessee, at no out of pocket expense to CHR, in connection with the process of obtaining the approvals of the Approval Bodies and all other Governmental Authorities and shall provide assistance as reasonably requested by the Sublessee in connection with obtaining the necessary permits and approvals for the Initial Improvements and subsequent Improvements, including assisting in the execution by LSU of such forms and applications as may be necessary by the owner of the Property. Sublessee will reimburse CHR, REFF and LSU for the out-of-pocket costs reasonably incurred by CHR, REFF or LSU in joining in these applications and these grants.

5.7. Utilities. Sublessee shall (i) contract in its own name or cause its Tenants or contractors to contract in their names, and (ii) fully and promptly pay or cause its Tenants or contractors to pay for all water, gas, heat, light, power, telephone service and other public utilities of every kind furnished to the Property throughout the Term. Sublessee shall be solely responsible for the cost and expense of any upgrade, modification or other utility installation that is required as a result of Sublessee's use of the Property. Sublessee shall assume all risks, costs and other obligations imposed by the utility companies as a condition of such installations made at Sublessee's request. All utility services shall be metered and installed in the name of Sublessee or its Tenants or contractors, and Sublessee shall pay or cause its Tenants or contractors to pay all deposits for and costs of said utilities. No interruption or malfunction of any utility service shall constitute an eviction or disturbance of Sublessee's possession of the Property or breach of the covenant of peaceful possession, no such interruption or malfunction shall result in any abatement or reduction in the Rent due under this Sublease, and CHR shall have no liability or responsibility therefor.

5.8. CHR Assistance and Cooperation.

5.8.1 Should any local governmental entity or other governmental entity that is not one of the Approval Bodies assert that local governmental permits or approvals are

required for the construction the Initial Improvements or any subsequent Improvements or the occupancy of the Property in a manner that would thwart the intent of this Sublease, then CHR will reasonably assist in opposing this attempt to require permits or approvals by the local governmental entity.

5.8.2 In all instances where CHR agrees under this Sublease to cooperate, assist or join with Sublessee or where consent or agreement of CHR is requested, CHR shall not be required to do any act or join any document that in CHR's reasonable opinion conflicts with the CHR Parties' authority and rights under this Sublease or is otherwise inconsistent with Applicable Laws.

ARTICLE 6. USE OF PROPERTY.

6.1. Nature of Use. During the Term, Sublessee will have overall responsibility for the development and the leasing, occupancy and use of the Property. As a primary cause and consideration for the granting of this Sublease, Sublessee will redevelop the Property, at Sublessee's sole cost, risk and expense, and sublease and use it for the construction of the Initial Improvements and other Improvements and upon completion of this construction to a sufficient degree to permit commercial use, as a mixed-use facility including one or more office, residential, commercial, innovation, educational, community, retail, and parking uses, together with such other uses as are reasonably and customarily attendant to these uses, but excluding any uses that are within any of the Prohibited Uses (collectively, the "**Permitted Uses**"). The Permitted Uses will include only uses that are permitted by Applicable Laws and in no event will Sublessee use or permit the Property to be used for uses that are prohibited by Applicable Laws. Sublessee shall take the commercially reasonable steps immediately upon the discovery of any Prohibited Use on the Property to compel the discontinuance of such Prohibited Use.

6.2. Compliance with Law and Covenants.

6.2.1. At Sublessee's sole expense, throughout the Term, in its construction, possession and use of the Property, Sublessee shall comply with (a) all Applicable Laws; (b) all requirements (i) of the National Board of Fire Underwriters (or any other body now or hereafter constituted exercising similar functions) which are applicable to any or all of the Property, or (ii) imposed by any policy of insurance covering any or all of the Property and required by this Sublease to be maintained by Sublessee (all of which are hereinafter referred to collectively as "**Insurance Requirements**"); and (c) the provisions of the Permitted Encumbrances, to the extent that these Applicable Laws, Insurance Requirements, and Permitted Encumbrances relate to any or all of the Property, construction on the Property, or the use or manner of use of the Property. Sublessee shall keep in force throughout the Term all licenses, consents and permits required from time to time by Applicable Laws to permit the Property to be used as it is then being used in accordance with this Sublease (subject to the provisions of Section 5.8.1).

6.2.2. Nothing in Section 6.2.1 above will prohibit Sublessee from contesting in good faith the validity, enforceability, or applicability of any Applicable Laws by appropriate administrative, judicial or other means as long as (i) the Governmental Authority seeking to enforce or apply such Applicable Laws is stayed from doing so during the pendency of

Sublessee's good faith contest of the validity, enforceability or applicability of such Applicable Laws, (ii) Sublessee diligently proceeds in compliance with all procedures required by applicable Governmental Authorities in connection with such contest, (iii) the delay in compliance is not likely to affect the structural integrity or safety of the Property or otherwise cause harm to Persons or property, (iv) no part of the Property is in danger of being sold or forfeited, and (v) CHR is not subject to any liability, civil or criminal, for failure to comply during such contest.

ARTICLE 7. REPRESENTATIONS AND WARRANTIES.

7.1. Representations and Warranties of Sublessee. Sublessee represents and warrants to CHR on and as of the Effective Date:

7.1.1. Sublessee is a limited liability company duly organized and in good standing under the laws of the State. [_____], an entity wholly owned and controlled by Joseph Stebbins, II, and Yoel Shargian, is the managing member of Sublessee (the “**Managing Member**”).

7.1.2. Sublessee has the right, power and authority to enter into this Sublease and to consummate the transactions contemplated herein in accordance with the terms and conditions hereof. None of Sublessee, Developer or their respective members are barred from contracting with the State.

7.1.3. The individuals executing this Sublease on behalf of Sublessee have all requisite authority to execute this Sublease, and this Sublease, as executed, is a valid, legal and binding obligation of Sublessee.

7.1.4. None of the execution and delivery of this Sublease, compliance with the terms and conditions of this Sublease by Sublessee, or the consummation of the transactions contemplated herein, constitutes a violation or breach of any agreement or other instrument to which Sublessee is a party, to which Sublessee is subject, or by which it is bound.

7.1.5. The execution and delivery of this Sublease by Sublessee has been duly authorized by all necessary corporate action on the part of Sublessee, and except for the consents expressly contemplated in this Sublease, no consent is necessary in connection therewith from any Governmental Authority having jurisdiction over Sublessee or the Property.

7.1.6. There is no administrative agency action, litigation, or other governmental proceeding of any kind pending or to the knowledge of Sublessee, threatened against Sublessee which would prohibit or materially affect the ability of Sublessee to comply with the terms and conditions of this Sublease or to consummate the transactions contemplated herein.

7.1.7. Sublessee is not, and is not acting, directly or indirectly, for or on behalf of, and no officer or director of Sublessee is, a person or entity with whom U.S. Persons are restricted from doing business under regulations of the Office of Foreign Assets Control of the Department of the Treasury (including those named on the most current list of specially

designated nationals and blocked persons). Sublessee and its activities are not in violation of any laws relating to terrorism or money laundering.

7.2. Representations and Warranties of Developer. Developer appears in the Sublease for the purpose of representing and warranting to CHR on and as of the Effective Date:

7.2.1. Developer is a corporation duly organized and in good standing under the laws of the State. Developer is wholly owned and controlled by Yoel Shargian, its President, and Joseph A. Stebbins, II its Executive Vice President and Secretary/Treasurer, who together own all of the legal and beneficial interests in 100% of the shares of Developer.

7.2.2. Developer has the right, power and authority to appear in this Sublease for the purpose of making the representations and warranties set out in this Section 7.2.

7.2.3. The individuals executing this Sublease on behalf of Developer have all requisite authority to execute this Sublease, and the representations and warranties made in this Section 7.2 are the valid, legal and binding obligations of Developer.

7.2.4. Neither the execution and delivery of this Sublease by the Developer for purpose of making the representations and warranties set out in this Section 7.2, nor the making of those representations and warranties constitutes a violation or breach of any agreement or other instrument to which Developer is a party, to which Developer is subject, or by which it is bound.

7.2.5. The execution and delivery of this Sublease by Developer for the purpose of making the representations and warranties set out in this Section 7.2 has been duly authorized by all necessary corporate action on the part of Developer, and except for the consents expressly contemplated in this Sublease, no consent is necessary in connection therewith from any Governmental Authority having jurisdiction over Developer or the Property.

7.2.6. There is no administrative agency action, litigation, or other governmental proceeding of any kind pending or to the knowledge of Developer, threatened against Developer which would prohibit or materially affect the ability of Developer to comply with the terms and conditions of this Sublease or to consummate the transactions contemplated herein.

7.2.7. Developer is not, and is not acting, directly or indirectly, for or on behalf of, and no officer or director of Developer is, a person or entity with whom U.S. Persons are restricted from doing business under regulations of the Office of Foreign Assets Control of the Department of the Treasury (including those named on the most current list of specially designated nationals and blocked persons). Developer and its activities are not in violation of any laws relating to terrorism or money laundering.

7.2.8. Developer has assigned to Sublessee its right to sublease the Premises from CHR.

7.3. Representations and Warranties of CHR. CHR represents and warrants to Sublessee

and Developer on and as of the Effective Date:

7.3.1. CHR is a Louisiana limited liability company duly formed and in good standing under the laws of the State, the sole member of which is REFF, a nonprofit corporation duly formed and in good standing under the laws of the State.

7.3.2. CHR has obtained all necessary approvals of REFF, LSU, the State, and other Governmental Authorities, if any, to its execution, delivery, and performance of obligations under this Sublease, and CHR has the right, power and authority to enter into this Sublease, to grant the rights granted to Sublessee in this Sublease, and to perform all of its obligations under this Sublease in accordance with the terms and conditions hereof.

7.3.3. The individual executing this Sublease on behalf of CHR has all requisite authority to execute this Sublease, and this Sublease, as executed, is a valid, legal and binding obligation of CHR.

7.3.4. None of the execution and delivery of this Sublease, compliance with the terms and conditions of this Sublease by CHR, or the consummation of the transactions contemplated herein, constitutes a violation or breach of any other agreement or other instrument to which CHR is a party or by which it is bound.

7.3.5. The execution and delivery of this Sublease by CHR has been duly authorized by all necessary limited liability company action on the part of CHR, and, except for consent by LSU and the State, which consent has been obtained, no consent is necessary for CHR's execution and delivery hereof from any Governmental Authority having jurisdiction over CHR or the subject matter of this Sublease.

7.3.6. There is no litigation, to the knowledge of CHR, pending or threatened against CHR, REFF, LSU, or the State with respect to the Premises or that would prohibit or materially affect CHR's ability to perform its obligations under this Sublease or any of the other Transaction Documents, or otherwise affect the ability of LSU or the State to perform its respective obligations as contemplated by this Sublease and the other Transaction Documents.

ARTICLE 8. TAXES AND OPERATIONS.

8.1. Real Property Taxes. Without modifying or expanding Section 4.2, on the Effective Date, the Premises are owned by LSU and leased to CHR, and Sublessee contemplates that the Premises are and will remain exempt from ad valorem taxes and all other real estate taxes and assessments (collectively, "**Real Property Taxes**"). CHR will reasonably cooperate, and will cause LSU to reasonably cooperate, with Sublessee in maintaining the Premises' exemption from Real Property Taxes, including as provided in Section 8.5. If either Party receives a bill for or notice with respect to any Real Property Taxes with respect to the Premises, it will deliver the original of such bill or notice to the other Party promptly upon receipt. Nonetheless, if Real Property Taxes are validly assessed against the Property, including without limitation by reason of this Sublease or of the use of the Property by Sublessee or change in Applicable Law or otherwise, Sublessee shall bear the full expense of any Real Property Taxes levied against the Property and

payable with respect to any calendar or tax year or other period falling wholly or partly within the Term, and shall pay the same when due and payable.

8.2. Maintenance. At all times during the Term, Sublessee shall operate and maintain or shall cause its Tenants to operate and maintain the Property in a clean, safe, and orderly manner, including periodic cleaning, repairs and maintenance. Sublessee agrees to and shall be responsible to and shall at its own cost, risk and expense (Sublessee may cause its Tenants to perform these obligations) perform and pay for all costs of maintenance, repairs, restorations, renewals, replacements, alterations, additions and modifications of any kind to the Property, whether the necessity for such is attributable to Sublessee's or Tenants' use and operations or to deterioration of materials, and regardless of whether they are structural or non-structural, ordinary or extraordinary, foreseen or unforeseen, so at the termination of this Sublease and at all times during this Sublease, the same will be in as good condition as at the completion of the Initial Improvements, normal wear and tear excepted, except for damage caused by any of CHR Parties, and except as provided in Articles 14 and 15. Throughout the Term, Sublessee shall keep and maintain the Improvements (including without limitation the foundation, roof, exterior walls, windows and panels, aesthetic exterior appearance, load bearing columns, load bearing or shear interior walls, stairwells, and life safety systems) in good condition, order, and repair, except for normal wear and tear, except for damage caused by any of CHR Parties, and except as provided in Articles 14 and 15, but in all events in conformity with all Applicable Laws, and all Insurance Requirements. All such work shall be done in compliance with Section 5.2 (if applicable) and Section 5.3. CHR shall have no obligation whatsoever to perform any maintenance or repair work on the Property. In all events Sublessee shall keep and maintain the entire Property in a clean, sanitary, and orderly condition, free from trash and debris, and shall remove promptly any rubbish or waste material of any character whatsoever that may accumulate thereon.

8.3. Tax Credits and Incentives. CHR acknowledges that Sublessee contemplates the availability of various federal, state, and local incentives, including historic tax credits, qualified opportunity zone tax incentives, and incentives pertaining to ad valorem taxes (if any), and CHR shall, and shall cause LSU to, reasonably cooperate with Sublessee to enter into such documents in the future that allow a structure to achieve the contemplated incentives (including without limitation, nondisturbance agreements, consents to master lease agreements and consents to admission of investors); provided, however, that CHR and LSU shall not be required to enter into any such documents that in any way would extend the Term, decrease the Rent, or otherwise in any material respect adversely affect any rights of CHR, REFF, or LSU. Without limiting the foregoing, upon the request of Sublessee, CHR shall sign a Non-Disturbance Agreement substantially in the form attached as Exhibit L with Sublessee, Affiliates of Sublessee, and potential investors in Sublessee and/or Affiliates of Sublessee. Notwithstanding the foregoing, Sublessee acknowledges and agrees that receipt of historic tax credits and other government incentives shall not be conditions to Sublessee's obligations under this Sublease, including without limitation performance of the Initial Improvements, and Sublessee shall have no right to terminate this Sublease or modify its obligations hereunder in the event historic tax credits or other government incentives are not obtained. CHR and LSU are unable to establish their respective adjusted tax basis in the Building (to the extent they have any such tax basis in the Building).

8.4. Personal Property Taxes. Sublessee shall bear the full expense of any taxes levied against the Personal Property (collectively, the "**Sublessee Personal Property Taxes**") and

payable with respect to any calendar or tax year or other period falling wholly or partly within the Term, and shall pay the same when due and payable.

8.5. Proceedings to Contest.

8.5.1. Sublessee may, at its option, and at its expense, bring proceedings to contest the assessment of any taxes against the Premises or Improvements, provided that prior thereto Sublessee notifies CHR in writing that Sublessee intends to take such action. Upon written request by Sublessee, CHR shall reasonably assist Sublessee therewith, subject to Section 5.8.2.

8.5.2. Sublessee, at its option, and at its expense, may also bring proceedings to contest the validity or the amount of any Sublessee Personal Property Taxes, or to recover any amount thereof paid by Sublessee.

8.6. Operating Expenses. Sublessee shall pay all costs and assume all risks in doing work, or carrying on operations, now or hereinafter permitted or required under the terms and conditions of this Sublease. During the Term, Sublessee will pay (or cause to be paid) directly to the providers of such services all costs and expenses attributable to or incurred in connection with the development, design, construction, completion, financing, operation, marketing, leasing, maintenance, management and occupancy of the Property (collectively, "**Operating Expenses**") including without limitation (a) all electricity, gas, water, sewerage services, and other utility services as well as trash disposal, and other services for the Property in accordance with Section 5.7; (b) all maintenance, repair, replacement and rebuilding of the Property and all Equipment serving the Property in accordance with Section 8.2; (c) all landscaping, maintenance, and repairs and/or striping of all parking and other outside areas within the Property; (d) all control of rodents, termites and other pests in or under the Property; (e) all insurance premiums relating to the Premises and the Improvements, including liability coverage, property coverage, flood insurance, loss of business and rental insurance, and other insurance that Sublessee is obligated to maintain in this Sublease; and (f) the cost and expense of all capital improvements or repairs (whether structural or non-structural) required to maintain the Property in good order and repair (except for normal wear and tear, except for damage caused by any of CHR Parties, and except as provided in Articles 14 and 15), including but not limited to any required by a Governmental Authority having jurisdiction over the Property for compliance with Applicable Laws.

8.7. Permits and Licenses. Sublessee shall procure, or cause to be procured, where applicable in a manner similar to the procedures of LSU and its affiliates for similar authorizations, at Sublessee's sole cost and expense, any and all necessary permits, licenses, or other authorizations required for (a) the lawful and proper construction of the Improvements and installation of the Equipment, (b) the lawful and proper installation and maintenance upon the Property of wires, cables, pipes, conduits, tubes, fiber optics and other equipment and appliances for use in supplying any necessary or convenient service to the Property, and (c) all other work that Sublessee performs from time to time on the Property. Upon request of Sublessee and at Sublessee's sole expense, CHR will join and will cause LSU to join with Sublessee in accordance with Section 5.8 in any application required for any such construction, installation, or maintenance, or required for obtaining or continuing any such services, including assisting in the execution by LSU of such forms and applications as may be necessary by the owner of the Property.

ARTICLE 9. INSURANCE AND INDEMNIFICATION.

9.1. Insurance to be Maintained by Sublessee. During the Term, Sublessee shall obtain and maintain, and shall deliver to CHR reasonable evidence of, the following insurance (collectively, “**Sublessee’s Insurance Policies**”):

9.1.1. A policy of commercial general liability insurance (which shall include contractual liability coverage for otherwise-insured bodily injury and property damage for which Sublessee has agreed to indemnify CHR in this Sublease) covering all acts of Sublessee and its agents and employees, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$5,000,000.00 per occurrence and in the aggregate prior to the opening of a part of the Project for business to the general public, and commencing with the opening of any part of the Project for business to the general public, \$10,000,000.00 per occurrence and in the aggregate, for bodily injury, personal injury, and property damage (this coverage may be provided by a combination of primary and umbrella or excess policies, but there shall be no gaps in coverage) (the “**Liability Policy**”).

9.1.2. Business Automobile Liability Insurance, including coverage for all owned and non-owned vehicles, including rented or leased vehicles, with a combined single limit of \$1,000,000.00 per occurrence (the “**Automobile Policy**”).

9.1.3. Workers’ compensation and employers’ liability insurance in the amount required by Applicable Laws covering each employee of Sublessee, issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such worker’s compensation insurance policies to cover all persons employed by Sublessee in connection with the Property and to cover full liability for compensation under any such statute, and employers’ liability insurance with limits of liability of at least \$1,000,000.00. Sublessee shall include in the contract of each of its contractors a requirement that it is to maintain workers’ compensation and employers’ liability insurance that satisfies these workers’ compensation insurance requirements with respect to each such contractor’s employees and shall provide Sublessee and CHR with a certificate of insurance with respect to each contractor’s coverage before any such contractor enters the Property.

9.1.4. Property insurance and loss of rental value insurance, on a “Special Causes of Loss” form or its equivalent (or such other form as is required by a Leasehold Mortgage), covering the full replacement cost of the Property, without deduction for depreciation, together with National Flood Insurance Program flood insurance coverage for improvements at or below the base flood elevation at the available National Flood Insurance Program limits (collectively, the “**Property Policy**”).

9.1.5. During the construction of the Initial Improvements, and subsequently during the construction of any Major Subsequent Improvements, builder’s risk insurance, insuring the Property during such construction to the extent that the Property Policy will not cover loss or damage by reason of this construction, and all materials delivered to the Premises

and equipment related thereto for their full replacement costs (each a “**Builder’s Risk Policy**”).

9.1.6. Sublessee shall include in its contract with the party performing engineering, architectural, or design services for the Initial Improvements or any Major Subsequent Improvements a requirement that it secure and maintain a professional liability policy with limits no less than \$4,000,000.00. “Claims made” coverages are permitted, provided that the policy retroactive date must be shown and must be before the commencement of the professional services until one year after the completion of such services.

9.1.7. Either (i) all insurance required by the Leasehold Mortgagees under Leasehold Mortgages then in effect, or (ii) if there are then no Leasehold Mortgages on the Property, such other insurance on the Property in such amounts as are reasonably required by CHR at that time, provided that these additional required policies are policies then customarily obtained in the New Orleans area for premises similarly situated in the New Orleans metropolitan area, due regard given to the height and type of the premises, and their construction, location, use and occupancy.

9.2. Requirements for Sublessee’s Insurance.

9.2.1. All of Sublessee’s Insurance Policies and all renewals of such insurance shall be issued by companies authorized to transact business in the State, and rated at least A-Class VII by AM Best Company (or its successor) or in the two highest rating categories of S&P and Moody’s (or if they no longer exist, their equivalents). To the extent such endorsements are commercially obtainable, all insurance policies provided by or on behalf of Sublessee shall expressly provide that the policies shall not be canceled or materially modified without thirty (30) days’ prior written notice to CHR and LSU, and shall, to the extent commercially obtainable, provide that no act or omission of Sublessee which would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained and that no insurer shall hold any right of subrogation against CHR, REFF, LSU, and the State. Independent of any notice from the insurer, Sublessee shall provide thirty (30) days’ prior written notice to CHR and LSU before any suspension, cancellation, material modification or non-renewal of any required insurance of Sublessee (and, if it has actual knowledge, notice as any such change to any contractor’s insurance). CHR makes no representation or warranty that the insurance required herein will be sufficient to protect Sublessee’s interests. All insurance required in this Article shall remain in effect during the entire Term of this Sublease, including any extensions, except that the builders risk policy shall be maintained in effect until construction of the Initial Improvements is fully completed to a degree sufficient for the Property Policy to be in effect, and thereafter at times when Major Subsequent Improvements are under construction. Sublessee shall be liable to CHR, REFF, LSU, and the State for all deductibles and self-insured retentions maintained under any of the insurance coverages required under Section 9. Any deductible or self-insured retention in excess of \$50,000.00, as adjusted every five (5) years after the Effective Date in accordance with the percentage change in the CPI since the Effective Date, must be declared to and approved in advance in writing by CHR (CHR will not unreasonably withhold, condition, or delay its approval).

9.2.2. The Liability Policy (including all primary and all umbrella or excess policies that make up the Liability Policy) and the Automobile Policy that Sublessee is obligated to maintain according to this Sublease will name CHR, REFF, LSU, and the State as additional insureds and have an endorsement that the coverage is primary and non-contributing with respect to coverage maintained those additional insured parties.

9.2.3. The Property Policy and each Builder's Risk Policy will name Sublessee, the Leasehold Mortgagees, and LSU as loss payees, as their respective interests may appear.

9.2.4. To the extent permitted by Applicable Laws and to the extent this endorsement is commercially available, Sublessee will have its workers' compensation and employer's liability policies endorsed to provide that the insurer waives its rights of subrogation against CHR Indemnified Parties.

9.2.5. The coverage amount of all of Sublessee's Insurance Policies shall be adjusted every five (5) years to reflect a percentage change in the original required amount that is equal to the percentage change in the CPI since the Effective Date.

9.3. Blanket Insurance. Any insurance provided for in this Sublease may be effected by a policy or policies of blanket insurance; however, the amount of the total insurance allocated to the Property shall be such as to furnish in protection the equivalent of separate policies in the amounts herein required, without diminution resulting from any claims made with respect to any other property covered or payments made with respect to any such claims, and provided further that in all other respects, any such policy or policies shall comply with the other specific insurance provisions. However, Sublessee shall not take out separate liability insurance concurrent in form, or contributing in the event of loss, with that required under this Article unless CHR, REFF and LSU are additional insureds therein, with no separate property insurance covering the Property unless Sublessee, Leasehold Mortgagees, and CHR and LSU are named as loss payees as their interests may appear.

9.4. Evidence of Insurance. During the Term, Sublessee will provide Certificates of Insurance (Evidence of Insurance with respect to the Property Policies) with respect to the Sublessee's Insurance Policies, together with copies of the required endorsements and binders evidencing the issuance of such policies from time to time, in each case within thirty (30) days after written request by CHR or LSU, but in all events, annually. If requested by CHR in writing, Sublessee shall promptly direct its broker and insurer to provide complete, certified copies of all required Sublessee's Insurance Policies, including endorsements necessary to effect coverage required by this Sublease. The Liability Policy maintained by Sublessee shall be written as primary policies with respect to CHR, REFF, LSU and the State, not contributing with and not in excess of coverage that CHR, REFF, LSU, and the State may carry, if any. The limits of the Liability Policy will not, however, limit the liability of Sublessee hereunder.

9.5. Indemnification of CHR. Commencing on the Effective Date, and thereafter throughout the Term, Sublessee shall indemnify, defend and hold harmless CHR, REFF, LSU, and the State and each of their supervisors, trustees, directors, officers, employees, agents, and attorneys (the "**CHR Indemnified Parties**") for, and will pay to CHR Indemnified Parties the amount of, any loss, liability, claim, damage and expense (including reasonable costs of

investigation and defense and reasonable attorneys' fees and costs), whether the action is for money damages, or otherwise at law, or for equitable or declaratory relief (collectively, the "**Damages**"), to the extent arising from or in connection with: (i) any bodily injury or property damage occurring on the Property or any other incident, accident, or occurrence on the Property, except to the extent caused by one of the CHR Indemnified Parties; or (ii) any claim by any Person for Damages in connection with the violation or alleged violation of any Applicable Law or any negligence or misconduct by Sublessee or by any employee or agent of Sublessee, with respect to activities pursuant to or otherwise related to this Sublease; or (iii) any Environmental Event, except to the extent caused after the Effective Date by one of the CHR Indemnified Parties; or (iv) the performance of any labor or services or the furnishing of any materials for the Property or any Liens or claims in connection with any work performed on the Property during the Term by Sublessee or its contractors. Sublessee hereby acknowledges and agrees that its duty to defend is a separate and distinct obligation herein and, on the filing of any action, claim, suit or proceeding of any nature or kind, it shall defend the applicable CHR Indemnified Party. When in the course of fulfilling its obligations under this Section, Sublessee must engage attorneys to defend a CHR Indemnified Party, Sublessee shall obtain the prior written consent of that CHR Indemnified Party as to the attorneys to be engaged, which consent will not be unreasonably withheld, conditioned, or delayed. The indemnification obligations of Sublessee under this Sublease are independent of the insurance coverages required under this Article, and are not limited in amount to the limits of insurance required under this Article. The provisions and obligations under this Section shall survive after the Termination Date of this Sublease with respect to matters occurring during the Term.

9.6. Release and Waiver of Subrogation. Sublessee assumes full responsibility for the condition of the Property on and after the Effective Date. This assumption of responsibility and liability by Sublessee includes without limitation all liability assumable by a tenant under La. R.S. 9:3221 and extends to all liability relating to the condition of the Premises as well as any Improvements, Equipment, and other things which may be built or placed upon the Property during the Term of this Sublease; however, it does not extend to bodily injury or personal injury or to property damage to a third party's property to the extent caused by one of the CHR Indemnified Parties. Sublessee waives and releases any and all rights to recover and causes of action against CHR Indemnified Parties for damage or loss to the Improvements, Personal Property or any part of either, both during construction under builder's risk insurance or at other times during the Term, and claims arising by reason of any of the foregoing, regardless of whether such damage or loss is caused by the negligence of any CHR Indemnified Party, without regard to the amount of insurance proceeds recovered from Sublessee's insurers. This provision is intended to restrict Sublessee to recovery against insurance carriers for damage to or loss of the Premises as well as any Improvements, Equipment, and other things which may be built or placed upon the Property during the Term of this Sublease and to waive rights and claims for damage to or loss of that property which might give rise to a right of subrogation in any property insurance carrier.

ARTICLE 10. SIGNS.

10.1. Right to Affix Signs. Subject to compliance with Applicable Laws, Sublessee shall have the right to erect, at Sublessee's expense, from time to time on or about the Property such signs as it desires, including, without limitation, signs identifying the uses or Tenants of the Property, provided that with respect to signs on the exterior of the Property, such signs do not

detract materially from the historic exterior, lobby or other historical components of the Building. Sublessee will not remove or obscure the chiseled "Charity Hospital of Louisiana" above the current main entry of the Building. Moreover, during any period of construction, subject to compliance with Applicable Laws, Sublessee shall have the right to erect from time to time, at Sublessee's expense, such temporary signage as Sublessee shall reasonably choose, specifically including without limitation signs that identify the future use or users of the Property and signs and logos of any participating financing agency(cies) or institutions as well as those of participating contractors, suppliers, professions, trades or unions.

10.2. Removal of Signs upon Sublease Termination. All signs shall remain the property of Sublessee, a Tenant, or any other owner thereof. Upon the expiration or sooner termination of this Sublease, Sublessee and Developer promptly shall remove the signs from the Property that identify an entity other than a Remaining Occupant, and shall repair any damage to the Property caused by such removal which shall be accomplished in a workmanlike manner. Signs placed by Tenants or other owners that will remain in the Property after expiration or termination of this Sublease (a "**Remaining Occupant**") shall not be removed, nor shall interior signage of a commercially necessary nature such as floor numbers, room numbers, directions to locations, stairs and elevators, and other signs or graphics installed to facilitate the intended uses and normal operations of the Building.

10.3. LSU Name. During the Term, and except as permitted in any Tenancy Agreement or other such agreement with LSU or one of its divisions or affiliates, Sublessee shall not include "LSU" in the name of the Building or make use of the LSU name or brand or any of LSU's symbols, logos, or trademarks in any name, marketing, or branding of the Property, except as a particular use is specifically approved by LSU from time to time.

ARTICLE 11. PERSONAL PROPERTY.

11.1. Personal Property; Subordination. CHR acknowledges that Sublessee and its Tenants will place Personal Property in the Property during the Term, and this Personal Property may be subject to UCC security interests and other Liens securing the acquisition of this Personal Property and other obligations. CHR hereby subordinates all Liens that it has or may have and will cause LSU to subordinate any Liens that it has or may have, of any nature or form, including, without limitation, all landlord's Liens, on the Personal Property installed or placed in the Property by Sublessee and its Tenants (excluding its rights on and after the Termination Date with respect to Equipment that forms a component part of the Improvements), to the other Liens described in the preceding sentence. If Sublessee or its Tenants lease or place a security interest on any of its Personal Property in or on the Property or enters into a financed lease with respect to any such Personal Property, then on request by Sublessee or one of its Tenants, CHR will execute and deliver and cause LSU to execute and deliver to any secured creditor or lessor a confirmation of this subordination of any landlord's Lien or other Lien CHR or LSU may have upon such Personal Property. This confirmation of subordination will be on a commercially reasonable form provided to CHR, and this confirmation (a) insofar as CHR or LSU is concerned, may authorize the secured creditor or lessor to enter upon the Property or Improvements and remove such Personal Property upon a default under the terms of the security agreement or lease, after reasonable prior written notice to CHR and LSU during normal business hours, to enforce lawful remedies and in compliance with all Applicable Laws, if the secured creditor or lessor has the right to do so under

its contract with Sublessee, (b) shall provide that if the secured creditor or lessor elects to remove such personal property, it will do so within sixty (60) days after this Sublease terminates, (c) shall provide that such confirmation agreement does not impose any duty on CHR and LSU to safeguard or protect such Personal Property or entitle the secured creditor or lessor or any other Person to possession of the Premises or storage rights in the Premises (other than providing that the secured creditor or lessor has a commercially reasonable period not to exceed sixty (60) days following termination of this Sublease within which to remove the Personal Property), and (d) shall require that the secured creditor or lessor repair all damage caused by this removal and indemnify CHR and LSU for any liabilities to the extent arising from such entry. Neither this Section nor any other provision of this Sublease requires or shall be construed to require CHR to subordinate CHR's interest in the Rent, this Sublease or the Premises to a Leasehold Mortgage or in any other respect.

11.2. Removal of Personal Property. Following the Termination Date, Sublessee will remove and cause its Tenants (other than Remaining Occupants) to remove their Personal Property from the Property and repair all damage caused by this removal. If Sublessee and its Tenants have not removed this Personal Property on termination of this Sublease and if this Personal Property has not been removed within ninety (90) days after written notice by CHR to Sublessee, then the Personal Property not so removed will be considered to have been abandoned and will become the property of CHR as provided in Section 19.1.

ARTICLE 12. ENVIRONMENTAL.

12.1. Environmental Obligations. During the Term, Sublessee shall not cause, permit or allow any Hazardous Substances to be generated, used, released, stored, disposed, brought in, on, about or beneath the Property by Sublessee or any other Person other than in amounts permitted by Applicable Law for the uses then being made of the Property and then only in compliance with all applicable Environmental Laws. Sublessee shall not cause, permit, or allow the violation of any Environmental Laws upon, about or beneath the Property or any portion thereof by Sublessee or any other Person; however, Sublessee will not be liable for violations by CHR Indemnified Parties occurring after the Effective Date. Sublessee shall obtain, or cause to be obtained, at no expense to CHR or LSU, any and all permits necessary or required under the Environmental Laws in connection with or arising out of the Initial Improvements or any other Improvements or any Remedial Work.

12.2. Remedial Work.

12.2.1. Sublessee acknowledges receipt from CHR of environmental documents listed in **Exhibit I**, which is attached to and made part of this Sublease (collectively, the "**Environmental Reports**"). Notwithstanding Sublessee's receipt of the Environmental Reports, Sublessee acknowledges and agrees that it has relied solely on its own investigations and inspections of the Premises in its determination of whether to proceed with this Sublease and its construction of the Improvements and development of the Premises, and Sublessee accepts the Premises in its "as is" and "where is" condition as more fully set forth in Section 4.1 above. Sublessee hereby waives any and all claims against CHR, LSU, REFF, and the State from any and all liability or contribution in connection therewith.

12.2.2. During the Term, Sublessee shall be responsible for performing or causing to be performed any and all other corrective or remedial actions required by applicable Environmental Laws or other Applicable Laws to be performed with respect to any Environmental Event or any Hazardous Substances now existing or at any time present during the Term (except to the extent these future Environmental Events or future Hazardous Substances are caused by Persons under the control or direction of CHR or LSU) in, on or under the Property or Improvements in amounts that exceed those permitted by Environmental Laws for the use of that Property or those Improvements (the initial remedial work required or useful for the Initial Improvements and any subsequent corrective or remedial actions are, collectively, “**Remedial Work**”). Sublessee shall promptly inform CHR of any Environmental Event occurring during the Term, and shall promptly furnish to CHR any and all reports and other information available to Sublessee concerning the matter. Sublessee shall thereafter promptly consult with CHR as to the steps to be taken to investigate and, if necessary, remedy such matter. Upon any such Environmental Event during the Term, Sublessee shall select an independent environmental consultant (which selection shall be subject to CHR’s reasonable approval) to evaluate the environmental condition of the Property and materials thereon and therein in light of the Environmental Event. If it is determined pursuant to such evaluation that remediation is required by Applicable Laws, then Sublessee shall perform the necessary Remedial Work at its own cost and expense (except to the extent necessitated by substances introduced after the Effective Date by any of the CHR Indemnified Parties or Persons under their control or direction).

12.2.3. Once Sublessee undertakes Remedial Work, Sublessee will cause that Remedial Work to be completed. Upon Sublessee’s completion of each Remedial Work, Sublessee will provide to CHR a report from Sublessee’s environmental inspection company indicating that the Remedial Work has been completed.

12.3. Notice. If Sublessee receives written notice or other written communication from a Governmental Authority concerning any actual, suspected or alleged Environmental Event or other violation of Environmental Laws pertaining to the Property, then Sublessee shall provide written notice to CHR within thirty (30) days after receiving such notice or communication, together with a copy of such notice or communication. Receipt of any such notice by CHR shall not be deemed to create any obligation on the part of CHR to defend or otherwise response to any such notification.

ARTICLE 13. CHR’S RIGHT OF ENTRY.

13.1. General Inspection Right. Subject to the rights of any Tenant under a Tenancy Agreement (in compliance with Section 16.3.1), CHR, LSU, and their authorized representatives shall have the right during normal business hours and days and upon reasonable notice, or at any time in the event of any emergency (with such oral or electronic notice as is practicable under the circumstances), in a commercially reasonable manner, to enter upon the Property for purposes of inspection. All such inspections will be at CHR’s cost.

13.2. CHR’s and LSU’s Right to Inspect Improvements. Without limiting CHR’s and LSU’s inspection rights under Section 13.1 above, and at all times subject to the rights of any

Tenant under a Tenancy Agreement (in compliance with Section 16.3.1), CHR and LSU may, from time to time during the construction of the Initial Improvements or other Improvements, during normal business hours, with reasonable prior written notice, and in a commercially reasonable manner, visit and inspect the construction of the Initial Improvements or any other Improvements and the plans and specifications being used for those Improvements, whether kept at Sublessee's offices, at the Property, or elsewhere. Notwithstanding the foregoing, Sublessee acknowledges and agrees that neither CHR nor LSU has a duty to inspect the Initial Improvements or any other Improvements or any matter pertaining thereto, and if CHR or LSU should inspect the Initial Improvements or any other Improvements, or any matter pertaining thereto, neither CHR nor LSU shall have any liability or obligation to Sublessee or any other Person arising out of the fact of such inspection, provided, however that should any such inspection damage the Property, CHR shall bear all costs and expenses of repairing and restoring the Property to its condition prior to the inspection and shall indemnify, defend, and hold harmless Sublessee for, from, and against, all claims for property loss or damage and personal injury or death arising from these inspections. No such inspection nor any failure by CHR or LSU to make objections after any such inspection shall constitute a representation by CHR or LSU that the Initial Improvements or any other Improvements are in accordance with any particular plans and specifications or any Applicable Laws or by itself, constitute a waiver of CHR's right thereafter to insist that the Initial Improvements be performed in accordance with the Final Plans and Specifications or any other applicable requirement or that any other Improvements be performed in accordance with the approvals with respect to those Improvements.

13.3. CHR's and LSU's Obligations. In any entry of the Property and in any inspections under Section 13.2, 19.2, or any other provision of this Sublease, CHR shall, and shall cause LSU to, use its respective reasonable efforts to minimize interference with (i) the construction of the Initial Improvements or any other Improvements and (ii) any business or operations then being conducted in or about the Property by Sublessee or any Tenants or occupants. Sublessee and any Tenant of the space being inspected shall have the right to have a representative accompany CHR, LSU, or their authorized representatives during their inspection of the Property.

13.4. Emergencies. CHR may (but under no circumstance shall be obligated to) enter into the Property to make emergency repairs involving manifest danger to life or property or immediately necessary for the preservation or the safety of the Property; however, CHR shall give Sublessee such notice, including oral notice and electronic notice, as is practicable under the circumstances prior to or simultaneously with such entry, and will follow this oral or electronic notice with written notice given in accordance with Article 20 as soon as reasonably possible thereafter. Sublessee agrees to reimburse CHR on demand for any reasonable expenses which CHR may so incur. No action taken by CHR under this Section shall relieve Sublessee from any of its obligations under this Sublease or from any consequences or liabilities arising from the failure to perform such obligations when it was required to do so under this Sublease.

ARTICLE 14. DAMAGE AND DESTRUCTION.

14.1. Casualty. If during the Term, all or any material part of the Building and Improvements is destroyed or damaged in whole or in part by fire or other casualty (a "Casualty"), Sublessee shall give CHR and LSU prompt notice thereof. Except as otherwise expressly provided in this Sublease, neither CHR nor Sublessee shall have the right to terminate

this Sublease if the Building or any of the Improvements are damaged or destroyed in whole or in part. Furthermore, the Rent shall not abate as a result of a Casualty.

14.2. Repairs. If a Casualty occurs during the Term, then promptly after the occurrence of the Casualty, Sublessee will use reasonable efforts to secure the area of damage or destruction to safeguard against injury to Persons or property. Thereafter, within a reasonable period of time, subject to and in compliance with Applicable Laws and subject to the receipt of the insurance proceeds paid by reason of the Casualty (other than rental loss and business interruption proceeds), Sublessee shall undertake and diligently pursue the repair and restoration of the portions of the Building and Improvements that were damaged or destroyed as nearly as possible to the value, condition, and character of those portions of the Building and Improvements immediately before such damage or destruction, with such modifications as Sublessee is permitted to make under this Sublease in the absence of such damage. Sublessee shall begin the restoration and repairs (the “**Repairs**”) as soon as reasonably practicable after the Casualty and the receipt of the insurance proceeds paid on account of the Casualty (other than rental loss and business interruption insurance proceeds) and shall thereafter prosecute the Repairs diligently and in good faith to completion, subject to Permitted Delays.

14.3. Insurance Proceeds.

14.3.1. All insurance proceeds from a Casualty affecting the Building or Improvements (excluding rental loss and business interruption proceeds) shall be made available to pay for the cost of the Repairs; however, the right to receive and apply the insurance paid by reason of loss of or damage to the Improvements is subject to the rights of Leasehold Mortgagees under their loan documents as long as sufficient proceeds received for restoration of the Building remain and are made available for that restoration. All such insurance proceeds less the cost of collection, shall be paid over to an independent third party (the “**Insurance Trustee**”). If there is then a Leasehold Mortgagee, the Leasehold Mortgagee with the first lien priority shall be the Insurance Trustee or shall have the right to select the Insurance Trustee. If there is no Leasehold Mortgagee, then the Insurance Trustee shall be selected by Sublessee, subject to CHR’s approval, not to be unreasonably withheld, conditioned, or delayed. The Insurance Trustee shall hold the insurance proceeds in trust to be disbursed as required to pay for the cost of the Repairs. Sublessee shall submit invoices or proof of payment to the Insurance Trustee for payment or reimbursement according to an agreed schedule of values approved by CHR (such approval not to be unreasonably withheld, conditioned, or delayed) prior to commencement of the Repairs. The Insurance Trustee shall be required to deposit the insurance proceeds in an interest-bearing account and any after-tax interest earned thereon shall be added to the insurance proceeds. If the insurance proceeds are insufficient to pay for the Repairs, then Sublessee shall deposit with the Insurance Trustee the deductible amounts and unless Sublessee terminates as permitted in Section 14.4, any additional funds as are required to complete the Repairs, to be disbursed in accordance with this paragraph.

14.3.2. Notwithstanding Section 14.3.1 above or any other provisions of this Sublease, if the insurance proceeds are less than Five Hundred Thousand and no/100

Dollars (\$500,000.00) (as adjusted every year after the Effective Date in accordance with the percentage change in the CPI since the Effective Date), such proceeds shall not be paid to the Insurance Trustee but instead the proceeds shall be paid by the insurer directly to Sublessee, and Sublessee shall use the proceeds to promptly and diligently complete all Repairs.

14.4. Termination by Sublessee. Notwithstanding anything to the contrary in this Sublease, if during the last twenty-five (25) years of the Term, the Building and Improvements are damaged or destroyed by a Casualty to such an extent that the cost of repairing or replacing the Building and Improvements exceeds fifty percent (50%) of the value (before damage) of the Building, Sublessee shall have the following options: (1) to repair, restore or replace the Building and Improvements in accordance with the other terms of this Article; or (2) to terminate this Sublease (but, for the avoidance of doubt, Sublessee shall still comply with the first sentence of Section 14.2). If Sublessee elects to terminate this Sublease as permitted in this Section, it shall do so by written notice to CHR given no later than sixty (60) days after the date on which Sublessee is notified of the amount of insurance proceeds resulting from the Casualty, but in no event later than nine (9) months after the Casualty, which notice will specify the effective Termination Date (no earlier than sixty (60) days from the date of said notice), in which case:

14.4.1. Sublessee shall continue to pay all Rent through the effective date of the termination and perform through the effective date of termination the other obligations that can be performed despite the damage;

14.4.2. Sublessee shall assign to CHR that portion of the Property Policy insurance proceeds sufficient for restoration and paid by reason of damage caused by the Casualty to the Building (other than rental loss and business interruption proceeds) and pay to CHR the amount of any deductible with respect to the coverage of the Building;

14.4.3. Leasehold Mortgagees and Sublessee will have the right to receive the Property Policy insurance proceeds paid by reason of damage caused by the Casualty to the Improvements and Equipment, as well as the rental loss and business interruption proceeds, as each such Person's interests may appear; and

14.4.4. Effective as of the Termination Date, Sublessee and CHR shall have no further obligations or liabilities under this Sublease except those obligations or liabilities that survive termination under this Sublease by express provision herein.

ARTICLE 15. EXPROPRIATION.

15.1. Taking. A "**Taking**" is an expropriation, condemnation, eminent domain, or similar proceeding or a public taking or agreement in lieu thereof. A "**Total Taking**" is a Taking of the entirety or substantially all of the Property. A "**Partial Taking**" is a Taking of a portion only of the Property. The "**Award**" is all awards, damages, compensation, and other amounts payable by reason of the Taking.

15.2. Notice of Taking. Each Party will give the other written notice of the institution of a Taking promptly upon receiving written notice of it.

15.3. Total Taking or Partial Taking. If during the Term there is a Taking of the Building and Improvements, then Sublessee shall have the option either (a) to terminate this Sublease if the Taking is either a Total Taking or a Partial Taking and the remaining portion of the Building and Improvements cannot, in Sublessee's reasonable judgment, be adapted and used to operate the Project in substantially the same manner as operated immediately before the Taking, or (b) to continue this Sublease in effect. Sublessee shall notify CHR in writing prior to or within one hundred twenty (120) days after the effective date of a Taking whether Sublessee elects to terminate this Sublease or continue this Sublease in effect. If Sublessee fails to make the election on or before the expiration of this one-hundred-twenty (120) day period, then Sublessee will be deemed to have elected to continue this Sublease in effect. If Sublessee elects to terminate this Sublease as a result of a Total Taking or a Partial Taking, then this Sublease shall terminate effective as of the date of the Total Taking or Partial Taking. If, instead, Sublessee elects to continue this Sublease in effect after a Partial Taking, then this Sublease shall continue in full force and effect with respect to the remaining portion of the Property.

15.4. Sublessee's Restoration. If after a Partial Taking, Sublessee elects that this Sublease will remain in effect, then upon the payment of the Award to Sublessee, Sublessee shall promptly and diligently perform all work required in order to repair any physical damage to the Building and the Improvements caused by the Partial Taking, and to restore the Building and Improvements, to the extent reasonably practicable, as nearly as possible to the value, condition, and character immediately prior to the Taking, as modified to account for the Partial Taking and changes in use required by the Partial Taking; however, the right to receive and apply the Award paid by reason of a Taking of the Improvements is subject to the rights of the Leasehold Mortgagees under their loan documents. Subject to the rights of the Leasehold Mortgagees under their loan documents with respect to the portion of the Award paid by reason of a Taking of the Improvements, any Award payable to Sublessee as a result of a Partial Taking shall be paid to the Insurance Trustee and disbursed pursuant to the provisions of Section 14.3 above; however, to the extent that the Award is designed to provide compensation for restoration costs and is less than Five Hundred Thousand and no/100 Dollars (\$500,000.00) Dollars (as adjusted every year after the Effective Date in accordance with the percentage change in the CPI since the Effective Date), such proceeds shall not be paid to the Insurance Trustee, but instead the proceeds shall be paid directly to Sublessee, and Sublessee shall use the proceeds to promptly and diligently complete all Repairs.

15.5. Allocation of Award. If a Taking occurs that is not a Temporary Taking, then even if that Taking terminates this Sublease, Sublessee, CHR and LSU each shall be entitled to assert a claim for just compensation for the loss of or damage to its respective interest in the Property along with any other element of compensation to which such entity is entitled under Applicable Law; however, Sublessee shall be entitled to assert a claim from the Taking Governmental Authority for the value of its leasehold interest in the Building (calculated based on the continuance of this Sublease to the original fixed Expiration Date), regardless of whether the Taking terminates this Sublease, and will also have the right to assert a claim from the Taking Governmental Authority for just compensation for its Improvements and Equipment that were subject to the Taking, for the loss of all prepaid Rent, and for any other element of compensation to which such entity is entitled under Applicable Law.

15.6. Effect of Termination. If this Sublease is terminated, in whole or in part, pursuant to any of the provisions of this Section, all Rent payable by Sublessee to CHR hereunder and

attributable to the Property taken shall be paid up to the date of the Taking, and the parties shall thereupon be released from all further liability in relation to Rent or otherwise hereunder except for those obligations or liabilities that survive termination under this Sublease by express provision herein.

15.7. Voluntary Conveyance. A voluntary conveyance under threat of a Taking in lieu of formal proceedings shall be deemed a Taking within the meaning of this Section.

15.8. Temporary Taking. In the event of a Taking of the Property, or any portion thereof, for temporary use (a “**Temporary Taking**”), this Sublease shall remain in full force and effect. The Temporary Taking shall not relieve Sublessee from its obligations under this Sublease to continue to pay Rent and perform the other obligations that can be performed during the Temporary Taking. All Awards payable by the condemnor by reason of a Temporary Taking for periods prior to the expiration of the Term shall be payable to Sublessee. All Awards payable by the condemnor by reason of a Temporary Taking for periods after the expiration of the Term shall be payable to CHR or LSU.

ARTICLE 16. ASSIGNMENT AND SUBLETTING.

16.1. General Provisions. During the first five (5) Lease Years, except as expressly permitted in this Sublease, including, but not limited to, Article 17 of this Sublease, Sublessee shall not, without the prior consent of CHR in each instance, which consent will not be unreasonably withheld, conditioned, or delayed, sublease the entirety of the Property or assign all of its rights under this Sublease or Sublessee’s interest in the Property to any Person other than a Permitted Assignee in accordance with Section 16.2 below.

16.2. Permitted Assignment.

16.2.1. Notwithstanding the provisions of Section 16.1 above, during the first five (5) Lease Years, Sublessee will have the right to assign this Sublease and/or sublease the entirety of the Property (i) without CHR’s prior written consent, but with prior written notice to CHR, to any Affiliate of Sublessee, or (ii) to any other Person with prior written consent of CHR, not to be unreasonably withheld, conditioned or delayed, as is necessary, consistent with Section 8.3, to satisfy Tax Credit Requirements and other requirements for obtaining or receiving the benefit of tax credits or tax abatements (each such assignee, a “**Permitted Assignee**”). During the first five (5) Lease Years, Sublessee shall be permitted to transfer direct or indirect ownership interests in Sublessee without CHR’s prior written consent, but with prior written notice to CHR, so long as such transfer does not result in a change in control and no ownership interest in Sublessee is transferred to any Person that is barred from contracting with the State. Additionally, during the first five (5) Lease Years, the transfer of direct or indirect ownership interests in Sublessee by its members that results in a change of control of Sublessee (including by merger or otherwise) shall be based upon good cause shown by Sublessee for any such change in control, and shall require the prior written consent of CHR, not to be unreasonably withheld, conditioned, or delayed. CHR shall not be considered to have unreasonably withheld its consent as to such

a transfer if, (i) in the reasonable opinion of CHR, the proposed transferee is lacking in ability, experience and financial resources to develop and operate the Project for the purposes contemplated by this Sublease and to respond to CHR for the obligations undertaken hereunder; however, if the proposed transferee is an Affiliate of a Person that has this ability, then the transferee will be considered to have this ability, or (ii) the proposed transferee (or its Affiliate) has defaulted previously in any material respect on any material contractual obligations with any CHR Party. “**Good cause**” in this Section 16.2.1 shall mean business reasons such as changes in tax or other laws necessitating a change of control, any court-ordered change in control, or a change of control providing a financial benefit to the Project that cannot otherwise be achieved. Without limiting the foregoing, a “**change of control**” shall include (i) any merger, reorganization, consolidation or combination involving Sublessee other than with a Permitted Assignee, (ii) any merger, reorganization, consolidation, or combination involving a member of Sublessee in which either the member on the Effective Date is not the surviving entity or the surviving entity is not a Permitted Assignee; (iii) any Person becomes the beneficial owner, directly or indirectly, of equity ownership in Sublessee who is not a member of Sublessee on the Effective Date or a Permitted Assignee and upon acquisition of such ownership interest, such Person becomes the managing member of Sublessee or otherwise gains the power to direct or cause the direction of the management and policies of Sublessee; (iv) a sale, lease, or exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of Sublessee; (v) approval by the members of the liquidation or the dissolution of Sublessee, or (vi) the Managing Member ceasing to be the managing member of Sublessee, unless another existing member of Sublessee becomes the managing member of Sublessee. No assignment by Sublessee pursuant to this Section 16.2.1 during the first five (5) Lease Years shall release Sublessee from its obligations hereunder for the completion of the Initial Improvements or performance of its obligations during those first five (5) Lease Years.

16.2.2. Commencing on the fifth (5th) anniversary of the Effective Date, Sublessee may assign this Sublease or sublease all or substantially all of the Property without consent of, but with prior written notice to CHR, and no sale or transfer of a change of control or any other interest in Sublessee will require CHR’s consent.

16.3. Sublease.

16.3.1. Sublessee will have the right, from time to time, to sublease portions of the Property to Tenants for uses that are within the Permitted Uses and that do not violate Applicable Laws or the Prohibited Uses listed on **Exhibit D**. CHR will not have the right to approve these Tenants or Tenancy Agreements except to the extent provided under Section 16.3.3. Sublessee will provide CHR with a copy of the Tenancy Agreements upon request (this request will not be made more often than is reasonable). Each Tenancy Agreement will provide that (i) it is subject to the terms of this Sublease and subordinate to this Sublease and to the rights of CHR hereunder, including without limitation CHR’s reasonable inspection rights under Article 13; (ii) the Tenant will look solely to Sublessee for the performance of the obligations of the landlord under such Tenancy Agreement, and further will agree that CHR Parties are not responsible or liable for the condition of the Property, (iii) the term of the Tenancy Agreement does not extend beyond the original

Expiration Date of this Sublease, (iv) upon written request from CHR, Tenant will promptly provide CHR with a complete and accurate copy of its Tenancy Agreement and all amendments, and (v) if CHR should send the Tenant written notice stating that this Sublease has terminated and that CHR wishes the Tenant to remain in the subleased space and to pay its rent directly to CHR, then from and after such notice, the Tenant will pay directly to CHR all of the rent and other amounts due under its Tenancy Agreement, the Tenant will attorn to CHR as its landlord, and at the request of CHR, the Tenant will enter into a new Tenancy Agreement with CHR for the remainder of the term of its Tenancy Agreement upon the same terms, covenants and conditions contained in its Tenancy Agreement with Sublessee.

16.3.2. From time to time, Sublessee may submit to CHR a copy of a proposed Tenancy Agreement and certify to CHR that this Tenancy Agreement is in accordance with this Sublease and is a bona fide Tenancy Agreement on reasonable commercial terms. If the Tenant under such proposed Tenancy Agreement does not request the agreement set forth in Section 16.3.3, then (except as provided in Section 16.1) CHR's consent to this proposed Tenancy Agreement shall not be required. Upon written request by Sublessee, CHR will so acknowledge in writing to the Tenant under that Tenancy Agreement.

16.3.3. If a Tenant under a proposed Tenancy Agreement requests CHR's consent to the Tenancy Agreement, and Sublessee so notifies CHR and makes the certifications required by Section 16.3.2, then CHR shall review and consent to or reject such proposed Tenancy Agreement, such consent not to be unreasonably withheld. If CHR consents to the proposed Tenancy Agreement, then upon written request by Sublessee, CHR will enter into an agreement with the Tenant under that Tenancy Agreement in which (a) CHR acknowledges that CHR has given its consent, (b) CHR agrees that if this Sublease terminates before the original Expiration Date, CHR will not disturb the Tenant's possession under the Tenancy Agreement as long as the Tenant is not in default under the Tenancy Agreement beyond the applicable notice and cure periods and (c) Tenant agrees that after the date on which CHR gives the Tenant written notice that this Sublease has terminated, Tenant will pay its rent and other amounts due under the Tenancy Agreement to CHR, the Tenant will attorn to CHR as its landlord, and upon request by CHR, the Tenant will enter into a new Tenancy Agreement with CHR for the remainder of the term of its Tenancy Agreement with Sublessee.

16.4. Release. No sublease shall release Sublessee from any obligations or liabilities under this Sublease. No assignment shall release Sublessee from any obligations or liabilities under this Sublease pertaining to the period prior to such assignment. Subject to the last sentence of Section 16.2.1, Sublessee shall be released from all obligations and liabilities arising from and after an assignment of this Sublease provided that the requirements of Section 16.2 are complied with fully.

ARTICLE 17. SUBLESSEE'S FINANCING.

17.1. Leasehold Mortgages Permitted.

17.1.1. From time to time throughout the Term of this Sublease, Sublessee shall

have the right to grant one or more Leasehold Mortgages covering and encumbering Sublessee's entire leasehold interest in the Premises and its ownership interest in the Improvements.

17.1.2. In no event shall CHR's or LSU's interest in the Premises be used as security or collateral for any obligation of Sublessee. Nothing in this Sublease shall be deemed to permit a Leasehold Mortgagee to take title to, or otherwise encumber, LSU's ownership of the Premises or to grant any greater rights against the Property than are conferred by this Sublease. No later than thirty (30) days after the recordation date of an executed Leasehold Mortgage, Sublessee will provide CHR with (x) a fully executed and recorded copy of that Leasehold Mortgage, and (y) the name and notice address of that Leasehold Mortgagee. Effective upon CHR's receipt of the foregoing items, and provided that the Leasehold Mortgagee is not an Affiliate of Sublessee or Developer, the following provisions shall apply notwithstanding any contrary provision of this Sublease, until the Leasehold Mortgage has been discharged or released:

- A. CHR shall provide each Leasehold Mortgagee with a copy of any notice of default under this Sublease contemporaneously with providing such notice to Sublessee. In addition, if Sublessee fails to cure a default within the notice and cure period set out in Section 18.1, CHR shall give each Leasehold Mortgagee written notice that Sublessee has failed to cure the default within this notice and cure period. Each of these notices to each Leasehold Mortgagee shall be sent in the manner required pursuant to the notice provisions set out in this Sublease, addressed to the Leasehold Mortgagee at the notice address provided to CHR. However, if there are more than three Leasehold Mortgagees at any one time, all such Leasehold Mortgagees shall designate one Person as agent to receive all notices from CHR.
- B. Upon receipt of written notice of a default, each Leasehold Mortgagee shall have a period equal to the cure period afforded to Sublessee that shall run concurrently with the cure period afforded to Sublessee ("**Sublessee's Cure Period**"), plus an additional fifteen (15) day period following written notice by CHR to Leasehold Mortgagee that Sublessee has not effected a cure within Sublessee's Cure Period, to cure an Other Insurance Default (but for the avoidance of doubt, there is no cure period for a Property Insurance Default), an additional thirty (30) day period following written notice by CHR to Leasehold Mortgagee that Sublessee has not effected a cure within the Sublessee's Cure Period, to cure a Monetary Default, and an additional sixty (60) day period following written notice by CHR to Leasehold Mortgagee that Sublessee has not effected a cure within Sublessee's Cure Period, to cure a Nonmonetary Default on the part of Sublessee; provided that if a Nonmonetary Default is of such a nature that it can be cured by Leasehold Mortgagee, but the cure is of such a nature that it cannot be completed within such additional sixty

(60) days, then the period afforded to such Leasehold Mortgagee to cure such Nonmonetary Default shall be extended automatically for the time necessary to complete the cure so long as (i) such Leasehold Mortgagee commences to cure such Nonmonetary Default within such sixty (60) day period and thereafter diligently prosecutes said cure to completion and (ii) cures all Property Insurance Defaults immediately and all Other Insurance Defaults within the fifteen (15) day cure period provided above, and cures all Monetary Defaults within the thirty (30) day cure period provided above and cures all other Nonmonetary Defaults within the periods provided above and thereafter all Rent is paid in accordance with the terms of this Sublease. Notwithstanding anything to the contrary in the foregoing, the cure periods set forth above with respect to Nonmonetary Defaults (but not Monetary Defaults or Insurance Defaults) that either require possession of the Property to effect such cure or are otherwise not susceptible of being cured by the Leasehold Mortgagee shall be extended automatically during the pendency of any foreclosure proceeding if the Leasehold Mortgagee promptly commences the enforcement of and diligently pursues all rights and remedies legally available to it to obtain possession of the Property or the appointment of a keeper and to acquire the Leasehold Estate under the Leasehold Mortgage, this extension for Nonmonetary Defaults to continue as long as Leasehold Mortgagee prosecutes the proceeding diligently and in good faith to acquire possession of the Property and upon obtaining such possession diligently and in good faith proceeds to cure such Nonmonetary Defaults to the extent that they are susceptible of being cured by the Leasehold Mortgagee. For the avoidance of doubt, failure to provide insurance required under this Sublease shall be considered a default that can be cured by the Leasehold Mortgagee. By acceptance of the benefits of this Article, each Leasehold Mortgagee agrees to notify CHR within thirty (30) days after Leasehold Mortgagee's commencement of exercise of rights or remedies under its Leasehold Mortgage, and thereafter from time to time, upon written request from CHR, to inform CHR as to the status of such proceeding.

- C. If the Leasehold Mortgagee becomes a mortgagee in possession or owner of all or part of the right, title and interest of Sublessee under this Sublease by foreclosure or assignment, CHR shall recognize the Leasehold Mortgagee (or its designee, successor, assignee, nominee, or the purchaser at such foreclosure sale) as Sublessee under this Sublease, subject to paragraph L below.
- D. Except for a termination under Section 5.1.6, Section 14.4, or Section 15.3, notwithstanding any provision of this Sublease under which CHR may declare a default or otherwise terminate or cancel this Sublease or Sublessee's rights or interests hereunder on account of a

breach by Sublessee, at all times when a Leasehold Mortgage is in effect, no notice of default or termination given by CHR to Sublessee or other action by CHR to declare a default or termination shall be effective to terminate this Sublease, if and so long as the Rent is paid and the insurance maintained in accordance with the terms of this Sublease, with all failures to pay Rent and to maintain insurance cured within the notice and cure periods provided in this Sublease, and if and so long as the Leasehold Mortgagee or its nominee has commenced and is diligently proceeding with the enforcement of the Leasehold Mortgage and diligently pursuing all rights and remedies legally available to it, to correct or cure all defaults that are susceptible of being cured by the Leasehold Mortgagee and diligently prosecutes all work required to cure all such defaults to completion and, with respect to defaults that are not susceptible of being cured by the Leasehold Mortgagee, if the Leasehold Mortgagee promptly commences the enforcement of and diligently pursues to completion all rights and remedies legally available to it to acquire the leasehold estate under the Leasehold Mortgage. CHR shall have the right to terminate or cancel this Sublease if Leasehold Mortgagee fails to cure any such default that is susceptible of being cured by Leasehold Mortgagee within the cure periods provided to it in this Article 17.

- E. Sublessee irrevocably authorizes and directs CHR to accept performance by a Leasehold Mortgagee (or its designee, successor, assignee, or nominee) with the same force and effect as if performed by Sublessee. CHR's agreement in this Section 17.1.2 not to terminate this Sublease for a specific default during a Leasehold Mortgagee's cure period for that default shall not prevent CHR from seeking specific performance and injunctive relief or other such remedies other than termination of this Sublease against Sublessee during such Leasehold Mortgagee cure period, or prevent CHR from declaring another default and exercising all remedies available to CHR based on that default if it is not cured within all notice, grace, and cure periods applicable thereto, subject to each Leasehold Mortgagee's rights under this Article 17 with respect to each such default.
- F. If the Sublease terminates by reason of a disaffirmance of the Sublease by a receiver, liquidator or bankruptcy trustee for the property subject to one or more Leasehold Mortgages, or other Applicable Laws affecting creditors' rights, CHR shall give written notice thereof to each Leasehold Mortgagee, and CHR shall, on written request of a Leasehold Mortgagee made within sixty (60) days after receipt of the written notice of termination (if more than one Leasehold Mortgagee makes such request, the rights under this Section shall be afforded to the requesting Leasehold Mortgagee who holds the highest priority with respect to the respective secured obligations of all requesting

Leasehold Mortgagees; provided that CHR shall have no obligation to determine the respective priorities of such requesting Leasehold Mortgagees, and CHR without liability to Sublessee or any Leasehold Mortgagee may rely on a report issued by a title insurance company licensed in the State of Louisiana or an order from a court of competent jurisdiction as the basis for such determination), enter into a new sublease (the “**New Sublease**”) with the Leasehold Mortgagee or its designee for the remainder of the Term of this Sublease at the same Rent and on the same terms and conditions as contained in this Sublease, and dated as of the date of termination of this Sublease, provided that, (i) this Leasehold Mortgagee or its designee executes the New Sublease and delivers it to CHR within thirty (30) days after the date of its request, and (ii) contemporaneously with the execution and delivery of the New Sublease, the Leasehold Mortgagee cures any defaults existing under this Sublease (including payment of all accrued and unpaid Rent through the execution date of the New Sublease as if the Sublease had not terminated) except those defaults which are not susceptible of being cured and performed by Leasehold Mortgagee or its designee (as the new subtenant). The party to the New Sublease shall agree in writing to indemnify CHR from any responsibility, liability, loss, expense, attorneys’ fees and other costs resulting from CHR’s execution and delivery of the New Sublease. Nothing contained in this Sublease shall be deemed to impose any obligation on the part of CHR to deliver physical possession of this Premises to a Leasehold Mortgagee or its designee, including without limitation at the time of granting a New Sublease, unless CHR shall have obtained physical possession of the Premises back from Sublessee or the Leasehold Mortgagee shall be in possession of the Premises. The Leasehold Mortgagee shall be given credit for rents and income actually collected in the meantime by CHR from any subtenant or assignee of the Property. The leasehold interest of the Leasehold Mortgagee, as tenant under the New Sublease, shall have priority equal to the leasehold interest of Sublessee under this Sublease, so that there shall be no charge, lien, or burden created by CHR upon the Property that would be prior to or superior to the leasehold interest granted by the New Sublease that was not prior to or superior to the leasehold interest of Sublessee under this Sublease as of the date immediately preceding the date this Sublease went into default. Any New Sublease may, at the option of the Leasehold Mortgagee, be assigned to a designee of the Leasehold Mortgagee without the Leasehold Mortgagee’s assuming the burdens and obligations of Sublessee thereunder, beyond the period of its actual occupancy. Notwithstanding the foregoing provisions of this paragraph, before the fifth (5th) anniversary of this Effective Date, any party to any New Sublease as subtenant shall be subject to paragraph L below. Any New Sublease shall at the option of the Leasehold

Mortgagee be subject to any Tenancy Agreement entered into by Sublessee prior to the termination of this Sublease, and each Tenancy Agreement, at the option of the Leasehold Mortgagee, shall remain in full force and effect, with the subtenant under the New Sublease becoming the landlord thereunder. The execution of a New Sublease shall not release Sublessee from its liability for its obligations under this Sublease.

- G. CHR and Sublessee shall not (whether unilaterally or mutually) voluntarily terminate (whether pursuant to the terms of this Sublease or otherwise) or accept a surrender of this Sublease without the prior consent of each Leasehold Mortgagee whose name and notice address was provided to CHR by Sublessee as set forth herein. For the avoidance of doubt, the first sentence of this paragraph does not apply to a termination by CHR pursuant to a default of this Sublease that has continued beyond all notice, grace, and cure periods, which is instead governed by Section 18 and the other paragraphs of this Section 17. Further, any amendments or modifications to this Sublease made without a Leasehold Mortgagee's consent shall not be binding, and shall have no force or effect, against such Leasehold Mortgagee.
- H. In the event of a Total Taking of all or any portion of the Property, the Leasehold Mortgagee shall be entitled to be paid out of that portion of the award that Sublessee would otherwise be entitled to receive.
- I. In the event of a Casualty, each Leasehold Mortgagee and Sublessee agree that the proceeds of any Property Insurance or other fire, damage, destruction, flood, or similar insurance obtained during the Term hereof shall be used to replace or repair the Building and Improvements, to the extent required in Section 14.3 and 14.4; however, the right to receive and apply the insurance paid by reason of loss of or damage to the Improvements is subject to the rights of Leasehold Mortgagees under their loan documents as long as sufficient proceeds and deductible amounts paid for restoration of the Building remain and are made available for that restoration. If this Sublease is terminated as a result of a Casualty as permitted under Section 14.4, all insurance proceeds shall be paid as provided in Section 14.4.
- J. Sublessee hereby assigns to the first in priority Leasehold Mortgagee, for as long as it remains the first in priority Leasehold Mortgagee, Sublessee's right to accede to a rejection of this Sublease under Section 365(h) of the Bankruptcy Code in connection with a bankruptcy proceeding in which CHR is the debtor. CHR hereby consents to this assignment.

- K. If a Leasehold Mortgagee or its designee acquires Sublessee's interest in this Sublease in a foreclosure sale or *dation en paiement*, the assignment in connection with the foreclosure sale or *dation en paiement* (and each next assignment by an acquiring Person) shall be subject to the transfer restrictions imposed by this Sublease. If a Leasehold Mortgagee or its designee acquires this Sublease at a foreclosure sale or in a *dation en paiement* and then assigns this Sublease to any other Person, the Leasehold Mortgagee or its designee shall be released from any obligations and liabilities under the Sublease arising from and after the date of the assignment if (a) the assignor assigns its entire interest in and to this Lease, together with all prepaid rents hereunder, and (b) the assignee accepts the assignment, agrees to pay all the Rent thereafter arising hereunder directly to CHR, and assumes and agrees to perform all of Sublessee's obligations and liabilities thereafter arising under this Sublease directly for the benefit of CHR and those claiming by, through or under CHR.
- L. Until the fifth (5th) anniversary of the Effective Date, the acquisition by any Person (including a Leasehold Mortgagee or its designee) of Sublessee's interest in this Sublease by virtue of a Leasehold Mortgage, whether by foreclosure sale or *dation en paiement* or by any other means, and any new subtenant under a New Sublease, shall be subject to the prior written consent of CHR, not to be unreasonably withheld, conditioned, or delayed. In evaluating a proposed transferee, CHR may consider, among other things, the creditworthiness, financial history, business character, and responsibility of the proposed transferee; however, if the proposed transferee is an Affiliate of a Person that has this ability, then the transferee will be considered to have this ability. CHR shall not, however, require as a condition of such consent to a transferee the renegotiation of any term or provision of this Sublease or other form of additional compensation beyond amounts provided for in this Sublease.
- M. Each Leasehold Mortgagee is a third party beneficiary of the terms of this Section; however without limiting the rights of Leasehold Mortgagees to rely on this Article 17, at the request of any Leasehold Mortgagee, which requests may be made by Leasehold Mortgagees from time to time, CHR shall execute such non-disturbance and other agreements in favor of the requesting Leasehold Mortgagee that confirm the provisions of this Article 17 and that contain other commercially reasonable provisions mutually acceptable to CHR and the requesting Leasehold Mortgagee.

17.2. Survival. The provisions of this Article shall survive the termination of this Sublease.

ARTICLE 18. DEFAULTS.

18.1. Event of Default. The occurrence of any of the following shall constitute an “**Event of Default**”:

18.1.1. A failure by Sublessee to pay an installment of Rent when due, and the continuation of this Monetary Default for five (5) Business Days after receipt by Sublessee of written notice of this failure given by CHR.

18.1.2. The making by Sublessee of a general assignment for the benefit of creditors; the filing by or against Sublessee of a petition to have Sublessee adjudged a bankrupt or the petition for reorganization or arrangement under any law relating to bankruptcy unless, in the case of a petition filed against Sublessee, the same is dismissed within one hundred twenty (120) days; the appointment of a trustee or receiver to take possession of substantially all of Sublessee’s assets located at the Property or of Sublessee’s interest in this Sublease, where such possession is not restored to Sublessee within one hundred twenty (120) days; or the attachment, execution or other judicial seizure of substantially all of Sublessee’s assets located at the Property or of Sublessee’s interest in this Sublease where such seizure is not discharged within one hundred twenty (120) days.

18.1.3. An Other Insurance Default occurs that is not cured within fifteen (15) days after receipt of written notice to Sublessee, or a Property Insurance Default occurs.

18.1.4. Sublessee abandons the Premises and fails to cure same within sixty (60) days after receipt of written notice of such abandonment.

18.1.5. A failure by Sublessee to observe and perform any other provision of this Sublease to be observed or performed by Sublessee, where the failure continues for thirty (30) days after Sublessee’s receipt of written notice thereof by CHR; provided, however, that if the nature of the default is such that it cannot reasonably be cured within this thirty (30) day period, Sublessee shall not be deemed to be in default if Sublessee shall within such period commence the cure and thereafter diligently prosecute the cure to completion (in compliance, where applicable, with Section 5.1.10).

18.2. Remedies of CHR upon Event of Default. Upon the occurrence of an Event of Default, then after CHR’s full performance of its obligations with respect to Leasehold Mortgagees under Article 17, CHR may pursue or exercise any one or more of the following remedies:

18.2.1. CHR may, at its option, terminate this Sublease by written notice to Sublessee. The termination shall be effective as of the date specified by CHR in its notice of termination, without further notice or putting in default. Upon this termination, CHR will have the right, but not the obligation, to proceed to evict Sublessee from the Property in accordance with Applicable Laws and upon this eviction, to enter the Property personally or through its agents, consultants or contractors and take possession of the Property, without additional demand or notice except as required by Applicable Laws, and repossess the same and expel Sublessee and any party claiming by, through or under

Sublessee, and remove the effects of both, without prejudice to any remedies for arrears of Rent or right to bring any proceeding for breach of covenants or conditions. Sublessee specifically waives all notices to vacate, including without limitation the notice to vacate specified in Louisiana Civil Code of Procedure Article 4701 (or any successor provision of law) or Section 54-483 of the New Orleans Municipal Code (or any successor provision of law). Upon this termination, the provisions of Article 19 of this Sublease shall apply and Sublessee shall comply with its obligations thereunder. After recovering possession of the Property, CHR may, at its option, relet the Property on commercially reasonable terms and conditions. In no event shall Sublessee be entitled to any excess rent collected by CHR over the Rent payable by Sublessee under this Sublease, but upon this termination, Sublessee shall be liable for (a) the sum of (i) the Rent and other obligations incurred up to the date of termination plus CHR's actual damages as a result of the Event of Default plus (ii) the present value at the time of termination (calculated by discounting on a monthly basis at a discount rate equal to the Prime Rate) of the amount, if any, by which (A) the aggregate of the Annual Rent and all other Rent payable by Sublessee under this Sublease that would have been paid during the balance of the Term after termination, exceeds (B) the amount of such Annual Rent and other Rent that could reasonably be recovered (less reasonable costs of leasing, including without limitation reasonable brokerage fees or commissions as well as the reasonable value of lease concessions and allowances), if any, by reletting the Property for the remainder of the Term at the then-current fair rental value. As used in this Section, the amount of Rent that could reasonably be recovered may allow for and include a leasing period of twenty-four (24) months during which the Premises would not yet be leased and therefore no income would be realized for such period. CHR may demand specific performance or a mandatory injunction requiring Sublessee to perform its obligations under this Sublease.

18.2.2. CHR may (but under no circumstance shall be obligated to) enter upon the Property and do whatever Sublessee is obligated to do under the terms of this Sublease, including taking all reasonable steps necessary to maintain and preserve the Property or to complete the Initial Improvements, and Sublessee agrees to reimburse CHR on demand for any reasonable expenses which CHR may incur in effecting compliance with Sublessee's obligations under this Sublease. Sublessee further agrees that CHR shall not be liable for any damages resulting to Sublessee from any action taken under this Section 18.2.2. No action taken by CHR under this Section shall relieve Sublessee from any of its obligations under this Sublease or from any consequences or liabilities arising from the failure to perform such obligations.

18.3. Cumulative Remedies. In lieu of or in addition to any of the foregoing remedies and damages, each of the Parties may exercise any remedies and collect any damages available to it at law or in equity. All remedies are cumulative and concurrent and no remedy is exclusive of any other remedy. The exercise or the beginning of exercise by CHR of any one or more rights or remedies will not preclude the simultaneous or later exercise by CHR of any or all other rights or remedies provided for in this Sublease or by Applicable Law. Notwithstanding anything to the contrary in the foregoing, CHR will not have the right to accelerate the Rent. No remedy shall be exhausted by any exercise thereof.

ARTICLE 19. LEASE TERMINATION

19.1. Surrender of Property. On the Termination Date, Sublessee shall surrender to CHR the Property in good order and repair, broom clean, free from trash, except for normal wear and tear, except as provided in Articles 14 Casualty and 15 Expropriation, and except for damage caused by any of CHR Parties, and in compliance with all Applicable Laws, free and clear of all Liens other than Permitted Encumbrances. Sublessee shall remove signage and Personal Property from the Property as provided in Sections 10.2 and 11.2 and leave all wiring, conduit and pipes closed and secured. Sublessee agrees that it will on and after termination execute any documents and take any actions reasonably requested by CHR to confirm the transfer and use of utility service and of ownership of utility lines servicing the Property to CHR. If this Sublease is terminated before the Expiration Date, then promptly after CHR's written request, Sublessee shall assign to CHR any Tenancy Agreements selected by CHR, and deliver a true and complete copy of each such Tenancy Agreement, along with any security deposits. Sublessee shall assign to CHR and give CHR copies or originals of all assignable licenses, permits, warranties, guaranties, and other contracts then in effect for the Property. The Parties shall cooperate to achieve an orderly transition of operations from Sublessee to CHR without interruption, including delivery of such maintenance records and other books and records (or copies thereof) as CHR reasonably requires. The Parties shall terminate the Memorandum of Sublease and any other recorded documents regarding this Sublease. Unless CHR specifically disclaims ownership of such by written notice to Sublessee, the Improvements and Equipment shall become the sole property of CHR at the termination of this Sublease, as well as any alterations, modifications, improvements or other work as provided in Section 5.1.6 (if applicable), and together with any Personal Property not removed in compliance with Section 11.2 (all of the foregoing being collectively "**Returned Property**"), in all cases "as is-where is," with no express or implied warranties on the part of Sublessee with respect to the condition of such Returned Property (and upon written request by Sublessee, CHR will waive in writing all implied warranties of condition), at no cost to CHR and without payment or compensation of any nature or kind to Sublessee or any Leasehold Mortgagee or other Person or need of further act or documentation (provided that Sublessee shall execute and deliver all conveyance documents in recordable form reasonably requested by CHR to evidence such transfer), and shall be free of all Liens except Permitted Encumbrances. The Improvements and Equipment shall become the property of CHR at the termination of this Sublease, "as is-where is," with no express or implied warranties on the part of Sublessee with respect to the condition of those Improvements and Equipment (and upon written request by Sublessee, CHR will waive in writing all implied warranties of condition), at no cost to CHR, and without the necessity of any further action of any Party hereunder.

19.2. Late Term Capital Improvements. Within the first three months of the eightieth (80th) Lease Year, Sublessee and CHR shall meet to discuss in detail the improvements, replacements and other capital improvements for the Building that may be appropriate during the remainder of the Term. Any such capital improvements will be subject to Section 5.2

19.3. Holding Over. If Sublessee remains in possession of the Property without opposition by CHR after termination of this Sublease, Sublessee shall be deemed to be occupying the Property as a tenant from month-to-month on the same terms as in effect for the last Lease Year of the Term, subject to all the other conditions, provisions and obligations of this Sublease insofar as they are applicable for a month-to-month tenancy; however, each Party will have the right to terminate this month-to-month tenancy by no less than thirty (30) days' prior written notice to the other Party. To the extent any holdover by Sublessee is not consented to by CHR, Sublessee

shall also pay to CHR (i) all damages directly sustained by CHR resulting from retention of possession by Sublessee, including the loss of any subsequent tenant which has entered into a lease for any portion of the Property, and (ii) monthly in advance Rent during such holdover equal to one hundred fifty percent (150%) of the Annual Rent rate immediately prior to termination (prorated to be a monthly amount).

19.4 Survival of Sublessee's and CHR's Obligations. All obligations of Sublessee which by their nature require performance after the end of the Term or which cannot be ascertained to have been fully performed until after the end of the Term, including specifically, without limitation, Sublessee's indemnity obligations with respect to occurrences during the Term and Sublessee's obligations under this Article 19, shall survive the expiration or sooner termination of the Term and of this Sublease, as will other provisions of this Sublease that expressly provide that they survive termination.

ARTICLE 20. NOTICES. Any notice, consent, request or other communication required or permitted to be given hereunder shall be in writing and shall be given to the respective Parties at the following address:

CHR

Charity Hospital Redevelopment LLC
3796 Nicholson Drive
Baton Rouge, LA 70802
Telephone: (225) 578-3811
Facsimile: (225) 578-0530
Email: lgreco@lsufoundation.org
Attention: Leu Anne Greco, VP/General Counsel

With a copy to:

Phelps Dunbar, L.L.P.
II City Plaza
400 Conventional Street, Suite 1000
Baton Rouge, LA 70802
Telephone: (225) 346-0285
Facsimile: (225) 381-9197
Email: ragan.richard@phelps.com and
jim.stuckey@phelps.com
Attention: P. Ragan Richard and James A. Stuckey

With a copy to:

Board of Supervisors of Louisiana State University and Agricultural and Mechanical
College
Office of the General Counsel
3810 West Lakeshore Drive, Suite 124
Baton Rouge, LA 70808
Telephone: (225) 578-4126

Facsimile: (225) 578-5524
Email: tskinner@lsu.edu
Attention: Thomas V. Skinner, General Counsel

SUBLESSEE:

1532 Tulane HOLDCO, LLC
Attn: Joseph A. Stebbins, II
4127 S. Claiborne Ave.
New Orleans, LA 70125
Telephone: (504) 822-4811
Facsimile: (504) 822-4881
Email: Joseph@1532tulane.com

With a copy to:

Sher Garner Cahill Richter Klein & Hilbert, L.L.C.
909 Poydras St., 28th Floor
New Orleans, LA 70112
Telephone: (504) 299-2100 phone
Facsimile: (504) 299-2300 fax
Attn: James M. Garner (email: jgarner@shergarner.com)
Marie A. Moore (email: mmoore@shergarner.com)
Neal Kling (email: nkling@shergarner.com)

A Party may change its notice address or the individual receiving notice by providing written notice of the new address and information to the other Parties to this Lease. Notices and other communications shall be (a) personally delivered; or (b) delivered by Federal Express or other nationally recognized overnight delivery service which keeps records of deliveries; or (c) transmitted by U.S. mail, post pre-paid, registered or certified mail, return receipt requested; or (d) sent by facsimile with receipt confirmed by telephone; or (e) emailed with a copy also sent by one of the other methods permitted in clauses (a) through (d), in each case addressed, faxed, or emailed to the then notice address of the Party to whom it is directed as designated. All notices and other communications shall be deemed to have been duly given on the first to occur of actual receipt of such notice or refusal of delivery.

ARTICLE 21. ESTOPPEL CERTIFICATE; MEMORANDUM OF SUBLEASE.

21.1. Estoppel Certificate. Sublessee and CHR each hereby agrees that it shall, within ten (10) days after receipt of a written request to do so by the other Party, or in the case of CHR, by an existing or prospective Leasehold Mortgagee or assignee of Sublessee, execute, acknowledge, address, and deliver to the requestor a certificate in recordable form, containing the following:

21.1.1. Certifications that (a) this Sublease is unmodified and in full force and effect or, if modified, stating the nature of the modification, and certifying that it is in full force

and effect as so modified; (b) the Effective Date; (c) the dates through which the First Up-Front Payment, the Second Up-Front Payment, the Annual Rent, and any other charges have been paid; (d) the amount of the Up-Front Payment that has been paid by Sublessee hereunder; (e) whether, to the certifying Party's knowledge, the requesting Party is then in default in performing any of its obligations hereunder and, if so, specifying the nature of each such default; and (f) as to any other fact to the certifying Party's knowledge reasonably requested by the requesting party;

21.1.2. An acknowledgment and agreement that any statement contained in such certificate may be relied upon by the requesting party and any other addressee.

The certifying Party's certificate as to the matters set out in Section 21.1.1(e) and (f) may be limited to that Party's knowledge, and the certifying Party need not perform investigations in order to respond to the estoppel statement, and its response may so specify to all the foregoing.

21.2. Memorandum of Sublease. Simultaneously with its execution and delivery of this Sublease, each of the Parties has executed and delivered to the other Party in recordable form, a notice or short form of this Sublease in the form attached hereto and made a part hereof as **Exhibit J** (the "**Memorandum of Sublease**"), for recordation in the Conveyance office of the Land Records of Orleans Parish, Louisiana, at the expense of the Sublessee. Failure of the Parties to sign or record the Memorandum of Sublease shall not, however, affect the validity of this Sublease.

ARTICLE 22. DIVERSITY, INCLUSION, AND EQUITY. During the Term, Sublessee shall comply with the Diversity, Inclusion, and Equity commitments and covenants that are set out on **Exhibit K**, which is attached to and made a part of this Sublease. Sublessee shall provide from time to time, within a reasonable time after CHR's request, reasonable documentation and reporting pertaining to this Article.

ARTICLE 23. NOTICE OF LITIGATION. During the Term, Sublessee shall promptly notify CHR of any litigation or arbitration proceedings (i) against Sublessee, or between its equity owners, that, if adversely determined, would have a material adverse effect upon the financial condition or operation of the Property, or (ii) between Sublessee and a general contractor for the Initial Improvements.

ARTICLE 24. KEY PERSONNEL. Except in instances after replacement of Sublessee after a foreclosure of a Leasehold Mortgage, during the period commencing on the Effective Date and ending on the Substantial Completion of the Initial Improvements, Sublessee shall not, without CHR's prior written consent, which shall not be unreasonably withheld, delayed, or conditioned, replace or reduce substantially the role of any Key Personnel, who shall remain involved in the construction and redevelopment of the Project in a material, substantial and meaningful manner, unless Sublessee's decision to replace (or reduce the role of) any such team member is based on cause (as defined below). The term "**Key Personnel**" means Sublessee and each member of Sublessee's project team as listed on **Exhibit M** attached hereto and made a part hereof for all purposes. As used in this Article, "**cause**" shall mean voluntary withdrawal by Key Personnel, the unavailability of Key Personnel to perform their duties or obligations due to personal reasons such as death, disability, or normal voluntary retirement, the failure by Key Personnel to satisfactorily and timely perform their duties or obligations or for business and financial reasons

such as bankruptcy or lack of bonding capacity, or bids, expenses or costs that exceed Sublessee's budget for their work, or the elimination of the Key Personnel's element of the project. In the case of substituted contractors, architects and engineers, the substituted contractors, architects, and engineers will have equal or better qualifications to the replaced team member, and Sublessee will promptly submit to CHR their qualifications evidencing these qualifications. If CHR does not respond within ten (10) Business Days, the substitution is deemed approved.

ARTICLE 25. GENERAL.

25.1. Waiver. No delay or failure of CHR or Sublessee in exercising any right, power, or privilege, or any single or partial exercise thereof or abandonment or discontinuance of steps to enforce such a right, power, or privilege, shall preclude any further exercise thereof. Any waiver, consent, or approval of any kind or character on the part of either Party of any breach or default under this Sublease, or any waiver of any provision or condition of this Sublease, must be in writing and shall be effective only to the extent specifically set forth in such writing.

25.2. Modifications. No modification, amendment or waiver of any provision of this Sublease will be effective unless the same is in writing and signed, and then such modification, amendment or waiver or consent shall be effective only in the specific instance and for the purpose for which given.

25.3. Severability. If any one or more of the provisions contained in this Sublease is held to be invalid, illegal or unenforceable in any respect by any court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

25.4. Entire Agreement. This Sublease (including the exhibits attached hereto) and the other Transaction Documents constitute the entire agreement between the Parties and supersede all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof, including without limitation the Predevelopment Agreement except for the Predevelopment Agreement indemnity provisions and its Section 8(b) pertaining to Sublessee's payment of the Code Review Firm invoices.

25.5. Counterparts. This Sublease may be executed in two or more counterparts, any one of which need not contain the signatures of more than one Party, but all such counterparts taken together shall constitute one and the same agreement. For purposes of this subsection, emailed, electronic, facsimile and PDF signatures are acceptable, and this Sublease may be enforced based on the electronic form of signature, but each Party agrees to provide original signature pages for substitution as soon as practicable.

25.6. Interpretation. In this Sublease, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to sections (or subdivisions of sections) or exhibits are to those of this Sublease unless otherwise indicated; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Sublease. Caption and section headings in this Sublease are included for convenience of reference only and shall not

constitute a part of this Sublease for any other purpose. All Exhibits to this Sublease (including exhibits and schedules to such Exhibits) are incorporated into and made a part of this Sublease. The Parties to this Sublease agree that the terms and conditions of this Sublease are the result of arm's length negotiations between such Parties and their legal counsel. Neither Party shall be considered to be the drafter of this Sublease or any provision hereof for the purpose of any statute, jurisprudential rule, or rule of contractual interpretation or construction that might cause any provision to be construed against the drafter.

25.7. Governing Law, Jurisdiction and Venue. This Sublease shall be deemed to be made in the State of Louisiana. THIS SUBLEASE WILL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE LAWS OF THE STATE OF LOUISIANA. Each Party irrevocably submits to jurisdiction in the 19th Judicial District Court for the Parish of East Baton Rouge, or the federal district court encompassing East Baton Rouge Parish, in any action or proceeding arising out of or relating to this Sublease and waives any objection which it may have at any time to the laying of venue in such court and any claim that such action or proceeding has been brought in an inconvenient forum.

25.8. Waiver of Jury Trial. Each Party irrevocable waives any and all right it may have to a trial by jury in any action, proceeding or claim of any nature whatsoever arising out of or in any way connected with this Sublease, any other documents executed in contemplation with this Sublease or any transaction contemplated in any of such documents. The Parties acknowledge that the foregoing waiver is knowing and voluntary.

25.9. Time of the Essence. Time is of the essence of the obligations of the Parties hereto.

25.10. No Partnership. Neither CHR nor Sublessee shall be construed as acting as an agent for the other in contracting for any inspection of or improvements to the Property or otherwise acting pursuant to this Sublease. Nothing contained in this Sublease shall be deemed or construed to create the relationship of principal and agent or of partnership or joint venture between the Parties hereto.

25.11. Commissions. Each party hereby represents and warrants to the other that it has not dealt with any real estate broker, agent or finder in connection with this Sublease and there is no commission, charge or other compensation due on account thereof. Each party hereto shall defend, indemnify and hold harmless the other against and from any liability, claim of liability or expense arising out of any inaccuracy in such Party's representation in this Section.

25.12. Prevailing Party. In the event either Party hereunder initiates judicial action against the other in order to enforce the terms, covenants and provisions of this Sublease, the non-prevailing party in such judicial action shall reimburse the prevailing party in such judicial action for all expenses, fees, and costs, including reasonable attorneys' fees and expenses, incurred by the prevailing party in connection with such judicial action.

25.13. Limitation on Damages. Notwithstanding anything contained in this Sublease to the contrary except as provided in Section 19.3, in no event shall a Party be liable to the other Party for any special, indirect, punitive or consequential damages in connection with this Sublease.

25.14. Reservation of Minerals. LSU has reserved all mineral rights in, to, on or under the Land, but has waived any surface rights to the Land during the Term of this Sublease and the term of the Primary Lease.

25.15. Limitation on Liability. The provisions of this Sublease do not waive or abrogate, nor are they intended to waive or abrogate, the limitation on liability established under La. R.S. 13:5106 for LSU or the State.

25.16. Contracting with State Government. If any member of the Sublessee becomes barred from contracting with the State, Sublessee will promptly cause such Member to withdraw or be removed from membership in Sublessee.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, CHR executes this Sublease on the date shown below its signature, but effective as of the Effective Date.

Witnesses:

Print Name:

Print Name:

CHR, as sublessor:

CHARITY HOSPITAL REDEVELOPMENT
LLC

By: _____
Name: _____
Title: _____
Date: _____

IN WITNESS WHEREOF, Sublessee now executes this Sublease on the date shown below its signature, but effective as of the Effective Date.

Witnesses:

Print Name:

Print Name:

SUBLESSEE:

1532 TULANE HOLDCO, LLC

By: [_____] Its Managing Member

By: _____
Joseph A. Stebbins, II
EVP, Secretary/Treasurer

Date: _____, 2019

IN WITNESS WHEREOF, Developer now intervenes in and executes this Sublease to agree to the representations and warranties set out in Section 7.2 of this Sublease on the date shown below its signature, but effective as of the Effective Date.

Witnesses:

Print Name:

Print Name:

DEVELOPER:

1532 TULANE PARTNERS, INC.

By: _____
Yoel Shargian, President

Date: _____ 20__

LIST OF EXHIBITS

Exhibit A	Survey
Exhibit B	Land Description
Exhibit C	Permitted Encumbrances
Exhibit D	Prohibited Uses
Exhibit E	Transaction Documents
Exhibit F	Specified Review Areas and Process
Exhibit G	Construction Approvals for Second Up-Front Payment
Exhibit H	Development Milestones
Exhibit I	Environmental Reports
Exhibit J	Memorandum of Sublease
Exhibit K	Diversity, Inclusion and Equity
Exhibit L	Form of Non-Disturbance Agreement for Investors
Exhibit M	Key Personnel

EXHIBIT A
SURVEY

EXHIBIT "B"

PARCEL DESCRIPTION

TRACT D

One (1) certain tract or parcel of ground designated as "Tract D", containing 4.20 Ac. (183,139 Sq. Ft.) being a portion of the First Municipal District of Orleans Parish, Louisiana, and more particularly described as follows:

Commence at a "x" in a brick sidewalk at the intersection of the Southerly right-of-way line of Tulane Avenue with the Westerly right-of-way line of LaSalle Street, said point also being the Point of Beginning;

Thence, along the Westerly right-of-way line of LaSalle Street, South 14 degrees 26 minutes 11 seconds West a distance of 401.55 to a "x" in a brick sidewalk, said "x" being on the Northerly right-of-way line of Gravier Street; thence, along said right-of-way line, North 66 degrees 41 minutes 19 seconds West a distance of 428.46 feet to a drill hole in concrete; thence, North 62 degrees 59 minutes 30 seconds West a distance of 107.87 feet to a "x" in concrete; thence, departing said right-of-way line, along a line common with both Tracts B and D, North 27 degrees 00 minutes 30 seconds East a distance of 137.41 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, South 62 degrees 59 minutes 30 seconds East a distance of 48.51 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, North 39 degrees 34 minutes 02 seconds East a distance of 92.76 feet to a "x" in concrete; thence, along a line common with both Tracts C and D, North 27 degrees 00 minutes 11 seconds East a distance of 191.57 feet to a "x" in concrete, said "x" being on the Southerly right-of-way line of Tulane Avenue; thence, along said right-of-way line, South 62 degrees 59 minutes 49 seconds East a distance of 379.37 feet to the Point of Beginning, Tract being the same Tract D as shown on the map showing Resubdivision Survey of Square 367, 402, 405 and Previously Revoked Sections of South Robertson and Magnolia Street into Tracts A, B, C and D by Colin B. Gravois, P.L.S. dated July 30, 2018.

N.B. This land description attached as EXHIBIT "B" is subject to change upon final approval of the Re-Subdivision Application now pending as SD 146-19 with the New Orleans Planning and Zoning Commission.

EXHIBIT C
PERMITTED ENCUMBRANCES

EXHIBIT D
PROHIBITED USES

The following uses are prohibited on the Property:

massage parlor (other than a bona fide therapeutic massage provider as part of a bona fide health club, gym, or spa)

hot tub or suntan facility (other than as part of a bona fide health club, gym, or spa)

any facility used for gambling, "off-track betting," bingo, or similar games of chance, except for permitted video poker machines located inside a legal business such as a bar or restaurant

any store the principal business of which is a sale of alcoholic beverages for consumption off premises (other than upscale wine retailers)

adult bookstore or facility selling or displaying pornographic materials (whether books, literature, video or other medium) (materials shall be considered "adult" or "pornographic" for such purposes if the same are not available for sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality)

any facility selling or exhibiting drug paraphernalia for illegal drugs

any public or private nuisance as defined by Louisiana statutes and case law

any obnoxious or offensive odors or fumes (excepting restaurant uses)

any noise or sound that is reasonably objectionable due to intermittence, beat, frequency, shrillness or loudness (excepting entertainment venues which shall include sidewalk and patio/plaza performers)

any strip club, dance club or discotheque (restaurants and bars with music, dancing or other entertainment are permitted)

any central laundry, commercial laundry or dry cleaning plant or laundromat (except on-site service provided solely for pickup and delivery by the ultimate consumer, including nominal supporting facilities, and laundry facilities located in residential areas for the residents' use)

any "second hand" store or "surplus" store (excluding specialty stores that sell "vintage" clothing, collectibles, or antiques), auction house, pawn shop, check cashing business, or flea market

arcade, skating rink, billiard parlor (except as an incidental part of another primary business), or bowling alley

shooting gallery

firearms shooting range

mortuary

EXHIBIT E
TRANSACTION DOCUMENTS
[TO COME]

EXHIBIT F

SPECIFIED REVIEW AREAS AND PROCESS

(reference Sections 5.1.3 and 5.2)

I. Approval by the Approval Bodies is required to the following extent:

A. Code Review:

After review of the Preliminary Plans and Final Plans has been completed, the then Code Review Firm shall review all work exceeding \$250,000.00 if only the Building exterior is affected or \$1,000,000.00 if Building interior changes are involved (each of these amounts will be adjusted every five (5) years after the Effective Date in accordance with the percentage change in the CPI since the Effective Date) (and Improvements shall not be broken into small segments to avoid such work exceeding such restrictions).

Any work submitted pursuant to this Exhibit shall be reviewed by the Code Review Firm for compliance with applicable building and construction codes, including those applicable due to specified uses of particular occupants, and engineering soundness and life safety matters, and assist the Approval Bodies as to matters in Part I.B.

Additionally, an analysis of requirements of the Louisiana Code for State Owned Buildings as they relate to this project shall be prepared by the Code Review firm.

B. In addition, in all instances of review the Approval Bodies may include in their evaluation, and condition their approval, limited to the following areas of special concern:

1. Maintaining the architectural integrity of the exterior of the Building.
 - a. Exterior wall/panel repairs and replacement (including manner of panels' attachment).
 - b. Moisture migration prevention.
 - c. Retaining exterior artifacts now attached to Charity Hospital.
 - d. Preserving artwork above the exterior front door.
2. Maintaining the architecturally significant Art Deco features in the interior of the Building.
 - a. Main lobby, including without limitation preserving the seal in the main lobby floor.
 - b. Retaining historic artifacts now attached to Charity Hospital.

3. Maintaining the integrity of fireproofing of column/beam/floor assemblies.
4. Providing for mitigation and control of flooding and water infiltration of basement.
5. Maintaining integrity of current servitudes in the basement as well as utilities serving other entities currently running through the basement or the rerouting of those utilities and servitudes in coordination and with cooperation by those entities.
6. Work affecting the Building's structural elements or integrity, including roof, foundation, exterior walls, façade, or building core.
7. Work affecting the Building's key historical components, including exterior appearance and first floor lobby aesthetic appearance.
8. Work altering the Building's structure limit line.
9. Material changes to the Building's electrical, mechanical, plumbing, HVAC, life safety, or utility systems or primary routing.

II. Timelines for review of plans for Initial Improvements by the Code Review Firm, then by LSU and OFPC, depending on nature of submission:

Preliminary Plans and Final Plans

The Code Review Firm shall review architectural and engineering drawings and specifications for construction of Sublessee's Initial Improvements for purposes of compliance with applicable building and construction codes. The Approval Bodies shall review all such submissions for purposes of the additional areas identified in Part I.B. above.

All submissions by Sublessee of plans and specifications for the Initial Improvements shall be made to the Code Review Firm with a copy to CHR. CHR shall promptly upon receipt of any satisfactorily reviewed submission forward it to the other Approval Bodies as necessary.

The initial submission of Final Plans and documents to CHR shall be accompanied by a summary of any changes from the approved Preliminary Plans and shall be made by Sublessee no later than [180] days after the Effective Date. In the event that there are no changes from the approved Preliminary Plans, the Sublessee shall attach a statement to that effect. Within thirty (30) days after receipt of such initial submission of Final Plans with Sublessee's summary, the Code Review Firm shall prepare its written report of any non-compliance with applicable building and construction codes and its reasonable, suggested changes to the initial submission in order for the Final Plans to achieve code compliance,

and other matters within Part I.B as directed by the Approval Bodies . The Approval Bodies shall notify Sublessee of any additional reasonable objections that any such Approval Body may have within fifteen (15) days after receipt of the Code Review Firm report.

Any objections by the Code Review Firm or Approval Bodies to Sublessee's Final Plan submissions shall be limited to matters in a particular submission that are not consistent with, or were not addressed by, the approved Preliminary Plans. Thereafter, as to each submission from Sublessee of further revised, amended or supplemented Final Plans and Specifications, the Code Review Firm and each of the Approval Bodies shall exercise good faith, reasonable efforts to approve or reject such submission within fifteen (15) days after receipt, provided that any such entity may, by written notice to Sublessee within said fifteen-day period, extend its review period for an additional fifteen (15) days when reasonably required. Furthermore, each such entity may request additional time from Sublessee for that entity's review period due to reasons specified in the request, and Sublessee will not unreasonably refuse to grant the requested additional time. Any rejection of a submission shall be accompanied by a description of measures to be taken by Sublessee that will result in approval on resubmission (or why resubmission of any similar proposal would be rejected). Sublessee shall exercise good faith, reasonable efforts to revise and resubmit such documents within fifteen (15) days after receipt of each rejection notice.

III. The Code Review Firm shall adhere to the Office of Facility Planning and Control guidelines for building code review for State Owned Buildings.

R.S 40:1722 establishes the Louisiana building code and directs that the following codes be established as the standards as minimum standards for the building code. The following codes shall be established as constituting the code in the editions indicated:

1. The Life Safety Code, standard 101, 2015 edition as published by the National Fire Protection Association;
2. The International Plumbing Code, 2015 edition as published by the International Code Council and amended by R.S. 40:1730.28.1;
3. The International Building Code, 2015 edition as published by the International Code Council, not including chapter 1, administration, chapter 11, accessibility, and chapter 27, electrical;
4. The International Mechanical Code, 2015 edition as published by the International Code Council;
5. The National Electric Code (NFPA no. 70), 2014 edition as published by the National Fire Protection Association
6. The 2010 Standards for Accessible Design as well as all applicable provisions of the Americans with Disabilities Act (ADA), including but not limited to the standards contained in 28 CFR 35 (Nondiscrimination on the Basis of Disability in State and Local Government Services), 28 CFR 36 (Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities), 28 CFR 36 Appendix A (Standards for Accessible Design) referred herein as ADA Standards.

[UNDER REVIEW]

EXHIBIT G

CONSTRUCTION APPROVALS FOR SECOND UP-FRONT PAYMENT

(reference Sections 3.1.2 and 5.1.2)

1. Approvals of the Final Plans and Specifications by:
 - a. the Code Review Firm;
 - b. CHR;
 - c. LSU; and
 - d. OFPC.

For purposes of Section 3.1.2 only, the scope of the “Final Plans and Specifications” is only for Sublessee’s initial submission that depict the interior demolition, and abatement improvements, any changes to the Building’s exterior (including the manner of attachment of the exterior panels to the Building’s structure, and treatment of all the windows), lobby and other historical components, any other major changes to the Building’s structure, and the other elements listed in Part I.B of **Exhibit F**.

2. Approval by the State Fire Marshall.
3. Approval by the State Department of Health and Hospitals.
4. State consent (pursuant to executed Memorandum of Understanding).
5. Issuance of Authorization to Proceed by LSU (through CHR) to Sublessee. LSU, jointly with CHR, will issue this authorization to proceed promptly after receipt from the Code Review Firm of (i) written confirmation that all of the approvals and consents described in 1 through 4 above have been given and (ii) its recommendation that LSU and CHR issue the authorization to proceed. LSU and CHR will withhold such authorization to proceed only for failure of compliance with applicable building and construction codes or the other requirements in **Exhibit F**.

EXHIBIT H
DEVELOPMENT MILESTONES
(reference Sections 5.1.9 and 5.1.10)

EXHIBIT H
DEVELOPMENT MILESTONES

- | | |
|---|---------------------------|
| 1. Pre Development Agreement | February 2019 |
| 2. Due Diligence | |
| a. Draft Alta Survey | August 2019 |
| b. Phase I Environmental Assessment | August 2019 |
| c. Point Cloud Survey /
Existing Conditions Building Information Model | July 2019
October 2019 |
| d. Historic Part I Application, Preliminary Determination | November 2019 |
| 3. Ground Lease | October 2019 |
| a. Lease Execution / Initial Upfront Payment | November 2019 |
| 4. Financial Closing | November 2019 |
| 5. Preliminary Plans and Specifications | |
| a. Demolition and Abatement | December 2019 |
| b. Schematic Design | January 2020 |
| c. Historic Part II Applications | January 2020 |
| d. 3 rd Party Code Review & Approval | February 2020 |
| 6. Final Plans and Specifications | |
| a. Design Development | April 2020 |
| b. Historic Tax Credit Documents | May 2020 |
| c. Construction Documents | September 2020 |
| d. 3 rd Party Code Review & Approval | October 2020 |
| e. State Fire Marshal / Health and Hospital Review & Approval | October 2020 |
| f. Approval of Final Plans / Final Upfront Payment | November 2020 |
| 7. Construction | |
| a. Demolition and Abatement | October 2020 |
| b. Exterior Envelope | March 2021 |
| c. Core | November 2021 |
| d. Shell | June 2022 |
| e. Substantial Completion | September 2023 |
| f. Significant Occupation | November 2023 |

Note: All dates are the last calendar day of each month.

EXHIBIT I
ENVIRONMENTAL REPORTS

EXHIBIT J
MEMORANDUM OF SUBLEASE

EXHIBIT K

DIVERSITY, INCLUSION AND EQUITY

To accomplish its diversity, inclusion, and equity outreach goals in the redevelopment the Developer and all members of its team have committed to the plan set forth below. The goal of the Diversity, Inclusion and Equity Plan is to ensure accountability, compliance and transparency in complying with the DBE goal established by Louisiana State University's Office of Supplier Diversity for the Project. The project will create an opportunity to help DBEs build capacity and participate on LSU's inaugural project with a DBE goal. Monthly DBE compliance reports will be provided with real-time information on key performance metrics, such as overall DBE participation on the project, as well as areas that need to be addressed to ensure the project remains on track to achieve the DBE goal.

A. Community Outreach and Engagement

1. **Print Media**- Print Media will be leveraged to provide current status information about the project via articles, ads, and/or feature stories that validate the teams' commitment to total transparency and engagement.
2. **Community Outreach Office** - The community outreach office will serve as a physical location for providing project information to the public. One full-time staff person will handle front office reception and administrative duties, which will primarily include greeting visitors, providing potential tenants with property information, issuing and intake of job applications, and answering the project information line.
3. **Electronic Media** – Electronic media will be used to provide personal interaction between the community and the project team to present clear, concise information about various phases of the project and its public inclusion efforts.
4. **Social Media** - Social Media will be used to expand the engagement of a broader, more diverse audience, and aid in the promotion of events.
5. **Public Information Sessions and Community Organization and Stakeholder Events** – The Development Team will continue to update the public through targeted informational sessions. During these sessions, the community will be educated on the project's status in an informal, interactive setting. Attendees will have the opportunity to speak with members of the project team while they view displays. Special events centered around project milestones will publicize the project's progress and further community participation. Additionally special events centered around project milestones will help to publicize the project's progress and further community participation.

6. **Website Content Development** - To ensure accessibility to updated information about the project, outreach materials will be made available through the project website, www.1532tulanepartners.com
7. **Telephone Information Line** – A designated telephone line will be provided to allow the community to communicate inquires regarding the project. The information line will also be available to provide information about upcoming opportunities. The line will be in operation during regular business hours and include a voicemail system for receiving calls outside of those hours to be addressed the next business day.

B. Measurement of Diversity, Inclusion, and Equity Participation

1. The responsibility for tracking is in the capable hands of Start Smart, LLC, a Louisiana limited liability company and qualified DBE with a track record for accurately recording, tracking and measuring the DBE participation on all levels of the project. The Developer has committed to development and implementation of the following:
 - a. Customized supplier diversity compliance management forms
 - b. Customized supplier registration portal to capture contact, demographic and trade information on contractors expressing interest in bidding on the project
 - c. A comprehensive Project Participation and Compliance Plan that details how the team will meet the supplier diversity goal of 35%
 - d. Develop standardized supplier diversity contract language for inclusion in subcontractor bid packages
 - e. Our team will measure the success of our diversity, inclusion, and equity methods through an economic impact calculator (EIC). By tracking our team's progress, we will be able to ensure that we are on track with meeting and exceeding the diversity and inclusion goals set forth for this project. The EIC will track:
 1. Total economic impacts, including both direct and indirect benefits
 2. How much of the benefit stays in the local area
 3. Number of jobs generated within the impact area including indirect jobs
 4. Total local, state and federal tax benefits of the project

C. Project Ownership and Investment

1. Ownership and investment opportunities present a strategic means to promote diversity, inclusion, and equity opportunities in this project. The Developer has implemented DBE equity opportunities by engaging in negotiations for ownership with a couple of DBE's for an equity position in the opportunity zone fund for the redevelopment of the former Charity Hospital building as well as future ownership opportunities in the Low Income Housing Tax Credit portion of the redevelopment of the Dibert and L&M buildings and the workforce and market rate housing phases of future development opportunities.

2. Units set aside for workforce or affordability leasing will be maintained in those designations to provide opportunity for future ownership. It is anticipated that upon sale of such units, occurring only after a Historic, Low Income or Opportunity Tax Credit hold period, the aforementioned tenant groups will have priority in ownership opportunities.
3. Employment and career opportunities for neighborhood and disadvantaged persons and businesses will be presented in public meetings to ensure equity and increase quality of life. Small businesses and start-ups can apply for reduced rates in space set aside by Developer in the co-working or innovation hub areas.

D. Construction - Opportunities to realize equity outcomes during the construction include: soliciting the participation of disadvantaged business enterprise contractors, working with and supporting pre-apprenticeship and training programs that expand the pipeline of qualified workers, local hiring commitments, and other initiatives. Subcontractors who may not otherwise have the benefit of performing work on associated projects will be given the opportunity to expand, grow, and become more proficient in every area of the trade (i.e. accounting, construction trade skills, management, etc.) The Developer is committed to establishing long-term relationships with those who effectively perform their designated scopes of work and render a quality product. Promotion of equity and demonstration of accountability in the diversity and inclusion goals will be accomplished by the following means:

1. **Outreach** - The Development Team will work to accomplish this using the following methods: community outreach meetings, advertisements, notification to related organizations, project scope forms, time lines and particulars sent to prospective MBE/WBE/DBE, pre-bid meetings, structuring of bid packages to allow for breakdown of work and comparable scope between similar trades, and matching MBE/WBE/DBE's with prospective bidders on large packages where they may not be competitive alone but have skills to bring to the table as part of a larger team.

To make the contracting opportunities widely recognizable the Development Team will communicate through advertisements to trade organizations, publications of special interests group and large distribution publications. Contact information on all subcontractors that respond will be maintained in a database for future notices when their appropriate scope of work is bid.

2. **Targeted Bid Solicitation** - In addition to advertisements, the Development Team will notify organizations and special interest groups targeting the construction industry. Communication requesting initial interest and membership listings will be forwarded to these organizations. Those that wish to participate will be added to the bid solicitation contact list.
3. **Project Labor Agreements** – The Development Team, will work to implement a construction apprenticeship plan following the published guidelines of the North America's Building Trades Unions. This provision will offer priority training to displaced and nearby residents with the opportunity to participate in construction.

Contract negotiations and design will provide for integration of these individuals into the team so they can be gainfully employed by the time construction starts.

4. **Cash Flow Assistance** – Some smaller MBE/WBE/DBE subcontractors find that a big job requiring more workers can quickly deplete their cash reserves and leave them with inadequate monetary resources to fulfill their portion of work. To avoid losing good subcontractors caught in this situation, the Contractor will work with its subcontractors and lenders for cash flow assistance such as the following:
 - Allowing the subcontractors to assign their subcontract agreements to financial institutions to accommodate lending requirements for cash flow distribution,
 - Offering subcontractors assistance in accounting, using monthly payroll draws, joint check arrangements to vendors, and similar load sharing measures.
5. **Equal Opportunity Measures** -The project goals are to create an environment conducive to equality among all contractors, subcontractors and employees regardless of age, race, or gender.

E. **Asset and Facility Management** Opportunities to promote equity during the ongoing operation of the Charity Hospital Redevelopment project include, but are not limited to, ensuring the participation of disadvantaged business enterprise contractors, working with and supporting workforce development programs that expand the pipeline of qualified workers, local hiring and wage commitments, and other initiatives. Our team will track and archive all responses, and make them available for review by development team members and project stakeholders to promote a transparent process to our teams approach to equity in asset and facility management. Our team will also employ the following methods to promote equity and demonstrate accountability in the diversity and inclusion goals that have been set forth by JLL, LSU REFF

1. **Aggressive outreach** - Our team will develop an aggressive outreach plan, generating interest for local workforce development through advertising and a direct, targeted, multi-level approach that will include:
 - a. Newspaper
 - b. Contact by fax/email/telephone follow-up (certified and “certifiable” businesses).
2. **Small Business Exchange** - DBE engagement for the hiring of skilled workers and management groups for asset and facility management will be led the Small Business Exchange (SBE). The Small Business Exchange will provide DBE’s owned by minorities, women, and veterans (especially disabled veterans) with access to information and resources that enable them to successfully enter and compete in both local and global economies. We will utilize the SBE and its extensive database and outreach tools for inclusion in both the construction and facilities management for this project. To ensure transparency and ease of response, our team will provide “open access” to the procurement process through SBE’s “Bid Opportunity Tracking” system. This includes:

- a. Pre-bid stage
- b. Out-to-bid stage with planholder/prospective bidder listing
- c. Bid results with sub-to-low bidders at 1st, 2nd and 3rd tier levels

3. Educational Opportunities + Workforce Development - A long- term equity and community investment strategy will be developed through a proposed programming for internship and apprenticeship opportunities within the innovation hub and in partnership with Tulane University, the Gulf Coast Education and Training Consortium, and other local institutions.

EXHIBIT L
FORM OF NON-DISTURBANCE AGREEMENT FOR INVESTORS

Exhibit "M"
Key Personnel

Sublessee: 1532 Tulane HOLDCO, LLC
1532 Tulane Partners, Inc., Managing Member
4127 S. Claiborne Ave.
New Orleans, LA 70125

Developer: 1532 Tulane Partners, Inc.
Yoel Shargian, President
Joseph A. Stebbins, II CEO, Secretary and Treasurer

Lead Architect: BNIM (Berkebile, Nelson, Immenschuh, McDowell, Inc.)
2460 Pershing Rd, Suite 100
Kansas City, MO 64108

Local Architect: John C. Williams Architects, LLC
824 Baronne St.
New Orleans, LA 70113

Subcontractors to Local Architect:

Landscape	Dana Brown & Assoc., Inc.
Affordable Housing Design	Volume Zero, LLC
Historic Architecture	Koch & Wilson Architects, APC
Structural Engineering	Julien Engineering & Consulting, Inc.
MEP Engineering	WDG, LLC

General Contractor: The McDonnell Group, LLC + Tishman
3350 Ridgelake Dr, Suite 170 2 Canal Street
Metairie, LA 70002 New Orleans, LA 70130

Community Outreach: The Hawthorne Agency, Inc.
615 Baronne St.
New Orleans, LA 70113

Historic Tax Credit Syndicator: Tax Credit Capital, LLC
1527 Third St.
New Orleans, LA 70130

Housing Consultant: John Murray - Key Realty
5411 E. State St., Suite 1
Rockford, IL 61108

Tracking Diversity Participation: Start Smart, LLC
7240 Crowder Blvd., Suite 300
New Orleans, LA 70127

**CHARITY HOSPITAL REDEVELOPMENT
LEASE OF REAL PROPERTY AND IMPROVEMENTS**

dated as of _____, 2019

by and between

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

and

CHARITY HOSPITAL REDEVELOPMENT LLC

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**CHARITY HOSPITAL REDEVELOPMENT
LEASE OF REAL PROPERTY AND IMPROVEMENTS**

This Charity Hospital Redevelopment Lease of Real Property and Improvements (this "**Primary Lease**") is entered into as of this ____ day of _____, 2019, by and between

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE ("LSU"), herein represented by F. King Alexander, the duly authorized President of LSU, and

CHARITY HOSPITAL REDEVELOPMENT LLC, a limited liability company organized and existing under the laws of the State of Louisiana ("**CHR**"), the sole member of which is **LSU REAL ESTATE AND FACILITIES FOUNDATION**, a private nonprofit corporation organized and existing under the laws of the State of Louisiana ("**REFF**"), herein represented by J. Bryan Benchoff, Manager of CHR.

Each of LSU and CHR is a "**Party**" and, together, are the "**Parties**."

WITNESSETH

WHEREAS, LSU is a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "**State**");

WHEREAS, Louisiana State University Health Sciences Center Health Sciences Center – New Orleans (the "**University**") is an institution of higher and professional education of the State under the supervision and management of the Board;

WHEREAS, REFF is a Tax Exempt Organization, which is organized and operated for the purpose of supporting LSU, its programs, facilities, and research and educational activities, and to support the LSU Foundation, and is the sole member of CHR;

WHEREAS, the business of CHR shall at all times be carried out and operated exclusively for the tax exempt purposes of REFF;

WHEREAS, pursuant to Louisiana Revised Statutes 17:3361, *et seq.* (the "**University Leasing Act**"), LSU is authorized to lease to a limited liability company such as CHR any portion of the grounds or campus of any college or university or other immovable property under its supervision and management, under the conditions set forth therein;

WHEREAS, the University Leasing Act expressly authorizes a lease to a limited liability company such as CHR to allow for demolition, construction and renovation of buildings, other structures and improvements on that portion of the grounds or campus of the University which is the subject of the lease;

WHEREAS, REFF is party to that certain Intent to Lease Agreement dated December 8, 2017, for the Charity Hospital Redevelopment Project (the "**Intent to Lease**"), among LSU, the State of Louisiana (through the Division of Administration) (the "**State**"), and REFF, which addresses the process and guidelines for the negotiation of a proposed agreement with a

developer for the redevelopment of the Charity Hospital building and grounds, and recognizes that REFF may form a special purpose entity to perform all responsibilities otherwise ascribed to REFF in relation to the Charity Hospital project, and REFF has formed CHR for that purpose;

WHEREAS, REFF, as part of a competitive process (the "**Process**"), issued a Request For Proposals dated June 4, 2018, for the Adaptive Reuse of the Former Charity Hospital Building (the "**RFP**," which includes all addenda, exhibits, and all other materials related to it or issued in conjunction with it) and through the Process, has selected Developer for the redevelopment of the Property;

WHEREAS, 1532 Tulane Partners, Inc., a Louisiana corporation ("**Developer**"), submitted a Proposal dated August 20, 2018, as supplemented by a Response to Best and Final Information Request dated September 18, 2018 (collectively the "**Proposal**") in connection with the RFP;

WHEREAS, REFF, through the Process, selected the Developer for the redevelopment of the Charity Hospital building and grounds into a mixed-use project;

WHEREAS, CHR and Developer entered into a Predevelopment Agreement ("**Predevelopment Agreement**") dated February 18, 2019, which provided, *inter alia*, that upon the satisfaction of certain conditions, the following would occur:

(i) CHR would lease from LSU (a) a certain parcel of immovable property resubdivided as Tract D (formerly a portion of Squares 367, 402 and 405), bounded by Tulane Avenue, LaSalle Street, Gravier Street, and North Claiborne Avenue, located in the First Municipal District, City of New Orleans, Parish of Orleans, State of Louisiana, as shown on the survey of Colin B. Gravois, PLS License No. 5115, dated July 30, 2018, attached as **Exhibit A** hereto and described more particularly in **Exhibit B** attached hereto (collectively, the "**Land**"), (b) the building formerly known as Charity Hospital, a twenty-story building as existing on the Effective Date with the municipal address of 1532 Tulane Avenue, New Orleans, Louisiana 70112, located on the Land (the "**Building**") and (c) all appurtenances, rights, privileges, servitudes, and easements benefiting, belonging, or pertaining to the foregoing, together with all buildings, structures, and improvements thereon (the "**Ancillary Items**" and, together with the Building and the Land, the "**Premises**"); and

(ii) CHR and Developer would negotiate, finalize, and execute a sublease of the Premises by CHR to Developer pursuant to which Developer would renovate, improve and operate the Premises;

WHEREAS, Developer has assigned to 1532 Tulane, LLC (the "**Sublessee**") its right to sublease the Premises from CHR, and CHR has consented to this assignment and agreed to accept Sublessee as the subtenant under that certain Charity Hospital Redevelopment Sublease of Real Property and Improvements dated as of _____, 2019 (the "**Sublease**") by and between CHR and Sublessee, a copy of which is attached hereto as Exhibit C and the terms of which are incorporated in this Primary Lease as though fully set forth herein;

WHEREAS, LSU and CHR have determined that it is in the best interest of LSU for

CHR to lease the Premises from LSU and to sublease the Premises to the Sublessee) pursuant to the Sublease) for the purpose of financing and constructing the Initial Improvements and the other Improvements (each, as defined herein) and the redevelopment of the Property (defined herein) into a mixed use project (the "**Project**"); and

WHEREAS, in furtherance of the foregoing, LSU and CHR have agreed to enter into this Primary Lease.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. DEFINITIONS. In addition to such other defined terms as may be set forth in this Primary Lease, the following terms shall have the following meanings:

"**Ancillary Items**" shall have the meaning assigned thereto in the Recitals hereto.

"**Annual Rent**" shall have the meaning assigned thereto in Section 4.1(b).

"**Applicable Laws**" means all laws, constitutions, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, notices, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation, reports, guidelines, and requirements of all Governmental Authorities having jurisdiction over LSU, CHR, the Lessee or the Property, or otherwise affecting the LSU, CHR, the Lessee or the Property, including without limitation, the Americans with Disabilities Act of 1990, as amended, and all applicable Environmental Laws, whether now or hereafter in effect. The term "Applicable Laws" in a particular provision will refer to the laws, constitutions, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, notices, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigation, reports, guidelines, and requirements in effect on the date this reference becomes applicable under that particular provision and the facts and events pertaining thereto.

"**Approval Bodies**" means, collectively, LSU, OFPC and CHR.

"**Building**" shall have the meaning assigned thereto in the Recitals hereto.

"**Business Day**" or "**business day**" means each day other than Saturdays, Sundays, Holidays and days on which national banks in New Orleans, Louisiana, are authorized to be closed for business.

"**cause**" means, with reference to obligations of either Party to cause another Person to do or not do an act, undertaking reasonable commercial efforts in good faith to effect such Person's compliance.

"**CHR**" means Charity Hospital Redevelopment LLC, a limited liability company organized and existing under the laws of the State and the sole member of which is the REFF, and its successors and assigns.

"**CHR Representative**" means the Person or Persons designated in writing by the CHR to serve as the CHR's representatives in connection with this Primary Lease, initially Leu Anne Greco, Esquire, and J. Bryan Benchoff, each of whom is a Manager of CHR and is authorized to represent CHR, and any other person(s) designated in writing by the CHR to LSU from time to time as person(s) who is (are) authorized to act on behalf of the CHR under this Primary Lease.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings promulgated thereunder.

"**Code Review Firm**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**days**" means calendar days unless "Business Days" are specified.

"**Deposit**" means the Deposit in the amount of \$_____ held by CHR pursuant to the Predevelopment Agreement.

"**Developer**" means 1532 Tulane Partners, Inc. a Louisiana corporation wholly owned and controlled by Yoel Shargian, its President, and Joseph A. Stebbins, II its Executive Vice President and Secretary/Treasurer, and its successors and assigns.

"**Effective Date**" means the date on which each of this Primary Lease and the Sublease has been fully executed and delivered by both Parties. When the Effective Date has been established, if each of this Primary Lease and the Sublease is not executed by both the Parties together at a closing ceremony, then the Effective Date shall be memorialized in a written addendum to this Primary Lease and made a part of it for all purposes.

"**Environmental Reports**" shall have the meaning assigned thereto in Section 12.2(a).

"**Equipment**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Event of Default**" shall have the meaning assigned thereto in Sections 18.1 and 19.1.

"**Exhibit A**" means "Exhibit A – Survey" to this Primary Lease.

"**Exhibit B**" means "Exhibit B – Land Description" to this Primary Lease.

"**Exhibit C**" means "Exhibit C – Copy of Sublease" to this Primary Lease.

"**Exhibit D**" means "Exhibit D – Permitted Encumbrances" to this Primary Lease.

"**Exhibit E**" means "Exhibit E – Prohibited Uses" to this Primary Lease.

"**Exhibit F**" means "Exhibit F – Environmental Reports" to this Primary Lease.

"**Exhibit G**" means "Exhibit G – Memorandum of Lease" to this Primary Lease.

"**Exhibit H**" means "Exhibit H – Diversity, Inclusion and Equity" to this Primary Lease.

"**Expenses**" means, for any particular period of time, reasonable legal fees and out of pocket expenses incurred by LSU and CHR in connection with this Primary Lease, the Sublease and the Premises, as evidenced from time to time by a certificate of LSU and CHR.

"**Expiration Date**" means the day immediately preceding the ninety-ninth (99th) anniversary of the Effective Date.

"**Extension Payment**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Federal Bankruptcy Code**" means 11 U.S.C. §101, *et seq.*, as the same may be amended from time to time.

"**Fiscal Year**" means the period commencing on July 1 of any calendar year and ending on June 30 of the following calendar year, or such other period for twelve consecutive calendar months as shall be specified by LSU.

"**Force Majeure**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Governmental Approvals**" means all governmental, regulatory and administrative approvals, permits, and rights of way required by any Governmental Authorities having jurisdiction over the Property to permit the development of the Project and its use, including various proposed uses by Tenants.

"**Governmental Authorities**" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, parish, district, municipality, city or otherwise) whether now or hereafter in existence that have authority over the Premises, and "Governmental Authority" means any one of these Governmental Authorities.

"**Improvements**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Initial Improvements**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Intent to Lease**" shall have the meaning assigned thereto in the Recitals hereto.

"**Holiday**" means any day which shall be a legal holiday in the State of Louisiana or for the federal government, or, a day on which LSU or the University is required by law or is authorized to close or is closed.

"**Land**" shall have the meaning assigned thereto in the Recitals of this Primary Lease and as more particularly described in **Exhibit B** hereto.

"**Land Records**" means the land records of the Clerk of the Civil District Court for Orleans Parish, Louisiana, specifically including, without limitation, the Conveyance and Mortgage records and the Notarial Archives.

"**Lease Year**" means (a) the period commencing on the Effective Date and ending on the day immediately preceding the first (1st) anniversary of the Effective Date, and (b) each successive period of twelve (12) consecutive full calendar months thereafter commencing on each anniversary of the Effective Date. If this Primary Lease ends on a day that is not the day immediately preceding an anniversary of the Effective Date, then the last Lease Year will comprise fewer than twelve (12) full calendar months, will commence on the Effective Date anniversary that immediately precedes the Termination Date, and will end on the Termination Date.

"**Leasehold Estate**" means the leasehold estate in the Premises held by CHR under this Primary Lease.

"**Leasehold Mortgage**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Leasehold Mortgagee**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Liens**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**LSU**" means the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation, and its successors and assigns.

"**LSU Representative**" means one or more of the persons designated and authorized in writing from time to time by LSU to represent LSU in exercising its rights and performing LSU's obligations under this Primary Lease, initially the President or [**other?**] or their respective designee(s).

"**LSU's Interest**" means the fee simple title to the Premises and LSU's interest in this Primary Lease, subject to CHR's rights under this Primary Lease.

"**Monetary Default**" means a failure by CHR to pay an installment of Rent when due.

"**OFPC**" means the Office of Facility Planning and Control, Division of Administration of the State.

"**Operating Expenses**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**ORM**" means the Office of Risk Management of the State.

"**New Sublease**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Party**" and "**Parties**" shall have the meaning assigned thereto in the introductory paragraph.

"**Permitted Encumbrances**" means any and all instruments and matters of record or in fact on the date hereof, including but not limited to the instruments and matters listed or described on **Exhibit D** hereto.

"**Permitted Uses**" shall have the meaning assigned thereto in Section 7.1.

"**Person**" means an individual, a trust, an estate or a Governmental Authority, or a partnership, joint venture, corporation, limited liability company, firm or any other legal entity.

"**Personal Property**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Personal Property Taxes**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Predevelopment Agreement**" shall have the meaning assigned thereto in the Recitals hereto.

"**Premises**" shall have the meaning assigned thereto in the Recitals hereto.

"**President**" means the President of Louisiana State University, and shall include any permanent or interim officer or any successor office.

"**Primary Lease**" means this Charity Hospital Redevelopment Land and Building Lease Agreement dated the Effective Date, by and between LSU and CHR, as amended, modified and supplemented from time to time.

"**Prime Rate**" means the rate designated as the "prime rate" as published each business day in the Wall Street Journal, or, if at any time the Wall Street Journal shall cease to be published, the rate announced from time to time by the largest commercial bank with branches in New York City (as reasonably identified by LSU) as its "prime," "base" or "reference" rate.

"**Process**" shall have the meaning assigned thereto in the Recitals hereto.

"**Prohibited Uses**" means the uses listed on **Exhibit E**.

"**Project**" means the financing and construction of the Initial Improvements and the redevelopment of the Property into a mixed-use project.

"**Property**" means, collectively, the Premises, the Improvements, and the Equipment.

"**Proposal**" shall have the meaning assigned thereto in the Recitals hereto.

"**REFF**" means the LSU Real Estate and Facilities Foundation, a nonprofit corporation organized and existing under the laws of the State and a Tax Exempt Organization, and its successors and assigns.

"**Rent**" means all funds payable to LSU by CHR, including, without limitation, the Up-Front Payment and Annual Rent.

"**Repairs**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**RFP**" shall have the meaning assigned thereto in the Recitals hereto.

"**Second Up-Front Payment**" shall have the meaning assigned thereto in Section 4.1(a)(ii).

"**State**" means the State of Louisiana.

"**Sublease**" shall have the meaning assigned thereto in the Recitals hereto.

"**Sublessee**" shall have the meaning assigned thereto in the Recitals hereto.

"**Tax Credit Requirements**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Tax Exempt Organization**" means (a) a State or local governmental unit, including a public institution of higher learning organized under the laws of the State, or (b) an entity organized under the laws of the United States of America or any state thereof (i) that is an organization described in §501(c)(3) of the Code, (ii) that is exempt from federal income taxes under §501(a) of the Code, and (iii) that is not a "private foundation" within the meaning of §509(a) of the Code.

"**Tenancy Agreement**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Tenant**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Term**" means the time period during which this Primary Lease shall remain in full force and effect as set forth in Article III.

"**Termination Date**" shall have the meaning assigned thereto in Article III.

"**Total Taking**" shall have the meaning assigned thereto in Section 1.2 of the Sublease.

"**Up-Front Payment**" shall have the meaning assigned thereto in Section 4.1(a)(i).

ARTICLE II LEASE OF PREMISES

Section 2.1. Lease Of Premises. LSU covenants that, for and in consideration of the Rent to be paid by CHR hereunder and other good and valuable consideration, including, without limitation, the performance and observance by CHR of the covenants, obligations, conditions and stipulations herein expressed on the part of CHR to be performed and observed, the receipt and sufficiency of which is hereby acknowledged, LSU does hereby lease unto CHR, and CHR does hereby lease from LSU, all of the Premises. The Premises is accepted by CHR in its AS-IS, WHERE-IS CONDITION, WITH ALL DEFECTS AND FAULTS, WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW BY LSU OR THE STATE, and no repairs, replacements, additions, alterations, improvements, reconstruction or remodeling of any kind or nature shall be due by LSU, on or with respect to the Premises.

The foregoing notwithstanding, LSU hereby reserves all mineral rights in, to, on or under the Land, but hereby waives any surface rights to the Land during the Term.

Section 2.2 Compliance with Statutory Requirements. The University Leasing Act prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Primary Lease, LSU represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation, (a) the formulation and adoption of such rules, regulations and requirements as it deems necessary or desirable relative to the erection, construction and maintenance of the Project, which rules, regulations and requirements are incorporated in this Primary Lease as though fully set forth herein, as required by La. R.S. 17:3362A and (b) the waiver, by written consent, of its right to require removal of the Improvements (i) in the event the Foundation fails, neglects or refuses to comply with such rules, regulations or requirements as set forth in La. R.S. 17:3362B, except as otherwise set forth in this Primary Lease and (ii) upon failure of CHR to conform to rules or regulations relative to the conduct and social activities of people on the Premises as permitted by La. R.S. 17:3364, except as otherwise set forth in this Primary Lease; provided, however, that LSU reserves the right to enforce any and all other available remedies in the event of such failure, neglect or refusal.

ARTICLE III
TERM

This Primary Lease is for a term ("**Term**") of ninety-nine (99) years commencing on the Effective Date and ending on the Expiration Date, or any earlier date on which this Primary Lease terminates in accordance with its terms (the "**Termination Date**"). Nothing in this Primary Lease shall be deemed in any way to extend or permit the extension of the Term beyond the day immediately preceding the ninety-ninth (99th) anniversary of the Effective Date.

ARTICLE IV RENT

Section 4.1 Rent. As periodic rent for the Premises, CHR will pay LSU Rent consisting of two components, an Up-Front Payment and Annual Rent. CHR's obligation to pay all Rent is conditioned only upon the receipt of rental payments by CHR pursuant to a Sublease, and otherwise CHR shall pay Rent without any deduction, set-off or withholding. Subject to the foregoing sentence, CHR waives any rights CHR may have under Applicable Laws to set-off any claim against the Rent or otherwise make any deduction or withholding from the Rent. CHR acknowledges and agrees that CHR bears the risk of early termination of this Primary Lease for any reason whatsoever. Each Rent payment, once made under any Section of this Primary Lease, is completely non-refundable and fully earned by LSU upon receipt. In no event shall any portion of Rent, including, without limitation, any portion of the Up-Front Payment, once paid, be refundable for any reason, including, without limitation, termination of this Primary Lease for any reason whatsoever. CHR acknowledges and confirms that no agreement (written or oral), promise or understanding exists to the contrary. The Up-Front Payment is also consideration for the early termination option to be provided to the Sublessee by Section 5.1.6 of the Sublease. The periodic rent payments consist of the following:

(a) ***Up-Front Rent.***

(i) ***First Up-Front Payment.*** As the first payment of Rent, CHR will pay LSU the amount of seventy percent (70%) of an amount equal to the amount received by CHR pursuant to Section 3.1.1 of the Sublease (including any late charges pursuant to Sections 3.1.4 and 3.1.5 of the Sublease) less the amounts of the Deposit and the Expenses incurred prior to the Effective Date (the "**First Up-Front Payment**") within five (5) Business Days of the Effective Date of this Primary Lease.

(ii) ***Second Up-Front Payment.*** In addition to the First Up-Front Payment, within five (5) Business Days of the date provided in Section 3.1.2 of the Sublease, CHR will pay LSU seventy percent (70%) of an amount equal to the amount received by CHR pursuant to Section 3.1.2 of the Sublease (including any late charges pursuant to Sections 3.1.4 and 3.1.5 of the Sublease) less the amount of the Expenses incurred since the Effective Date to the extent not paid pursuant to subparagraph (a)(i) (the "**Second Up-Front Payment**" and, together with the First Up-Front Payment, the "**Up-Front Payment**").

(b) ***Annual Rent.*** Commencing with the second Lease Year, and continuing through the term of this Sublease, CHR will pay LSU the annual ground rent (the "**Annual Rent**" and, together with Up-Front Rent, "**Rent**") in an amount equal to fifty percent (50%) of an amount equal to the amount received by CHR pursuant to the Section 3.1.3 of the Sublease (including any late charges pursuant to Sections 3.1.4 and 3.1.5 of the Sublease) less the amount of Expenses incurred during the immediately preceding Lease Year (to the extent not paid pursuant to paragraph (a)) per year. Such amount shall be remitted by CHR to LSU within five (5) Business Days of the receipt by CHR of the corresponding payment of rent by the Sublessee pursuant to the Sublease.

The first payment of Annual Rent will be due and payable, in advance, on the fifth (5th) Business Day after first anniversary of the Effective Date, and each subsequent payment will be due and payable, in advance, on or before the fifth (5th) Business Day after each subsequent anniversary of the Effective Date, continuing until the Expiration Date, and will be paid by delivering it to LSU at the place and in the manner herein provided for under Section 23.2 for Notices.

(c) In order to determine the amount of Rent due from time to time, each Party shall, at least three (3) Business Days prior to the date a payment of Rent is due to be paid by the Sublessee to CHR under the Sublease, provide to the other Party an accounting of the Expenses incurred by it which are to be taken into account for each payment of Rent hereunder.

Section 4.4. Net Lease. Other than as expressly set forth in this Primary Lease, this is a net lease, and during the Term, all costs, expenses, liabilities, charges or other deductions whatsoever with respect to the Property and the construction, ownership, leasing, operation, maintenance, repair, rebuilding, use, occupation of, or conveyance of the Property shall be the sole responsibility of the Sublessee, including, but not limited to any cost, expenses, liabilities, charges or other sums, in connection with the closing of the financing of the Improvements or otherwise incurred by Sublessee in connection with the Improvements. Notwithstanding anything to the contrary in the foregoing, LSU will be responsible for its own legal fees (except as provided in Section 23.4), the cost of third-party consultants (except for the Code Review Firm) retained by LSU (except to the extent otherwise expressly agreed to by the Sublessee), and LSU's own personnel costs.

ARTICLE V CONDITION OF PROPERTY; PEACEFUL POSSESSION

Section 5.1 Condition. On the Effective Date, CHR accepts the Premises in AS-IS, WHERE-IS CONDITION, WITH ALL DEFECTS AND FAULTS, WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW BY LSU OR THE STATE. CHR expressly agrees acknowledges and represents and warrants to LSU that CHR has not entered into this Primary Lease based upon any representation, warranty, statement, or expression of opinion by LSU or any person or entity acting or allegedly acting for or on behalf of LSU or the State with respect to any condition of the Premises. CHR acknowledges that CHR, the Sublessee and their respective agents have had the opportunity to inspect the Premises, including undertaking environmental studies of the Premises. LSU is not obligated to make any improvements or repairs to any portion of the Premises or to perform any remediation with respect to any portion of the Premises. CHR waives, and shall cause the Sublessee to waive, any claim or action against LSU and the State with respect to the condition of the Premises. CHR hereby releases, and shall cause the Sublessee to release, LSU and the State from any liability that may arise from their actual or constructive knowledge of CHR's or Sublessee's intended use of the Premises, or from their actual or constructive knowledge of the condition of the Premises. CHR hereby assumes, and shall cause Sublessee to assume, responsibility for the condition of the Premises as of the Effective Date within the meaning of La. R.S. 9:3221. CHR waives and renounces, and shall cause Sublessee to waive and renounce, in particular, any warranties that the Premises is free from defectives or deficiencies, whether hidden or apparent, and all warranties under La. Civil Code Articles 2682(2), 2691, and 2696-2699 or any other provision of Louisiana law. CHR also waives, and shall cause Sublessee to waive, any right CHR or such Sublessee might have as a result of the condition of the Premises (i) to the return of all or any portion of any Rent, (ii) to cancel this Primary Lease, or (iii) to have LSU repair or replace all or any part of the Premises. LSU makes no warranty or representation, express or implied, with respect to the Premises or any part thereof, including its fitness for use, fitness or suitability for any particular use or purpose, the physical condition of the Premises, including improvements thereon or any repairs required thereto, the presence or absence of Hazardous Substances or other environmental conditions (including as to any underground or above-ground storage tanks on or about the Premises), the availability of utilities, compliance with Applicable Laws, investment potential, tax ramifications or consequences, or any other matter with respect to the condition of the Premises. CHR acknowledges, and shall cause Sublessee to acknowledge, that there have been no representations, warranties, or covenants as to the compliance of the Premises with any Applicable Laws, including those pertaining to construction, building and health codes, land use, zoning, Hazardous Substances or other environmental matters. This Section 5.1 shall survive termination of this Primary Lease.

Section 5.2 Limited Warranty of Title. LSU hereby represents that, on the Effective Date, it is the fee title owner of the Premises and LSU has the full right and power to enter into this Primary Lease and thereby to lease the Premises to CHR. CHR accepts the Premises, and shall cause the Sublessee to accept the Premises, subject to all Applicable Laws, Permitted Encumbrances, covenants of record, conditions that would be shown on an accurate survey of the Premises, zoning (to any extent applicable), restrictions, and servitudes, specifically including, but not limited to, its classification as property owned by LSU (as stated in Section 8.1).

Section 5.3 Peaceful Possession. LSU hereby warrants that CHR any and Sublessee will have peaceful possession of the Premises against disturbances caused by Persons lawfully claiming by, through or under LSU throughout the Term hereof so long as all of Sublessee's obligations under the Sublease and, accordingly, CHR's obligations hereunder are timely performed when due or cured within the notice and cure periods set out in this Primary Lease and/or the Sublease, as applicable.

Section 5.4 CHR Obligations with Respect to Sublease. CHR shall perform all of its obligations under the Sublease when due and in accordance with Applicable Laws. CHR shall cause the Sublessee to perform all the Sublessee's obligations under the Sublease when due and in accordance with Applicable Laws.

ARTICLE VI IMPROVEMENTS

Section 6.1. LSU's Joinder for Applications. Promptly upon CHR's request and at Sublessee's sole expense, LSU agrees, if required under Applicable Laws, to join in (a) Sublessee's applications to any Governmental Authority for the building permits, approvals, and other permits needed for the construction of Improvements or for sewer, water or other utility services, or other permits or approvals necessary to permit the development, improvement, use, and occupancy of the Property for the purposes permitted under and contemplated by this Primary Lease and the Sublease, and (b) the grant of a servitude, right of use, right of way, or right of access to a utility or other service provider as required for utilities or services that are, in Sublessee's reasonable opinion, necessary or desirable for the development or use of the Premises. Without limiting the generality of the foregoing, LSU agrees to reasonably cooperate with the Sublessee, at no out of pocket expense to LSU, in connection with the process of obtaining the approvals of the Approval Bodies other than LSU and all other Governmental Authorities and shall provide assistance as reasonably requested by the Sublessee in connection with obtaining the necessary permits and approvals for the Initial Improvements and subsequent Improvements, including assisting in the execution of such forms and applications as may be necessary by the owner of the Premises. CHR shall cause Sublessee to reimburse LSU for the out-of-pocket costs reasonably incurred by LSU in joining in these applications and these grants.

Section 6.2 Utilities. Except as otherwise provided in Section 6.1, LSU shall have no liability or responsibility whatsoever for utility services for the Property.

ARTICLE VII USE OF PREMISES

Section 7.1 Nature of Use. During the Term, CHR and Sublessee will have overall responsibility for the development and the leasing, occupancy and use of the Property. As a primary cause and consideration for the granting of this Primary Lease, CHR shall lease the Premises to the Sublessee pursuant to the Sublease, cause Sublessee to redevelop the Property, at Sublessee's sole cost, risk and expense, and sublease and use it for the construction of the Initial Improvements and other Improvements and, upon completion of this construction to a sufficient degree to permit commercial use, as a mixed-use facility including one or more office, residential, commercial, innovation, educational, community, retail, and parking uses, together with such other uses as are reasonably and customarily attendant to these uses, but excluding any uses that are within any of the Prohibited Uses (collectively, the "**Permitted Uses**"). CHR agrees that (i) the Permitted Uses will include only uses that are permitted by Applicable Laws and in no event will CHR permit Sublessee to use or permit the Property to be used for uses that are prohibited by Applicable Laws and (ii) CHR will cause Sublessee to take commercially reasonable steps immediately upon the discovery of any Prohibited Use on the Property to compel the discontinuance of such Prohibited Use.

Section 7.2 Diversity, Inclusion and Equity. During the Term, CHR shall, and shall cause the Sublessee to, comply with the Diversity, Inclusion, and Equity commitments and covenants that are set out on **Exhibit H**. CHR shall, and shall cause Sublessee to, provide from time to time, within a reasonable time after LSU's request, reasonable documentation and reporting pertaining to this Section 7.2.

ARTICLE VIII TAXES AND OPERATIONS

Section 8.1. Real Property Taxes. Without modifying or expanding Section 5.2, on the Effective Date, the Premises are owned by LSU and leased to CHR, and LSU acknowledges that CHR and Sublessee contemplate that the Premises are and will remain exempt from ad valorem taxes and all other real estate taxes and assessments (collectively, "**Real Property Taxes**"). LSU will reasonably cooperate with CHR and Sublessee in maintaining the Premises' exemption from Real Property Taxes. If either CHR or Sublessee receives a bill for or notice with respect to any Real Property Taxes with respect to the Premises, it will deliver the original of such bill or notice to the other and to LSU promptly upon receipt. Nonetheless, if Real Property Taxes are validly assessed against the Property, including without limitation by reason of this Primary Lease or the Sublease or of the use of the Property by CHR or Sublessee or change in Applicable Laws or otherwise, CHR or Sublessee, as applicable, shall bear the full expense of any Real Property Taxes levied against the Property and payable with respect to any calendar or tax year or other period falling wholly or partly within the Term, and shall pay the same when due and payable.

Section 8.2 Tax Credits and Incentives. LSU acknowledges that Sublessee contemplates the availability of various federal, state, and local incentives, including historic tax credits, qualified opportunity zone tax incentives, and incentives pertaining to ad valorem taxes (if any), and LSU will reasonably cooperate with CHR and Sublessee to enter into such documents in the future that allow a structure to achieve the contemplated incentives (including, without limitation, nondisturbance agreements, consents to master lease agreements and consents to admission of investors); provided, however, that LSU shall not be required to enter into any such documents that in any way would extend the term of the Sublease, decrease the rent payable thereunder or otherwise in any material respect adversely affect any rights of LSU. Notwithstanding the foregoing, CHR shall cause Sublessee to acknowledge and agree that receipt of historic tax credits and other government incentives shall not be conditions to Sublessee's obligations under the Sublease, including, without limitation, performance of the Initial Improvements, and Sublessee shall have no right to terminate the Sublease or modify its obligations thereunder in the event historic tax credits or other government incentives are not obtained. LSU is unable to establish its adjusted tax basis in the Building (to the extent it has any such tax basis in the Building).

Section 8.3 Personal Property Taxes. CHR shall cause the Sublessee to bear the full expense of any taxes levied against the Personal Property (collectively, the "**Personal Property Taxes**") and payable with respect to any calendar or tax year or other period falling wholly or partly within the term of this Primary Lease, and shall pay the same when due and payable.

Section 8.4 Operating Expenses. LSU shall have no responsibility or liability whatsoever for the payment of Operating Expenses.

Section 8.5 Permits and Licenses. Upon request of Sublessee and at Sublessee's sole expense, LSU will join with Sublessee in accordance with Section 6.6 in any application required for any such construction, installation, or maintenance, or required for obtaining or continuing

any such services, including the execution by LSU of such forms and applications as may be necessary by the owner of the Property.

**ARTICLE IX
INSURANCE AND INDEMNIFICATION**

Section 9.1 Insurance to be Maintained by LSU and CHR. Each of LSU and CHR shall maintain insurance coverage of the types and in the amounts as customarily maintained by similar entities with similar operations. Insurance coverage through ORM shall be deemed to satisfy the requirements of this Section 9.1.

Section 9.2 Indemnity by CHR and LSU.

(a) ***Indemnification by CHR.*** CHR shall and will indemnify, defend, and save harmless LSU and its board members, authorized agents, officers and employees from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and causes of action of any and every kind and nature growing out of or in any way connected with the construction, use, occupancy, management, operation or control of the Premises by CHR, its officers, employees, agents, contractors, guests, members, or patrons. This obligation to indemnify shall include fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities incurred as a result thereof; however, CHR and LSU may use the same counsel if such counsel is approved by LSU, which approval shall not be unreasonably withheld, delayed or conditioned. It is expressly understood and agreed that CHR is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that LSU shall in no way be responsible for the acts or omissions of CHR. CHR's obligation to indemnify LSU in accordance with the terms of this Section 9.2(a) shall be limited to the extent of its proportionate share of fault.

(b) ***Indemnification by LSU.*** To the extent allowed by Applicable Laws, LSU shall and will indemnify, defend, and save harmless CHR and its board members, authorized agents, officers and employees from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature growing out of or in any way connected with the construction, use, occupancy, management, operation or control of the Premises by LSU, its officers, employees, agents, contractors, guests, members or patrons. This obligation to indemnify shall include fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities incurred as a result thereof; however, CHR and LSU may use the same counsel if such counsel is approved by CHR, which approval shall not be unreasonably withheld, delayed or conditioned. It is expressly understood and agreed that CHR is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that LSU shall in no way be responsible for the acts or omissions of CHR. LSU's obligation to indemnify CHR in accordance with the terms of this Section 9.2(b) shall be limited to the extent of its proportionate share of fault.

ARTICLE X
LSU'S NAME

During the Term, and except as permitted in any Tenancy Agreement or other such agreement with LSU or one of its divisions or affiliates, CHR shall prohibit Sublessee and its Tenants from including "LSU" in the name of the Building or making use of the LSU name or brand or any of LSU's symbols, logos, or trademarks in any name, marketing, or branding of the Property, except as a particular use is specifically approved by LSU from time to time.

ARTICLE XI
PERSONAL PROPERTY; SUBORDINATION

LSU acknowledges that CHR and Sublessee and its Tenants will place Personal Property in the Property during the Term, and this Personal Property may be subject to UCC security interests and other Liens securing the acquisition of this Personal Property and other obligations. LSU hereby subordinates all Liens that it has or may have, of any nature or form, including, without limitation, all landlord's Liens, on the Personal Property installed or placed in the Property by CHR and Sublessee and its Tenants (excluding its rights on and after the Termination Date with respect to Equipment that forms a component part of the Improvements), to the other Liens described in the preceding sentence. If CHR and Sublessee or its Tenants lease or place a security interest on any of its Personal Property in or on the Property or enter into a financed lease with respect to any such Personal Property, then, on request by Sublessee or its Tenant, LSU will execute and deliver to any secured creditor or lessor a confirmation of this subordination of any landlord's Lien or other Lien LSU may have upon such Personal Property. This confirmation of subordination will be on a commercially reasonable form provided to LSU, and this confirmation may, (a) insofar as LSU is concerned, authorize the secured creditor or lessor to enter upon the Property or Improvements and remove such Personal Property upon a default under the terms of the security agreement or lease, after reasonable prior written notice to LSU during normal business hours, to enforce lawful remedies and in compliance with all Applicable Laws, if the secured creditor or lessor has the right to do so under its contract with Sublessee or its Tenant, (b) provide that, if the secured creditor or lessor elects to remove such personal property, it will do so within sixty (60) days after this such sublease terminates, (c) provide that such confirmation agreement does not impose any duty on LSU to safeguard or protect such Personal Property or entitle the secured creditor or lessor or any other Person to possession of the Premises or storage rights in the Premises (other than providing that the secured creditor or lessor has a commercially reasonable period not to exceed sixty (60) days following termination of such sublease within which to remove the Personal Property), and (d) require that the secured creditor or lessor repair all damage caused by this removal and indemnify LSU for any liabilities to the extent arising from such entry. Neither this Article XI nor any other provision of this Primary Lease requires or shall be construed to require LSU to subordinate LSU's interest in the Rent, this Primary Lease or the Premises to a Leasehold Mortgage or in any other respect.

ARTICLE XII ENVIRONMENTAL

Section 12.1 Environmental Obligations. During the Term, CHR shall not cause, permit or allow any Hazardous Substances to be generated, used, released, stored, disposed, brought in, on, about or beneath the Property by Sublessee or any other Person other than in amounts permitted by Applicable Laws for the uses then being made of the Property and then only in compliance with all applicable Environmental Laws. Neither CHR nor Sublessee shall cause, permit, or allow the violation of any Environmental Laws upon, about or beneath the Property or any portion thereof by CHR, Sublessee or any other Person; however, neither of CHR or Sublessee will be liable for violations by LSU or the State occurring after the Effective Date. CHR shall cause Sublessee to obtain, at no expense to LSU, any and all permits necessary or required under the Environmental Laws in connection with or arising out of the Initial Improvements or any other Improvements or any Remedial Work.

Section 12.2 Remedial Work.

(a) CHR shall cause Sublessee to acknowledge receipt of the environmental documents listed in **Exhibit I** (collectively, the "**Environmental Reports**"). Notwithstanding receipt by Sublessee of the Environmental Reports, CHR shall cause Sublessee to acknowledge and agree that it has relied solely on its own investigations and inspections of the Premises in its determination of whether to proceed with the Permitted Sublease and its construction of the Improvements and development of the Premises, and Sublessee shall accept the Premises in its "as is" and "where is" condition as more fully set forth in Section 5.1. **Sublessee shall be required to waive any and all claims against LSU and the State [**and hold LSU and the State harmless?**) from any and all liability or contribution in connection therewith. [**This sentence doesn't seem to be complete. See Section 12.2.1 of the Sublease**]**

(b) During the Term, CHR shall cause Sublessee to be responsible for performing or causing to be performed any and all other corrective or remedial actions required by applicable Environmental Laws or other Applicable Laws to be performed with respect to any Environmental Event or any Hazardous Substances now existing or at any time present during the Term (except to the extent these future Environmental Events or future Hazardous Substances are caused by Persons under the control or direction of LSU) in, on or under the Property or Improvements in amounts that exceed those permitted by Environmental Laws for the use of that Property or those Improvements (the initial remedial work required or useful for the Initial Improvements and any subsequent corrective or remedial actions are, collectively, "**Remedial Work**"). CHR shall, to the extent notice thereof is received from the Sublessee, promptly inform LSU of any Environmental Event occurring during the Term, and promptly furnish to LSU any and all reports and other information available to CHR concerning the matter. CHR shall thereafter promptly consult with the Sublessee as to the steps to be taken to investigate and, if necessary, remedy such matter. If it is determined that remediation is required by Applicable Laws, then LSU (except to the extent necessitated by substances introduced after the Effective Date by LSU or Persons under its control or direction) shall have no responsibility or liability whatsoever with respect thereto.

Section 12.3 Notice. The receipt of any notice by LSU pursuant to Section 12.1 shall not be deemed to create any obligation on the part of LSU to defend or otherwise response to any such notification.

ARTICLE XIII
LSU'S RIGHT OF ENTRY

Section 13.1 General Inspection Right. Subject to the rights of any Tenant under a Tenancy Agreement, LSU and its authorized representatives shall have the right, during normal business hours and days and upon reasonable notice or at any time in the event of any emergency (with such oral or electronic notice as is practicable under the circumstances), in a commercially reasonable manner, to enter upon the Property for purposes of inspection. All such inspections will be at LSU's cost. LSU has no duty to inspect the Initial Improvements or any other Improvements or any matter pertaining thereto. No such inspection nor any failure by LSU to make objections after any such inspection shall constitute a representation by LSU that the Initial Improvements or any other Improvements are in accordance with any particular plans and specifications or any Applicable Laws.

Section 13.3 LSU's Obligations. In any entry of the Property and in any inspections under Section 13.1 or any other provision of this Primary Lease, LSU shall use its respective reasonable efforts to minimize interference with (i) the construction of the Initial Improvements or any other Improvements and (ii) any business or operations then being conducted in or about the Property by Sublessee or any Tenants or occupants. CHR, Sublessee and any Tenant of the space being inspected shall have the right to have a representative accompany LSU or its authorized representatives during its inspection of the Property.

ARTICLE XIV
DAMAGE AND DESTRUCTION

Damage to and destruction of the Property shall be governed by Article 14 of the Sublease. LSU shall have no responsibility or liability whatsoever with respect to damage to and destruction of the Property except as cause by LSU or Persons under its control.

**ARTICLE XV
EXPROPRIATION**

Expropriation of the Property shall be governed by Article XV of the Sublease.

**ARTICLE XII
ASSIGNMENT AND SUBLETTING**

Section 16.1 Assignment and Subletting by CHR.

(a) ***Assignment of Leasehold Interest.*** Except as specifically set forth herein, CHR shall not assign, transfer, convey, grant rights of use or otherwise sublet, nor shall it permit the assignment, transfer, conveyance, grants of rights of use or otherwise sublet, its leasehold estate or any rights therein, in its entirety or for any portion of the unexpired Term and may not assign any interest in this Primary Lease without the prior written consent of LSU, and any such assignment, transfer, conveyance or sublease made or given without first obtaining LSU's prior written consent shall be null and void; provided, however, that CHR may, without LSU's prior written consent, grant rights pursuant to and in accordance with the Sublease. Notice of any such assignment or transfer shall be furnished promptly to LSU.

(b) ***Reorganization by CHR.*** The provisions of this Section 16.1 shall not prevent CHR from changing its name or reorganizing its operations provided such change or reorganization does not adversely impact LSU or adversely impact CHR's ability to fulfill its obligations under this Primary Lease.

(c) ***Transfers of CHR's Interest.*** The obligation of CHR under this Ground Lease shall survive any conveyance, assignment or other transfer of CHR's interest, and CHR shall not be relieved of such obligation as a consequence of such transfer. Furthermore any Person succeeding to CHR's interest as a consequence of any such conveyance or other transfer shall succeed to all of the obligations of CHR hereunder and shall be subject to the terms and provisions of this Primary Lease.

Section 16.2 Assignment and Subletting by Sublessee. Assignment of the Sublease and subletting of the Property by the Sublessee shall be governed by Article 16 of the Sublease.

ARTICLE XVII
PERMITTED SUBLESSEE'S FINANCING

From time to time throughout the Term of the Sublease, Sublessee shall have the right to grant one or more Leasehold Mortgages covering and encumbering Sublessee's entire leasehold interest in the Premises and its ownership interest in the Improvements.

In no event shall LSU's interest in the Premises be used as security or collateral for any obligation of Sublessee. Nothing in the Sublease shall be deemed to permit a Leasehold Mortgagee to take title to, or otherwise encumber, LSU's Interest or to grant any greater rights against the Property than are conferred by the Sublease. No later than thirty (30) days after the receipt by CHR from Sublessee of a fully executed and recorded copy of that Leasehold Mortgage, and the name and notice address of that Leasehold Mortgagee, CHR shall provide such information to LSU.

**ARTICLE XVIII
DEFAULT AND REMEDIES**

Section 18.1. Events of Default by CHR. Any one of the following events shall be deemed to be an "**Event of Default**" by CHR under this Primary Lease.

(a) CHR shall fail to pay any sum required to be paid to LSU under the terms and provisions of this Primary Lease and such failure shall not be cured within thirty (30) days after CHR's receipt of written notice from LSU of such failure, provided that on the third such failure, no notice of default shall be required.

(b) The Taking by execution of CHR's leasehold estate, Sublessee's interest in the Property, or the Property for the benefit of any Person.

(c) CHR shall fail to perform or cause to be performed any term, covenant, condition or provision hereof, other than the payment of money, subject to Force Majeure, to be performed by CHR under the terms and provisions of this Primary Lease and such failure shall not be cured within sixty (60) days after receipt of written notice from LSU of such failure; provided that if, during such sixty (60)-day period, CHR takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of ninety (90) days after such sixty (60)-day period to cure such failure.

(d) A court having jurisdiction shall enter an order for relief in any involuntary case commenced against CHR, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction in the premises appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for CHR or any substantial part of the properties of CHR or ordering the winding up or liquidation of the affairs of CHR, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days.

(e) The commencement by CHR of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by CHR to the commencement of a case under the Federal Bankruptcy Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, or other similar official of or for CHR or any substantial part of the properties of CHR.

Section 18.2. LSU's Rights upon Default by CHR. Upon the occurrence and during the continuance of an Event of Default, LSU may seek any and all damages occasioned by the Event of Default, or may seek any other remedies available at law or in equity; provided, however, that so long as the Sublease or any New Sublease is in effect, LSU shall not terminate this Primary Lease.

Section 18.3. CHR's Obligations upon Default. Any termination of this Primary Lease as herein provided shall not relieve CHR from the payment of any sum or sums that shall then be due and payable to LSU hereunder, or any claim for damages then or theretofore accruing against CHR hereunder, and any such termination shall not prevent LSU from enforcing the payment of any such sum or sums or from claiming damages by any remedy provided for by law, or from recovering damages from CHR for any Event of Default.

Section 18.4. Rights of LSU Cumulative. All rights and remedies of LSU provided for in this Primary Lease 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. LSU 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 LSU of a breach of any of the covenants, conditions or restrictions of this Primary Lease 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 LSU to insist in any one or more cases upon the strict performance of any of the covenants of this Primary Lease, 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 LSU or acceptance of payment by LSU of Annual Rent 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 LSU or CHR of any provision of this Primary Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the parties.

ARTICLE XIX
DEFAULT BY LSU

Section 19.1. LSU Defaults. LSU shall be in default under this Primary Lease if LSU shall breach any terms, covenants or conditions herein, and, after written notice from CHR to LSU, shall fail to remedy any such breach with all reasonable dispatch within sixty (60) days or, if unable to remedy such breach within said sixty (60) days, LSU fails to take actions necessary to remedy such breach within said sixty (60) days and is not diligently pursuing same, then, and in any such event, LSU shall be deemed to be in default hereunder (an "**Event of Default**"). Subject to the preceding sentence, CHR shall be entitled to enforce any one or more of the following rights and remedies in the event of a default by LSU under this Primary Lease:

(i) Require LSU to specifically perform its obligations under this Primary Lease or restrain or enjoin LSU from continuing the activities that constitute the default; and

(ii) Exercise all other rights and remedies available to CHR under this Primary Lease or otherwise available to CHR at law or in equity as a consequence of the default; provided, however, provided, however, that so long as the Sublease or any New Sublease is in effect, CHR shall not terminate this Primary Lease.

Section 19.2. Rights of CHR Cumulative. All rights and remedies of CHR provided for in this Primary Lease 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. CHR 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 CHR of a breach of any of the covenants, conditions or restrictions of this Primary Lease 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 CHR to insist in any one or more cases upon the strict performance of any of the covenants of this Primary Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

**ARTICLE XX
LEASE TERMINATION**

Section 20.1. Termination of Primary Lease.

(a) ***Surrender of Property.*** On the termination date of this Primary Lease, CHR shall surrender to LSU the Property in good order and repair, broom clean, free from trash, except for normal wear and tear, except as provided in Articles 14 and 15 of the Sublease, and except for damage caused by LSU and Persons under its control, and in compliance with all Applicable Laws, free and clear of all Liens other than Permitted Encumbrances. CHR agrees that it will, on and after the Termination Date, execute any documents and take any actions reasonably requested by LSU to confirm the transfer and use of utility service and of ownership of utility lines servicing the Property to LSU. The Parties shall terminate the Memorandum of Lease and any other recorded documents regarding this Primary Lease. The Improvements and Equipment shall become the sole property of LSU at the termination of this Primary Lease, as well as any alterations, modifications, improvements or other work, and together with any Personal Property not removed in compliance with Section 11.2 of the Sublease (all of the foregoing being collectively "**Returned Property**"), in all cases "as is-where is," with no express or implied warranties on the part of CHR with respect to the condition of such Returned Property (and upon written request by CHR, LSU will waive in writing all implied warranties of condition), at no cost to LSU and without payment or compensation of any nature or kind to CHR or other Person or need of further act or documentation (provided that CHR shall execute and deliver all conveyance documents in recordable form reasonably requested by LSU to evidence such transfer), and shall be free of all Liens except Permitted Encumbrances. The Improvements and Equipment shall become the property of LSU at the termination of this Primary Lease, "as is-where is," with no express or implied warranties on the part of CHR with respect to the condition of those Improvements and Equipment (and upon written request by CHR, LSU will waive in writing all implied warranties of condition), at no cost to LSU, and without the necessity of any further action of any Party hereto.

(c) ***Holding Over.*** If CHR remains in possession of the Property without opposition by LSU after termination of this Primary Sublease, CHR shall be deemed to be occupying the Property as a tenant from month-to-month on the same terms as in effect for the last Lease Year of the Term, subject to all the other conditions, provisions and obligations of this Primary Sublease insofar as they are applicable for a month-to-month tenancy; however, each Party will have the right to terminate this month-to-month tenancy by no less than thirty (30) days' prior written notice to the other Party. To the extent any holdover by CHR is not consented to by LSU, CHR shall also pay to LSU (i) all damages directly sustained by LSU resulting from retention of possession by CHR and (ii) monthly in advance Rent during such holdover equal to one hundred fifty percent (150%) of the Annual Rent rate immediately prior to termination (prorated to be a monthly amount).

(b) ***Survival of CHR's Obligations.*** All obligations of CHR which by their nature require performance after the end of the term of this Primary Lease or which

cannot be ascertained to have been fully performed until after the end of the term of this Primary Lease, including specifically, without limitation, CHR's indemnity obligations with respect to occurrences during the Term, shall survive the expiration or sooner termination of the term of this Primary Lease, as well as other provisions of this Primary Lease that expressly provide that they survive termination.

ARTICLE XXI
ESTOPPEL CERTIFICATES; MEMORANDUM OF PRIMARY LEASE

Section 21.1 CHR Compliance. CHR agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by LSU, to execute, acknowledge and deliver to LSU or to such other party as LSU shall request, a statement in writing certifying (a) that this Sublease and the Sublease are unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of LSU to be performed (and if so specifying the same), (c) the dates to which the Rent hereunder and the rent under the Sublease and other charges have been paid, and (d) the dates of commencement and expiration of the Term and the term of the Sublease, it being intended that any such statement delivered pursuant to this Section 21.1 may be relied upon by any Person.

Section 21.2 LSU Compliance. LSU agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by CHR, to execute, acknowledge and deliver to CHR a statement in writing, addressed to CHR or to such other party as CHR shall request, certifying, to the best of its knowledge, (a) that this Primary Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section 21.2 may be relied upon by any assignee of CHR or the Sublessee.

Section 21.3 Memorandum of Lease. Simultaneously with its execution and delivery of this Primary Lease, each Party has executed and delivered to the other Party, in recordable form, a notice or short form of this Primary Lease in the form attached hereto as **Exhibit J** (the "**Memorandum of Lease**"), for recordation in the conveyance office of the Land Records of Orleans Parish, Louisiana, at the expense of CHR. Failure of the Parties to sign or record the Memorandum of Primary Lease shall not, however, affect the validity of this Primary Lease.

**ARTICLE XXII
FORCE MAJEURE**

Section 22.1 Discontinuance by CHR during Force Majeure. Whenever a period of time is herein prescribed for action to be taken by CHR, CHR shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. However, LSU shall not be obligated to recognize any delay caused by Force Majeure unless CHR shall, within ten (10) Business Days after CHR is aware of the existence of an event of Force Majeure, notify LSU thereof.

Section 22.2 Discontinuance by LSU during Force Majeure. Whenever a period of time is herein prescribed for action to be taken by LSU, LSU shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. However, CHR shall not be obligated to recognize any delay caused by Force Majeure unless LSU shall, within ten (10) Business Days after LSU is aware of the existence of an event of Force Majeure, notify CHR thereof.

**ARTICLE XXIII
MISCELLANEOUS**

Section 23.1. Nondiscrimination, Employment and Wages. Any discrimination by CHR or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Primary Lease is prohibited.

Section 23.2 Notices and Consents. Notices or communications to LSU or CHR, and all necessary written consents required or appropriate under this Primary Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, return receipt requested, or (d) sent via Facsimile, provided that acknowledgment of receipt thereof is received by the sending party from the receiving party, addressed as follows:

if to LSU:	President of LSU Louisiana State University 3810 West Lakeshore Drive Baton Rouge, Louisiana 70803 Facsimile: (225) 578-4749
with copies to:	Office of General Counsel Louisiana State University 3810 West Lakeshore Drive, Suite 124 Baton Rouge, Louisiana 70808 Telephone: (225) 578-4126 Facsimile: (225) 578-5524
if to CHR:	Manager Charity Hospital Redevelopment LLC c/o LSU Real Estate and Facilities Foundation 3796 Nicholson Drive Baton Rouge, Louisiana 70802 Telephone: (225) 578-0525 Facsimile: (225) 578-0530
with copies to:	General Counsel LSU Real Estate and Facilities Foundation 3796 Nicholson Drive Baton Rouge, Louisiana 70802 Telephone: (225) 578-0525 Facsimile: (225) 578-0530

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice, communication or written consent shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail

as of the date of deposit in the mail in the manner provided herein, or in the case of facsimile, upon receipt, if receipt is acknowledged as required herein.

Section 23.3 Relationship of Parties. Nothing contained herein shall be deemed or construed by the Parties, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship, between the Parties. It is understood and agreed that no provision contained herein nor any acts of the Parties creates a relationship other than the relationship of lessor and lessee. In no event shall either Party's supervisors, officers, directors, employees or agents be personally liable for any of the obligations of such Party hereunder. Furthermore, LSU and CHR agree to execute any and all documents necessary upon the termination of this Primary Lease, including, without limitation, any notices or consents required pursuant to the provisions of Louisiana Civil Code Article 493.

Section 23.4 Attorneys' Fees. To the extent allowed by law, if either Party is required to commence legal proceedings relating to this Primary Lease, the prevailing Party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 23.5 Applicable Law; Venue. This Primary Lease shall be deemed to be made in the State of Louisiana. THIS PRIMARY LEASE WILL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE LAWS OF THE STATE OF LOUISIANA. Each Party irrevocably submits to jurisdiction in the 19th Judicial District Court for the Parish of East Baton Rouge, or the federal district court encompassing East Baton Rouge Parish, in any action or proceeding arising out of or relating to this Primary Lease and waives any objection which it may have at any time to the laying of venue in such court and any claim that such action or proceeding has been brought in an inconvenient forum.

Section 23.6 Warranty of Peaceable Possession. LSU covenants that CHR, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by CHR, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Premises during the Term, and may exercise all of its rights hereunder; and LSU agrees to forever defend CHR's right to such occupancy, use, and enjoyment of the Premises against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof, subject only to the provisions of this Primary Lease.

Section 23.7 Notice of Litigation. During the Term, CHR shall promptly notify LSU after acquiring actual knowledge of any litigation or arbitration proceedings (i) against CHR or Sublessee, or between Sublessee's equity owners, that, if adversely determined, would have a material adverse effect upon the financial condition or operation of the Premises, or (ii) between Sublessee and a general contractor for the Initial Improvements.

Section 23.8. Interpretation. Unless the context of this Primary Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof "herein," "hereunder," and

similar terms in this Primary Lease shall refer to this Primary Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Primary Lease are for reference purposes, and shall not control or affect the construction of this Primary Lease or the interpretation hereof in any respect. Article, section, subsection and exhibit references are to this Primary Lease unless otherwise specified. All exhibits attached to this Primary Lease constitute a part of this Primary Lease and are incorporated into this Primary Lease as though fully set forth herein. All references to a specific time of day in this Primary Lease shall be based upon Central Time.

Section 23.9 Counterparts. This Primary Lease may be executed in multiple counterparts, each of which shall be declared an original.

Section 23.10 Severability. If any clause or provision of this Primary Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Primary Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Primary Lease shall not be affected thereby.

Section 23.11 Authorization. By execution of this Primary Lease, each Party represents to the other Party that it is an entity validly existing, duly constituted and in good standing under the laws of the jurisdiction in which it was formed and in which it presently conducts business; that all acts necessary to permit it to enter into and be bound by this Primary Lease have been taken and performed; and that the person(s) signing this Primary Lease on its behalf have due authorization to do so. Each Party shall provide to the other Party evidence of proper authorization.

Section 23.12 Amendments.

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

(b) CHR shall not permit the amendment, modification, alteration or replacement of the terms of the Sublease without the prior written consent of LSU, which consent shall not be unreasonable conditioned, withheld or delayed.

Section 23.13 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns, including any successor by merger or consolidation of LSU into another educational institution.

Section 23.14 Ownership. All records, reports, documents, and other material delivered or transmitted to CHR by LSU shall remain the property of LSU, and shall be returned by CHR to LSU, at CHR's expense, at termination or expiration of this Primary Lease to the extent reasonably available at that time. All records, reports, documents, or other material related to this Primary Lease and/or obtained or prepared by CHR in connection with the performance of the services contracted for herein shall become the property of LSU, and shall, upon request, be tendered by CHR to LSU, at CHR's expense, at termination or expiration of this Primary Lease.

Section 23.15 Discrimination Clause. CHR shall agree to abide by (a) 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; (b) the requirements of the Americans with Disabilities Act of 1990 and (c) any executive order by the governor of the State.

Section 23.16 Entire Agreement. This Primary Lease, together with the exhibits attached hereto, contains the entire agreement between the Parties hereto with respect to the matters set forth herein and contains all of the terms and conditions agreed upon with respect to such matters, and no other agreements, oral or otherwise, regarding the subject matter of this Primary Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the Parties that neither shall be bound by any term, condition, or representations not herein written.

Section 23.17 Consents. Any provision of this Primary Lease to the contrary notwithstanding, any provisions hereof requiring the approval or prior written consent of LSU shall be deemed to be satisfied by the approval or prior written consent of the LSU Representative.

[Signature page for Charity Hospital Redevelopment Lease of Real Property and Improvements]

IN WITNESS WHEREOF, the undersigned duly authorized representative has signed this Primary Lease on behalf of LSU on the ___ day of _____, 2019, to be effective on the ___ day of _____, 2019, in the presence of the undersigned competent witnesses, who hereunto signed their names with me, Notary, after due reading of the whole.

WITNESSES

**LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL
COLLEGE**

Printed Name: _____

By: _____

Printed Name: _____

Name: F. King Alexander
Title: President, Louisiana State University

Notary Public

Printed Name

LSBA Roll No. _____

My Commission is for life.

[Signature page for Charity Hospital Redevelopment Lease of Real Property and Improvements]

IN WITNESS WHEREOF, the undersigned duly authorized representative has signed this Primary Lease on behalf of CHR on the ____ day of _____, 2019, to be effective on the ____ day of _____, 2019, in the presence of the undersigned competent witnesses, who hereunto signed their names with me, Notary, after due reading of the whole.

WITNESSES

**CHARITY HOSPITAL REDEVELOPMENT
LLC**, a Louisiana limited liability company,

Printed Name: _____

By: _____

Name: J. Bryan Benchoff

Title: Manager

Printed Name: _____

Notary Public

Printed Name

LSBA Roll No. _____

My Commission is for life.

EXHIBIT A
SURVEY

EXHIBIT B
DESCRIPTION OF LAND

EXHIBIT C
COPY OF SUBLEASE

EXHIBIT D
PERMITTED ENCUMBRANCES

EXHIBIT E
PROHIBITED USES

EXHIBIT F
ENVIRONMENTAL REPORTS

EXHIBIT G
MEMORANDUM OF LEASE

EXHIBIT H
DIVERSITY, INCLUSION AND EQUITY

To: Members of the Board of Supervisors

Date: October 25, 2019

Pursuant to Article VII, Section 9.A.2. of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a “significant board matter”.

9.A.2. The transfer of title or ownership to any immovable property to or from the Board, whether by sale, assignment, donation, or other mechanism.....

1. Summary of the Matter

The LSU Health Sciences Center – New Orleans (LSUHSC-NO), in support of its mission, proposes to purchase the non-State-owned parcels of land adjacent to LSUHSC-NO property in the attached documents titled “LSU Health Downtown Campus” and “Squares 431, 441 and 463 Parcel Ownership Information.”

The first of the parcels available currently is that located at **537 South Claiborne Avenue, New Orleans** and is depicted on the attached drawing titled “Square 441.” We have ordered an appraisal of the market value. The final price will be negotiated per Division of Administration guidelines.

This transaction is part of LSUHSC-NO’s effort to improve campus security and to construct future academic buildings. The property is adjacent to the LSUHSC-NO campus and within the scope of its Master Plan and is the focus of an ongoing land acquisition project. This transaction advances LSUHSC-NO’s effort to improve campus security and to construct future academic buildings. Previously, the Board of Supervisors at its December 9, 2016 meeting approved the purchase of several other privately owned (i.e. not State owned) parcels within another adjacent city block (Square 440). Additionally, in its October 2018 meeting, the Board approved the purchase of property in Squares 499 and 518.

With this authority, LSUHSC-NO proposes to also purchase parcels within Squares 431, 441 and 463 as they become available, per the authority vested in the Division of Administration.

2. Review of Business Plan

The funds for the transaction are from LSUHSC-NO’s unrestricted funds.

3. Fiscal Impact

The purchase of this tract will increase the property holdings of the Board of Supervisors in the LSUHSC-NO’s downtown campus area. We have ordered an appraisal of the market value. The final price will be negotiated per Division of Administration guidelines.

4. Description of Competitive Process

The purchase price of the land will be based on current market value, as determined by a current appraisal.

5. Review of Legal Documents

Not applicable.

6. Parties of Interest

None.

7. Related Transactions

An Act of Sale will be entered into between the current owner and the Board of Supervisors of Louisiana State University and Agricultural College once the recommendation to purchase has been approved by the Board.

8. Conflicts of Interest

None.

ATTACHMENTS

- I. Letter from Chancellor Hollier
- II. LSU Health Downtown Campus map
- III. Legend Map of Squares 431, 441 and 463 with Parcel Ownership Information

RESOLUTION

“NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that F. King Alexander, President of the Louisiana State University System, or his designee, is authorized on behalf of and in the name of the Board of Supervisors to purchase the non-State owned lots in Squares 431, 441 and 463 in the First District of New Orleans, listed above, the first of which, with street address of 537 South Claiborne Avenue, New Orleans, LA 70112, is to be purchased upon receipt of market value appraisal and subsequent negotiation, and to execute any acts of sale or any other agreements necessary to effect and record such purchase(s). The final price will be negotiated per Division of Administration guidelines.

BE IT FURTHER RESOLVED that F. King Alexander, 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 Board of Supervisors, in consultation with General Counsel, to include in said approval to purchase said property any terms and conditions that he may deem in the best interest of the Board of Supervisors.”



OFFICE OF THE CHANCELLOR

SCHOOL OF ALLIED HEALTH PROFESSIONS
SCHOOL OF DENTISTRY
SCHOOL OF GRADUATE STUDIES
SCHOOL OF NURSING
SCHOOL OF MEDICINE IN NEW ORLEANS
SCHOOL OF PUBLIC HEALTH

September 27, 2019

Dr. F. King Alexander
President and Chancellor
LSU System Office
381 West Lakeshore Drive, Room 107
Baton Rouge, LA 70808RE: Recommendation to Approve the Purchase of Land in Squares 431, 441 and 463, First District,
New Orleans

Attached for your review is a resolution to approve a proposed purchase of land in Squares 431, 441 and 463 in New Orleans. These are non-State owned lots adjacent to the LSU Health Sciences Center – New Orleans (LSUHSC-NO). The purchase of this property is part of LSUHSC-NO's effort to improve campus security and to construct future academic buildings, and is consistent with LSUHSC's Master Plan.

It is requested that the resolution and the accompanying documents be forwarded to the Board of Supervisors for placement on their October 2019 meeting agenda.

Please do not hesitate to contact me should you require additional information.

Sincerely,

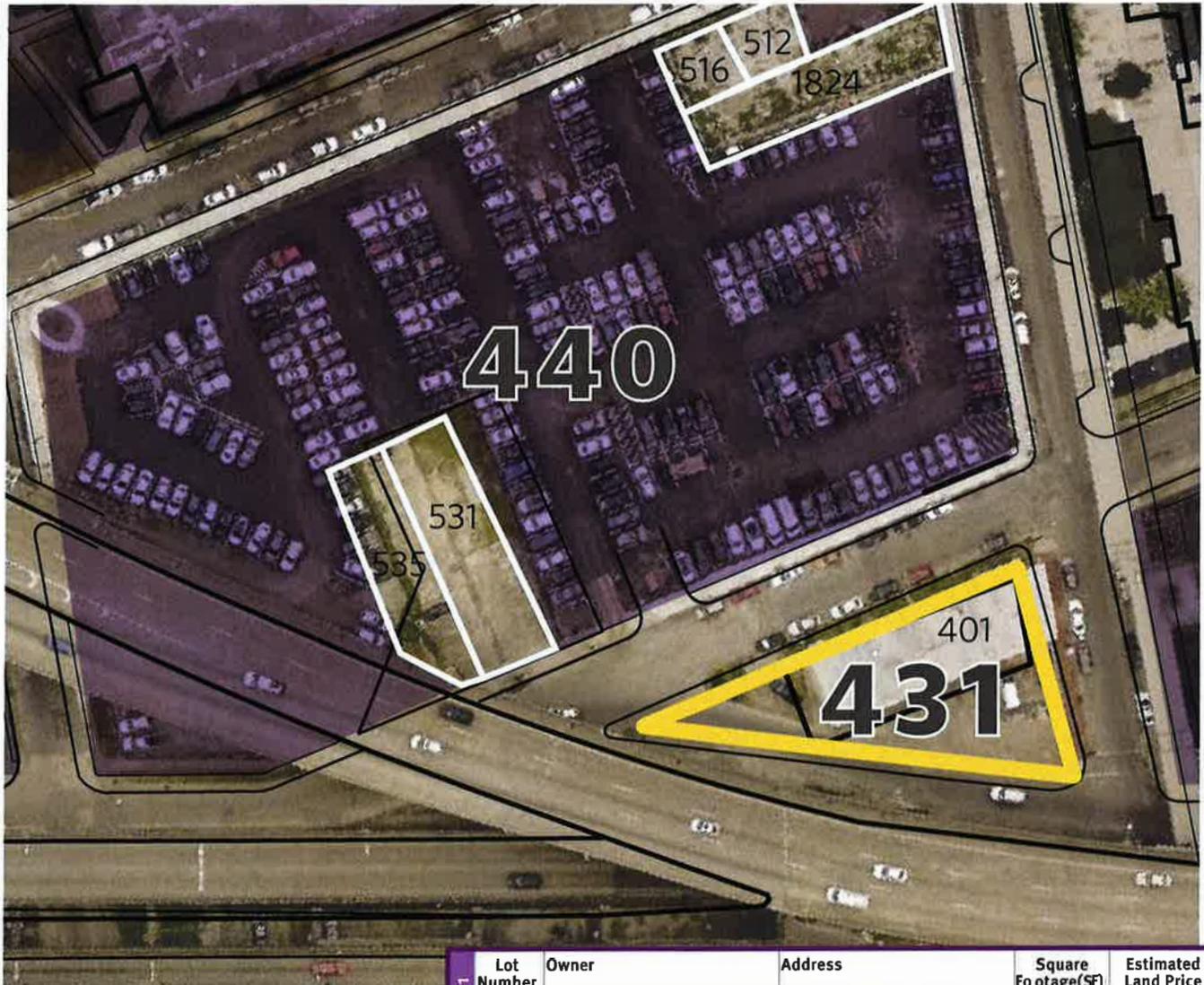
Handwritten signature of Larry Hollier in cursive script.

Larry Hollier, M.D.
Chancellor

Enclosures

SQUARE 431

LOT: 401

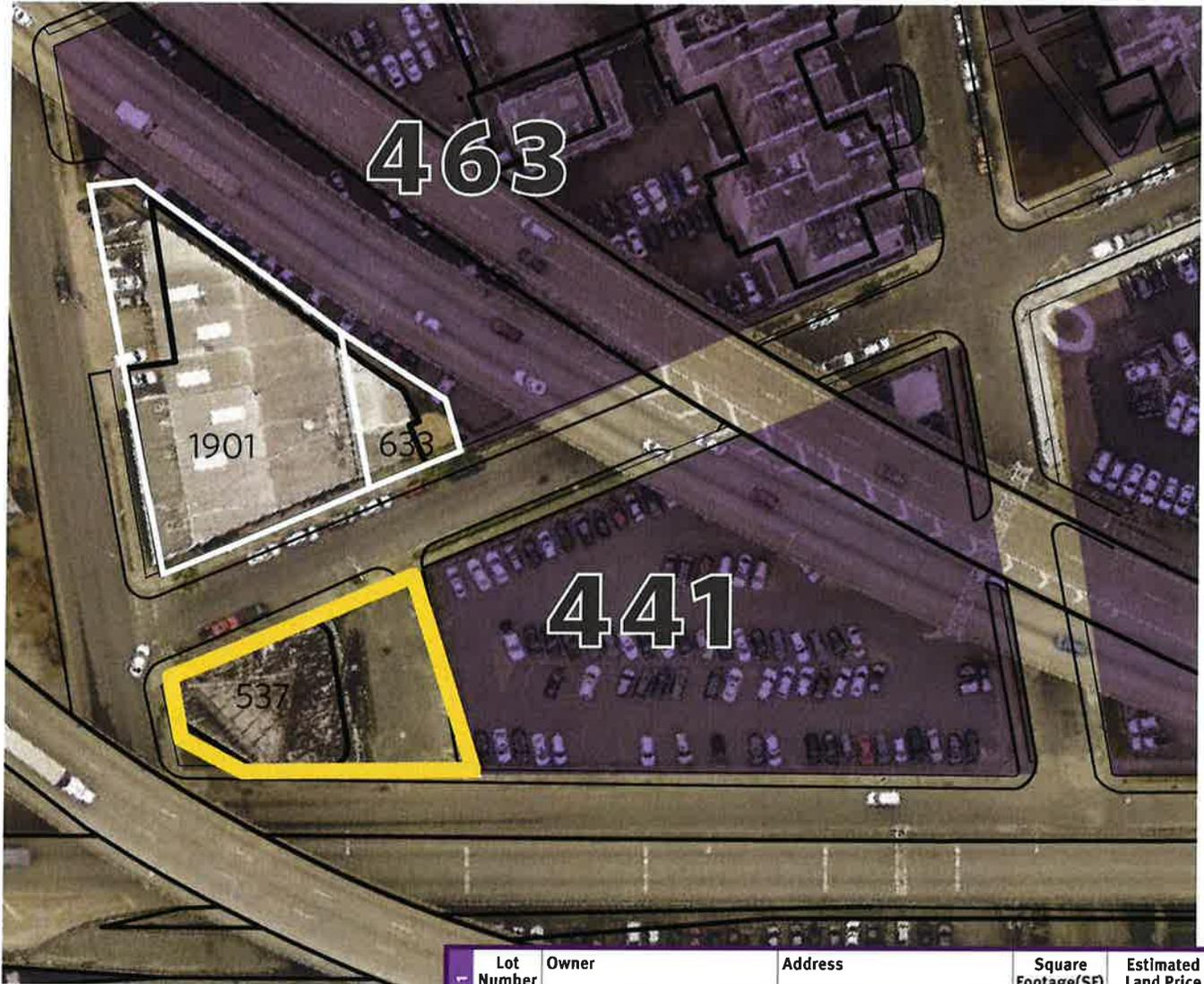


Lot Number	Owner	Address	Square Footage(SF)	Estimated Land Price
401	RONDOSTA PROPERTIES LLC	401 S Claiborne Av	10,314	\$-

Square 432 is a small square with a single lot. The state does not own property within this square, but does own the majority of land in the neighboring squares: 440 & 432. The property has a single building with multiple commercial entities.

SQUARE 441

LOT: 537



SQ. 441	Lot Number	Owner	Address	Square Footage(SF)	Estimated Land Price
	537	PATIN FAMILY TRUST	537 S Claiborne Av	12,495	\$

Square 441 is a small square with two property owners. The State of Louisiana-DOTD is the owner of the majority of the land and is the right of way for an elevated portion of Interstate 10. One parcel is privately owned and has a single building and billboard that can be seen from the interstate.

The state owns approximately 39,716 square feet or 80% of square 441.

SQUARE 463

LOTS: 1901 & 633



Lot Number	Owner	Address	Square Footage(SF)	Estimated Land Price
1901	GOBERT PROPERTIES LLC	1901 Poydras St	13,726	\$-
633	GOBERT PROPERTIES LLC	633 S Roman St	1,830	

Square 463 has two property owners. The majority of the square is owned by The State of Louisiana-DOTD and LSU A&M Board of Supervisors and has the right of way for an elevated portion of Interstate 10. Two parcels are privately owned by the same owner and has two buildings and billboard scaled for the vehicular traffic on Poydras Street.

The state owns approximately 80,485 square feet or 84% of square 463.



Request from LSU A&M to Authorize the President to Execute a Cooperative Endeavor Agreement with LSU Research Foundation regarding the Louisiana Emerging Technology Center, the Louisiana Digital Media Center and the Innovation Park

To: Members of the Board of Supervisors

Date: October 25, 2019

This is a significant board matter pursuant to Article VII, Section 1 of the Board's Bylaws:

- C.3. The lease of any immovable property.
- E.1. Any contract or series of related contracts for the construction, renovation or other capital improvement of buildings or other immovable property of the Board where the construction cost is projected to be greater than \$1 million.
- H.2. Any contract or series of related contracts that is a Cooperative Endeavor Agreement for which approval by the Joint Legislative Committee on the Budget is required pursuant to applicable state law, including, but not limited to La. R.S. 39:366.11, and any joint ventures, partnerships, and similar agreements.

1. Summary of the Matter

Benefits to LSU

The proposed Cooperative Endeavor Agreement ("Agreement") will result in a number of tangible benefits to LSU including:

1. Net annual savings/cost avoidance to LSU of \$1.85 million compared with the direct and related costs LSU would incur if the University had full responsibility for the Louisiana Emerging Technology Center (LETC) and the Louisiana Digital Media Center (LDMF).
2. Facilitating more modern and attractive space for the planned LSU Online programmatic expansion, with the secondary benefit of freeing up needed swing space in Pleasant Hall for the College of Human Sciences and Education once the Huey P. Long Fieldhouse renovations commence.
3. Maintaining two key assets (i.e., LETC and LDMF) for LSU use thereby protecting LSU's long-term interests in those assets.
4. Providing a viable path forward to financial and operational sustainability for the LSU Research Foundation, which mitigates LSU's potential responsibility for outstanding Foundation liabilities.

History and Process

In August 2003, the Board and the LSU Research Foundation (successor to LSU Research and Technology Foundation) (the "LSURF") entered into a lease and agreement for the construction of the Louisiana Emerging Technologies Center (the "LETC") on the campus of Louisiana State University and Agricultural and Mechanical College ("LSU") at the northwest intersection of South Stadium and Parker Drives (the "Original Lease"), pursuant to which the LSURF constructed the LETC, which is a 60,000 square foot wet-lab incubator, with funds provided by the State of Louisiana to house new and emerging companies dependent on university research and/or university technologies. Construction of the LETC,

which is owned by the LSURF, was performed in phases, with Phase I completed in November 2005 and Phase IV completed in November 2009.

The foregoing agreement was amended and restated in May 2011 to provide for the lease and agreement for the construction of the Louisiana Digital Media Center (the "LDMF" and, together with the LETC, the "Facilities") adjacent to the LETC (the "Amended Lease") in order to further the goals of a July 2008 cooperative endeavor agreement between LSU, the State of Louisiana, the Louisiana Department of Economic Development and the City of Baton Rouge/Parish of East Baton Rouge (the "2008 CEA") for the stated purpose of promoting the development of the digital interactive media industry in the State and encouraging technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, including assistance from the State to the LDMF in the form of support payments (for the tenancy of Electronic Arts, Inc. ("EA")) averaging approximately \$465,000 annually, which 2008 CEA terminated in June 2018. Construction of the LDMF, which was initially owned by the LSURF and subsequently donated to LSU in September 2013, was completed in January 2013. EA moved into space in the LDMF in February 2013, which space it still currently occupies. Simultaneously with the donation of the LDMF to LSU, the LSURF assigned its lease to EA of space therein to LSU, and LSU and the LSURF entered into a cooperative endeavor agreement pursuant to which the LSURF operates and manages the Facilities (the "2013 CEA").

In July 2016, LSURF engaged TUFF LSU Management LLC, a subsidiary of The University Financing Foundation, Inc., to operate and manage the Facilities on its behalf, as well as to provide business and master planning services with respect to the Facilities and the LSU Innovation Park.

LSU and the Research Park Corporation ("RPC") jointly funded a study by Emergent Method, which culminated in the Baton Rouge Entrepreneurship Ecosystem Assessment dated March 2019 (the "Ecosystem Assessment"), reflecting a comprehensive assessment of possible synergies within the Baton Rouge area entrepreneurship ecosystem, with a specific focus on the highest and best use of resources and efforts involving the RPC, the LETC and LSU's Innovation Park.

In light of the foregoing, including the termination of the support payments from the State under the 2008 CEA and the Ecosystem Assessment, LSU believes that it is in its own best interest and in the best interests of the tenants of the Facilities to combine, modernize, streamline and amend and restate the obligations of LSU and the LSURF under the Amended Lease and the 2013 CEA, as well as include additional obligations relating to the Innovation Park in an effort to implement recommendations of the Ecosystem Assessment regarding the LETC and the Innovation Park, into one comprehensive Agreement, which provides for, among other things (i) the continuation of the existing ground lease to the LSURF of the portion of the LSU campus on which the LETC is located, (ii) the management and operation (including comprehensive leasing and tenant services) and maintenance and repair by the LSURF of the LETC and the LDMF, (iii) the lease by the LSU Board to LSURF of space in the LDMF occupied by EA and certain space not otherwise occupied by CCT or other LSU programs, with a simultaneous assignment to the LSURF of the lease with EA, (iv) the construction by LSURF of approximately \$2 million in buildout improvements to the first and third floors of the LETC to be funded by LSU to accommodate the ongoing expansion of LSU Online and attract desired tenants, (v) the continuation of collaborative efforts to use and occupy the LETC and LDMF to encourage new and emerging companies dependent upon university research and/or university technologies, to encourage technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, to attract faculty capable of obtaining research grant funding and to attract students in the disciplines of science, technology, engineering and math, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State and (vi) new collaboration as to LSU's Innovation Park regarding scientific investigation and startup business assistance through technology and business

innovation to bring new technologies and products to market, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State. The proposed Agreement shall terminate on June 30, 2025, unless terminated earlier in accordance with the terms of the Agreement. The termination date may also be extended for successive five (5) year terms by written amendment, which must be signed by the LSU Board of Supervisors and the LSURF after obtaining any necessary approvals; however, in no event shall the term of the Agreement extend beyond August 21, 2053, inclusive of all extensions.

Pursuant to the Agreement, the LSURF will collect all rental and other revenues generated by the Facilities and will use those revenues, together with a monthly use support payment from LSU in the amount of \$50,000, to operate, manage, maintain and repair the Facilities, including the establishment of a maintenance reserve fund. LSU will be required to maintain property insurance on the Facilities under its master property insurance program and the Foundation will be required to procure all other required general commercial liability insurance coverages. LSU will, at its expense, provide all utilities necessary for the operation of the Facilities, which utilities will be metered and the costs of which will be accounted for by LSU as "in-kind" services provided by LSU to the Foundation in the annual accounting reconciliation prepared in accordance with the provisions of LSU's Uniform Affiliation Agreement with the LSURF and the requirements of La. R.S. 17:3390. Furthermore, at the request of the LSURF, LSU may, in the LSU Representative's sole discretion, provide other "in-kind" services in connection with the repair and maintenance of the Facilities, the costs of which will also be accounted for by LSU in the same manner as the utilities.

LSU has determined that it meets the legal requirements for a cooperative endeavor agreement in that (i) the obligations of LSU under the Agreement comport with its governmental purpose, (ii) the expenditures and transfers by LSU under the Agreement are not gratuitous in light of the reciprocal obligations of the Foundation thereunder and (iii) LSU will receive value under this Agreement at least equivalent in value to the expenditure or transfer of public assets by LSU under the Agreement. In addition to the quantifiable benefits LSU expects to enjoy, LSU and the Baton Rouge community and the State of Louisiana as a whole will also receive immeasurable value from building our technology and digital media resumes, providing educational and employment opportunities to Louisiana citizens, encouraging new and emerging companies dependent upon university research and/or university technologies, encouraging technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, attracting faculty capable of obtaining research grant funding and to attract students in the STEM disciplines, and promoting the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement, all of which facilitates economic development in the State. In connection with all of the foregoing, LSU will need to name and appoint the directors of the governing board of LSURF in accordance with LSURF's Articles of Incorporation.

2. Review of Business Plan

In light of various factors, including the Ecosystem Assessment, the termination of the support payments from the State under the 2008 CEA and ease of administration, the Cooperative Endeavor Agreement is being structured as an amendment and restatement of the existing Amended Lease and 2013 CEA to provide for better efficiencies in the management, operation, maintenance and repair of the Facilities, provide for additional capital improvements to the LETC, and more specifically detail the collaborative efforts for the use and occupancy of the Facilities, as well as add collaborative efforts for further development, use and occupancy of the Innovation Park.

The intent of the parties is that the Facilities and their programs will ultimately be self-sustaining, although it is expected to take a minimum of five to seven years to achieve that goal.

While the Agreement will require a one-time, approximately \$2 million payment from LSU for the purpose of making buildout improvements to the LETC to accommodate the ongoing expansion of LSU Online as well as the provision of \$50,000 monthly for the operation, management, maintenance and repair of the Facilities and all utilities necessary to operate the Facilities, LSU projects that this revamped Agreement will result in quantifiable savings/cost avoidance to the University and increased lease-up/utilization of the Facilities in accordance with the stated purposes thereof and a corresponding increase of the revenues derived from the Facilities due the ability of the LSURF to more quickly identify and engage desired tenants and the necessary service providers and respond more efficiently, both financially and operationally, to tenant and Facilities issues, all of which will enable the LSURF to both (i) provide the services required by the Agreement, and (ii) pay down its existing accrued liabilities as identified in Exhibit D hereto.

3. Fiscal Impact

Under the 2013 CEA, LSU was obligated to provide to the LSURF up to \$750,000 annually (until the termination of the 2008 CEA, derived in part by LSU from the support payments by the State for the LDMF for the benefit of EA) for the operation, management, maintenance and repair of the Facilities in the event revenues derived by LSU and the LSURF from the Facilities were insufficient for such purposes. Under the new Agreement, the LSURF will collect all rentals and other revenue derived from Tenant Leases or otherwise from the use of the Facilities and use such revenues (projected to be \$1.3 million annually once the Facilities are fully leased at market rate), together with the \$50,000 monthly use support payment by LSU (\$600,000 annually), for expenses related to the operation and management of the Facilities pursuant to an annual operating budget approved by the LSU Representative. After expenses, the LSURF is projected to generate approximately \$800,000 in net revenues on average over the next few years (see Exhibit E) which will be used initially to fund the Facilities' maintenance reserve account per the Agreement and pay down the outstanding liabilities identified in Exhibit D.

LSU is required to maintain property insurance coverage on the Facilities through its master property insurance program. LSU will also provide as "in-kind" services all utilities required to operate the Facilities, which will be considered part of the operational costs of the campus. LSU may, at its option, but is not obligated to, provide other "in-kind" services in connection with maintenance and repair of the Facilities as requested by the LSURF. After accounting for the cost to LSU of the monthly use support payment and utilities expense associated with the Facilities, it is projected that LSU will recognize a net annual savings/cost avoidance of \$1.85 million as compared with the direct and related costs LSU would incur if the University had full responsibility for the Facilities (see Exhibit F).

4. Review of Legal Documents

Legal documents have been drafted by LSU outside counsel Tracy Morganti of Breazeale, Sachse & Wilson, L.L.P., and reviewed by: (1) LSU Assistant General Counsel Trey Jones, (2) Dan Layzell, LSU's Executive Vice President for Finance and Administration and CFO, (3) Tony Lombardo, LSU's Associate Vice President for Facility and Property Oversight and (4) Donna Torres, LSU's Associate Vice President for Accounting Services.

5. Parties of Interest

The following parties have an interest in and/or are involved with this transaction.

6. Related Transactions

None

7. Conflicts of Interest

None.

ATTACHMENTS

- I. Exhibit A - Draft Cooperative Endeavor Agreement
- II. Exhibit B - Amended and Restated Agreement for Lease of Property for Construction of the Louisiana Emerging Technologies Center and the Louisiana Digital Media Facility entered into May 11, 2011 (but effective August 27, 2003) between the Board and the LSURF.*
- III. Exhibit C - Cooperative Endeavor Agreement dated as of September 27, 2013, and First Amendment to Cooperative Endeavor Agreement dated June 27, 2016, between the Board and the LSURF.*
- IV. Exhibit D - Outstanding Liabilities of LSURF in connection with the Facilities
- V. Exhibit E - Three-Year Pro Forma Summary of Revenues and Expenses
- VI. Exhibit F - Three-Year Net Operational Savings to LSU Associated with LSURF-Managed Facilities

* Note that items 8.B. and 8.C. will be amended and restated by the proposed new Cooperative Endeavor Agreement.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "LSU Board") does hereby authorize Dr. F. King Alexander, President of Louisiana State University, or his designee, acting on behalf and in the name of the LSU Board, and in consultation with general counsel, to execute and deliver a Cooperative Endeavor Agreement with the LSU Research Foundation (the "LSURF"), to provide for, among other things (i) the continuation of the existing ground lease to LSU Research Foundation (the "LSURF") of the portion of the campus of Louisiana State University and Agricultural and Mechanical College ("LSU") on which the Louisiana Emerging Technology Center (the "LETC"), which is owned by the LSURF, is located, (ii) the management (including comprehensive leasing and tenant services), operation, maintenance and repair by the LSURF of the LETC and the Louisiana Digital Media Facility (the "LDMF"), which is owned by the LSU Board, (iii) the lease by the LSU Board to LSURF of space in the LDMF occupied by EA and certain space not otherwise occupied by CCT or other LSU programs, with a simultaneous assignment to the LSURF of the lease with Electronic Arts, Inc. ("EA"), (iv) the construction by LSURF of approximately \$2 million in buildout improvements to the first and third floors of the LETC to be funded by LSU, (v) the continuation of collaborative efforts to use and occupy the LETC and LDMF to encourage new and emerging companies dependent upon university research and/or university technologies, to encourage technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, to attract faculty capable of obtaining research grant funding and to attract students in the disciplines of science, technology, engineering and math, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State and (vi) collaboration as to LSU's Innovation Park regarding scientific investigation and startup business assistance through technology and business innovation to bring new technologies and products to market, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State, with such agreements, as well as any subsequent amendments thereto, to contain the terms and conditions that the President deems to be in the best interest of LSU;

BE IT FURTHER RESOLVED that the Board authorizes counsel to the Board to submit, on behalf of the Board, the Cooperative Endeavor Agreement for consideration by the Joint Legislative Committee on the Budget, in the event such submittal is so required; and

BE IT FURTHER RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby find an acceptable university purpose, pursuant to the terms of the Uniform Affiliation Agreement between the Board and the LSURF, to execute and deliver the Cooperative Endeavor Agreement, with the final terms and conditions of such Cooperative Endeavor Agreement subject to the approval of Dr. F. King Alexander, President of LSU, or his designee; and

BE IT FURTHER RESOLVED that prior to final agreement execution, Dr. F. King Alexander, President of Louisiana State University and Agricultural and Mechanical College, will notify the Board Chair, Chair-Elect, Immediate Past Chair, and the chair of the appropriate Board Committee of the final terms of the Cooperative Endeavor Agreement authorized by this Resolution; and

BE IT FURTHER RESOLVED that the LSU Board does hereby authorize Dr. F. King Alexander, President of Louisiana State University, acting on behalf and in the name of the LSU Board, and in consultation with general counsel, to name and appoint the directors of LSURF pursuant to the Articles of Incorporation thereof.

COOPERATIVE ENDEAVOR AGREEMENT

by and between

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

and

LSU RESEARCH FOUNDATION

dated effective June 21, 2003

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EXHIBIT D - COPY OF ANCHOR TENANT LEASE	
EXHIBIT E - MEMORANDUM OF LEASE	

COOPERATIVE ENDEAVOR AGREEMENT

THIS **COOPERATIVE ENDEAVOR AGREEMENT** (as amended, modified or supplemented from time to time, the "*Agreement*") is made and entered into as of _____, 2019 (the "*Delivery Date*"), but shall effective the Effective Date (defined herein), by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation of the State of Louisiana ("*LSU*"), represented herein by F. King Alexander, its duly authorized President, and the LSU Research Foundation, a Louisiana nonprofit corporation (the "*Foundation*"), represented herein by Tony Lombardo, its duly authorized Interim Chief Executive Officer. Each of LSU and the Foundation are referred to, individually, as a "*Party*" and, collectively, as the "*Parties*").

RECITALS

WHEREAS, the Foundation is organized exclusively for charitable, educational and scientific purposes within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, as amended, and is affiliated with LSU in accordance with La. R.S. 17:3390 with a principal purpose of supporting the programs, facilities and research and educational opportunities offered by Louisiana State University and Agricultural and Mechanical College (the "*University*"), including, without limitation, enhancing economic growth by encouraging, supporting, facilitating, fostering, marketing and/or managing (i) research emanating from the University, (ii) start-up research, life sciences and digital medical businesses emanating from the University, (iii) private life sciences and digital media companies and (iv) facilities housing and or supporting the businesses and companies identified in items (i), (ii) and (iii);

WHEREAS, La. Const. Art VII, §14(C) provides that, "[f]or a public purpose, the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual;"

WHEREAS, furthermore, pursuant to La. R.S. 17:3361, *et seq.* (the "*University Leasing Act*"), LSU is authorized to lease to a nonprofit corporation, such as the Foundation, any portion of the grounds or campus of any college or university or other immovable property under its supervisions and management, under the conditions set forth therein;

WHEREAS, the University Leasing Act expressly authorizes a lease to provide for demolition, construction and renovations of buildings, other structures and improvements by a nonprofit corporation, such as the Foundation, on that portion of the grounds or campus of the University which is the subject of the lease;

WHEREAS, the University Leasing Act expressly authorizes, under certain circumstances, a university to lease back all or any portion of the buildings, other structures and improvements constructed by a nonprofit corporation on the leased property as more fully described therein;

WHEREAS, pursuant to the University Leasing Act, LSU and the Foundation (successor to Louisiana State University System Research and Technology Foundation) previously entered into that certain Amended and Restated Agreement and Lease of Property for Construction of the

Louisiana Emerging Technology Center and the Louisiana Digital Media Facility dated as of May 11, 2011, which amended and restated that certain Agreement and Lease of Property for Construction of the Louisiana Emerging Technologies Center dated effective August 21, 2003 (the "*Original Lease*"), which provided for the lease of a parcel of property on the University's main campus, as more particularly identified in the Original Lease (the "*Original Leased Land*"), and the construction of (i) an approximately 60,000 square foot wet-lab incubator building known as the Louisiana Emerging Technologies Center ("*LETC*") which is owned and operated by the Foundation in accordance with the Original Lease and was funded by the Louisiana Legislature through the Department of Economic Development to house new and emerging companies dependent on university research and/or university technologies and (ii) an approximately 100,855 square foot digital media building known as the Louisiana Digital Media Facility ("*LDMF*" and, together with the LDMF, the "*Facilities*") to house the University's Center for Computation and Technology ("*CCT*") and the Anchor Tenant (defined herein);

WHEREAS, the State of Louisiana (the "*State*"), the Louisiana Department of Economic Development (the "*LED*"), the City of Baton Rouge/Parish of East Baton Rouge (the "*City-Parish*") and LSU entered into that certain Cooperative Endeavor Agreement, effective July 1, 2008 (the "*2008 CEA*"), for the stated purpose of promoting the development of the digital interactive media industry in the State and encouraging technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, including assistance by the State to the LDMF (for the benefit of the Anchor Tenant) of an average of \$465,000 annually, which 2008 CEA terminated as of June 30, 2018;

WHEREAS, construction of each of the LETC and the LDMF was fully completed and, subsequently, the Foundation donated the LDMF to LSU on September 17, 2013 (the "*Donation*");

WHEREAS, the Anchor Tenant occupies a portion of the LDMF (the "*Anchor Tenant Space*") as more particularly identified in that certain Lease Agreement dated effective as of February 1, 2013, between the Anchor Tenant and the Foundation, as amended by that certain First Amendment to Lease Agreement dated effective as of January 1, 2019, between LSU (as assignee of the Foundation) and the Anchor Tenant, and acknowledged by the Foundation (collectively, the "*Original Anchor Tenant Lease*");

WHEREAS, the Foundation operated and managed the LDMF (i) prior to the Donation, since the Anchor Tenant initially occupied the Anchor Tenant Space on February 1, 2013, pursuant to the Original Anchor Tenant Lease and (ii) subsequent to the Donation, pursuant to that certain Cooperative Endeavor Agreement dated as of September 17, 2013, as amended by the First Amendment to Cooperative Endeavor Agreement dated as of June 24, 2016 (collectively, the "*2013 CEA*"), each between LSU and the Foundation;

WHEREAS, in light of the foregoing, including the termination of support payments from the State under the 2008 CEA, the Parties believe it is in each of their best interests and the best interests of the Anchor Tenant and other tenants of the Facilities and the State and its citizens to combine, modernize, streamline and amend the obligations of LSU and the Foundation under the Original Lease and the 2013 CEA and to include certain additional obligations relating to LSU's Innovation Park (located on LSU's South Campus) into this single, comprehensive Agreement pursuant to La. Const. Art VII, §14(C), the University Leasing Act, and other constitutional and

statutory authority and, upon the Delivery Date, this Agreement shall amend and restate the Original Lease and the 2013 CEA in their entirety;

WHEREAS, pursuant to this Agreement, among other things, LSU will (i) continue to lease to the Foundation the portion of the Original Leased Land on which the LETC is located, as more particularly described in **Exhibit A** hereto (the "*Land*" and, together with the LETC, the "*LETC Property*" and, together with the LDMF, the "*Property*"), however the portion of the Original Leased Land on which the LDMF is located will no longer be leased by LSU to the Foundation, (ii) the Foundation will continue to have all responsibility to operate, manage and maintain the LETC Property, subject to the provisions of this Agreement, (iii) the Anchor Tenant Space and certain other space in the LDMF not occupied by the CCT or other LSU programs more particularly identified in **Exhibit B** hereto (collectively, the "*LDMF Foundation Leased Space*") will be leased by LSU to the Foundation (with a simultaneous assignment of the Original Anchor Tenant Lease by LSU to the Foundation and the execution and delivery of a Second Amendment to Lease Agreement dated of even date herewith (the "*Second Amendment to Anchor Tenant Lease*" and, together with the Original Anchor Tenant Lease and as amended, modified or supplemented from time to time, the "*Anchor Tenant Lease*") by and between the Foundation and the Anchor Tenant and acknowledged by LSU, (iv) the Foundation will sublease the Anchor Tenant Space to the Anchor Tenant pursuant to the Anchor Tenant Lease and the other LDMF Foundation Leased Space to other tenants pursuant to various sublease agreements, (v) the Foundation will have all responsibility for the leasing, management, operation, maintenance and repair of the LDMF Foundation Leased Space and provision of tenant services therein and for the management, operation, maintenance and repair of the space in the LDMF occupied by LSU (the "*LDMF LSU Space*"), subject to the provisions of this Agreement, (vi) the Foundation will perform or cause to be performed improvements to shell space on the first and third floors of the LETC for future tenants as more particularly described in **Exhibit C** hereto, with such improvements to be funded by LSU (the "*LETC Shell Space Improvements*"), (vii) the Foundation will continue to work collaboratively with LSU and the tenants and potential tenants of the Facilities to use and occupy the Facilities to encourage new and emerging companies dependent upon university research and/or university technologies, to encourage technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, to attract faculty capable of obtaining research grant funding and to attract students in the disciplines of science, technology, engineering and math ("*STEM*"), to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State and (viii) the Foundation will work collaboratively with LSU and the tenants and future tenants of LSU's Innovation Park regarding scientific investigation and startup business assistance through technology and business innovation to bring new technologies and products to market, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State; and

WHEREAS, LSU has determined that (i) the obligations of LSU under this Agreement comport with its governmental purpose, (ii) the expenditures and transfers by LSU hereunder are not gratuitous in light of the reciprocal obligations of the Foundation hereunder and (iii) LSU, the City and the State will receive value under this Agreement at least equivalent in value to the expenditure or transfer of public assets by LSU hereunder.

NOW THEREFORE, in consideration of the mutual covenants herein contained and the public purposes and benefits to be obtained hereby, the Parties agree as follows:

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ARTICLE I

AMENDMENT AND RESTATEMENT; COOPERATIVE ENDEAVOR AGREEMENT DECLARATIONS

Section 1.01. Amendment and Restatement. The Parties acknowledge and agree that this Agreement amends and restates in their entirety the Original Lease and the 2013 CEA.

Section 1.02. Declarations for Cooperative Endeavor Agreement. The obligations of LSU under this Agreement comport with its governmental purpose, (ii) the expenditures and transfers by LSU hereunder are not gratuitous in light of the reciprocal obligations of the Foundation hereunder and (iii) LSU will receive value under this Agreement at least equivalent in value to the expenditure or transfer of public assets by LSU hereunder.

Section 1.03. LSU Representative and Point of Contact. For purposes of this Agreement, the LSU Representative and point of contact is the Person(s) identified in the definition of "LSU Representative" in Article II hereof.

Section 1.04. Foundation Representative and Point of Contact. For purposes of this Agreement, the Foundation Representative and point of contact is the Person(s) identified in the definition of "Foundation Representative" in Article II hereof.

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ARTICLE II

DEFINITIONS

Section 2.01. Definitions. In addition to such other defined terms as may be set forth in this Agreement, the following terms shall have the following meanings:

"*Agent*" means any agent of the Foundation which performs obligations on behalf of the Foundation which obligations are required to be performed pursuant to this Agreement.

"*Agreement*" means this Cooperative Endeavor Agreement, as amended, modified or supplemented from time to time.

"*Anchor Tenant*" means a company which is preeminent in the digital media industry, capable of providing significant experienced advice and assistance to LSU's digital media programs and support to the development of the digital medical industry in the State. As of the Delivery Date, the Anchor Tenant is Electronic Arts Inc.

"*Anchor Tenant Lease*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Anchor Tenant Space*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Applicable Laws*" means any and all laws, statutes, codes, acts, ordinances, resolutions, orders, judgments, case precedents, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, authorizations, concessions, investigations, reports, guidelines and requirements or accreditation standards of any Governmental Authority having jurisdiction over LSU, the Foundation or the Property or affecting LSU, the Foundation or the Property, including, without limitation, all applicable Environmental Laws, the Americans with Disabilities Act of 1990 and the Occupational Safety and Health Standards of the State and the United States, each as amended; provided, however, that this definition shall not be interpreted as waiving protections granted to any party against future laws impairing the obligations of contracts between the Parties and/or third parties.

"*Associate Vice President*" means the Associate Vice President for Facility and Property Oversight of the University (or any successor officer or office) or his or her designee appointed in writing.

"*Budget*" shall have the meaning set forth in Section 7.04 hereof.

"*Budget Process*" shall mean the process for establishing the annual Budget for the operation, management, maintenance and repair of the Facilities set forth in Section 7.04 hereof.

"*Campus*" means the campus of the University, located in Baton Rouge, Louisiana, including, without limitation, the main Campus and the South Campus.

"*Collaborative Services*" means the services provided by the Foundation pursuant to Article VI hereof.

"*Delivery Date*" means the date of execution and delivery of this Agreement by the Parties, _____, 2019.

"*Diversity Businesses*" shall have the meaning assigned thereto in Article XVIII hereof.

"*Effective Date*" means the effective date of the Original Lease and this Agreement, June 21, 2003.

"*Emergency Repair Funds*" shall mean funds contributed by LSU to the Foundation pursuant to Section 7.03(b) hereof for the purpose of making Emergency Repairs.

"*Emergency Repairs*" shall have the meaning assigned thereto in Section 7.03(b) hereof.

"*Environmental Laws*" means all federal, State and local laws and ordinances and common law principles relating to the protection of the environment or the keeping, use, abatement, remediation, disposal, human health or natural resources or the generation, transportation, treatment, storage, disposal, recycling, keeping, use, or disposition of Hazardous Materials, substances, or wastes, presently in effect or adopted after the Effective Date, including, without limitation, all amendments to Environmental Laws and all rules and regulations under any Environmental Laws.

"*Executive Vice President*" means the Executive Vice President for Finance and Administration and CFO of LSU and shall include any permanent or interim officer or any successor office.

"*Facilities*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Facilities Account*" means the account established by the Foundation pursuant to Section 8.01 hereof.

"*Facilities Revenues*" shall have the meaning assigned thereto in Section 8.01 hereof.

"*Facilities Services*" shall have the meaning assigned thereto in Section 7.03 hereof.

"*Fiscal Year*" means (i) when used in reference to LSU, the twelve month period beginning on July 1 of any year and ending on June 30 the following year and (ii) when used in reference to the Foundation, the twelve month period beginning on January 1 and ending on December 31.

"*Force Majeure*" means any (a) act of God, lightning, hurricane, tornado, and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, war, insurrection, riot or civil disturbance; (b) labor dispute, strike, work slowdown or work stoppage; or (c) any other similar cause or similar event beyond the reasonable control of the Foundation or LSU, as applicable.

"*Foundation*" means the LSU Research Foundation, a Louisiana nonprofit corporation, and its successors and assigns.

"*Foundation Representative*" means one or more of the persons designated and authorized in writing from time to time by the Foundation to represent the Foundation in exercising the Foundation's rights and performing the Foundation's obligations under this Agreement; initially the Foundation Representative(s) shall be the Chief Executive Officer of the Foundation.

"*Governmental Authority*" means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"*Ground Lease*" means the lease of the Land by LSU to the Foundation pursuant to Section 3.01 of this Agreement.

"*Ground Rent*" means the amount of \$5,000.00 (\$100.00 per year for fifty (50) years) previously paid by the Foundation to LSU in one lump sum pursuant to the Original Lease.

"*Hazardous Materials*" means pollutants, contaminants, flammables, explosives, radioactive materials, hazardous wastes, substances, chemicals, or materials, toxic wastes, substances, chemicals or materials, or other similar substances, petroleum products, or derivatives, or any substance subject to regulation by or under Environmental Laws, including asbestos, asbestos-containing materials, materials presumed by law to contain asbestos, polychlorinated biphenyls ("*PCBs*"), petroleum, petroleum byproducts (including but not limited to, crude oil, diesel, oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, infectious wastes, radioactive materials, and/or any hazardous or toxic substance, chemical or material, or any other environmentally regulated substance or material, waste, pollutant or contaminant, defined as such or regulated by any Environmental Laws.

"*Improvements Account*" shall have the meaning assigned thereto in Section 9.02(a) hereof.

"*Land*" shall have the meaning assigned thereto in the Recitals of this Facilities Lease and shall be as more particularly described in **Exhibit A** hereto.

"*LDMF*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*LDMF Foundation Leased Space*" shall have the meaning assigned thereto in the Recitals to this Agreement and shall be as more particularly described in **Exhibit B** hereto.

"*LDMF Foundation Leased Space Rent*" means the amount of \$1.00 paid by the Foundation to LSU on the date hereof.

"*LDMF LSU Space*" shall have the meaning assigned thereto in the Recitals to this Agreement and shall be as more particularly described in **Exhibit B** hereto.

"*Leasing Services*" shall have the meaning assigned thereto in Section 7.01(a) hereof.

"*Legislature*" shall have the meaning assigned thereto in Section 12.01(b) hereof.

"*LETC*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*LETC Property*" means, collectively, the Land and the LETC.

"*LETC Shell Space Improvements*" means the improvements to the first and third floors of the LETC as more particularly described in **Exhibit C** hereto.

"*Lien*" means any lien, encumbrance, or charge levied on account of any mechanic's, laborer's, or materialman's lien, or any security agreement, conditional bill of sale, title retention agreement, chattel mortgage or otherwise.

"*LSU*" means the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation of the State, and its successors or assigns.

"*LSU Representative*" means one or more of the persons designated and authorized in writing from time to time by LSU to represent LSU in exercising LSU's rights and performing LSU's obligations under this Agreement; initially the LSU Representative(s) shall be the Associate Vice President.

"*Maintenance Reserve Account*" means the Maintenance Reserve Account established, funded and maintained by the Foundation pursuant to Section 8.02 hereof.

"*Maintenance Reserve Amount*" means \$5,000.00 or such other amount as shall be mutually agreed upon by the Foundation and LSU during the Budget Process.

"*Monthly Use Support Payment*" means a maximum of \$50,000.00 or lesser amount per month as shall be mutually agreed upon by the Foundation and LSU during the Budget Process.

"*Net Condemnation Proceeds*" means the proceeds received by the Foundation or LSU, as applicable, in the event of a Taking of all or a portion of the Property from the condemning Governmental Authority, less all reasonable and necessary costs and expenses issued in the connection with the settlement of the claims arising out of the Taking and the Award granted by the condemning Governmental Authority, including reasonable fees and expenses of counsel.

"*Net Insurance Proceeds*" means the proceeds received by the Foundation or LSU, as applicable, in the event of a casualty, damage or destruction to all or a portion of the Property under and pursuant to the insurance policies maintained by or on behalf of the Foundation with respect to the Property, less all reasonable and necessary costs and expenses insured in connection with the settlement of any insurance claim relative to such proceeds, and the deductible, including reasonable fees and expenses of counsel.

"*Original Anchor Tenant Lease*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Original Lease*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Original Leased Land*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Party(ies)*" means, individually, the Foundation or LSU, as applicable, and, collectively, the Foundation and LSU.

"*Person*" means an individual, a trust, an estate or a Governmental Authority, or a partnership, joint venture, corporation, limited liability company, firm or any other legal entity.

"*President*" means the President of LSU and shall include any permanent or interim officer or any successor office.

"*Property*" shall mean, collectively, the LETC, the LDMF and the Land.

"*Restoration*" shall have the meaning assigned thereto in Section 7.08(a) hereof.

"*Restoration Fund*" shall have the meaning assigned thereto in Section 7.08(a) hereof.

"*Second Amendment to Anchor Tenant Lease*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Services*" means, collectively, the Collaborative Services, the Leasing Services, the Tenant Services, the Facilities Services and all other obligations of the Foundation under this Agreement relating to the Facilities and the Innovation Park, other than the obligations contained in Article VIII hereof relating to the LETC Shell Space Improvements.

"*Shared Conference Space*" means the space in the LDMF Foundation Leased Space identified as Shared Conference Space in **Exhibit B** hereto.

"*STEM*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Taking*" means the actual or constructive condemnation, expropriation or the actual or constructive acquisition by condemnation, expropriation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"*Tenant Improvements*" means all improvements permanently affixed to the LETC or the LDMF Leased Space and made by or for a Tenant at any time during the Term.

"*Tenant*" means any tenant of the LETC or LDMF Foundation Leased Space approved in writing by the LSU Representative, including, without limitation, the Anchor Tenant.

"*Tenant Lease*" means any agreement for the use of space in the LETC or the LDMF Foundation Leased Space by a Tenant, including, without limitation, the Anchor Tenant Lease.

"*Tenant Services*" shall have the meaning set forth in Section 7.01(b) hereof.

"*Transfer*" shall have the meaning assigned thereto in Article XIII of this Agreement.

"*Uniform Affiliation Agreement*" means the Uniform Affiliation Agreement dated July 1, 2009, between LSU and the Foundation or any amendment, modification or supplement thereto or replacement thereof.

"*University*" means Louisiana State University and Agricultural and Mechanical College, the flagship institution of the State under the management and supervision of the Board.

"*University Leasing Act*" shall have the meaning assigned thereto in the Recitals to this Agreement.

"*Work*" shall have the meaning assigned thereto in Section 9.01 of this Agreement.

"*2013 CEA*" shall have the meaning assigned thereto in the Recitals to this Agreement.

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ARTICLE III

GROUND LEASE

Section 3.01 Lease of Land. LSU covenants that, for and in consideration of the Ground Rent and other good and valuable consideration, including, without limitation, the obligation of the Foundation to perform or cause to be performed the Services and the LETC Shell Space Improvements, and of the performance and observance by the Foundation of the covenants, obligations, conditions and stipulations herein expressed on the part of the Foundation to be performed and observed, the receipt and sufficiency of which is hereby acknowledged, LSU does hereby continue to lease unto the Foundation, and the Foundation does hereby continue to lease from LSU, the Land described in **Exhibit A** hereto for the remainder of the duration of the Term under the terms and conditions hereinafter set forth, together with the right of uninterrupted nonexclusive utilities, access, ingress, egress, parking (in accordance with LSU's parking policies as such may exist from time to time), and passage during the Term to and from all streets, roads, and parking areas now or hereafter adjoining the Land, including vehicular and pedestrian ingress and egress. The Foundation, by execution of this Agreement, accepts the leasehold estate in the Land herein demised. The Land is accepted by the Foundation in its present condition without warranty, and no repairs, replacements, additions, alterations, improvements, reconstruction or remodeling of any kind or nature shall be due by LSU, on or with respect to the Land.

The Foundation agrees that it shall not, and it shall not permit any other person to, materially and adversely interfere with LSU's use of the Campus with respect to the Foundation's use of the Land.

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ARTICLE IV

LEASE OF LDMF LEASED SPACE

Section 4.01. Lease of LDMF Leased Space. LSU covenants that, for and in consideration of the LDMF Foundation Leased Space Rent and other good and valuable consideration, including, without limitation, the obligation of the Foundation to perform or cause to be performed the Services and the LETC Shell Space Improvements, and of the performance and observance by the Foundation of the covenants, obligations, conditions and stipulations herein expressed on the part of the Foundation to be performed and observed, the receipt and sufficiency of which is hereby acknowledged, LSU does hereby lease unto the Foundation, and the Foundation does hereby lease from LSU, the LDMF Foundation Leased Space described in **Exhibit B** hereto for the remainder of the duration of the Term under the terms and conditions hereinafter set forth, together with the right of access, ingress, egress, parking (in accordance with LSU's parking policies as such policies may exist from time to time), and passage during the Term to and from all streets, roads, and parking areas now or hereafter adjoining the LDMF, including vehicular and pedestrian ingress and egress. The Foundation, by execution of this Agreement, accepts the leasehold estate in the LDMF Foundation Leased Space herein demised. The LDMF Foundation Leased Space is accepted by the Foundation in its present condition without warranty, and no repairs, replacements, additions, alterations, improvements, reconstruction or remodeling of any kind or nature shall be due by LSU, on or with respect to the LDMF Leased Space.

The Foundation agrees that it shall not, and it shall not permit any other person to, materially and adversely interfere with LSU's use of the Campus with respect to the Foundation's use of the LDMF Foundation Leased Space.

Section 4.02. Rights of Access. LSU shall grant to the Foundation, each Agent and each Tenant, as applicable, (i) a temporary right of passage and use over such other areas, including "lay down" and "staging" areas as may be reasonably required to build LETC Shell Space Improvements and Tenant Improvements; and (ii) a nonexclusive right of access over, across, and upon that portion of the Campus as is reasonably necessary to provide access to the LTEC and the LDMC Foundation Leased Space to each Tenant and its guests. Each such right of access and right of passage and use described in clause (i) of the immediately preceding sentence shall terminate upon completion of the related Tenant Improvements.

Section 4.03. Future Availability of LDMF LSU Space. The Parties acknowledge that LSU may in the future determine that all or a portion of the LDMF which, as of the date of this Agreement, constitutes LDMF LSU Space would be better suited to serve Tenants. In such event, upon thirty days written notice to by the LSU Representative to the Foundation, such space shall be deemed to constitute LDMF Foundation Leased Space and shall be subject to the obligations of the Foundation with respect to LDMF Foundation Leased Space hereunder, including, without limitation, the provision of Services. The Parties shall substitute a new **Exhibit B** to this Agreement which properly reflects the new configuration of LDMF Foundation Leased Space by written acknowledgment by each of the Foundation Representative and the LSU Representative.

ARTICLE V

PURPOSE OF AGREEMENTS; USE OF LAND AND FACILITIES

Section 5.01. Purpose of Original Ground Lease. The Parties entered into the Original Ground Lease for the purpose of constructing, using and occupying the Facilities in accordance with the terms thereof. The Parties acknowledge and agree that the construction of the Facilities has been completed as contemplated by the Original Ground Lease.

Section 5.02. Purpose of 2013 CEA. The Parties entered into the 2013 CEA for the purpose of providing for the operation and management of the Facilities in accordance with the terms thereof.

Section 5.03. Purpose of this Agreement. The Parties entered into this Agreement for the purpose of combining, modernizing, amending and restating the Original Ground Lease and the 2013 CEA, and pursuant to this Agreement, among other things, (i) LSU will continue to lease to the Foundation the Land, (ii) the Foundation will continue to have all responsibility to operate, manage, maintain and repair the Facilities, subject to the provisions of this Agreement, (iii) the Anchor Tenant Space and the LDMF Foundation Leased Space will be leased by LSU to the Foundation (with a simultaneous assignment of the Original Anchor Tenant Lease by LSU to the Foundation and the execution and delivery of the Second Amendment to Anchor Tenant Lease, (iv) the Foundation will sublease the Anchor Tenant Space to the Anchor Tenant pursuant to the Anchor Tenant Lease and the other LDMF Foundation Leased Space to other tenants pursuant to various sublease agreements, (v) the Foundation will have all responsibility for the leasing, management, operation, maintenance and repair of the LDMF Foundation Leased Space and provision of tenant services therein and for the management, operation, maintenance and repair of the LDMF LSU Space, subject to the provisions of this Agreement, (vi) the Foundation will perform or cause to be performed the LETC Shell Space Improvements, (vii) the Foundation will continue to work collaboratively with LSU and the tenants and potential tenants of the Facilities to use and occupy the Facilities to encourage new and emerging companies dependent upon university research and/or university technologies, to encourage technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, to attract faculty capable of obtaining research grant funding and to attract students in the disciplines of STEM, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State and (viii) the Foundation will work collaboratively with LSU and the tenants and future tenants of LSU's Innovation Park to further develop the Innovation Park through scientific investigation and startup business assistance through technology and business innovation to bring new technologies and products to market, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State. Except as otherwise provided herein or consented to in writing by the LSU Representative, the Land and the Facilities shall be used for no other purpose.

Section 5.04. Compliance with Statutory Requirements. The University Leasing Act prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Agreement, LSU represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation, (a) the formulation and adoption of such rules, regulations and requirements as it deems necessary or desirable relative to the erection, construction and maintenance of the Facilities, which rules, regulations and requirements are incorporated in this Agreement as though fully set forth herein, as required by La. R.S. 17:3362A and (b) the waiver, by written consent, of its right to require removal of the LTEC (i) in the event the Foundation fails, neglects or refused to comply with such rules, regulations or requirements as set forth in La. R.S. 17:3362B, except as otherwise set forth in this Agreement and (ii) upon failure of the Foundation to conform to rules or regulations relative to the conduct and social activities of people in the Facilities or on the Land as permitted by La. R.S. 17:3364, except as otherwise set forth in this Agreement; provided, however, that LSU reserves the right to enforce any and all other available remedies in the event of such failure, neglect or refusal.

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ARTICLE VI

COLLABORATIVE EFFORTS

Section 6.01. LETC and LDME. The Parties agree to continue, for the duration of the Term, to work collaboratively with the Tenants and potential tenants of the Facilities to use and occupy the Facilities to encourage new and emerging companies dependent upon State university research and/or State university technologies, to encourage technology transfer and research and development in the field of digital interactive media by providing for relevant curricula, workforce and facilities in support thereof, to attract faculty capable of obtaining research grant funding and to attract students in the disciplines of STEM, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State.

Section 6.02. Innovation Park. The Parties shall collaborate, for the duration of the term, with the tenants and future tenants of LSU's Innovation Park to further develop the Innovation Park through scientific investigation and startup business assistance via technology and business innovation to bring new technologies and products to market, to promote the engagement between LSU students and private sector business for research, assistantships, internships and talent acquisition/placement and to facilitate economic development in the State.

Section 6.03. Collaborative Services. The Collaborative Services to be provided by the Foundation hereunder shall include, without limitation, collaboration with LSU with regard to the following:

(a) Organization of the tenant/occupant communities at the Facilities and the Innovation Park into an active social unit engaged around planned, produced, indigenous and spontaneous events of varying scale.

(b) Integration of the tenant/occupant communities at the Facilities and the Innovation Park with the greater LSU, Baton Rouge and State innovation communities increasing the public profiles of the Facilities and the Innovation Park and enhancing their desirability as business locations.

(c) Curation of relevant stakeholder interests and community calendar information in an accessible digital format.

(d) With respect to the LETC and the Innovation Park, implementation, to the extent feasible and to the extent desired by LSU, of the recommendations set forth in the Baton Rouge Entrepreneurship Ecosystem Assessment dated March 2019 prepared by Emergent Method.

(e) With respect to the Innovation Park,

(i) review and evaluate the current business plan and ascertain objectives thereof;

(ii) research and analyze the most efficient and effective ways of operation and maintenance;

(iii) ascertain the interests and wishes of prospective tenants as to services, amenities and pricing;

(iv) prepare various proposals for updating and refining the business plan;

(v) review and evaluate the current master plan and ascertain requirements and objectives, including the (A) desired design statement and image, (B) access, traffic circulation and parking issues, (C) feasibility analysis for different development densities based on market conditions and development costs and (D) based on the foregoing, establish development program parameters;

(vi) compile and review all existing information and source data (such as topographic, boundary and as-built surveys, soil reports and geotechnical studies, zoning and entitlement conditions and restrictions, environmental reports and assessments and easements and title work) or, in the absence thereof, obtain and prepare such information and source data;

(vii) prepare a planning phase budget;

(viii) prepare a comprehensive schedule setting forth time frames for various planning activities, including master planning, testing, conceptual cost modeling and/or permitting activities and approvals required for additional development;

(ix) evaluate proposals for updating and refining the master plan, which evaluation shall include the preparation of conceptual cost models and pro formas for both the horizontal and vertical elements of proposed master plan revisions to assess feasibility) and coordinate the preparation of any updates to the master plan resulting therefrom; and

(x) prepare various proposals for design of infrastructure and buildings.

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ARTICLE VII

FOUNDATION SERVICES

Section 7.01. Leasing of LETC and LDMF Foundation Leased Space; Tenant Services.

(a) The Foundation shall use, or cause an Agent to use, commercially reasonable efforts to lease the LETC and LDMF Foundation Leased Space to Tenants (the "*Leasing Services*"); provided, however, that each Tenant and the terms and provisions of each Lease shall be subject to the prior written approval of the LSU Representative. Leasing Services shall include, without limitation, the following:

(i) develop a set of leasing guidelines for use in connection with the leasing of space in the Facilities;

(ii) maintain current information through periodic surveys and research as to the pricing, products and practices of competitors of the Facilities;

(iii) establish plans, policies and strategies for attracting prospective Tenants;

(iv) maintain an ongoing program of promotion and advertising of the Facilities;

(v) aggressively pursue prospective Tenants; and

(vi) negotiating leases with prospective Tenants and renewals of leases with existing Tenants on such terms and conditions as are consistent with the leasing guidelines established pursuant to Section 7.01(a)(i).

(b) The Foundation shall, or shall cause an Agent to, furnish to the Tenants or other occupants of the Facilities such services as are customarily furnished to Tenants or otherwise rendered by landlords in connection with the rental of space in office and research facilities similar to the Facilities or as otherwise required to be furnished under any Tenant Lease (collectively, the "*Tenant Services*").

(c) Pursuant to the provisions of La. R.S. 17:3365, no leasing, subleasing or other occupancy or use rights shall be granted in connection with leases granted by LSU under the University Leasing Act without the consent and approval of LSU. Subject to the provisions of Section 7.01(a), LSU's approval at a regularly scheduled meeting of LSU of the form of this Agreement and the execution and delivery of hereof shall constitute the consent and approval required by La. R.S. 17:3365 of the leasing, subleasing and occupancy and other use rights currently granted or to be granted by the Foundation to the Tenants in accordance with this Agreement.

Section 7.02. Assignment of Anchor Tenant Lease. LSU shall assign its right, title and interest in and to the Anchor Tenant Lease to the Foundation and the Foundation and the Anchor Tenant shall execute and deliver the Second Amendment to Anchor Tenant Lease (acknowledged by LSU) on the Delivery Date.

Section 7.03. Facilities Management Services.

(a) The Foundation shall, or shall cause an Agent to, operate, manage, maintain and repair the Facilities (the "*Facilities Services*"). The Facilities Services shall include, without limitation, the following:

(i) obtain and keep in effect all approvals required by any Governmental Authority and perform such acts as shall be necessary to maintain compliance with Applicable Law as pertain to the Facilities;

(ii) collect rental payments as they come due and pursue aggressively and diligently the collection of overdue rental payments;

(iii) maintain complete financial records, schedules, systems and files as may be appropriate to safeguard, monitor and administer the Facilities;

(iv) provide business and master planning services, including, without limitation:

(A) perform periodic review and evaluation of the current business plan and objectives thereof;

(B) perform research and analysis regarding the most efficient and effective ways of managing, operating and maintaining and repairing the Facilities;

(C) ascertain the interests and wishes of prospective Tenants as to services, amenities and pricing; and

(D) prepare and submit to LSU for review and approval various proposals/recommendations for updating and refining the business plan and facilities for the Facilities;

(v) provide janitorial services, including, without limitation, emptying trash cans, vacuuming the carpet, and cleaning the kitchen, break rooms, restrooms and common areas on a daily basis (Saturdays, Sundays and holidays excepted), removing trash from the parking lot on a weekly basis, polishing all hard floors and tiled areas twice a month, and steam cleaning the carpet annually;

(vi) maintain in good repair, ordinary wear and tear excepted, (A) the roof, foundation, elevators, exterior walls, and exterior windows, (B) the electrical, heating, air conditioning, ventilation, lighting, plumbing and fire alarm systems, utility lines, and sewer pipes forming a part of or serving the Facilities, and (C) the parking lot, entrances, exits, stairways, common areas, and exterior landscaping;

(vii) respond to Tenant maintenance requests, such as replacing light bulbs, cleaning windows, and making minor repairs, including repairs to the interior and/or demising walls, interior windows, and interior doors;

(viii) respond to Tenant issues as may otherwise be required by the individual Tenant Leases;

(ix) coordinate and schedule the use of the Shared Conference Space;

(x) maintain the insurance coverages required by Section 8.02 hereof and

(xi) perform all other services which may be required in connection with the Facilities, including, without limitation, major interior and exterior repairs.

(b) No unbudgeted expenditure in excess of \$2,500 per item shall be made for any purpose without prior written approval of the LSU Representative as set forth in Section 7.04 hereof. However, emergency repairs involving manifest danger to life or property or immediately necessary for the preservation or the safety of the Facilities or for the safety of the Tenants or required to avoid the suspension of any necessary service to the Facilities or required by any Governmental Authority ("*Emergency Repairs*") may be made by the Foundation without prior approval and regardless of the cost limitations imposed by this Section 7.03(b). However, the Foundation shall give immediate telephone or written notice to the LSU Representative of any such emergency repairs for which prior approval shall not be required; provided, however, in the event funds on deposit in the Facilities Account and the Maintenance Reserve Account are insufficient to pay for the required emergency repairs, the Foundation may provide a written request to the Executive Vice President and the LSU Representative for a contribution of Emergency Repair Funds necessary to pay or reimburse the Foundation for such Emergency Repairs (at the Foundation's cost without markup) and, with the prior written consent of the Executive Vice President, LSU shall pay such Emergency Repair Funds to the Foundation, which shall immediately apply such funds to the Emergency Repairs at issue. LSU shall, to the extent it is able, make a claim under the insurance coverage maintained pursuant to Section 10.01 hereof to reimburse itself for any such expenditures for Emergency Repairs.

(c) Should a Tenant request an alteration, physical addition, modification or improvement within the LDMF Foundation Leased Space, the Foundation shall authorize the requested alteration, physical addition, modification or improvement to be made by or on behalf of the Tenant, or make the requested alteration, physical addition, modification or improvement for the Tenant, only after (i) notifying the LSU Representative as to the identities of the source of funding for such work and the Person forming such work and (ii) obtaining the prior written consent of the LSU Representative.

(d) If, in the opinion of the Foundation, it is necessary to incur expense to provide Services hereunder as a result of the negligence or other fault of a Tenant or its employees or invitees, the Foundation shall use commercially reasonable efforts to recover the amount of such expense from such Tenant.

Section 7.04. Annual Operating Budget. At least sixty (60) days prior to the beginning of each calendar year, the Foundation shall prepare and submit to the LSU Representative for approval an operating budget delineating the revenues the Foundation expects to derive from the Facilities and the expenses that the Foundation anticipates it will incur to perform its obligations under this Agreement for such year and forward such budget to the LSU Representative for approval. In the event the LSU Representative, in his sole and unfettered discretion, disapproves of any proposed budget submitted by the Foundation, the LSU Representative shall give the Foundation written notice thereof, in which event the Foundation shall make all revisions thereto which the LSU Representative shall direct and resubmit the proposed budget to the LSU Representative for approval. In the absence of such written notice of disapproval within twenty (25) days after delivery of the proposed budget to the LSU Representative, the proposed budget shall be deemed to have been approved by the LSU Representative as of the first day of the first month of the applicable calendar year until the date, if any, that the LSU Representative delivers to the Foundation written notice of disapproval of the budget. Each approved budget (a "*Budget*") shall constitute the control instrument under which the Foundation shall operate for the calendar year covered thereby. Approval of the budget shall be deemed to be approval by the LSU Representative of all items specified therein. The Foundation shall not incur, or permit to be incurred, expenses in any approved Budget (excluding utility expenses, general real estate taxes, insurance premiums, financing costs and emergency expenses) in excess of the amount set forth in the Budget for any single expense classification (e.g., cleaning expenses, H.V.A.C. expenses, etc.).

Except as set forth herein and in section 7.03(b), there shall be no variance, which variance shall be the greater of ten (10%) percent or \$2,500.00, from any approved Budget, without the prior written consent of the LSU Representative. Within five (5) business days of receiving written notice of any expense requiring LSU approval as described in Section 7.03(b) or this Section 7.04, the LSU Representative shall provide the Foundation either (i) written approval of the expense or (ii) indicate in writing that it does not approve of the expense. Any such approval for a recurring expense of which the LSU Representative has been notified is so recurring need be obtained only at the time of the initial expenditure.

The Foundation reserves the right to modify and/or update, with the prior written consent of the LSU Representative, the Budget periodically throughout the year. During each annual Budget Process during the Term, the LSU Representative may amend the threshold amount of any individual expense for the provision of Services that requires approval by the LSU Representative as set forth in Section 7.03(b) or this Section 7.04.

Section 7.05. Periodic Accounting and Audits.

(a) The Foundation shall, within thirty (30) days of the end of the first three fiscal quarters of each Foundation Fiscal Year provide to the LSU Representative and Executive Vice President an accounting for such reporting period of all revenues received

and expenses incurred by the Foundation in connection with performing its obligations hereunder for such reporting period and a comparison, on a year-to-date basis, of the budgeted amount with the actual expenditures.

(b) The Foundation shall, within fifteen (15) days of the end of each calendar month, provide to the LSU Representative an accounting of the debits and credits to the Facilities Account, the Maintenance Reserve Account and, if any, the Restoration Fund during such calendar month.

(c) The Foundation shall, at its own expense, employ an independent external auditor to audit the books, bank accounts, records and other accounts of the Foundation pertaining to its obligations under this Agreement at the end of each Foundation Fiscal Year during the Term to the extent necessary to verify compliance with this Agreement. The completed audit report shall be provided to the LSU Representative and Executive Vice President within ninety (90) days of the end of each Foundation Fiscal Year during the Term. LSU covenants with the Foundation to keep the results of any such audits confidential except as required by rules and regulations of LSU and by Applicable Law.

Section 7.06. Title to Improvements to LDMF. Any non-consumable movable or immovable property purchased by the Foundation for permanent use in or incorporation into the LDMF shall become, through an act of donation by the Foundation to LSU, the property of LSU. The Foundation agrees to execute any formal documentation necessary to memorialize such donation.

Section 7.07. Criminal History Checks. Any vendors, specialists, agents, consultants and contractors engaged by the Foundation or the Agent in connection with the Facilities shall provide to the LSU Representative a letter certifying that criminal history checks have been conducted on all personnel providing a service on the Campus in connection with the Facilities, which letter shall be (i) provided within fifteen (15) days of engagement (ii) updated as new personnel are added, (iii) updated annually for all personnel, (iv) kept on file at the office of such vendors, specialists, agents and consultants and (v) made available to LSU or the University upon request thereby. Any Person who has been convicted of a criminal violation or offense described in La. R.S. 40:981.3 or in L.A.C. Title 28, Chapter 9 shall not be employed in any capacity on the Campus by the Foundation or the Agent.

Section 7.08. Damage and Destruction.

(a) ***Damage in Whole or in Part.*** In the event either Facility is damaged or destroyed in whole or in part, the Foundation shall, to the extent Net Insurance Proceeds are available, repair, replace, rebuild, restore, and/or re-equip the affected Facility promptly to substantially the same condition thereof as existed prior to the event causing such destruction or damage with such changes, alterations, and modifications (including the substitution and addition of other property) as the LSU Representative shall approve in writing (if any) as will not impair the value or the character of the affected Facility (the "*Restoration*"). All Net Insurance Proceeds for damage to LETC shall be paid to

the Foundation and deposited and held in an account to be established by the Foundation for such purpose (the "*Restoration Fund*") to be applied to the Restoration. After completion of and payment for the Restoration, all remaining Net Insurance Proceeds shall be transferred by the Foundation to the Facilities Account. All Net Insurance Proceeds for damage to LDMF shall be paid to the University. The Foundation shall be reimbursed by the University for the Restoration.

(b) ***Restoration Performed in Accordance with Applicable Law.*** Any and all Restoration by the Foundation hereunder shall be performed in accordance with all Applicable Law and the provisions of Section 9.03 hereof (provided that references in such Section 9.03 to the "Work" and the "LETC Shell Space Improvements" shall be deemed to refer to the Restoration). If not theretofore delivered, the Foundation shall deliver to the LSU Representative, within one hundred twenty (120) days of the completion of such Restoration, a complete set of record "as built" exterior plans thereof, together with a statement in writing from a registered architect or licensed professional engineer that such plans are complete and correct.

Section 7.09. Condemnation.

(a) ***Event of Taking of All or Substantially All Property.*** In the event all or substantially all of the Property shall be subject to a Taking, or if so much of the Property or any component thereof shall be so Taken so that the remainder of the Property shall not reasonably be capable of being used for its intended purpose, as reasonably determined by the Foundation and LSU, shall promptly notify the Trustee and the LSU Representative, and the Net Condemnation Proceeds shall be applied and paid first to the payment of all of the Foundation's outstanding expenses incurred in performing the Services and any balance shall be paid to LSU.

(b) ***Taking of Less than All Property.*** In the event less than all or substantially all of the Property or any component thereof shall be subject to a Taking, LSU and the Foundation shall cause the Net Condemnation Proceeds received by them from any Award to be deposited and held in the Restoration Fund to be applied, as fully as practicable, with the prior written consent of LSU to the Restoration of the Property. The balance of Any Net Condemnation Proceeds remaining after completion and payment for the Restoration shall be transferred by the Foundation to the Facilities Account.

(c) ***Restoration Performed in Accordance with Applicable Law.*** Any and all Restoration by the Foundation hereunder shall be performed in accordance with all Applicable Law and the provisions of Section 9.03 hereof (provided that references in such Section 9.03 to the "Work" and the "LETC Shell Space Improvements" shall be deemed to refer to the Restoration). If not theretofore delivered, the Foundation shall deliver to the LSU Representative, within one hundred twenty (120) days of the completion of such Restoration, a complete set of record "as built" exterior plans thereof, together with a statement in writing from a registered architect or licensed professional engineer that such plans are complete and correct.

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ARTICLE VIII

FUNDS AND ACCOUNTS; CONTRIBUTIONS BY LSU

Section 8.01. Facilities Account. The Foundation shall establish a separate checking account for the administration of the Facilities (the "*Facilities Account*"). All revenues derived by the Foundation from the operation and management of the Facilities, including, without limitation, all rentals and other revenue derived from Tenant Leases or otherwise from the use of the Facilities and all funds paid to the Foundation by LSU pursuant to this Agreement (except as otherwise explicitly provided herein), including, without limitation, the Monthly Use Support Payment and any Emergency Repair Funds (collectively, the "*Facilities Revenues*"), shall be deposited to the Facilities Account. Subject to the provisions of Section 8.03 hereof, the Foundation shall use the funds on deposit in the Facilities Account only for the purpose of performing the Services and to fund the Maintenance Reserve Fund pursuant to Section 8.02 hereof. Upon the termination of this Agreement, all funds remaining on deposit in the Facilities Account after payment of all amounts payable therefrom shall be the property of, and shall be remitted to, LSU.

Section 8.02. Maintenance Reserve Account. The Foundation shall establish and maintain during the Term a separate account for the Maintenance Reserve Account. The Foundation shall, on or before the last day of each calendar month during the Term and subject to the availability of funds, transfer the Maintenance Reserve Amount from the Facilities Account to the Maintenance Reserve Account. The funds on deposit in the Maintenance Reserve Account shall be invested at the direction of the LSU Representative. The Foundation shall, with the prior written consent of the LSU Representative, use the funds on deposit in the Maintenance Reserve Fund to fund the cost of major repairs to the Facilities. Upon the termination of this Agreement, all funds remaining on deposit in the Maintenance Reserve Account after payment of all amounts payable therefrom shall be the property of, and shall be remitted to, LSU.

Section 8.03. Order of Expenditures to Provide Services.

(a) Each month during the Term, the Foundation shall apply the funds on deposit in the Facilities Fund in accordance with the Budget in the following order to provide the Services hereunder:

(i) first, for the provision of all Services to be provided by the Foundation hereunder other than those Facilities Services set forth in Sections 7.03(a)(vi) and (x) hereof;

(ii) second, for the provision of those Facilities Services set forth in Sections 7.03(a)(vi) and (x) hereof; and

(iii) lastly, to fund the Maintenance Reserve Fund as required in Section 8.02 hereof.

(c) Under no circumstances shall the Foundation be obligated to provide for the payment for the performance of the Services from funds other than those funds on deposit in the Facilities Account, the Maintenance Reserve Account (with the prior written consent of the LSU Representative) and, if any, the Restoration Fund.

Section 8.04. LSU's Payment and Other Obligations.

(a) **Monthly Use Support Payment.** The Foundation shall, not less than ten (10) days prior to the first day of each calendar month during the Term, provide to LSU an invoice for the Monthly Use Support Payment, which amount LSU shall pay to the Foundation by the first day of each ensuing calendar month.

(b) **Utilities.** LSU shall provide, at its expense, all utilities required for the operation of the Facilities, as applicable, including, without limitation, gas, water, electricity, sewerage, wi-fi and telephone, which utilities shall be individually metered and the costs of which shall be accounted for by LSU as "in-kind services" provided by LSU to the Foundation in the annual accounting reconciliation prepared in accordance with the provisions of the Uniform Affiliation Agreement and the requirements of La. R.S. 17:3390.

(c) **Other In-Kind Services.** At the written request by the Foundation to the LSU Representative, LSU may, in the LSU Representative's sole and unfettered discretion, but shall in no way be obligated to, provide other "in-kind services" in connection with the repair and maintenance of the Facilities in the event funds on deposit in the Facilities Fund are insufficient for such purposes, the costs of which services shall be accounted for by LSU as "in-kind services" provided by LSU to the Foundation in the annual accounting reconciliation prepared in accordance with the provisions of the Uniform Affiliation Agreement and the requirements of La. R.S. 17:3390.

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ARTICLE IX

LETC SHELL SPACE IMPROVEMENTS

Section 9.01. Obligation to Perform LETC Shell Space Improvements. The Foundation shall perform, or cause to be performed, the LETC Shell Space Improvements at the expense of LSU and in accordance with the provisions of this Agreement (the "*Work*"). The Foundation shall have no obligation to pay for LETC Shell Space Improvements except from the funds provided by LSU or other sources for such purpose.

Section 9.02. Improvements Account; Provision of Funds by LSU for the Work.

(a) The Foundation shall establish a separate checking account for the administration of the LETC Shell Space Improvements (the "*Improvements Account*"). All funds received by the Foundation from LSU or any other source for purposes of performing the LETC Shell Space Improvements shall be deposited to the Improvements Account. The Foundation shall use the funds on deposit in the Improvements Account only for the purpose of performing the LETC Shell Space Improvements pursuant to this Article IX.

(b) The obligation of the Foundation to perform the LETC Shell Space Improvements shall arise only upon receipt of funds from LSU and/or any other source sufficient to pay for the LETC Shell Space Improvements.

Section 9.03. Performance of the LETC Shell Space Improvements. The Foundation shall perform the Work in a good and workmanlike manner, in accordance with the following provisions:

(a) ***Plans and Specifications/Change Orders.*** Plans and specifications for the Work shall be delivered to the LSU Representative for review. The LSU Representative shall approve or disapprove in writing such plans and specifications within fourteen (14) days of receipt thereof. Any request for change orders to the plans and specifications or to the construction contract should be made to the LSU Representative (unless the LSU Representative and the Foundation agree in writing that certain classes or types of change orders may proceed without the LSU Representative's approval). The LSU Representative shall approve or disapprove such request within seven (7) days of having received the request for the change order. No change order to the construction contract or to the plans and specifications which increases the total contract amount by Fifty Thousand Dollars (\$50,000.00) or more shall be implemented without the prior written consent of the LSU Representative.

(b) ***Commencement and Completion of the Work.*** Unless delayed by Force Majeure, the Foundation agrees to commence the Work upon receipt from LSU (through the LSU Representative) of (i) funds sufficient to pay for the Work, (ii) written approval of the plans and specifications and (iii) a notice to proceed to use commercially reasonable efforts to complete the Work in a timely manner.

(c) ***Construction Contract(s).*** The Work shall be performed on behalf of the Foundation pursuant to one or more written contracts between the Foundation and one or

more contractors. The LSU Representative shall approve or disapprove any such contract within ten (10) days of receipt of a copy thereof from the Foundation. Where appropriate, the contract(s) and bond(s) shall be recorded properly with the Clerk of Court of East Baton Rouge Parish prior to commencement of the Work. The Foundation shall include a liquidated damage clause acceptable to the LSU Representative in its construction contract(s). LSU and the Foundation hereby acknowledge and, to the extent practically and legally possible, any contract between the Foundation and any contractor or contractors and all subcontracts entered into by the general contractor shall acknowledge expressly, the following:

(i) The Work will be performed solely and exclusively for the Foundation.

(ii) The Foundation is a separate legal entity from LSU. The Foundation is not acting as an agent for LSU, and the Foundation has no authority to obligate LSU to any extent whatsoever.

(iii) Neither LSU nor the State shall be liable, directly or indirectly, for the payment under the contract of any sums whatsoever or for the performance of any other obligation whatsoever arising out of the Work.

(iv) The Foundation owns the property upon which the Work will be performed and the LETC Shell Space Improvements will be owned by the Foundation. The Work shall not give rise to any rights against any property of LSU.

(d) **Performance Bond.** The Foundation shall require that the contractor(s) provide a performance and labor and materials payment bond with a corporate surety authorized to do business in the State. Said bond shall be for the greater of the full amount of the contract price or the amount of the guaranteed maximum price of the Work. Both the Foundation and LSU shall be obligees or beneficiaries under the bond.

(e) **Rights Concerning the Property During Performance of the Work and Thereafter.** The Foundation and its contractor(s) shall have the right to occupy and use the LETC Property, with reasonable ingress to and egress therefrom, during the performance of the Work, and, as applicable, during the term of this Agreement, and with the prior written consent of the LSU Representative, shall fence that area of the Land necessary to perform the Work in a safe and secure manner. Except for unknown and unforeseen and/or unforeseeable defects, the Foundation assumes all responsibility for the condition of the LETC Property and any portion of the Campus surrounding the LETC Property used by it during the term of this Agreement. The Foundation and its contractor(s) shall maintain the LETC Property and any improvement or construction thereon in a reasonably prudent manner during the term of this Agreement. The LSU Representative and any other LSU employees designated by him shall at all times have access to the LETC Property and shall exercise all rights as owner, even those not specifically acknowledged herein. The Foundation will take prudent care of the LETC Property and return same to LSU at the termination or expiration of this Agreement, with the improvements thereon, in as good a condition as when received, ordinary wear and tear excepted. The Foundation accepts the Land for the purposes herein outlined without any warranty of title or recourse whatsoever against LSU.

(f) ***Access over Adjoining Property during Performance of the Work.*** LSU hereby grants to the Foundation a servitude of access over and across such other portions of the Campus as is necessary in order for the Foundation to fulfill its obligations under this Article IX, provided, however, that the Foundation will not unreasonably interfere with LSU's use of such other property.

(g) ***LSU Rules and Regulations; Access during Performance of the Work.*** The Foundation agrees that it will comply with all LSU regulations and policies with regard to all contractors and personnel entering the Property for purposes of performing the Work (including, without limitation, the criminal history checks required by Section 7.07 hereof, and with all Applicable Law regulating its operations on the Property, and that it will secure, at its own expense, all necessary permits and licenses from all regulatory agencies or bodies, which rules and regulations will be addressed at the pre-construction conference. The Foundation shall make these same requirements of its contractor(s) for the Work. The Work shall be subject to inspection by the LSU Representative, and the LSU Representative shall have access at all times to the Work.

(h) ***Approvals.*** LSU may not unreasonably deny or delay any approval required pursuant to this Article IX.

(i) ***Signage.*** Before erecting or placing any sign upon the LETC Property, the Foundation shall submit the design specifications of such sign to the LSU Representative for approval, which approval shall not be withheld if such signage is consistent with LSU's current signage policy or such signage was included in the plans and specifications.

(j) ***Acceptance of the Work.*** The Foundation and LSU agree to work together to complete all warranty and punch list items within the first year following acceptance of the Work. The Foundation will not accept the Work without the written approval of the LSU Representative. LSU reserves the right to refuse to approve the acceptance of the Work unless monies equal to the value of the punch list deficiencies are held by the Foundation in an escrow account for payment to the contractor(s) for completion of the punch list items. Final payment shall not be made to the contractor(s) until LSU agrees in writing that the punch list items have been completed.

(k) ***Clerk of the Works.*** If, in LSU's sole discretion, LSU shall determine that a Clerk of the Works is necessary to oversee the Work, the Foundation, at LSU's expense, shall hire a Clerk of the Works for full time supervision of the Work.

(l) ***Utilities.*** LSU shall provide, at its expense, all utilities necessary for the performance by the Foundation of the LETC Shell Space Improvements, including, without limitation, water, heat, gas, electricity, sewerage.

(m) ***No Liens: Release of Recorded Lien.*** The Foundation shall not suffer or permit any Liens to be enforced against the LETC Property or LSU by reason of a failure to pay for any work, labor, services or materials supplied or claimed to have been supplied to the Foundation or to anyone through the Foundation. If any such Liens shall be recorded against the LETC Property, the Foundation shall cause the same to be released of record, or in the alternative, if the Foundation in good faith desires to contest the same, the Foundation shall be privileged to do so, but in such case, the Foundation hereby agrees to indemnify and save LSU harmless from all liability for damages occasioned thereby and

shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and released prior to the execution of such judgment.

(n) ***Information.*** The Foundation shall provide to LSU, within fifteen (15) days of the end of each calendar month, copies of all documentation generated by the Foundation, or generated by third parties and in the possession of the Foundation, in connection with the LETC Shell Space Improvements, including without limitation, all draw requests and supporting documentation, statements reflecting debits and credits to the Improvements Account, change orders and any other information reasonably requested by LSU.

(o) ***Insurance.*** During the performance of the Work, the Foundation shall maintain or require its contractor(s) to maintain, the following:

(i) ***Builder's Risk Insurance.*** Contractor(s) shall provide an "All Risk" builder's risk insurance policy, including but not limited to fire and extended coverage, vandalism and malicious mischief insurance, for not less than one hundred (100%) percent of the full replacement value of the Work to protect against any damage or loss during the Work. This policy shall be taken out prior to commencement of the Work and be discontinued upon final approval by LSU of the Work. Coverage shall run in favor of the contractor(s), the subcontractor(s), the Foundation and LSU, as their interests may appear. The coverage shall include the architect's fee for work required and reconstruction following a loss during the Work. Written evidence of such insurance shall be provided to LSU prior to commencement of the Work.

(ii) ***Other Insurance.*** The Foundation shall require its contractor(s), before commencing the Work, to procure the coverages required pursuant to Section 10.02(b) hereof. Written evidence of such insurance shall be provided to LSU prior to commencement of the Work.

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ARTICLE X
INSURANCE

Section 10.01. Insurance to be Maintained by LSU. LSU shall maintain the property insurance for the LDMF as part of a master property program throughout the Term. Such coverage includes all risk property insurance, including named windstorm, earthquake, flood and Business Interruption. Such insurance shall be on a replacement cost basis. In addition to the master property program: terrorism coverage, boiler and machinery and fine arts (if applicable) coverage will be provided in an amount adequate to cover the risk. As part of the master property program, LSU will appoint the appropriate claims personnel to handle losses. Other losses shall be handled by the carrier of record. Building personal property (contents) not in LSU's care, custody, and control will not be insured by LSU.

Section 10.02. Other Insurance Provisions.

(a) The University requires the Foundation to procure the below minimum insurance. The insurance must be maintained for the Term. The minimum insurance requirements described herein do not in any way limit the Foundation's financial responsibilities as outlined in the Indemnification requirements. Therefore, the Foundation may opt to have broader coverage and limits to satisfy its financial obligations.

(i) Workers' Compensation insurance shall be in compliance with the laws of the State of Louisiana. Employer's Liability shall be included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If the Foundation is exempt from workers' compensation or fails to provide appropriate coverage, then the Foundation is or agrees to be solely responsible and hold harmless the University for the injuries of any officers, agents, volunteers, or employees during the course of the agreement.

(ii) Commercial General Liability insurance shall be maintained on an "occurrence" basis, including property damage, bodily injury, products & completed operations, and personal & advertising injury with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate on Insurance Services Office Form CG 00 01, ISO 2007 edition or equivalent.

(iii) If the Foundation owns or operates automobiles, then Automobile Liability Insurance shall be maintained with a minimum combined single limit per accident of \$1,000,000 on ISO form number CA 00 01 or equivalent. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned vehicles.

(iv) If the Foundation collects and stores personal protected information then Cyber liability insurance shall be maintained that provides third party coverage for privacy breach, including coverage for notification and assistance as required by Louisiana law with a minimum limit of \$1,000,000.

(v) Umbrella or Excess insurance may be used to meet the minimum limit requirements for liability insurance.

(b) LSU shall be listed as an Additional Insured on the Commercial General Liability (must use an endorsement at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms with edition date 2004 if later revisions used). See section 10.2 (b) (vi) on how the LSU should be listed as an Additional Insured.

(c) All insurances shall include a waiver of subrogation/recovery in favor of the University.

(d) For any claims related to the Foundation's operations or activities, the Foundation's insurance coverage shall be primary insurance as respects to the University. Any applicable insurance or self-insurance maintained by the University shall be excess of the Foundation's insurance and shall not contribute with it.

(e) Any deductibles or self-insured retentions above \$25,000 must be approved by the University or reduced. The University may require the Foundation to provide proof of ability to pay losses related investigations, claim administration, and defense expenses within the retention.

(f) Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A- VII, unless otherwise approved by the University.

(g) For verification of coverage, the University shall be listed as Additional Insured and Certificate Holder as follows:

Board of Supervisors of Louisiana State University
and Agricultural & Mechanical College
330 Thomas Boyd Hall
Baton Rouge, LA 70803

Certificates of Insurance shall be furnished to the University evidencing the insurance required herein including amendatory endorsements. The University's failure to obtain the required documents or acceptance of a non-compliant certificate shall not waive the Foundation's obligation to have in place the required insurances or to provide the certificate. The University reserves the right to require certified copies of all the insurance policies, including endorsements.

(h) Unless otherwise required by the University, all contractors of the Foundation performing services on University campuses shall be subject to all of the insurance requirements stated herein. Foundation shall be responsible for verifying insurance coverages and limits and maintaining Certificates of Insurance for each contractor. The University reserves the right to receive from the Foundation copies of contractor's certificates.

(i) LSU reserves the right to consider alternate coverage or limits and to modify these requirements, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

ARTICLE XI

INDEMNITY

Section 11.01. Indemnity Obligations of the Foundation. The Foundation shall and will indemnify, defend, and save harmless LSU and its board members, authorized agents, officers and employees from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and causes of action of any and every kind and nature growing out of or in any way connected with the construction, use, occupancy, management, operation or control of the Property and any servitudes, rights of attachment and air rights by the Foundation, its officers, employees, agents, contractors, guests, members, or patrons. This obligation to indemnify shall include fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities incurred as a result thereof; however, the Foundation and LSU may use the same counsel if such counsel is approved by LSU, which approval shall not be unreasonably withheld, delayed or conditioned. It is expressly understood and agreed that the Foundation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that LSU shall in no way be responsible for the acts or omissions of the Foundation. The Foundation's obligation to indemnify LSU in accordance with the terms of this Section 11.01 shall be limited to the extent of (i) its proportionate share of fault and (ii) to Net Insurance Proceeds available for such purpose.

Section 11.02. Indemnity Obligations of LSU. To the extent permitted by Applicable Law, LSU shall and will indemnify, defend, and save harmless the Foundation and its board members, authorized agents, officers and employees from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature growing out of or in any way connected with the construction, use, occupancy, management, operation or control of the Property and any servitudes, rights of attachment and air rights by LSU, its officers, employees, agents, contractors, guests, members or patrons. This obligation to indemnify shall include fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities incurred as a result thereof; however, the Foundation and LSU may use the same counsel if such counsel is approved by LSU, which approval shall not be unreasonably withheld, delayed or conditioned. It is expressly understood and agreed that the Foundation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that LSU shall in no way be responsible for the acts or omissions of the Foundation. LSU's obligation to indemnify the Foundation in accordance with the terms of this Section 11.02 shall be limited to the extent of (i) its proportionate share of fault and (ii) Net Insurance Proceeds available for such purpose.

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ARTICLE XII

TERMINATION

Section 12.01. Termination by LSU.

(a) ***Termination for Cause.*** Any other provision to the contrary contained herein notwithstanding, LSU may terminate this Agreement for cause based upon the failure of the Foundation to comply with the terms and/or conditions hereof; provided that LSU shall give the Foundation written notice specifying the Foundation's failure. If within forty-five (45) days after receipt of such notice, the Foundation shall not have either corrected such failure or, in case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then LSU may, at its sole option, place the Foundation in default and the Agreement shall terminate on the date specified in the notice.

(b) ***Event of Nonappropriation.*** The continuation of this Agreement is contingent upon the appropriation of funds by the Louisiana Legislature (the "*Legislature*") to LSU to fulfill the requirements of this Agreement. If the Legislature fails to appropriate sufficient monies to LSU to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies to LSU for the continuation of this Agreement, this Agreement shall terminate on the date of the beginning of the first LSU Fiscal Year for which funds are not appropriated unless terminated earlier as otherwise provided in this Agreement.

LSU, at its sole discretion, shall determine for each LSU Fiscal Year whether its legislative appropriation for such Fiscal Year includes sufficient moneys to enable LSU to fulfill the requirements of this Agreement. If Board determines that the Legislature did not include sufficient moneys which would enable the LSU Board to fulfill the requirements of this Agreement for that LSU Fiscal Year, such determination by LSU shall constitute an event of nonappropriation for purposes of this Agreement and LSU shall, at the earliest possible date, adopt a resolution at a regularly scheduled or special LSU meeting stating that there has been an event of nonappropriation hereunder. LSU agrees to notify the Foundation within ten (10) business days in the event that LSU has adopted a resolution stating that there has been an event of nonappropriation hereunder.

Section 12.02. Termination by the Foundation. The Foundation may exercise any rights available to it under Applicable Law to terminate this Agreement for cause upon the failure of LSU to comply with the terms and conditions of this Agreement, provided that the Foundation shall give LSU written notice specifying LSU's failure and a reasonable opportunity for LSU to cure the defect.

ARTICLE XIII

NON-ASSIGNABILITY; TRANSFERS

The Foundation shall not (and shall not have the right to) assign, pledge, mortgage, grant a security interest in, encumber or otherwise transfer or dispose of this Agreement or any interest herein or in the Property or any right or privilege appurtenant hereto, or lease, ground lease or sublease the Property or any portion thereof, or permit or suffer any of the same to occur (each, a "*Transfer*"), unless, in each case, the prior written consent of the LSU Representative is first obtained, which consent shall not be unreasonably delayed, conditioned or withheld. Any transfer or assignment of its interest which is made without such written consent of the LSU Representative shall be void *ab initio*.

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ARTICLE XIV

AUDIT AND AUDITORS

In addition to the audit requirement outlined in Section 7.05 of this Agreement, LSU may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and other accounts of the Foundation pertaining to its obligations under this Agreement to the extent necessary to verify compliance with this Agreement. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of LSU, or by independent auditors retained by LSU or by the Louisiana Legislative Auditor or by the Office of the Governor, Division of Administration, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Foundation. LSU covenants with the Foundation to keep the results of any such audits confidential except as required by rules and regulations of LSU and by Applicable Law.

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ARTICLE XV

RECORD RETENTION

The books, accounts and records of the Foundation which pertain to this Agreement shall be maintained at the principal office of the Foundation. The Foundation agrees to retain all books, records, and other documents relevant to this Agreement and the funds expended hereunder for at least three years after final payment, or as required by applicable federal law if federal funds are used to fund this Agreement.

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ARTICLE XVI

TERM

This Agreement began on the Effective Date and shall terminate on June 30, 2025, unless terminated earlier in accordance with the terms hereof. The termination date may be extended for successive five (5) year terms by written amendment to this Agreement, which must be signed by each of the Parties after obtaining any necessary approvals; provided, however, in no event shall the term of this Agreement extend beyond August 21, 2053, inclusive of all extensions.

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ARTICLE XVII

DISCRIMINATION CLAUSE

Section 17.01 Requirements. The Foundation shall, and shall cause the Agent and any of its other contractors or subcontractors to agree to, abide by: (a) 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; (b) the requirements of the Americans with Disabilities Act of 1990; and (c) any executive order issued by the governor of the State.

Section 17.02. Additional Requirements. The Foundation shall additionally require and cause the Agent and each contractor and subcontractor to agree: (i) not to discriminate in its employment practices; and (ii) to render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

Section 17.03. Cause for Termination. Any act of discrimination committed by the Foundation or the Agent or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

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ARTICLE XVIII

DIVERSE SUPPLIERS

The Foundation understands that LSU is committed to promoting the growth and development of minority- and women-owned and small and historically underutilized businesses (collectively, "*Diverse Businesses*") by providing opportunities to participate in LSU agreements. In support of this commitment, (a) the Foundation shall use good faith and commercially reasonable efforts to provide opportunities to Diverse Businesses that are either certified by the State or another certifying entity in a diverse category as a subcontractor or supplier according to LSU policies and procedures and (b) the Foundation shall provide to LSU a list of Diverse Businesses during each Foundation Fiscal Year, which list shall identify as to each Diversity Business contained thereon (i) the legal name thereof, (ii) the principal office or address, (iii) ownership and (iv) the services or good that it may provide or supply and the value of the goods or services procured therefrom. To the extent that any Applicable Law would require that this Article XVIII be modified or voided, the Parties agree that such provision may be amended or severed from this Agreement without affecting any of the other terms hereof.

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ARTICLE XIX

INDEPENDENT CONTRACTORS

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The Foundation shall at all times remain an "independent contractor" with respect to the Services to be performed under this Agreement.

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ARTICLE XXI

TAX LIABILITY

The Foundation hereby agrees that the responsibility for payment of taxes due, if any, in connection with the funds received by it under this Agreement shall be the obligation of the Foundation.

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ARTICLE XXII

MISCELLANEOUS

Section 22.01. Severability. If any clause or provision of this Agreement is deemed to be illegal, invalid or unenforceable under present or future Applicable Law effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby.

Section 22.02. Governing Law; Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana. The 19th Judicial District Court in and for the Parish of East Baton Rouge, State of Louisiana, shall be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding by and among the Parties in connection with, or by reason of, this Agreement.

Section 22.03. Notices. Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered by: (1) hand; (2) U.S. Postal Service, postage prepaid, certified mail, return receipt requested; (3) by private, commercial carrier; or (4) sent by telecopy or other form of rapid electronic transmission when the receipt is confirmed in writing by the addressee. Notices must be addressed to the addressee at the addresses shown below or to such other person or address as a Party may give notice to the other Parties:

If to LSU: President of LSU
 Louisiana State University
 3810 West Lakeshore Drive
 Baton Rouge, Louisiana 70803
 Facsimile: (225) 578-4749

With copies to (which copies shall not constitute notice):

 General Counsel
 LSU
 3810 West Lakeshore Drive, Suite 124
 Baton Rouge, Louisiana 70808
 Facsimile: (225) 578-5524

and

 Executive Vice President for Finance and Administration and CFO
 Louisiana State University
 330 Thomas Boyd Hall
 Baton Rouge, Louisiana 70803
 Facsimile: (225) 578-5403

and

Associate Vice President for Facility and Property Oversight
Louisiana State University
212A Facilities Services Building
Engineering Lane
Baton Rouge, Louisiana 70803
Facsimile: (225) 578-5597

If to Foundation: LSU Research Foundation
Building 340, East Parker Boulevard
Baton Rouge, Louisiana 70803
Facsimile: (225) 615-8910
Attn: Chief Executive Officer

With a copy to (which copy shall not constitute notice):

Kantrow, Spaht, Weaver & Blitzer, APLC
445 North Boulevard
Baton Rouge, Louisiana 70802
Facsimile: (225) 343-0630
Attn: W. Scott Keaty

Section 22.04. Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the matters set forth herein and contains all of the terms and conditions agreed upon with respect to such matters, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the Parties; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

Section 22.05. Amendments. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated on or subsequent to the date hereof and duly executed by the Parties and all required approvals have been obtained.

Section 22.06. Construction. LSU and the Foundation and/or their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by LSU and the Foundation, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any of the provisions of this Agreement. In entering this Agreement, the Parties represent that they have relied upon the advice of their attorneys, who are attorneys of their own choice, and that the terms of this Agreement have been completely read and explained to them by their attorneys, and that those terms are fully understood and voluntarily accepted by them.

Section 22.07. Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument. For purposes hereof, facsimile and electronically scanned .pdf copies hereof and facsimile and electronically scanned pdf signatures hereof shall be authorized and deemed effective.

Section 22.08. Interpretation. Unless the context of this Agreement clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof" "herein," "hereunder," and similar terms in this Agreement shall refer to this Agreement as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Agreement are for reference purposes, and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect. Article, section, subsection and exhibit references are to this Agreement unless otherwise specified. All exhibits attached to this Agreement constitute a part of this Agreement and are incorporated herein. All references to a specific time of day in this Agreement shall be based upon Central Time.

Section 22.09. Further Assurances. From time to time hereafter, each Party shall execute and deliver such additional instruments, certificates or documents, and take all such actions as the other Party may reasonably request, for the purpose of fulfilling its obligations hereunder.

Section 22.10. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, board member, officer, agent or employee of any Party hereto in his individual capacity, and those persons executing this Agreement on behalf of a Party to this Agreement shall not be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement except to the extent required by Applicable Law.

Section 22.11. Delay or Omission. No delay or omission in the exercise of any right or remedy accruing to a Party upon any breach by the other Party under this Agreement shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein or therein contained.

Section 22.12. Compliance with Applicable Law. Each Party shall comply, and shall cause all Persons using the Property (including the Agent, the Tenants and any contractors, subcontractors, vendors and suppliers) to comply, with Applicable Law, including, without limitation, all applicable Environmental Laws, in the performance of its obligations under this Agreement.

Section 22.13. Memorandum of Lease. Neither LSU nor the Foundation shall file this Agreement for recordation in East Baton Rouge Parish, Louisiana, or in any public place without the written consent of the other. In lieu thereof LSU and the Foundation agree to execute in recordable form a memorandum of this Agreement in the form of **Exhibit E** attached hereto. Such memorandum shall be filed for record in East Baton Rouge Parish, Louisiana.

Section 22.14. Applicable Law. The obligations of each party to this Agreement shall be performed in accordance with all Applicable Law.

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[Signature Page to Cooperative Endeavor Agreement]

IN WITNESS WHEREOF, the undersigned duly authorized representative has signed this Agreement on behalf of LSU on the ____ day of _____, 2019, to be effective on the Effective Date, in the presence of the undersigned competent witnesses, who hereunto signed their names with me, Notary, after due reading of the whole.

WITNESSES

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

Printed Name:

Printed Name:

By: _____
Name: F. King Alexander
Title: President, Louisiana State University

Notary Public

Printed Name

LSBA Roll No. _____

My Commission is for life.

[Signature Page to Cooperative Endeavor Agreement]

IN WITNESS WHEREOF, the undersigned duly authorized representative has signed this Agreement on behalf of the Foundation on the ____ day of _____, 2019, to be effective on the Effective Date, in the presence of the undersigned competent witnesses, who hereunto signed their names with me, Notary, after due reading of the whole.

WITNESSES

LSU RESEARCH FOUNDATION

Printed Name:

By: _____
Name: Tony Lombardo
Title: Interim Chief Executive Officer

Printed Name:

Notary Public

Printed Name

LSBA Roll No. _____
My Commission is for life.

EXHIBIT A

DESCRIPTION OF THE LAND

[metes and bounds description to come – survey in progress
and will include the footprint of the LETC building plus a 5 foot perimeter]

EXHIBIT B

**DESCRIPTION OF LDMF FOUNDATION LEASED SPACE
AND LDMF LSU SPACE**

EXHIBIT C

DESCRIPTION OF LETC SHELL SPACE IMPROVEMENTS

EXHIBIT D
COPY OF ANCHOR TENANT LEASE

EXHIBIT E
MEMORANDUM OF LEASE

MEMORANDUM OF LEASE

STATE OF LOUISIANA

*

*

PARISH OF EAST BATON ROUGE

* KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Lease (this "Memorandum") is entered into by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, as lessor ("LSU"), and LSU Research Foundation ("Foundation"), as lessee.

RECITALS

A. LSU and Foundation have entered into a Cooperative Endeavor Agreement dated effective August 23, 2003, but executed and delivered on _____, 2019 (the "CEA"), whereby LSU leases to Foundation, and Foundation leases from LSU, the real property more particularly described on Exhibit A attached hereto and incorporated herein (collectively, the "Property"). The Cooperative Endeavor Agreement amends and restates (i) that certain Amended and Restated Agreement and Lease of Property for Construction of the Louisiana Emerging Technologies Center and the Louisiana Digital Media Facilities entered into as of May 11, 2011, but effective August 23, 2003, and (ii) that certain Cooperative Endeavor Agreement dated as of September 13, 2013, each by and between LSU and the Foundation.

B. LSU and Foundation desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the CEA.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the CEA:

1. The term of the CEA was effective on August 21, 2003, and shall continue until August 21, 2053; provided, however, the CEA may be earlier terminated (a) for cause by either party based upon the failure of the other party to comply with the terms and/or conditions of the CEA or (b) by LSU in the event of failure by the Louisiana Legislature to appropriate the funds to LSU necessary to provide for the continuation of the CEA (the "Expiration Date").

2. Additional information concerning the provisions of the CEA can be obtained from the parties at the following addresses:

LSU: Louisiana State University
330 Thomas Boyd Hall
Baton Rouge, Louisiana 70803
Attn: Executive Vice President for Finance and Administration and CFO

Foundation: LSU Research Foundation
Building 340, East Parker Boulevard
Baton Rouge, Louisiana 70803
Attn: Chief Executive Officer

This Memorandum is executed for the purpose of recordation in the public records of East Baton Rouge Parish, Louisiana in order to give notice of certain terms and provisions of the CEA and is not intended and shall not be construed to define, limit or modify the CEA. All of the terms, conditions, provisions and covenants of the CEA are incorporated into this Memorandum by reference as though fully set forth herein, and both the CEA and this Memorandum shall be deemed to constitute a single instrument or document.

[remainder of this page intentionally left blank]

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the LSU has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with LSU and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective _____, 2019.

WITNESSES:

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

Printed Name: _____

By: _____
Name: F. King Alexander
Title: President Louisiana State University
Date: _____

Printed Name: _____

NOTARY PUBLIC
Printed Name: _____
La. Bar Roll Number: _____
My commission is for life.

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the Foundation has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the Foundation and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective _____, 2019.

WITNESSES:

LSU RESEARCH FOUNDATION,
a Louisiana nonprofit corporation

Printed Name:

By: _____
Name: Tony Lombardo
Title: Interim Chief Executive Officer
Date: _____

Printed Name:

NOTARY PUBLIC
Printed Name: _____
La. Bar Roll Number: _____
My commission is for life.

EXHIBIT A
PROPERTY DESCRIPTION

[to come]

**AMENDED AND RESTATED
AGREEMENT AND LEASE OF PROPERTY
FOR CONSTRUCTION OF THE
LOUISIANA EMERGING TECHNOLOGIES CENTER
AND THE LOUISIANA DIGITAL MEDIA FACILITY**

THIS AMENDED AND RESTATED AGREEMENT AND LEASE OF PROPERTY FOR CONSTRUCTION OF THE LOUISIANA EMERGING TECHNOLOGIES CENTER AND THE LOUISIANA DIGITAL MEDIA FACILITY (the "Agreement") is entered into as of the 11th day of May, 2011, by and between:

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, a public constitutional corporation organized and existing under the Constitution and laws of the State of Louisiana, domiciled in the Parish of East Baton Rouge, appearing herein through and represented by John V. Lombardi, President of the Louisiana State University System, duly authorized and empowered by resolution of said Board of Supervisors (hereinafter referred to as "LSU"),

and

LOUISIANA STATE UNIVERSITY SYSTEM RESEARCH AND TECHNOLOGY FOUNDATION, a Louisiana nonprofit corporation organized and existing under the laws of the State of Louisiana, domiciled in the Parish of East Baton Rouge, appearing herein through and represented by Arthur R. Cooper, its duly authorized Chief Executive Officer appointed by its Board of Directors (hereinafter referred to as the "Foundation"),

RECITALS

WHEREAS, LSU and the Foundation entered into that certain Agreement and Lease of Property for Construction of the Louisiana Emerging Technologies Center (the "Prior Agreement") effective as of the 21st day of August, 2003 (the "Effective Date");

WHEREAS, LSU is the owner of a certain tract of immovable property described in Subsection 0.3 of this Agreement as the "Property";

WHEREAS, pursuant to the Prior Agreement, the Foundation leased the Property from LSU as of the Effective Date for the purpose of constructing, using and occupying thereon a wet lab incubator referred to as the Louisiana Emerging Technologies Center (the "Center");

WHEREAS, the Center, which was funded by the Louisiana Legislature through the Louisiana Department of Economic Development, has now been completed and houses new and emerging companies dependent upon university research and/or university technologies at the Foundation's expense;

WHEREAS, LSU and the Foundation desire to amend and restate the Prior Agreement to permit the Foundation to construct on the Property a digital media building to be referred to as the Louisiana Digital Media Facility (the "LDMF");

WHEREAS, construction of the LDMF will be funded by the Louisiana Legislature through the Louisiana Department of Economic Development as well as by a grant from the U.S. Department of Commerce, Economic Development Administration and will house LSU's Center for Computation and Technology (the "CCT") and is anticipated to house a private digital media company meeting the definition of "Anchor Tenant" in the Cooperative Endeavor Agreement by and between the State of Louisiana, the Louisiana Department of Economic Development, the City of Baton Rouge/Parish of East Baton Rouge and LSU approved by the Governor's Office of Contract Review on December 29, 2008 ("Anchor Tenant");

WHEREAS, the Foundation is utilizing the Center in a manner that will benefit LSU, as well as other public and private research-based entities and intends to donate the LDMF upon construction to LSU, all of which are expected to facilitate economic development in the community and State; and

WHEREAS, the Foundation is a nonprofit corporation whose tax exempt purpose is to support the mission and programs of LSU and other cooperating state universities, and the Foundation will promote that mission by continuing the use and occupancy of the Center and constructing the LDMF for the purposes described herein:

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

PROPERTY DESCRIPTION

- 0.1 The Recitals are incorporated herein as if copied in extenso.
- 0.2 This Agreement amends and restates the Prior Agreement in its entirety.
- 0.3 As of the Effective Date, LSU leased and hereby continues to lease to the Foundation the following described immovable property, owned by LSU and located on the LSU and A&M College of LSU (the "LSU Campus"), to-wit:

See Exhibit "A" attached hereto (the "Property").

1.

AGREEMENT TO CONSTRUCT IMPROVEMENTS

- 1.1 The Foundation has constructed on the Property the Center, which includes laboratories, offices, conference rooms, and restrooms, together with utility connections, all in accordance with plans and specifications approved by LSU and pursuant to LSU's design standards applicable to the LSU Campus.

1.2 The Foundation hereby agrees to further construct on the Property the LDMF, which shall not exceed one hundred thousand (100,000) square feet, shall include a minimum of fifty thousand (50,000) square feet to house LSU's CCT and shall include without limitation a computer data room, offices, conference rooms, classrooms, restrooms, and related facilities, together with utility connections and infrastructure improvements (collectively, together with parking lot reconfiguration, if any, the "Improvements"), all in accordance with the terms and provisions set forth in this Agreement. If and when the Foundation and the Chancellor of LSU A&M certify to the President of the LSU System (the "President") in writing that funds are available for the purpose of constructing an extensive, highly specialized audio-visual auditorium (the "AV Auditorium"), and the President approves the use of such funds for the specified-in-detail proposal for construction thereof, the "Improvements" as defined in this Agreement will include the AV Auditorium, provided that the Foundation will not enter into any binding obligation to construct the AV Auditorium unless and until such certification and approval have been made in writing and provided to the Foundation.

2.

RIGHT OF USE AND SERVITUDE

2.1 LSU hereby grants to the Foundation a right of use and a servitude of access through, across, over and upon the Property for the purpose of constructing the Improvements (said construction to be referred to herein as the "Work").

3.

LEASE

3.1 As of the Effective Date, LSU leased and hereby continues to lease the Property to the Foundation to fulfill the purposes of the Louisiana Legislature in allocating funding for the construction, use and occupancy of the Center to house new and emerging life-sciences entities dependent upon university research and/or university technologies and for the construction of the LDMF to house LSU's CCT and an Anchor Tenant.

4.

TERM

4.1 This Agreement shall be for a term of fifty (50) years from the Effective Date (the "Term").

5.

CONSIDERATION

5.1 This Agreement is made for and in consideration of annual rental of \$100 (the "Annual Rental Payments"), which annual rental totals \$5,000 (the "Total Rental Payment") for the Term. The Total Rental Payment is due and payable upon execution of this Agreement less any Annual Rental Payments previously paid by the Foundation to LSU. As further consideration, the Foundation and LSU acknowledge the advantages and benefits accruing to the Louisiana State University System as a result of the activities of the Foundation that will be conducted on and from the Property. Should this Agreement terminate prior to the expiration of the Term, the Foundation will not seek reimbursement from LSU of any portion of the Total Rental Payment.

5.2 It shall be a condition of this Agreement that the Foundation perform all of its obligations and covenants contained herein, including use of the Center for the purposes specified in this Agreement. The Center and the LDMF shall be used for no other purposes without the prior written consent of the LSU Representative as defined in Section 6 of this Agreement. The Center has been established for the purpose of housing new and developing research-based businesses focused on biotechnology and life sciences industries in Louisiana as specified by the Louisiana Legislature. The Center provides laboratory and office space, as well as business and technical assistance to small and start up businesses developing and commercializing LSU and other Louisiana university technologies. Upon its donation by the Foundation to LSU upon completion of construction, the LDMF will be used by LSU for the purpose of housing LSU's CCT and an Anchor Tenant.

5.3 Pursuant to the provisions of La. R.S. 17:3365, no leasing, subleasing or other occupancy or use rights shall be granted in connection with any building located on the Property owned or operated by the Foundation or anyone acting on the Foundation's behalf without the consent and approval of the LSU Board of Supervisors. To facilitate day-to-day operations, LSU and the Foundation may, with the express approval of the LSU Board of Supervisors by a resolution expressly addressing that single object, enter into a written agreement that specifies, in greater detail, the specific types of occupancy and uses that may be engaged in, including leasing and subleasing in connection therewith, without the necessity of obtaining the additional consent and approval of the LSU Board of Supervisors for each individual tenant. LSU and the Foundation hereby further agree that any lease, sublease or other occupancy or use rights granted by the Foundation as lessor to any other person, party,

or entity as lessee pursuant to this Subsection 5.3 of this Agreement, shall be assigned to LSU upon the request of LSU.

6.

CONSTRUCTION

6.1 At its sole cost and expense, the Foundation shall perform the Work in a good and workmanlike manner, in accordance with the following provisions:

A. Plans and Specifications/Change Orders

Plans and specifications for the Work shall be delivered to the LSU System through the President of the LSU System or his or her designee specified in writing (the "LSU Representative") for review. The LSU Representative shall approve or disapprove in writing such plans and specifications, which must comply with LSU's design standards applicable to the LSU Campus, within fourteen (14) days of receipt thereof. Any request for change orders to the plans and specifications or to the construction contract should be made to the LSU Representative (unless the LSU Representative and the Foundation agree in writing that certain classes or types of change orders can proceed without LSU approval). The LSU Representative shall approve or disapprove such request within seven (7) days of having received the request for the change order from the Foundation. No change order to the contract or to the plans and specifications which increases the total contract amount of the contract Fifty Thousand (\$50,000.00) Dollars or more, or which materially alters the exterior appearance of the LDMF, shall be implemented without the prior written consent of the LSU Representative.

B. Commencement and Completion of the Work

Unless delayed by Force Majeure, the Foundation, at its own expense, agrees to commence the Work on or before July 15, 2011 and shall make best efforts to complete same by January 15, 2013. The Work shall not commence until the LSU Representative has given his written notice to commence and has approved in writing the plans and specifications of the Work. The completion date set forth herein may be extended by a written change order issued by the Foundation and approved in writing by the LSU Representative.

“Force Majeure” for purposes of this Agreement shall mean any (a) act of God, lightning, hurricane, tornado, and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, war, insurrection, riot or civil disturbance; (b) labor dispute, strike, work slow down or work stoppage; or (c) any other similar cause or similar event beyond the reasonable control of the Foundation.

C. Contract with Contractor

The Work shall be performed on behalf of the Foundation pursuant to a written contract(s) between the Foundation and a contractor or contractors. The LSU Representative shall approve or disapprove such contract(s) within ten (10) days of receipt of a copy of the contract from the Foundation. Where appropriate, the contract(s) and bond(s) shall be recorded properly with the Clerk of Court of East Baton Rouge Parish prior to commencement of the Work. The Foundation shall include a liquidated damage clause acceptable to the LSU Representative in its construction contract(s). LSU and the Foundation hereby acknowledge, and to the extent practically and legally possible, any contract between the Foundation and any contractor or contractors and all subcontracts entered into by the general contractor shall acknowledge expressly, the following:

- (a) The Work will be performed solely and exclusively for the Foundation.
- (b) The Foundation is a separate legal entity from LSU. It is not acting as an agent for LSU, and the Foundation has no authority to obligate LSU to any extent whatsoever.
- (c) Neither LSU nor the State of Louisiana shall be liable, directly or indirectly, for the payment of any sums whatsoever or for the performance of any other obligation whatsoever arising out of the Work performed pursuant to this Agreement.
- (d) The Foundation has no ownership interest in the Property upon which the Work will be performed. The Work shall not give rise to any rights against any property of LSU.

D. Performance Bond

The Foundation shall require that the contractor(s) provide a performance and labor and materials payment bond with a corporate surety authorized to do business in the State of Louisiana. Said bond shall be for the greater of the full amount of the contract price or the amount of the guaranteed maximum price of the Work. Both the Foundation and LSU shall be obligees or beneficiaries under the bond.

E. Rights Concerning the Property During Performance of the Work and Thereafter

The Foundation and its contractor(s) shall have the right to occupy and use the Property, with reasonable ingress to and egress therefrom, during the performance of the Work, and, as applicable, during the term of this Agreement, and with the prior written consent of the LSU Representative, shall fence that area of the Property necessary to perform the Work in a safe and secure manner. Except for unknown and unforeseen and/or unforeseeable defects, the Foundation assumes all responsibility for the condition of the Property used by it during the term of this Agreement. The Foundation and its contractor(s) shall maintain the Property and any improvement or construction thereon in a reasonably

prudent manner during the term of this Agreement. The LSU Representative and any other LSU employees designated by him shall at all times have access to the Property and shall exercise all rights as owner, even those not specifically acknowledged herein. The Foundation will take prudent care of the Property and return same to LSU at the termination or expiration of this Agreement, with the improvements thereon, in as good a condition as when received, ordinary wear and tear excepted. The Foundation accepts the Property for the purposes herein outlined without any warranty of title or recourse whatsoever against LSU.

F. Access over Adjoining Property during Performance of the Work

LSU hereby grants to the Foundation a servitude of access over and across such other property owned by LSU as is necessary in order for the Foundation to fulfill its obligations hereunder, provided, however, that the Foundation will not unreasonably interfere with LSU's use of such other property.

G. LSU Rules and Regulations: Access during Performance of the Work

The Foundation agrees that it will comply with all LSU regulations and policies with regard to all contractors and personnel entering the Property for purposes of performing the Work, and with all state and local laws and ordinances regulating its operations on the Property, and that it will secure, at its own expense, all necessary permits and licenses from all regulatory agencies or bodies, which rules and regulations will be addressed at the pre-construction conference. The Foundation shall make these same requirements of its contractor(s) for the Work. The Work shall be subject to inspection by the LSU Representative, and the LSU Representative shall have access at all times to the Work.

H. Approvals

LSU may not unreasonably deny or delay any approval required pursuant to this Agreement.

I. Signage

Before erecting or placing any sign upon the Property or the Improvements, the Foundation shall submit the design specifications of such sign to the LSU Representative for approval, which approval shall not be withheld if such signage is consistent with LSU's current signage policy or such signage was included in the plans and specifications.

J. Acceptance of the Work

The Foundation and LSU agree to work together to complete all warranty and punch list items within the first year following acceptance of the Work. The Foundation will not accept the Work without the written approval of the LSU Representative. LSU reserves the right to refuse to approve the acceptance of the Work unless monies equal to the value of the punch list deficiencies are held by the Foundation in an escrow account for payment to the contractor(s) for completion of the punch list items. Upon acceptance of the Work by the Foundation and provided the Improvements are donated to LSU pursuant to Section 8 of this Agreement, the Foundation hereby agrees that, to the extent allowed by law, the Foundation will transfer to LSU, upon LSU's written request, its right to enforce actions against the contractor(s) and/or the architect(s) arising out of the Work; provided, however, that the Foundation shall continue to be obligated to complete the punch list items. Final payment shall not be made to the contractor(s) until LSU agrees in writing that the punch list items have been completed.

K. Funds for the Work

Prior to the commencement of the Work, the Foundation shall satisfy the LSU Representative that the total amount of money needed to complete the Work has been collected or acquired by the Foundation and is dedicated to that use. At LSU's option, the Foundation may be required to provide a letter of credit, a performance bond, or a dedicated escrow account to guarantee its performance.

L. Clerk of the Works

If in LSU's sole discretion it becomes necessary, the Foundation at the Foundation's expense shall hire a Clerk of the Works for full time supervision of the Work.

M. Inspection and Survey

The Foundation shall inspect the Property and arrange for boundary surveys, topographical surveys, soil borings and other site investigations at its expense. LSU does not warrant that the Property is suitable for the Work. The Foundation accepts the Property in its present condition excepting any unknown or unforeseen defect in the Property.

N. Utilities

LSU may have provided water, heat, gas, electricity, sewerage and other utilities necessary for the construction of the Center to the boundary of the Property; however, any financial obligation of LSU to provide such utilities was limited to expenditure not to exceed Five Hundred Thousand (\$500,000) Dollars (which amount was to be apportioned between LSU Agricultural and Mechanical College and the LSU Agricultural Center). The Foundation, and not LSU, shall be responsible for all such utility expenses in connection with the Work provided LSU will cooperate in providing any necessary utilities to the boundary of the Property, including access to the chilled water loop, in connection with the construction.

use and occupancy of the Center and the construction of the LDMF. The Foundation expressly acknowledges that all utility construction that was required in connection with the Center and that will be required in connection with the LDMF will be available to LSU for future developments of LSU, and such utility construction is not for the exclusive benefit of the Center, the LDMF or the Foundation. The Foundation was and shall be responsible for paying or causing to be paid any and all charges for all utilities used on the Property during the Work and used thereafter by the Center, through the expiration of this Agreement.

O. No Liens; Release of Recorded Lien

The Foundation shall not suffer or permit any liens to be enforced against the Property or LSU by reason of a failure to pay for any work, labor, services or materials supplied or claimed to have been supplied to the Foundation or to anyone through the Foundation. If any such liens shall be recorded against the Property, the Foundation shall cause the same to be released of record, or in the alternative, if the Foundation in good faith desires to contest the same, the Foundation shall be privileged to do so, but in such case, the Foundation hereby agrees to indemnify and save LSU harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and released prior to the execution of such judgment.

P. Site Improvements Prior to Commencement of the Work

The Foundation or its contractor(s) will not remove or trim any trees located on or adjacent to the Property without prior written consent of the LSU Representative, which consent shall not be unreasonably withheld. During performance of the Work, the Foundation and its contractor(s) will protect and guard all trees standing within 100 yards of the construction site for a distance of 10 feet from the drip line of each tree against vehicular

traffic and other reasonably foreseeable hazards, and not store any construction materials within the protected area. Any existing utility lines to surrounding buildings must be rerouted by the Foundation in order that the Improvements not be placed over any existing utility lines.

7.

INSURANCE

7.1 During the performance of the Work, the Foundation shall maintain or require its contractor(s) to maintain, the following:

A. Builder's Risk Insurance

Contractor(s) shall provide an "All Risk" builder's risk insurance policy, including but not limited to fire and extended coverage, vandalism and malicious mischief insurance, for not less than one hundred (100%) percent of the full replacement value of the Work to protect against any damage or loss during the Work. This policy shall be taken out prior to commencement of the Work and be discontinued upon final approval by LSU of the Work. It shall run in favor of the contractor(s), the subcontractor(s), the Foundation and LSU, as their interests may appear. The coverage shall include the architect's fee for work required and reconstruction following a loss during the Work. Written evidence of such insurance shall be provided to LSU prior to commencement of the Work.

B. General Liability and Property Damage Insurance

The Foundation and its contractor(s), before commencing the Work, shall procure such comprehensive liability and property damage insurance, including insurance for the operation of motor vehicles, which will cover the legal liability of the Foundation, LSU and the architect arising out of the Work performed by the Foundation or any of its contractors or subcontractors and by anyone directly or indirectly employed by either of them,

for claims for damages for personal injury, including accidental death, as well as claims for property damage, including but not limited to damage to surrounding buildings, which may arise from operations in connection with the Work, with minimum limits of liability of One Million (\$1,000,000.00) Dollars. The Foundation shall also require its contractors and subcontractors to have in full force and effect a policy of workers' compensation and employee's liability insurance before proceeding with the Work under this Agreement. Written evidence of such insurance shall be provided to LSU prior to commencement of the Work.

7.2 Upon completion of the Center and prior to commencement of the Center's operations, the Foundation established and has maintained, and shall continue to establish and maintain, the following:

A. General Liability and Property Damages Insurance

The Foundation shall procure such comprehensive liability and property damage insurance, including insurance for the operation of motor vehicles, as necessary to cover the legal liability of the Foundation and LSU arising out of the operation of any building or other facility located on the Property which is owned or operated by the Foundation or any of its agents, and by anyone directly or indirectly employed by them, for claims for damages for personal injury, including accidental death, as well as claims for property damage, including but not limited to damage to surrounding buildings which may arise from operations of any building or other facility located on the Property which is owned or operated by the Foundation, with limits of liability of One Million (\$1,000,000.00) Dollars. The Foundation, and any building or other facility located on the Property which is owned or operated by the Foundation, shall also have in full force and effect a policy of

workers' compensation and employer's liability insurance. Written evidence of such insurance shall be provided to LSU prior to commencement of any such operations.

7.3 LSU Named as Insured

LSU shall be named as an additional insured on all policies required hereby. Certificates of all policies of insurance shall be delivered to LSU upon written request, and said policies shall provide for a thirty (30) day written notification to LSU prior to the cancellation thereof.

8.

OFFER TO DONATE IMPROVEMENTS AND TITLE TO IMPROVEMENTS

8.1 The Foundation agrees to offer to donate the Improvements to LSU after (a) final acceptance of the Work by the Foundation and written approval by the LSU Representative of said final acceptance and (b) the delivery to the LSU Representative of either (i) a clear lien certificate as to the Work which certificate has been obtained from the proper parish clerk's office or (ii) evidence that any liens against the Improvements have been adequately bonded. Said Work shall not be considered donated to LSU until the events in (a) and (b) of this Subsection 8.1 have occurred and LSU has agreed in writing to accept the Foundation's offer to donate the Improvements to LSU. If the architect for the Work recommends final acceptance of the Work by the Foundation, LSU shall not unreasonably refuse to approve final acceptance by the Foundation.

8.2 Upon fulfillment of the conditions set forth in Subsection 8.1 (a) and 8.1 (b) hereof and provided LSU has agreed in writing to accept the Foundation's offer to donate the Improvements to LSU, the Improvements shall be donated to and title and ownership to said Improvements shall be transferred to and shall become owned by LSU. Said donation shall

occur concurrently with final fulfillment of the conditions set forth in Subsection 8.1 (a) and 8.1 (b) and LSU's agreement in writing to accept the Foundation's offer to donate the Improvements to LSU, and, upon said donation, (1) the Foundation shall have no further responsibilities, obligations or liabilities with regard to the Improvements, the LDMF or the Work except as otherwise specifically set forth herein, and (2) LSU will comply with all conditions of the U.S. Department of Commerce, Economic Development Administration grant jointly received by the Foundation and LSU for the purpose of construction of the LDMF, identified under EDA Investment No. 08-79-04623. The Foundation shall bear the risk of loss with respect to the Improvements until acceptance of the donation by LSU; provided, however, the Foundation's risk shall be limited to available insurance proceeds. Furthermore, the Foundation shall obtain guarantees and warranties from the contractor or contractors and suppliers of equipment, which guarantees and warranties shall run in the favor of the Foundation if LSU does not agree in writing to accept the Foundation's offer to donate the Improvements to LSU or, alternatively, shall be assigned to and shall run in favor of LSU upon the donation of the Improvements, provided, however, the Foundation itself shall make no warranty as to the condition of the Work. To the extent that such terms are available on commercially reasonable terms, guarantees and warranties for the construction and completion of the Improvements shall run from the later of (1) the fulfillment of the conditions set forth in Subsection 8.1 (a) and (b) or (2) the recordation of the donation of the Improvements from the Foundation to LSU or (3) occupancy for the purposes set forth herein (the "Warranty Commencement Date"), which warranties shall include but not be limited to the following items and periods if available:

(a) For one year following the Warranty Commencement Date, all defects in materials and workmanship;

(b) For ten years following the Warranty Commencement Date, all plumbing, electrical, heating, cooling and ventilating systems; and

(c) For the length of manufacturers' warranties, all appliances and equipment.

8.3 Upon fulfillment of the conditions set forth in Subsection 8.1 hereof and provided that LSU has agreed in writing to accept the Foundation's offer to donate the Improvements to LSU, the parties agree to execute any and all documents necessary to effectuate the donation and the acceptance by LSU thereof. The parties will record the donation and acceptance in the records of the parish in which the Improvements and/or the LDMF are located.

8.4 Notwithstanding anything contained in this Lease, LSU at all times will have the absolute right to terminate this Lease on thirty (30) days' written notice to the Foundation. Upon such termination either LSU shall take title to all buildings, facilities, or other improvements made on or to the Property (including, but not limited to, the Center and LDMF), or LSU, at its option, may require Foundation to transfer all of its right, title and interest in this Agreement, in any such buildings, facilities, or other improvements constructed pursuant to this Agreement and in any funds Foundation has dedicated to complete the construction of any such buildings, facilities, or other improvements to another non-profit corporation or entity which meets the requirements of La. R.S. 17:3390, which is acceptable to LSU, and which accepts the obligations of the Foundation hereunder

INDEMNIFICATION

9.1 The Foundation, for itself and for its successors, assigns, agents, contractors, employees, invitees, customers and licensees, agrees to indemnify, defend and to hold LSU harmless against any loss for damages or injuries that may be suffered LSU or by any person, including but not limited to the Foundation's agents, contractors, employees, invitees, and licensees, to the extent such loss arises out of or is related to the Property, the Work, the Improvements, any building or facility located on the Property which is owned or operated by the Foundation, or any activity or operations of the Foundation on the Property, except with respect to the acts or omissions by LSU board members, officers and employees unless said board members, officers or employees are acting at the direction or request of the Foundation, and the Foundation agrees to defend LSU in any legal action against LSU and pay in full and satisfy any claims, demands or judgments made or rendered against LSU, and to reimburse LSU for any legal expenses, including attorney's fees and court costs, which may be incurred by LSU in defense of any claim or legal action arising out of any such loss provided, however, that the Foundation's costs and expenses incurred in fulfilling this indemnity and defense obligation shall be limited to insurance proceeds which are available for this purpose.

9.2 To the extent allowed by law, LSU, for itself and for its successors, assigns, agents, contractors, employees, invitees, customers and licensees, agrees to indemnify, defend and hold the Foundation harmless against any loss for damages or injuries that may be suffered by the Foundation or by any person, including but not limited to LSU's agents, contractors, employees, invitees, and licensees, except if any such persons are acting at the

direction or request of the Foundation, to the extent that such loss is caused by the negligence or fault of LSU, its board members, officers or employees and arises out of or is related to the Property, the Work, the Improvements, any building or facility located on the Property which is owned or operated by the Foundation, or any activity or operations of the Foundation on the Property, and LSU agrees to defend the Foundation in any legal actions against the Foundation and, to the extent allowed by law, pay in full and satisfy any claims, demands or judgments made or rendered against the Foundation, and to reimburse the Foundation for any legal expenses, including attorneys' fees and court costs, which may be incurred by the Foundation in defense of any claim or legal action arising out of any such loss provided, however, that LSU's costs and expenses incurred in fulfilling this indemnity and defense obligation shall be limited to proceeds from the Office of Risk Management which are available for this purpose.

10.

TERMINATION

10.1 This Agreement shall terminate upon expiration of this Agreement as set forth in Subsection 4.1 herein, or upon such earlier termination as may occur pursuant to Sections 8.4 or 12.2 of this Agreement, but all rights accrued thereunder shall survive such term for purposes of enforcement.

11.

NOTICES

11.1 All notices, demands and correspondence made necessary by the provisions of this Agreement shall be deemed to be properly given, served and addressed, if and when sent by certified mail, return receipt requested, directed as follows:

LSU:

Board of Supervisors of
Louisiana State University and
Agricultural and Mechanical College
Attention: Executive Vice
President
3810 West Lakeshore Drive
Baton Rouge, LA 70808

With copy to:
Office of General Counsel, at the above address

**LOUISIANA STATE UNIVERSITY SYSTEM
RESEARCH AND TECHNOLOGY FOUNDATION:**

Board of Directors of
LSU System Research & Technology Foundation
Attention: Chief Executive Officer
P.O. Box 25128
Baton Rouge, LA 70894

12.

FOUNDATION DEFAULT

12.1 LSU may declare the Foundation in default upon the occurrence of one or more of the following events:

A. Failure of the Foundation to commence and/or complete the Work as set forth in this Agreement, within the time frame allowed, unless such time period has been mutually extended in writing by LSU and the Foundation, and which failure has continued for a period of thirty (30) days after receipt of written notice from LSU specifying such failure and requesting that it be remedied; or

B. A substantial deviation, unauthorized in writing by LSU, from the plans and specifications for the Work approved by LSU, which deviation has continued for a period of thirty (30) days after receipt of written notice from LSU specifying such failure and requesting that it be remedied; or

C. Failure of the Foundation to observe or perform any other covenant, condition or agreement upon its part to be observed or performed under this Agreement for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied; or

D. The taking by execution, for the benefit of any person or entity other than LSU, of any building, facility, or other improvement which is located on the Property and owned or operated by the Foundation (including, but not limited to, the Center, the Improvements, and the LDMF); or

E. A court having jurisdiction entering an order for relief in any involuntary case commenced against the Foundation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction in the premises appointing a custodian, receiver, liquidator, assignee, trustee, sequestration, or other similar official of or for the Foundation or any substantial part of the properties of the Foundation or ordering the winding up or liquidation of the affairs of the Foundation, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; or

F. The commencement by the Foundation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Foundation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestration, or other similar official of or for the Foundation or any substantial part of the properties of the Foundation; or

G. The Foundation, after commencement of the Work but prior to substantially completing the Work, abandoning (with no intent to continue) the Work, for a period of fifteen (15) consecutive days, excluding delays caused by Force Majeure.

12.2 Whenever any event of default referred to in this Section 12 shall have occurred and continue and the Foundation refuses or fails to take the reasonable and necessary remedial action to cure such default in the time period specified therefore, in addition to any other remedies herein or by law provided, LSU shall have the right but not the obligation, without any further demand or notice, to declare this Agreement terminated, subject to the following.

A. In the event of such termination of this Agreement, the Foundation expressly waives any notice to vacate.

B. In the event of such termination of this Agreement during the Work due to the default of any contractor(s), LSU may call on the surety under the performance bond to complete the Work and LSU either accept title and ownership of all building, facilities, or other improvements made on or to the Property (including, but not limited to, the Center, the LDMF and the Improvements), or LSU, at its sole option, may require Foundation to transfer all of its right, title, interest and obligations under this Agreement, in any buildings, facilities, or other improvements constructed pursuant to this Agreement or the Prior Agreement, and in any funds the Foundation has dedicated to complete the Work to another nonprofit corporation or entity which meets the requirements of La. RS. 17:3390 and which is acceptable to LSU.

C. In the event of such termination of this Agreement at any other time, either LSU shall take title to and ownership of all buildings, facilities, or other improvements

made on or to the Property (including, but not limited to, the Center, the Improvements, and the LDMF), or LSU, at its sole option, may require Foundation to transfer all of its right, title and interest in this Agreement, in any buildings, facilities, or other improvements constructed pursuant to this Agreement or the Prior Agreement, and in any funds Foundation has dedicated to complete the construction of any such buildings, facilities, or other improvements to another non-profit corporation or entity which meets the requirements of La. R.S. 17:3390, which is acceptable to LSU, and which accepts the obligations of the Foundation hereunder.

13.

LSU DEFAULT

13.1 Until acceptance of the Work, the Foundation may declare LSU in default upon the failure of LSU to observe or perform any covenant, condition or agreement upon its part to be observed or performed under this Agreement for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied. If the default continues and LSU has not taken any action reasonably anticipated to cure such default, in addition to any other remedies herein or by law provided, the Foundation shall have the right, without any further demand or notice, to declare this Agreement terminated and shall have no further obligation to perform any of the obligations of the Foundation under this Agreement. After acceptance of the Work, a default by LSU and notice and delay as defined in this Section 13 shall give rise to a claim for judicial enforcement in accordance with law.

14.

MISCELLANEOUS

14.1 Relationship of Parties

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto.

14.2 Attorneys' Fees

If either party is required to commence legal proceedings relating to this Agreement, the prevailing party to the extent allowed by law shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

14.3 Louisiana Law to Apply

This Agreement shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in East Baton Rouge Parish, Louisiana.

14.4 Nonwaiver

No waiver by LSU or the Foundation of a breach of any of the covenants, conditions or restrictions of this Agreement shall constitute a waiver of any subsequent breach of any of the covenants, conditions, or restrictions of this Agreement. The failure of LSU or the Foundation to insist in any one or more cases upon the strict performance of any of the covenants, conditions or restrictions of this Agreement, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant, condition, restriction or option. No waiver, change, modification, or discharge by

LSU or the Foundation 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 party to be charged.

14.5 Severability

If any clause or provision of this Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby.

14.6 Authorization

By execution of this Agreement, the Foundation and LSU each represent to the other that it is an entity validly existing, duly constituted and in good standing under the laws of the jurisdiction of which it was formed and in which it presently conducts business; that all acts necessary to permit it to enter into and be bound by this Agreement have been taken and performed; and that the person signing this Agreement on its behalf has due authorization to do so.

14.7 Use of Name

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

14.8 Amendment

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

14.9 Assignment

The Foundation shall not assign or transfer any interest in this Agreement or any part hereof without the prior written consent of LSU, and any attempt of assignment or transfer without the prior written consent of LSU shall be null and void as to LSU.

14.10 Successors and Assigns

All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of LSU into another educational institution.

14.11 Disposition of the Center and the LDMF upon lapse of the Term

Unless LSU and the Foundation enter into a written agreement providing otherwise, upon termination of this Agreement by lapse of the Term, any buildings, facilities, or other improvements constructed on the Property pursuant to this Agreement (including, but not limited to, the Center and the LDMF, if title to either has not previously been transferred to LSU by donation or otherwise) shall be transferred to LSU by the Foundation or demolished at the Foundation's expense, in the sole discretion of LSU.

14.12 Entire Agreement

This Agreement, together with Exhibit A attached hereto, and the Cooperative Endeavor Agreement between the Louisiana Department of Economic Development and Louisiana State University System Research and Technology Foundation approved by the Office of the Governor, Office of Contractual Review on August 18, 2001, including any amendments thereto, the Cooperative Endeavor Agreement between the Louisiana Department of Economic Development and the Foundation executed in March, 2003,

including any amendments thereto, and the Cooperative Endeavor Agreement between the State of Louisiana, the Louisiana Department of Economic Development, the City of Baton Rouge/Parish of East Baton Rouge and the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College approved by the Office of the Governor, Office of Contractual Review on December 29, 2008, including any amendments thereto, contains the final and entire agreement between the parties hereto with respect to the Property and contains all of the terms and conditions agreed upon with respect to the Property, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto, it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written. Any ambiguity in this agreement shall be interpreted by reference to the Resolution of the Board of Supervisors adopted on April 15, 2011, and without reference to the principal drafter of any provision.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day, month and year hereinabove first written.

WITNESSES:

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

Kay Miller
[Signature]

By: [Signature]
John V. Lombardi, President
Louisiana State University System

LOUISIANA STATE UNIVERSITY SYSTEM
RESEARCH & TECHNOLOGY FOUNDATION

Charlotte Smith
[Signature]
Huston Bell

By: [Signature]
Arthur R. Cooper, Chief Executive Officer

[Signature page for Amended and Restated Agreement and Lease
of Property for Construction of the Louisiana
Emerging Technologies Center and the Louisiana Digital Media Facility]

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

ACKNOWLEDGMENT

BE IT KNOWN that on this 11th day of May, 2011, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared John V. Lombardi, appearing herein in his capacity as the President of the Louisiana State University System, and appearing on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation organized and existing under the laws of the State of Louisiana, who, being by me first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing instrument on behalf of said corporation with full authority of its Board of Supervisors and that said instrument is the free act and deed of said corporation and was executed for the uses, purposes and benefits therein expressed.

IN TESTIMONY WHEREOF, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

Kay Miller
[Signature]

[Signature]
John V. Lombardi, President
Louisiana State University System

[Signature]
NOTARY PUBLIC

 PATRICK HENRY MARTIN, V
NOTARY PUBLIC
NOTARY #22829
STATE OF LOUISIANA
My Commission Expires
At Death

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

ACKNOWLEDGMENT

BE IT KNOWN that on this 12th day of May, 2011, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared Arthur R. Cooper, appearing herein in his capacity as the Chief Executive Officer of the LSU System Research and Technology Foundation, who, being by me first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing instrument on behalf of said nonprofit corporation with full authority of its Board of Directors and that said instrument is the free act and deed of the Foundation and was executed for the uses, purposes and benefits therein expressed.

IN TESTIMONY WHEREOF, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

Charlotta Smith

Arthur R. Cooper

Arthur R. Cooper, Chief Executive Officer,
Louisiana State University System Research and
Technology Foundation

Kristyn Bell

Christie C. Richardson
NOTARY PUBLIC

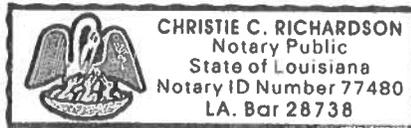


Exhibit A – The Property

A 6.69 acre tract situated on the Baton Rouge Campus of Louisiana State University in Section 67, Township 8 South – Range 1 West, East Baton Rouge Parish and being more particularly described as follows:

Commence at the intersection of the westerly edge of East Parker Boulevard and the southerly edge of the turnout for South Coliseum Drive and the POINT OF BEGINNING;

Thence proceed along the westerly side of East Parker Boulevard the following courses: North 46 degrees 53 minutes 13 seconds East 92.98 feet, North 50 degrees 13 minutes 23 seconds East 29.01 feet, North 54 degrees 14 minutes 06 seconds East 94.35 feet, North 45 degrees 35 minutes 37 seconds East 122.21 feet, North 37 degrees 30 minutes 01 seconds East 150.45 feet; thence proceed along a curve to the left having a radius of 34.49 feet, the long chord of which bears North 8 degrees 16 minutes 56 seconds West 44.24 feet, a distance of 48.03 feet; thence proceed along the southerly edge of South Stadium Drive North 54 degrees 03 minutes 53 seconds West 52.73 feet; thence proceed along a curve to the left having a radius of 328.88 feet, the long chord of which bears North 66 degrees 02 minutes 42 seconds West 131.36 feet, a distance of 132.25 feet; thence proceed North 78 degrees 01 minute 37 seconds West 251.25 feet; thence proceed along a curve to the right having a radius of 1196.90 feet, the long chord of which bears North 72 degrees 40 minutes 52 seconds West 140.22 feet, a distance of 140.29 feet; thence proceed North 67 degrees 15 minutes 23 seconds West 152.52 feet; thence proceed South 6 degrees 44 minutes 44 seconds West 534.95 feet to the southerly edge of Coliseum Drive; thence proceed South 83 degrees 45 minutes 01 seconds East 206.86 feet; thence proceed along a curve to the left having a radius of 384.46 feet, the long chord of which bears North 85 degrees 36 minutes 33 seconds East 95.61 feet, a distance of 95.86 feet; thence proceed North 74 degrees 58 minutes 07 seconds East 23.13 feet; thence proceed South 45 degrees 12 minutes 39 seconds East 117.34 feet to the POINT OF BEGINNING.

RESOLUTION BY THE BOARD OF DIRECTORS OF LOUISIANA STATE UNIVERSITY SYSTEM RESEARCH AND TECHNOLOGY FOUNDATION AT ITS SPECIAL MEETING TO BE HELD ON APRIL 28, 2011

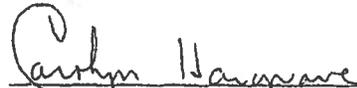
BE IT RESOLVED, that (a) the Amended and Restated Agreement and Lease of Property for Construction, Use and Occupancy of the Louisiana Emerging Technologies Center and the Louisiana Digital Media Facility by and between the Louisiana State University System Research and Technology Foundation (the "**Foundation**"), as lessee, and the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("**LSU**"), as lessor (the "**Amended and Restated Agreement and Lease**"), and (b) the Lease Agreement for Demolition of Sheep/Swine Building and Construction of Surface Parking on East Parker Land by and between the Foundation, as lessee, and LSU, as lessor (the "**East Parker Lease**") (collectively, the Amended and Restated Agreement and Lease and the East Parker Lease are referred to herein as the "**Leases**"), be, and the Leases are, hereby approved and authorized in substantially the same form and content as presented at this meeting, and, in connection therewith, Arthur R. Cooper, the Chief Executive Officer of the Foundation (the "**Authorized Officer**"), be, and hereby is, authorized, empowered and directed in the name of and on behalf of the Foundation to execute and deliver the Leases, and such other related agreements and documents contemplated by the Leases, with such changes, additions and modifications thereto, if any, as the Authorized Officer, in his discretion, deems necessary or appropriate; and

BE IT FURTHER RESOLVED, that the Board of Directors of the Foundation hereby approves the Louisiana Digital Media Facility General Contractor Selection Criteria and Process presented at this meeting.

CERTIFICATE

The undersigned, being the duly authorized Secretary of Louisiana State University System Research and Technology Foundation (the "**Foundation**"), does hereby certify that the above and foregoing is a true and accurate copy of a Resolution duly adopted by the Board of Directors of the Foundation at its Special Meeting duly noticed and held on Thursday, April 28, 2011, at which a quorum was present throughout, which Resolution has not been amended or rescinded and is in full force and effect as of the date hereof.

Executed as of the ²⁸28 day of April, 2011.



Carolyn Hargrave, Secretary

EXECUTION VERSION

RECEIVED

OCT 30 2013

PROPERTY & FACILITIES

COOPERATIVE ENDEAVOR AGREEMENT

BY AND AMONG

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

AND

**LOUISIANA STATE UNIVERSITY SYSTEM
RESEARCH AND TECHNOLOGY FOUNDATION**

DATED AS OF SEPTEMBER 17, 2013

COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT (the “**Agreement**”) is made and entered into as of September 17, 2013 (the “**Effective Date**”), by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation of the State of Louisiana, represented herein by F. King Alexander, its duly authorized undersigned President & Chancellor (hereinafter referred to as “**LSU**”), and the Louisiana State University System Research and Technology Foundation, a nonprofit Louisiana corporation, represented herein by Arthur R. Cooper, its duly authorized undersigned Chief Executive Officer (hereinafter referred to as the “**R&T Foundation**”) (LSU and the R&T Foundation are each a “**Party**” and collectively, the “**Parties**”).

RECITALS

WHEREAS, Article VII, Section 14(C) of the Constitution of the State of Louisiana provides that “For a public purpose, the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual;”

WHEREAS, the State of Louisiana (the “**State**”), the Louisiana Department of Economic Development (the “**LED**”), the City of Baton Rouge/Parish of East Baton Rouge and LSU entered into that certain Cooperative Endeavor Agreement, effective July 1, 2008 (the “**2008 CEA**,” attached hereto as **Exhibit A**), for the stated purpose of promoting the development of the digital interactive media industry in the State, and encouraging technology transfer and research and development in the field of digital interactive media, by providing for relevant curricula, workforce and facilities in support thereof, including assistance to the Louisiana Digital Media Facility (the “**LDMF**”).

WHEREAS, the 2008 CEA provides, among other things, that (1) LSU will work collaboratively and negotiate in good faith with the anchor tenant of the proposed LDMF (the “**Anchor Tenant**,” currently Electronic Arts, Inc.) regarding the location, design, funding and construction of a space to house the proposed LDMF and the Anchor Tenant; and (2) the LED will provide funds to LSU for lease or use support for the Anchor Tenant at the LDMF subject to the terms of “a second Cooperative Endeavor Agreement.”

WHEREAS, in conformance with the stated purpose of the 2008 CEA, LSU and the R&T Foundation subsequently entered into that certain Amended and Restated Agreement and Lease of Property for Construction of the Louisiana Emerging Technology Center and the Louisiana Digital Media Facility, dated as of May 11, 2011 (the “**Construction Agreement**”), to permit the R&T Foundation to construct the LDMF

(together with parking lot reconfiguration, the “**Improvements**”) on the LSU main campus;

WHEREAS, the Improvements have been completed and, in accordance with Section 8 of the Construction Agreement, the R&T Foundation has offered to donate, and LSU has agreed in writing to accept the donation of, the Improvements to LSU (the “**Donation**”) pursuant to the terms of a donation agreement to be executed contemporaneously with this Agreement;

WHEREAS, the R&T Foundation has operated and managed the Improvements since the Anchor Tenant moved into the LDMF on February 1, 2013, and entered into a Lease Agreement with the R&T Foundation (the “**Anchor Tenant Lease Agreement**,” attached hereto as **Exhibit B**) on the same date;

WHEREAS, the Parties believe the R&T Foundation can react more quickly than LSU to the needs of LDMF tenants, including the Anchor Tenant, and thus LSU has requested that the R&T Foundation continue to operate and manage the Improvements following the Donation subject to the terms and conditions set forth herein;

WHEREAS, the R&T Foundation has agreed to continue to operate and manage the Improvements following the Donation subject to the terms and conditions set forth herein; and

WHEREAS, the Anchor Tenant Lease Agreement provides that all of the provisions thereof as to the rights and obligations of the R&T Foundation shall apply to LSU upon the Donation;

NOW THEREFORE, in consideration of the mutual covenants herein contained and the public purposes and benefits to be obtained hereby, the Parties agree as follows:

ARTICLE I

Section 1.01 Scope of Services

Contractor hereby agrees to render the following services:

(A) Services.

- (1) Routine Services. Subject to the terms and conditions of Subsection (B) of this Section 1.01, the R&T Foundation will operate and manage the Improvements and, in connection therewith, will (a) provide routine janitorial services required by the normal, prudent use of the Improvements, such as emptying trash cans, vacuuming the carpet, and cleaning the kitchen, break rooms, restrooms and common areas on a daily basis (Saturdays, Sundays and holidays excepted), removing trash from the parking

lot on a weekly basis, polishing all hard floors and tiled areas twice a month, and steam cleaning the carpet annually (the “**Routine Janitorial Services**”); (b) maintain in good repair, ordinary wear and tear excepted, (i) the roof, foundation, elevators, exterior walls, and exterior windows, (ii) the electrical, heating, air conditioning, ventilation, lighting, plumbing and fire alarm systems, utility lines, and sewer pipes forming a part of or serving the LDMF, and (iii) the parking lot, entrances, exits, stairways, common areas, and exterior landscaping (the “**Routine Maintenance Services**”); and (c) respond to tenant issues that arise in the normal, prudent use of the Improvements, such as replacing light bulbs, cleaning windows, and making minor repairs, including minor repairs to interior and/or demising walls, interior windows, and interior doors (the “**Routine Tenant Services**”) (collectively, the Routine Janitorial Services, Routine Maintenance Services and Routine Tenant Services are referred to herein as the “**Routine Services**”).

(2) Non-Routine Services. Subject to the terms and conditions of Subsection (B) of this Section 1.01, the R&T Foundation will also provide services in connection with the operation and management of the Improvements other than those Routine Services identified in Subsection (A)(1) of this Section 1.01, including major interior or exterior repairs (the “**Non-Routine Services**”), provided that the R&T Foundation is capable of providing such services.

(B) Services Requiring LSU Approval. Before incurring any individual expense for the provision of Routine or Non-Routine Services that exceeds \$2,500, the R&T Foundation will first provide written notice to, and obtain written approval to proceed from, a representative of LSU designated hereunder to act on behalf of LSU (the “**LSU Designated Representative**”).

(C) Extra Janitorial Services Provided Anchor Tenant. If requested by the Anchor Tenant and consistent with the terms of the Participation and Use Agreement (as defined in the 2008 CEA), the R&T Foundation will also provide janitorial services for the Anchor Tenant on Saturdays, Sundays, holidays and/or at night and invoice the Anchor Tenant directly for such janitorial services.

(D) Alterations. Should a Tenant request an alteration, physical addition, modification or improvement of its leased space within the LDMF, the R&T Foundation will only authorize the requested alteration, physical addition, modification or improvement to be made by or on behalf of the Tenant, or make the requested alteration, physical addition, modification or improvement for the Tenant, after (1) providing written notice to the LSU Designated Representative of, and obtaining written approval from

the LSU Designated Representative authorizing, performance of the work requested and (2) confirming with LSU who will perform and pay for the work requested.

- (E) Annual Operating Budget. Within ten (10) days of the Effective Date of this Agreement and on or before each annual anniversary of the Effective Date of this Agreement through and including June 30, 2018, the R&T Foundation will prepare an operating budget delineating the expenses that the R&T Foundation anticipates it will incur to operate and manage the Improvements for the upcoming year and forward this operating budget to the LSU Designated Representative for approval by the appropriate Vice Chancellor. During this budget process, the appropriate Vice Chancellor may amend the threshold amount of any individual expense for the provision of Routine or Non-Routine Services that requires LSU approval as set forth in Subsection 1.01(B) of this Agreement.
- (F) Property. Any non-consumable movable or immovable property purchased by the Foundation for permanent use in or incorporation into the LDMF shall become the property of LSU. Foundation agrees to execute any formal documentation necessary to memorialize such donation.

Section 1.02 LSU Review, Payment, and Representatives.

- (A) Payment Obligations. Subject to the terms and conditions of this Agreement, LSU will pay (1) the R&T Foundation Monthly Management Fee described and defined in Subsection 2.01(B)(1) of this Agreement, (2) the Monthly Use Support Payment described and defined in Subsection 2.01(B)(2) of this Agreement (less the Reserve Maintenance Fund Amount described and defined in Subsection 2.01(C) of this Agreement), and (3) to the extent that the LDMF Account and the Reserve Maintenance Fund as described and defined in Subsections 2.01(A) and (C) of this Agreement, respectively, do not contain sufficient funds to pay (a) all expenses incurred by the R&T Foundation in connection with providing the Services identified in Section 1.01 of this Agreement as described in Subsection 2.01(D) of this Agreement and (b) the Insurance Reimbursement Amount as described in Subsection 2.01(D) of this Agreement, the full amount of such insufficiency; provided that, LSU will not be obligated to pay in any one fiscal year greater than \$750,000.00 in connection with this Agreement. Under no circumstance will the R&T Foundation be obligated to pay any of the amounts described in this Subsection 1.02(A).
- (B) Written Response. Within five (5) business days of receiving written notice of any expense requiring LSU approval as described in Subsections 1.01(B) and 1.01(D) of this Agreement, LSU, through its Designated

Representative, will provide written approval of the expense or indicate in writing that it does not approve of the expense.

(C) LSU Designated Representative and Point of Contact.

- (1) For purposes of this Agreement, the LSU Designated Representative is LSU's Executive Director for Facilities Services or his designee or such other individual as may in the future be identified by LSU by written notice provided to the R&T Foundation in the manner provided for in Section 12.03 of this Agreement.
- (2) For purposes of the Anchor Tenant Lease Agreement, the R&T Foundation and its Chief Executive Officer, Arthur R. Cooper, or such other entity and/or individual as may in the future be identified by LSU by written notice provided to the R&T Foundation in the manner provided for in Section 12.03 of this Agreement, will be the point of contact for issues arising under Paragraphs 2 (Services), 7 (Care and Use of Facilities), 8 (Alterations or improvements), 10 (Maintenance), 22 (Right of Entry or Inspection), 27 (Utilities and Other Services), and 29 (Improvements).

**ARTICLE II
PAYMENT TERMS**

Section 2.01 Payment Process.

- (A) LDMF Account. The R&T Foundation will establish a separate checking account for the LDMF (the "**LDMF Account**").
- (B) Payment for Services and Use Support. On and after the Effective Date of this Agreement, the R&T Foundation will invoice LSU for the following amounts ten (10) days prior to the first day of each ensuing calendar month, and LSU will pay the R&T Foundation the following amounts by the first day of each ensuing calendar month (less the Reserve Maintenance Fund Amount described and defined in Subsection 2.01(C) of this Agreement), through and including June 30, 2018: (1) \$4,843.75, representing the R&T Foundation's monthly fee for providing the Services identified in Section 1.01 of this Agreement (the "**R&T Foundation Monthly Management Fee**") and (2) \$33,906.25, representing the monthly use support payment for the LDMF (the "**Monthly Use Support Payment**") to be used to pay the expenses and insurance associated with operating and managing the LDMF as further described herein.

- (C) The Reserve Maintenance Fund. LSU will retain \$5,000.00 of each Monthly Use Support Payment (the “**Reserve Maintenance Fund Amount**”) in a separate account maintained by LSU (the “**Reserve Maintenance Fund**”) or such other amount as mutually agreed upon by the R&T Foundation and LSU through the annual operating budget process in Subsection 1.01(E).
- (D) Payment of Expenses and Insurance.
- (1) Routine Services. On and after January 1, 2013, and subject to the terms and conditions of Subsection 1.01(B) of this Agreement, all expenses that were or are incurred by the R&T Foundation in connection with providing the Routine Services identified in Subsection 1.01(A)(1) will be paid out of the LDMF Account. In the event that the LDMF Account does not have sufficient funds to pay these expenses, the R&T Foundation will so advise the LSU Designated Representative in writing and LSU will then remit to the R&T Foundation sufficient funds from the Reserve Maintenance Fund (or some other source) to cover the deficiency.
 - (2) Non-Routine Services. On and after the Effective Date of this Agreement, and subject to the terms and conditions of Subsection 1.01(B) of this Agreement, all expenses incurred by the R&T Foundation in connection with providing the Non-Routine Services identified in Subsection 1.01(A)(2) of this Agreement will be paid to the R&T Foundation directly by LSU (solely on a reimbursement basis without markup of any kind), or as otherwise mutually agreed to between the R&T Foundation, LSU and any affected Tenant. If, in the opinion of the R&T Foundation, the expense is necessary as a result of the negligence or other fault of any tenant of the LDMF (each a “**Tenant**”), its agents, employees, or invitees (which damage will be documented by the R&T Foundation by photographs and/or other means, with copies provided to LSU), the R&T Foundation will first use best efforts to collect the amount of any such individual expense from that Tenant and, only if unsuccessful, will LSU pay such expense (solely on a reimbursement basis without markup of any kind).
 - (3) Alterations. On and after the Effective Date of this Agreement, all expenses incurred by the R&T Foundation in connection with making any alteration, physical addition, modification or improvement pursuant to Subsection 1.01(D) of this Agreement will be paid as determined in accordance with Subsection 1.01(D)(2) of this Agreement.
 - (4) Insurance. The Insurance Reimbursement Amount described and defined in Subsection 4.02 of this Agreement, will be paid out of

the LDMF Account. In the event that the LDMF Account does not have sufficient funds to pay this amount, the R&T Foundation will so advise the LSU Designated Representative in writing and LSU will then remit to the R&T Foundation sufficient funds from the Reserve Maintenance Fund (or some other source) to cover the deficiency.

(5) Current or Overdue Payment Amounts. Any funds in the LDMF Account can be used to pay the R&T Foundation any current or overdue R&T Foundation Monthly Management Fees, any current or overdue Monthly Use Support Payments (less the Reserve Maintenance Fund Amount described and defined in Subsection 2.01(C) of this Agreement), and any current or overdue Insurance Reimbursement Amounts.

(E) Accounting. Each quarter and annually, the R&T Foundation will provide the LSU Representative with an accounting of all expenses incurred in connection with providing the Services identified in Section 1.01 of this Agreement and paid by the R&T Foundation out of the LDMF Account as well as a copy of the account statement for the LDMF Account and a comparison, on a year-to-date basis, of the budgeted amount with the actual expenditures.

Section 2.02 Anticipated future payments and process.

(A) Snack/Coffee Shop. In the future, a snack/coffee shop may be built in the LDMF and operated by LSU, directly or through its dining services contract or other contract. The Parties agree that the R&T Foundation will neither operate nor manage the snack/coffee shop and will have no responsibilities in connection therewith either pursuant to this Agreement or otherwise.

(B) Audio-Visual Auditorium, Classroom and Conference Rooms. LSU may permit an individual or entity, on a daily or longer basis, to use the Audio-Visual Auditorium, the Audio-Visual Classroom and/or certain Audio-Visual Conference Rooms, shown as the cross-hatched portion of the first floor site plan of the LDMF attached hereto as **Exhibit C**. If, and only if, LSU charges and collects a facilities use fee in connection therewith, LSU will remit to the R&T Foundation 12.5% of each such facilities use fee as an additional management fee that will be deposited in the R&T Foundation's Operating Account.

ARTICLE III TERMINATION

Section 3.01. Termination by LSU. If LSU does not receive sufficient funds from the LED or some other source to pay the R&T Foundation the amounts due hereunder, LSU will have the option to terminate this Agreement upon forty-five (45) days written notice and, if exercised, the R&T Foundation will have no further responsibilities, obligations or liabilities with regard to operating and managing the LDMF.

Section 3.02. Termination by the R&T Foundation.

- (A) If the R&T Foundation does not receive from LSU or some other source either the R&T Foundation Monthly Management Fee described and defined in Subsection 2.01(B)(1) of this Agreement or the Monthly Use Support Payment described and defined in Subsection 2.01(B)(2) of this Agreement (less the Reserve Maintenance Fund Amount described and defined in Subsection 2.01(C) of this Agreement) on or before the first day of any calendar month in connection with which such payments are due, the R&T Foundation will have the option to terminate this Agreement if the full delinquent payment is not received by the R&T Foundation within forty-five (45) days of the R&T Foundation providing written notice of such failure to pay to LSU (or to the Anchor Tenant pursuant to the terms of the Anchor Tenant Lease) and, if exercised, the R&T Foundation will have no further responsibilities, obligations or liabilities with regard to operating and managing the LDMF.

- (B) The R&T Foundation may also terminate this Agreement if the LDMF Account does not contain sufficient funds to pay (a) all expenses incurred by the R&T Foundation in connection with providing the Services identified in Section 1.01 of this Agreement as described in Subsection 2.01(D) of this Agreement and (b) the Insurance Reimbursement Amount as described in Subsection 2.01(D) of this Agreement, and LSU, or some other person or entity, does not provide sufficient funds to pay such amounts from the Reserve Maintenance Fund (or some other source) within ten (10) days of the R&T Foundation providing written notice of the insufficiency of funds.

Section 3.03. Balance of Reserve Maintenance Fund. Upon termination of this Agreement, any funds remaining in the Reserve Maintenance Fund after payment of all R&T Foundation Monthly Management Fees due hereunder, all expenses incurred by the R&T Foundation in connection with providing the Services identified in Section 1.01 of this Agreement as described in Subsection 2.01(D) of this Agreement, and all Insurance Reimbursement Amounts as described in Subsection 2.01(D) of this Agreement, shall be the property of LSU.

Section 3.04 State Termination Clause. Notwithstanding any other provision herein, LSU may terminate this Agreement for cause based upon the failure of the R&T Foundation to comply with the terms and/or conditions of the Agreement; provided that LSU shall give the R&T Foundation written notice specifying the R&T Foundation's failure. If within forty-five (45) days after receipt of such notice, the R&T Foundation shall not have either corrected such failure or, in case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then LSU may, at its option, place the R&T Foundation in default and the Agreement shall terminate on the date specified in the notice. In addition to its right to terminate this Agreement in accordance with Section 3.02 of this Agreement, the R&T Foundation may also exercise any rights available to it under Louisiana law to terminate for cause upon the failure of LSU to comply with the terms and conditions of this Agreement, provided that the R&T Foundation shall give LSU written notice specifying LSU's failure and a reasonable opportunity for LSU to cure the defect.

ARTICLE IV INSURANCE

Section 4.01 Insurance. Subject to LSU's reimbursement obligations set forth in Section 4.02 of this Agreement, the R&T Foundation (A) has maintained, and will through the date of the Donation maintain, a policy or policies of insurance with insurers described in Subsections 4.03(A) and (K) of this Agreement in amounts mutually agreed upon by the Parties covering all insurable risks of physical damage or injury to the Improvements available under Louisiana insurance law and regulations, and sufficient in amount to fully restore the Improvements to the greatest extent allowed by law, and (B) has maintained, and will through the term of this Agreement or any earlier termination date, subject to the cancellation provisions set forth in Subsection 4.03(M) of this Agreement, continue to maintain, a policy or policies of insurance with insurers described in Subsections 4.03(A) and (K) of this Agreement in amounts mutually agreed upon by the Parties providing general liability coverage. Following the Donation, LSU, and not the R&T Foundation, will be wholly responsible for obtaining and maintaining the insurance described in Section 4.01(A) of this Agreement in amounts mutually agreed upon by the Parties.

Section 4.02 Reimbursement. Both (A) the cost of the insurance maintained by the R&T Foundation as described in Subsection 4.01(A) as well as (B) a proportionate share (as mutually agreed by the R&T Foundation and LSU as part of the annual operating budget process in subsection 1.01(E)) of the cost of the general liability coverage described in section 4.01(B) shall be considered expenses related to the operations of the LDMF and as such, the R&T Foundation shall reimburse itself for the cost of such coverage (the "**Insurance Reimbursement Amount**") out of the funds deposited into the LDMF Account pursuant to this Agreement.

Section 4.03 Other Insurance Provisions.

(A) Required Insurance. Through the term of this Agreement or any earlier termination date, subject to the cancellation provisions set forth in Subsection 4.03(M) of this Agreement, the R&T Foundation shall at all times maintain or cause to be maintained, with respect to its operations of the LDMF, insurance in the following types and amounts. Such insurance shall be with insurance companies duly licensed to do business in the State of Louisiana and, to the extent available on commercially reasonable terms, bearing a rate of A-VI in the latest Best Casualty Insurance Reports.

TYPE	AMOUNT
<p>Commercial General Liability Insurance for the following where the exposure exists:</p> <ul style="list-style-type: none"> (a) premises-operations (b) broad form Lease liability (c) products/completed operations (d) use of Contractors and subcontractors (e) personal injury (bodily injury and death) (f) broad form property damage (g) explosion, collapse and underground property damage (h) independent Contractors (i) sprinkler leakage legal liability 	<p>Coverage in an amount not less than:</p> <p style="padding-left: 40px;">\$1,000,000.00 per occurrence; \$2,000,000.00 General Aggregate; and \$2,000,000.00 Products & Completed Operations Aggregate; less a commercially reasonable deductible.</p> <p>“Claims Made” form is not acceptable.</p>
<p>Business Automobile Liability Insurance for bodily injury and property damage, covering owned, hired, rented, and leased automobiles.</p>	<p>Combined single limit of One Million Dollars (\$1,000,000.00) per occurrence.</p>
<p>Worker’s Compensation & Employer’s Liability Insurance.</p>	<p>Limits as required by the Labor Code of the State of Louisiana and Employer’s Liability coverage. The insurer shall agree to waive all rights of subrogation against LSU, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.</p>

(B) Additional Insurance Requirements. Unless otherwise approved in writing by the LSU Designated Representative, the R&T Foundation shall maintain or require all contractors and/or subcontractors to maintain the insurance provided above. The R&T Foundation and its contractors and/or

subcontractors, before commencing any activity pursuant to this Agreement, shall procure such comprehensive liability and property damage insurance, including, but not limited to Commercial General Liability, Personal and Advertising Injury Liability, Products and Completed Operations Liability and insurance for the operation of motor vehicles, which will cover, to the extent allowed by law, improvements, repairs, or other work performed by the R&T Foundation or any of its contractors or subcontractors and by anyone directly or indirectly employed by any of them, for claims for damages for personal injury, including accidental death, as well as claims for property damage, including but not limited to damage to surrounding structures and buildings. Unless otherwise agreed to in writing by the LSU Designated Representative, such policy or policies of insurance shall provide minimum liability limits of One Million and 00/100 Dollars (\$1,000,000.00) per occurrence and Two Million and 00/100 Dollars (\$2,000,000.00) general aggregate. The R&T Foundation shall also either (a) require its contractors and subcontractors to have in full force and affect a policy of workers' compensation and employer's liability insurance or (b) include such contractors and subcontractors under its own policies for liability and workers' compensation before proceeding with any work under this Agreement, which insurance shall be in compliance with the Louisiana Workers Compensation Act.

- (C) Required Insurance Shall Be Primary. All insurance required hereby shall be primary as respects to LSU and its board members, employees, agents, and volunteers. Any insurance or self-insurance maintained by LSU shall be excess and noncontributory to the insurance maintained by the R&T Foundation or any contractors hereunder.
- (D) Failure to Comply With Reporting Requirements. Any failure of the R&T Foundation or its contractor(s) and/or subcontractor(s) to comply with reporting requirements of a policy required hereby shall not affect coverage provided to LSU and its board members, employees, agents, and volunteers.
- (E) Application of Multiple Policies. The insurance maintained by the R&T Foundation and/or any contractors and/or subcontractors hereunder shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the policy limits.
- (F) No Release. Neither the acceptance of completed work nor the payment therefor shall release the R&T Foundation or any contractor from the obligations of the insurance requirements or indemnification set forth herein.

- (G) No Recourse. The insurance companies issuing the required policies shall have no recourse against LSU for payment of premiums or for assessments under any form of the policies.
- (H) Excess Insurance. Excess umbrella insurance may be used to meet the minimum requirements for general liability insurance and automobile liability insurance only.
- (I) Deductibles and SIR's. Any deductibles or self-insured retentions must be declared to and accepted by the LSU Designated Representative. The R&T Foundation and/or its contractors and/or subcontractors shall be responsible for all deductibles and self-insured retentions.
- (J) No Special Limitations. The coverage required hereunder shall contain no special limitations on the scope of protection afforded to LSU and its board members, employees, agents, and volunteers.
- (K) Licensed Louisiana Insurers. All insurance shall be obtained through insurance companies duly licensed and authorized to do business in the State of Louisiana, which, to the extent available on commercially reasonable terms unless waived in writing by the LSU Designated Representative, bear a rating of A-:VI in the latest A. M. Best Co. ratings guide. If at any time an insurer issuing a policy hereunder does not meet the minimum A. M. Best Co. ratings, and such requirements has not been waived in writing, the R&T Foundation and/or contractor and/or subcontractor shall obtain a policy with an insurer that meets the A. M. Best Co. rating required and shall submit another Certificate of Insurance as required hereunder.
- (L) Occurrence Based Policies. All insurance required hereunder shall be per occurrence coverage. Claims-made policies are not allowed.
- (M) Verification of Coverage. The R&T Foundation shall furnish the LSU Designated Representative with Certificates of Insurance reflecting proof of coverage required hereunder. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. In addition to the certificates, the R&T Foundation shall submit the declarations page and the cancellation provision endorsement for each insurance policy. Said certificates and policies shall to the extent allowed by law provide at least a thirty (30) day written notification to the LSU Designated Representative prior to the cancellation thereof. Upon failure of the R&T Foundation to furnish, deliver and maintain such insurance as provided herein, this Agreement, at the election of the LSU System President & Chancellor, may be suspended, discontinued or terminated; alternatively, LSU may, but shall not shall be obligated to, obtain said insurance on behalf of the R&T Foundation at the expense of the R&T

Foundation unless the cost of such coverage is to be paid out of the funds deposited into the LDMF Account pursuant to Section 4.02 of this Agreement. Failure of the R&T Foundation to purchase and/or maintain, either itself or through its contractor(s), any required insurance, shall not relieve the R&T Foundation from any liability or indemnification hereunder.

- (N) Additional Insureds. The Foundation, the Board, and their board members, employees, and agents shall each be named as additional insureds on all policies required hereby.

ARTICLE V INDEMNITY

Section 5.01 Indemnity Obligations of the R&T Foundation. The R&T Foundation agrees to protect, defend, indemnify, save, and hold harmless, LSU, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of the R&T Foundation, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by the R&T Foundation as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of LSU, its officers, agents, servants, employees and/or volunteers. The R&T Foundation agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent. However, the Parties further agree that the R&T Foundation's costs and expenses incurred in fulfilling its defense and indemnity obligations hereunder shall be limited to insurance proceeds which are available for this purpose.

Section 5.02 Indemnity Obligations of LSU. LSU agrees to protect, defend, indemnify, save, and hold harmless, the R&T Foundation, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of LSU, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by LSU as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the R&T Foundation, its officers, agents, servants, employees and/or volunteers. LSU agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent. However, the Parties further agree that LSU's costs and expenses incurred in fulfilling its defense and indemnity obligations hereunder shall be limited to proceeds from the Office of Risk Management which are available for this purpose.

**ARTICLE VI
NON-ASSIGNABILITY**

Neither Party shall assign any interest in this Agreement by assignment, transfer, or novation, without prior written consent of the other party. This provision shall not be construed to prohibit the R&T Foundation from assigning its bank, trust company, or other financial institution any money due or to become due from approved Agreements without such prior written consent. Notice of such assignment or transfer shall be furnished promptly to LSU and the Office of Contractual Review..

**ARTICLE VII
AUDIT AND AUDITORS**

The Parties hereby agree that the Legislative Auditor of the State of Louisiana and/or the Office of the Governor, Division of Administration, as well as LSU and its internal auditors shall have the option of auditing all records and accounts of the R&T Foundation that relate to this Agreement, as well as all contracts with outside consultants and service providers relative to the performance of services under this Agreement.

**ARTICLE VIII
RECORD RETENTION**

R&T Foundation agrees to retain all books, records, and other documents relevant to this Agreement and the funds expended hereunder for at least three years after final payment, or as required by applicable Federal law if Federal funds are used to fund this Agreement.

**ARTICLE IX
TERM**

This Agreement shall begin on the Effective Date and shall terminate on June 30, 2018. The termination date may be extended by written amendment to this Agreement, which must be signed by each of the Parties after obtaining any necessary approvals.

**ARTICLE X
FISCAL FUNDING**

The continuation of this Agreement is contingent upon the appropriation of funds to fulfill therequirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated unless terminated earlier as otherwise provided in this Agreement.

**ARTICLE XI
DISCRIMINATION CLAUSE**

Section 9.01 Applicable Non-Discrimination Acts. The Parties 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 contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Section 9.02 Non-Discrimination Policy. The Parties agree not to discriminate in employment practices, and will render services under this Agreement without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disability.

Section 9.03 Termination. Any failure to comply with these statutory obligations when applicable, or any act of discrimination committed by any Party, shall be grounds for termination of this Agreement.

**ARTICLE XII
INDEPENDENT CONTRACTORS**

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The R&T Foundation shall at all times remain an "independent contractor" with respect to the Services to be performed under this Agreement.

**ARTICLE XIII
TAX LIABILITY**

The R&T Foundation hereby agrees that the responsibility for payment of taxes due, if any, in connection with the funds received under this Agreement shall be the obligation of the R&T Foundation.

**ARTICLE XIV
MISCELLANEOUS**

Section 14.01 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 14.02 Governing Law; Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana. The 19th Judicial District Court in and for the Parish of East Baton Rouge, State of Louisiana, shall be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding by and among the Parties in connection with, or by reason of, this Agreement.

Section 14.03 Notices. Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered by: (1) hand; (2) U.S. Postal Service, postage prepaid, certified mail, return receipt requested; (3) by private, commercial carrier; or (4) sent by telecopy or other form of rapid electronic transmission when the receipt is confirmed in writing by the addressee. Notices must be addressed to the addressee at the addresses shown below or to such other person or address as a Party may give notice to the other Parties:

In the case of LSU:

Board of Supervisors of Louisiana State University and
Agricultural and Mechanical College
104B System Building
3810 W. Lakeshore Drive
Baton Rouge, Louisiana 70808
Telecopy: (225) 578-5524
Attn: LSU President & Chancellor

With a copy to (which copy shall not constitute notice):

General Counsel
LSU System
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Fax 225-578-5524

And another copy to (which copy shall not constitute notice):

Vice Chancellor for Finance & Administrative Services & CFO
330 Thomas Boyd Hall
Louisiana State University
Baton Rouge, LA 70803

In the case of the R&T Foundation:

Louisiana State University System Research and Technology
Foundation
Building 340, East Parker Boulevard
Baton Rouge, Louisiana 70803
Telecopy: (225) 615-8910
Attn: Arthur R. Cooper
Chief Executive Officer

With a copy to (which copy shall not constitute notice):

Kantrow, Spaht, Weaver & Blitzer, APLC
445 North Boulevard
Baton Rouge, Louisiana 70802
Telecopy: (225) 343-0630
Attn: W. Scott Keaty

Section 14.04 Entire Agreement; Supercedure. This Agreement sets forth the entire agreement of the Parties with respect to the subject matter hereof and supercedes any and all prior contracts, agreements and understandings between the Parties, whether written or oral, concerning the subject matter hereof and is a complete statement of the terms thereof.

Section 14.05 Amendments. The Parties agree that any amendment to this Agreement must be in writing and executed by all Parties.

Section 14.06 Construction. LSU and the R&T Foundation and/or their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by LSU and the R&T Foundation, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any of the provisions of this Agreement. In entering this Agreement, the Parties represent that they have relied upon the advice of their attorneys, who are attorneys of their own choice, and that the terms of this Agreement have been completely read and explained to them by their attorneys, and that those terms are fully understood and voluntarily accepted by them.

Section 14.07 Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument. For purposes hereof, facsimile and electronically scanned pdf copies hereof and facsimile and electronically scanned pdf signatures hereof shall be authorized and deemed effective.

Section 14.08 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 14.09 Further Assurances. From time to time hereafter, each Party shall execute and deliver such additional instruments, certificates or documents, and take all such actions as the other Parties may reasonably request, for the purpose of fulfilling its obligations hereunder.

Section 14.10 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, board member, officer, agent or employee of any Party hereto in his individual capacity, and those persons executing this Agreement on behalf of a Party to this Agreement shall not be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement except to the extent required by law.

Section 14.11 Delay or Omission. No delay or omission in the exercise of any right or remedy accruing to a Party upon any breach by the other Party under this Agreement shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein or therein contained.

[Signature page follows]

THUS DONE AND SIGNED at Baton Rouge, Louisiana, on the 14 day of ~~September~~ November, 2013, to be effective as of the Effective Date.

WITNESSES:

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

Kay Miller

By: F. King Alexander
Name: F. King Alexander
Title: President & Chancellor

THUS DONE AND SIGNED at Baton Rouge, Louisiana, on the 18th day of September, 2013, to be effective as of the Effective Date.

WITNESSES:

LOUISIANA STATE UNIVERSITY
SYSTEM RESEARCH AND
TECHNOLOGY FOUNDATION

Charlotte Smith

By: Arthur R. Cooper
Name: Arthur R. Cooper
Title: Chief Executive Officer

Exhibits

- A – 2008 CEA
- B – Anchor Tenant Lease Agreement
- C – Cross-hatched portion of the first floor site plan of the LDMF showing the Audio-Visual Auditorium, the Audio-Visual Classroom and the Audio-Visual Conference Rooms

[Signature Page for Cooperative Endeavor Agreement]

JAN 07 2009

BOBBY JINDAL
GOVERNOR



LSU SYSTEM STEPHEN MORET
SECRETARY

State of Louisiana
LOUISIANA ECONOMIC DEVELOPMENT

DATE: December 30, 2008

TO: Elliott Adams
Contract Monitor

FROM: Chris Stewart 
Contracts/Grants Reviewer

SUBJECT: Approved Contract

Attached is the approved contract between Louisiana Economic Development and Louisiana State University, *and an original for you to forward to the contractor.*

A contract compliance checklist which outlines the contract requirements, payment schedule, and certification that the deliverables were met in accordance with the terms of the contract is also attached. This form must be completed, signed and submitted with any request for payment before checks will be processed. Any questions about the completion of the form can be directed to Jennifer Williams at 342-5627.

As contract monitor, please be advised that if the contract services and deliverables are not completed/provided by the contract end date, you must have an amendment submitted for processing and approval at least thirty (30) days prior to the contract end date.

If you have any questions, please call me at 342-5361.

Attachments



BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Contractual Review

December 29, 2008

Ms. Fran Gladden
Undersecretary
Department of Economic Development
Post Office Box 94185
Baton Rouge, LA 70804-9185

Dear Ms. Gladden:

Enclosed are approved copies of the following cooperative endeavor agreement, received in our office on December 23, 2008. This agreement is being approved under the authority of Executive Order BJ 2008-29, issued August 5, 2008.

Department of Economic Development
OCR# 252-900893 CFMS# 673592 La. State University

The OCR and CFMS numbers preceding the cooperative party's name has been assigned by this office and are used as identification for this cooperative endeavor. The CFMS number is the system assigned number for the ISIS Contract Financial Management System. Please use these numbers when referring to the cooperative endeavor in any future correspondence or amendment(s).

We appreciate your continued cooperation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Susan H. Smith".

Susan H. Smith
Director

SHS/pl

Enclosure

DEC 30 2008

09/10/08
10:00

COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT ("Agreement"), effective July 1, 2008 ("Effective Date") is made between:

the STATE OF LOUISIANA (the "State"), acting by and through the Commissioner of Administration;

the LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ("LED"), an agency of the State of Louisiana, acting through the Secretary of Economic Development,

the CITY OF BATON ROUGE / PARISH OF EAST BATON ROUGE ("the City-Parish") acting through its Mayor-President, and

the BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE ("LSU"), a public constitutional corporation acting through the duly authorized President of the Louisiana State University System.

WITNESSETH:

WHEREAS, the parties hereto are executing this Agreement to promote the development of the digital interactive media industry in the State of Louisiana, and to encourage technology transfer and research and development in the field, by providing for relevant curricula, workforce and facilities in support thereof, including assistance to the Louisiana Digital Media Facility and the LSU Avatar Program;

WHEREAS, the Louisiana Constitution of 1974, Article VII, Section 14(C), provides that for a public purpose the State and its political subdivisions may engage in cooperative endeavors with each other and with any public or private association, corporation or individuals, and in Article VI, Section 21 authorizes assistance to local industry;

WHEREAS, La. R.S. 33:9029.2 authorizes the State through the Commissioner of Administration to enter into cooperative endeavor agreements with political subdivisions and with any private association, corporation or individual to achieve a public purpose, including but not limited to enhancing or maintaining the economic well-being of the State, upon a showing of reasonable expectations that such obligation of the State will result in economic development or will achieve other economic goals that will equal or exceed the value of the obligations of the State;

WHEREAS, Richard Clinch of the Jacob France Institute has prepared a projection, which estimates that the Economic Benefit of the Louisiana Digital Media Facility (herein "LDMF") and related companies for the term of this Agreement shall be \$55,607,125 in the aggregate, exceeding the value of the State's obligations hereunder;

WHEREAS, in order to provide initial momentum and a rapid startup of the LDMF, and to attract the Anchor Tenant for the LDMF, the parties desire to provide space for said tenant as

quickly as possible, and the State agrees to provide funds to LSU of up to \$505,000 for the provision of space for the Anchor Tenant at the Interim Facilities, and additional funding of operational expenses in the form of lease or use support;

WHEREAS, LSU intends to work collaboratively with the Anchor Tenant to determine the location, design and feasible funding of the means of construction of the proposed Louisiana Digital Media Facility on an LSU campus, subject to the approval of the LSU Board of Supervisors, and the State agrees to provide funds to LSU of up to \$1,000,000 for the provision of space for the Anchor Tenant at that proposed Facility, and additional funding of operational expenses in the form of lease or use support;

THEREFORE, it is agreed as follows:

ARTICLE I. DEFINITIONS

Section 1.01 Definitions

"Act" means, collectively, Section 14(C) of Article VII and La. R.S. 33:9029.2.

"Anchor Tenant" means a company which is preeminent in the digital media industry, capable of providing significant experienced advice and assistance to LSU's digital media programs and support to the development of the digital media industry in the State, and has been specifically approved in writing by LED to participate in the benefits of this Agreement, currently Electronic Arts, Inc.

"Contract Monitor" means the person or persons designated by LED charged with the responsibility of reviewing compliance with this Agreement by the other parties hereto.

"Economic Benefit" means the estimated impact on the economy of the State of Louisiana of the Louisiana Digital Media Facility and related companies, resulting from and supported by the ongoing fulfillment of the contract obligations hereunder, as set forth in Article IV hereof.

"Executive Budget" means the budget submitted each year to the State Legislature by the Governor setting forth all proposed State expenditures.

"Facilities" mean the Anchor Tenant space within the Louisiana Digital Media Facility as approved by the LSU Board of Supervisors.

"Goals and Objectives" means to renovate and make available the Interim Facilities, to attract a major digital interactive media company as an Anchor Tenant, and thereby acquire expertise and prestige in the industry which will support and enhance the Louisiana Digital Media Facility and the LSU Avatar Program, and serve as a beachhead in the development of the digital interactive media industry in the State.

"Interim Facilities" means the space located at 8000 GSRI Avenue, use of which is provided by LSU to EA pursuant to the Participation and Use Agreement, being approximately 10,994 square feet in Building 3110 on LSU A&M's South Campus.

“Louisiana Digital Media Facility” (“LDMF”) means the location of the companies and the LSU programs associated with the digital interactive media industry.

“Participation and Use Agreement” means the agreement entered in to between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Electronic Arts, Inc., effective the 12th day of September, 2008, and titled “Participation and Use Agreement” providing for the use of the Interim Facilities to EA.

“Performance Measures” means:

1. Completion of the design for the Facilities.
2. Commencement of the renovation, furnishing and equipping of the Interim Facilities.
3. Completion of the renovation, furnishing and equipping of the Interim Facilities in a timely manner
4. Providing the use of the Interim Facilities during the term of this Agreement to the Anchor Tenant.

“Plans and Specifications” means, collectively, the plans and specifications for the Facilities and the Interim Facilities, to be developed by LSU with collaborative input from LED and the Anchor Tenant, as the same may be amended from time to time.

“Project Budget” means the estimate of total Project Costs, as set forth in Exhibit A hereto.

“Project Costs” means (1) all costs incurred to design, renovate, construct, improve, furnish and equip the Facilities and the Interim Facilities, in accordance with the Plans and Specifications, and (2) the operating costs including, but not limited to, the Participation Fee attributable to providing space for the Anchor Tenant.

Section 1.02 Use of Defined Terms.

Terms defined in this Agreement shall have their defined meanings when used herein unless the context requires otherwise. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and the words “hereof” and “herein” shall be construed to refer to the entirety of this Agreement and shall not be restricted to the particular Article, Section, subsection or paragraph in which they appear.

ARTICLE II. AUTHORITY AND SCOPE OF THE AGREEMENT

Section 2.01 Authority of State.

The Act grants the parties the authority to enter into cooperative endeavor agreements with public and private associations or corporations for a public purpose, including agreements which may require the providing for and the use of state funds, personnel or other resources, provided legal guidelines are met. This Agreement is entered into pursuant to the Act, and with the

expectation that the resulting economic development benefits will exceed the obligations of the parties hereto.

Section 2.02 Scope of Agreement.

Part of the established mission of LED is to encourage development in Louisiana of a strong capital base for the production of digital interactive media in order to achieve a more independent, self-supporting industry. This objective is divided into immediate and long-term objectives as follows:

- (1) Immediate objectives are to:
 - a) Attract private investment for the production of digital interactive media;
 - b) Develop an infrastructure which encourages private investment.
- (2) Long-term objectives are to:
 - a) Encourage increased employment opportunities successful competition with other states, and economic development in the digital interactive media industry sector;
 - b) Encourage new education curricula in order to provide a labor force trained in all aspects of digital interactive media;
 - c) Encourage partnerships between digital interactive media developers and Louisiana educational institutions.

Support for the LDMF fits within this mission, and its successful development will assist LED in achieving the above objectives. In order to achieve success for the LDMF, it is important to (1) attract a private sector "Anchor Tenant" to establish the validity of the LDMF and attract other tenants, (2) provide for build out of the Interim Facilities so that appropriate space is timely available, and (3) provide assistance in the form of an operations subsidy to the proposed LDMF to ensure its operations.

ARTICLE III. COOPERATIVE ENDEAVOR OBLIGATIONS

Section 3.01 Obligations of LSU.

- (A) LSU hereby agrees that it will renovate or cause to be renovated the Interim Facilities (not including any space referred to as "Future Space" in the Participation and Use Agreement) in accordance with the Plans and Specifications, and LSU will provide occupancy in the Interim Facilities to Electronic Arts, Inc. in accordance with the Participation and Use Agreement. LSU hereby certifies that Electronic Arts, Inc. is currently occupying a substantial portion of the Interim Facilities. Selection of design professionals and construction contractors shall be the responsibility of LSU and shall be done at the

discretion of LSU in accordance with LSU's normal procurement processes and any applicable public bid laws.

- (B) Pending availability of the proposed LDMF, and conditioned on receiving from LED or Anchor Tenant an amount equal to the Participation Fee described in the Participation and Use Agreement, LSU will provide the Interim Facilities for the use of Electronic Arts, Inc. at a location acceptable to both LSU and Electronic Arts, Inc.. In the event that either LED or Electronic Arts, Inc. fails to pay to LSU the Participation Fee for a period of thirty days after LSU has given written notice to LED and Electronic Arts, Inc. that payment was not made in accordance with the requirements of the Participation and Use Agreement, LSU may evict Electronic Arts, Inc. from the Interim Facilities and LSU shall have no further obligation to provide the use of the Interim Facilities to Electronic Arts, Inc.
- (C) LSU agrees to continue to work collaboratively and negotiate in good faith with EA and LED regarding the location, design, funding and construction of a facility or other space to house the proposed LDMF and the Anchor Tenant, subject to the approval of the LSU Board of Supervisors.

Section 3.02 Obligations of LED.

- (A) LED agrees to provide funds to LSU for lease or use support for the Anchor Tenant at the Interim Facilities in an amount equal to the lesser of the actual amount of the Participation Fee provided for in Section 2.a)i. of the Participation and Use Agreement, or the following annual payment amount:

Fiscal Year Ending June 30, 2009	\$ 113,000
Fiscal Year Ending June 30, 2010	\$ 113,000
Fiscal Year Ending June 30, 2011	\$ 114,000
Fiscal Year Ending June 30, 2012	\$ 465,000*
Fiscal Year Ending June 30, 2013	\$ 465,000
Fiscal Year Ending June 30, 2014	\$ 465,000
Fiscal Year Ending June 30, 2015	\$ 465,000
Fiscal Year Ending June 30, 2016	\$ 465,000
Fiscal Year Ending June 30, 2017	\$ 465,000
Fiscal Year Ending June 30, 2018	\$ 465,000

The payments shall be made by LED in accordance with the terms and dates provided for in Section 2.a)ii. of the Participation and Use Agreement. (*Subject to LSU Board of Supervisor approval, the parties intend to provide the Anchor Tenant with up to 30,000 sq. ft. of space in the Facilities by FY2012, and contemplate entering into a second Cooperative Endeavor Agreement for lease support at the Facilities in lieu of lease support at the Interim Facilities.)

- (B) The State and/or LED shall provide funds to LSU, to be used for the renovation, furnishing and equipping of the Interim Facilities in accordance with the Plans and Specifications in an amount not to exceed Five Hundred Five Thousand and No/100 Dollars (\$505,000.00), to be paid on a reimbursement basis, based upon invoices submitted from LSU to LED and sufficient documentation of expenses incurred. After final approval by the Division of

Administration of this Agreement, the State and/or LED shall make payment to LSU within ten days of receipt of each invoice submitted by LSU to LED pursuant to this subsection.

- (C) The State shall provide funds to LSU, to be used for the renovation, construction, improvement, furnishing and equipping of the Facilities in accordance with the Plans and Specifications, as may be approved by the LSU Board of Supervisors, in an amount not to exceed One Million and No/100 Dollars (\$1,000,000.00), to be paid on a reimbursement basis, based upon invoices submitted from LSU to LED with sufficient documentation of expenses incurred.
- (D) The State, LSU and LED hereby acknowledge that the State's obligation to fund the requirements set forth in this Section is subject to Legislative discretion and that the source of funding of the appropriation and the recipient agency of such appropriation could vary during the term of this Agreement Nonetheless, the State hereby expressly agrees to request such funding in LED's budget each year through the term hereof and if appropriated to an agency other than LED, to facilitate the transfer of such funds as required hereby.
- (E) LED acknowledges that Electronic Arts, Inc.(EA) is approved as the initial Anchor Tenant. If EA's participation in the LSU digital media program is terminated, LED shall provide equivalent support for a LED-approved successor Anchor Tenant.

Section 3.03 Obligations of the State.

The Commissioner hereby agrees on behalf of the State to include in the Executive Budget and request the State Legislature to provide funding as herein stipulated for-the accomplishment of this Agreement by payment to LSU of the amounts set forth in Section 3.02., above.

Section 3.04 Obligations of the City-Parish.

The City-Parish shall provide funds to LSU to be used for the construction, furnishing and equipping of the Interim Facilities in accordance with the Plans and Specifications, in an amount not to exceed Seventy Five Thousand and No./100 (\$75,000.00), which shall be transferred to LED to be paid to LSU on a reimbursement basis, based upon invoices submitted from LSU to LED and sufficient document of expenses incurred. Said funds are in addition to LED's obligation, which is exclusive of any funds paid by the City-Parish.

ARTICLE IV. APPROPRIATIONS

Section 4.01 State Appropriations.

All payment obligations of the State under this Agreement shall be subject to appropriation by the Legislature of sufficient funds therefore and the availability of funds following Legislative appropriation. The State, through the Commissioner of Administration and LED agree to request, in the Executive Budget, the appropriation necessary to meet the requirements of Section 4.03 hereof but make no representations, warranties or covenants, express or implied, that the Legislature will make such appropriations. A failure by the Legislature to appropriate sufficient funds to satisfy the obligation of the State and LED under this Agreement shall not constitute a

default under this Agreement, and this Agreement shall continue in full force and effect as if the appropriation had been made; provided, however, that the obligation of the State shall not be diminished and the obligation to make future payments shall not be delayed by virtue of a failure to appropriate.

Section 4.02 LSU Appropriations.

The obligations of the LSU under this Agreement shall be subject in all respects to the appropriation of funds to LSU by the Legislature sufficient to allow LSU to fulfill its obligations hereunder and subject to the availability of funds to LSU following legislative appropriation. The performance of LSU's obligations is also subject to the performance by LED and the State of their obligations hereunder, as well as the performance by Electronic Arts of its obligations pursuant to the Participation and Use Agreement. A failure by the Legislature to appropriate sufficient funds to satisfy the obligations of LSU under this Agreement shall not constitute a default under this Agreement. Furthermore, LSU shall not be in default in any event in which LSU is unable to perform its obligations because the obligations of the State or LED have not been performed. The termination of the Participation and Use Agreement shall not constitute a fault by LSU hereunder, and the loss of the Anchor Tenant as an occupant of the Interim Facilities shall not constitute a default by LSU.

**ARTICLE V.
AUDIT MATTERS AND REPORTING**

Section 5.01 Audit.

Each year during this Agreement, LSU shall provide to State and LED a copy of the annual audit performed by the Legislative Auditor of the State of Louisiana. LSU shall retain the books and records related to this Agreement for three (3) years after the close of the year in which the books and records were created or generated.

**ARTICLE VI.
ASSIGNMENT**

Section 6.01 Assignment.

The parties hereto shall not transfer or assign this Agreement or transfer or assign any or all of their rights or delegate any or all of their duties hereunder, without the consent of each of the other parties to this Agreement.

**ARTICLE VII.
TERM**

Section 7.01 Term.

The term of this Agreement shall begin July 1, 2008 and shall terminate June 30, 2018. The termination date may be extended by written amendment to this Agreement, which must be signed by the parties and approved by the Director of the Office of Contractual Review or the Commissioner of Administration.

**ARTICLE VIII.
MISCELLANEOUS**

Section 8.01 Severance.

To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 8.02 Amendments.

This Agreement may be amended only upon the written consent of all parties.

Section 8.03 No Personal Liability of LSU or State Officials.

No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, officer, agent or employee of any party hereto in his individual capacity, and neither the officers of any party hereto nor any official executing this Agreement shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement except to the extent required by law.

Section 8.04 Approvals.

Should approval be necessary for any purpose as required by this Agreement, such approval shall be considered effective when received from the Commissioner of Administration for the State or for LED by its Secretary for LSU by the President of the Louisiana State University System or his designee.

Section 8.05 Captions.

The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 8.06 Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

Section 8.07 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

Section 8.08 Further Assurances.

From time to time hereafter, LSU shall execute and deliver such additional instruments, certificates or documents, and take all such actions as the State may reasonably request for the purpose of fulfilling its obligations hereunder.

Section 8.09 Addresses for Notices.

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other address or numbers as shall be designated by such party in written notice to the other party.

If to the State:

(Post Office Address for U. S. Postal Service Delivery)
Ms. Angele Davis, Commissioner
Division of Administration
P. O. Box 94095
Baton Rouge, LA 70804-9095

(Street Address for Courier or Express Mail Delivery)
Ms. Angele Davis, Commissioner
Division of Administration
Claiborne Building
1201 N. Third St.
Baton Rouge, LA 70802
Telephone: (225) 342-7000
Telecopy: (225) 342-1057

If to LED:

(Post Office Address for U.S. Postal Service Delivery)
Mr. Stephen Moret., Secretary
Department of Economic Development
P. O. Box 94185
Baton Rouge, LA 70804-9185

(Street Address for Courier or Express Mail Delivery)
Mr. Stephen Moret., Secretary
Department of Economic Development

1051 N. 3rd Street
Baton Rouge, LA 70802
Telephone: (225) 342-3000
Telecopy: (225) 342-5389

If to the City Parish of Baton Rouge

(Street Address for U. S. Postal Service Delivery, Courier or Express Mail Delivery)
Mayor-President
222 St. Louis Street, 3rd Flr.
Baton Rouge, LA 70802

Copy to:
Parish Attorney
222 St. Louis Street, Room 902
Baton Rouge, LA 70802

If to LSU:

(Street Address for U. S. Postal Service Delivery, Courier or Express Mail Delivery)
→ Office of the President
Louisiana State University
107 System Building
3810 W. Lakeshore Drive
Baton Rouge, LA 70808
Telephone: (225) 578-2111
Telecopy: (225) 578-5524

Office of the Chancellor
Louisiana State University
156 Thomas Boyd Hall
Baton Rouge, LA 70803
Telephone: (225) 578-6977
Telecopy: (225) 578-5982

Section 8.10 Delay or Omission.

No delay or omission in the exercise of any right or remedy accruing to the State upon any breach by LSU under this Agreement shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein or therein contained.

Section 8.11 Venue.

The 19th Judicial District Court, East Baton Rouge Parish, State of Louisiana, shall be deemed to be the exclusive court of Jurisdiction and venue for any litigation, special proceeding or other proceeding as between the parties that may be brought, or arise out of, in connection with, or by reason of this Agreement. LSU does not waive any sovereign immunity it may have by signing this Agreement.

Section 8.12 Discrimination Clause.

LSU agrees to abide by the requirements of Title VI and VII of the Civil Rights Act of 1964, as amended, by the Equal Opportunity Act of 1972, Federal Executive Order 11146, the Federal Rehabilitation Act of 1973, as amended, and the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, and the Age Act of 1975. In addition, LSU agrees to abide by the requirements of the Americans with Disabilities Act of 1990. LSU agrees not to discriminate against participants due to race, color, religion, sex, disabilities or national origin. LSU agrees to ensure that all services will be delivered without discrimination due to race, color, religion, sex, national origin or disabilities. LSU shall not discriminate on the basis of sexual orientation in any matter relating to employment.

Section 8.13 Contract Approval.

This contract shall not become a valid contract until all appropriate parties, including the Division of Administration - Office of Contractual Review, have approved it.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective duly authorized and undersigned officers, in the presence of the undersigned competent witnesses, as of the day and year written below, after a due reading of the whole document.

THUS DONE AND SIGNED, this 29 day of December 2008 at Baton Rouge, Louisiana.

WITNESSES:

STATE OF LOUISIANA,
DIVISION OF ADMINISTRATION



Witness Signature
Sanct Tomery

Print Name

By: 

Angele Davis, Commissioner



Witness Signature
Candace Levy

Print Name

[Signature Page for Cooperative Endeavor Agreement]

THUS DONE AND SIGNED, this 15th day of December, 2008, at Baton Rouge, Louisiana.

WITNESSES:

STATE OF LOUISIANA,
DEPARTMENT OF ECONOMIC DEVELOPMENT

[Signature]
Witness Signature
Kathy Blankenship
Print Name

By: [Signature]
Stephen Moret, Secretary

[Signature]
Witness Signature
Chris Stewart
Print Name

THUS DONE AND SIGNED, this 15th day of December, 2008, at Baton Rouge, Louisiana.

WITNESSES:

CITY OF BATON ROUGE /
PARISH OF EAST BATON ROUGE

[Signature]
Witness Signature
SUSAN F. BOWDREAU
Print Name

By: [Signature]
Melvin L. "Kip" Holden

[Signature]
Witness Signature
Renee Dalton Pailin
Print Name

APPROVED
Office of the Governor
Office of Contractual Review

[Signature]
DEC 29 2008

THUS DONE AND SIGNED, this _____ day of December, 2008, at Baton Rouge, Louisiana.

DIRECTOR

WITNESSES:

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

[Signature]
Witness Signature
Kay Miller
Print Name

By: [Signature]
Dr. John V. Lombardi, President
Louisiana State University System

[Signature]
Witness Signature
LAUREN THOMAS
Print Name:

APPROVED

[Signature]
PARISH ATTORNEY AT LAW

EXHIBIT A

Project Budget

STATE EXPENDITURES

Initial Build Out at LSU Facility	\$ 505,000.00	
Use Fees EA's Operations years 1 through 3	340,000.00	
Construction and Equipment at t/b/d/ LSU Digital Media Facility	1,000,000.00	
Use Fees EA's Operations years 4 through 10	<u>3,255,000.00</u>	
Total State Expenditures		<u>5,100,000.00</u>

CITY-PARISH EXPENDITURES

Initial build Out at LSU Facility	<u>\$75,000.00</u>	
Total City-Parish Expenditures		<u>\$75,000.00</u>

TOTAL PROJECT BUDGET		<u>\$5,175,000.00</u>
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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is entered into effective as of the 1st day of February, 2013 (the "Effective Date"), by and between

LOUISIANA STATE UNIVERSITY SYSTEM RESEARCH AND TECHNOLOGY FOUNDATION, a Louisiana nonprofit corporation organized and existing under the laws of the State of Louisiana, domiciled in the Parish of East Baton Rouge, appearing herein through and represented by Arthur R. Cooper, its duly authorized Chief Executive Officer appointed by its Board of Directors (hereinafter referred to as the "**Foundation**"),

and

ELECTRONIC ARTS INC., a Delaware corporation, TIN 94-2838567, appearing herein through and represented by Curt Wilhelm, Vice President, Corp. Services & Facilities, Electronic Arts, Inc. (hereinafter referred to as "**EA**").

RECITALS

WHEREAS, EA is engaged in the business of testing interactive digital games;

WHEREAS, the Foundation desires to lease to EA, and EA desires to lease from the Foundation, certain space in the Louisiana Digital Media Facility, a digital media building located on East Parker Boulevard, LSU Campus, in Baton Rouge, Louisiana (the "**LDMF**");

WHEREAS, EA and Louisiana Department of Economic Development ("**LED**") have entered into a Cooperative Endeavor Agreement dated August 20, 2008 ("**CEA**") which provides that the State of Louisiana will provide certain incentives to encourage the location of EA in Baton Rouge;

WHEREAS, the parties agree and acknowledge that their intent is that this Agreement is entered into contingent upon and in connection with the modification of the CEA with the State of Louisiana and LED, to provide for, among other things, continuing financial incentives to be provided for EA in connection with EA's occupation of the Premises (as defined below) and full payment of all Rent, utilities and other support hereunder on behalf of EA. The continuation of the benefits to EA contained in the CEA are significant inducements for EA entering into this Agreement;

WHEREAS, the parties agree that this Agreement shall not become effective until EA has terminated the Participation and Use Agreement between EA and the Board of Supervisors of LSU & Agricultural and Mechanical College, and amended the CEA to incorporate this Agreement as a replacement Exhibit to the CEA;

NOW, THEREFORE, for the consideration hereinafter set forth, the parties agree as follows:



1. **PREMISES**

THE FOUNDATION HEREBY LEASES TO EA THE PREMISES CONTAINING A TOTAL GROSS TENANT AREA OF 28,253 SQUARE FEET OF OFFICE SPACE, INCLUDING THE ENTIRE THIRD FLOOR OF THE LOUISIANA DIGITAL MEDIA CENTER DESCRIBED MORE FULLY ON EXHIBIT "A" ATTACHED HERETO (THE "PREMISES").

2. **SERVICES**

The Foundation hereby also agrees to provide EA the following services:

- (a) The Foundation shall provide EA access to, and use of, any common areas related to the Premises (herein "**Common Areas**").
- (b) The Foundation shall provide EA, at EA's expense and at EA's request, access to local and long distance telecommunication services, which charges shall be established by the Foundation and billed to EA. Such charges shall be at standard rates charged to all Foundation tenants.
- (c) The Foundation shall provide EA with reasonably adequate parking for EA's staff, contractors and invitees to the Premises at no additional cost to EA in the 450 space parking lot adjacent to the Premises. Landlord shall exercise commercially reasonable efforts to ensure that such spaces are EA at all hours including after hours, however during LSU home football games and other large events on the LSU Campus, Landlord will provide EA with notice of the event and work with EA to provide parking and or transportation to EA's staff to allow them access to the Premises
- (d) The Foundation shall provide EA, at EA's expense and at EA's request, reasonable use of a facsimile machine, word processing equipment, and secretarial support and EA shall pay all charges for such use as established by the Foundation.
- (e) The Foundation will allow EA to use furniture, fixtures and equipment when available at no additional cost.
- (f) The Foundation shall provide EA with routine janitorial service (as described in Exhibit "B" hereto) at the Foundation's cost. Extraordinary cleaning or janitorial services may be provided by the Foundation, in its sole discretion, at EA's expense and at an agreed upon price, which shall not exceed \$ 16.50 per hour during the first year of this agreement with an annual increase on no more than 5% per year each year thereafter.
- (g) The Foundation shall provide EA with utilities as set forth in Section 27 of this Agreement at the Foundation's cost.

3. **RENT AND OTHER CHARGES**

EA shall pay the Foundation the following rent and other charges:

(a) **RENT:**

- (i) EA or the Louisiana Department of Economic Development (the "LED") shall pay the Foundation monthly rent in the amount of \$38,750.00 (the "Rent"). Except as set forth hereinbelow, the Rent shall be due and payable in advance on the first day of each calendar month at the Foundation's address designated in Section 23 (or such other address as the Foundation may designate in accordance with the provisions of Section 23) (each a "Monthly Rent Installment"). The Monthly Rent Installment shall be in payment of all services provided by the Foundation to EA except use of those items set forth in Section 2(c) above, extraordinary cleaning or janitorial services, extraordinary utility costs, internet, phone charges, and other telecommunication services and equipment, and any other amounts charged pursuant to Section 3(c) hereof, all of which shall be the responsibility of EA. EA shall have no obligation for payment of maintenance and area costs, operating expenses, taxes, insurance or any other costs except as expressly set forth this Agreement.
- (ii) Notwithstanding anything to the contrary contained herein, payment of the Monthly Rent Installment by the LED shall be considered payment by EA. In the event that the Foundation has not received the Monthly Rent Installment from LED, or another Louisiana state agency on EA's behalf, the Foundation shall provide EA with written notice of such failure to pay. EA shall then have forty-five (45) days from the date it receives such notice either to pay the Monthly Rent Installment or to vacate the Premises, in which case no unpaid Rent shall be due from EA to the Foundation and the Foundation shall look to LED for payment of any unpaid Rent.

(b) **TELECOMMUNICATION CHARGES:** EA shall pay for telecommunication services and equipment at rates established by the Foundation or by outside providers that EA contracts with directly and outside of this Agreement.

(c) **OTHER SERVICE CHARGES:** Charges for other services as referenced herein, and which have been specifically requested by EA, shall be paid by EA to the Foundation upon receipt of invoices for same. Such service charges owed to the Foundation over forty-five (45) days past due shall constitute a default under this Agreement; and

(d) **NSF CHARGES:** A \$75 NSF Fee will be assessed to EA for any checks payable to the Foundation returned unpaid for any reason.

4. **TERM**

The term of this Agreement is seventy-one (71) months, commencing February 1, 2013 and ending December 31, 2018 (the "Term"), unless extended as set forth herein. Any changes to the Term of this Agreement must be agreed to in writing by both parties.

5. **RENEWAL**

EA may renew this Agreement at EA's sole option for a period of five (5) years on the same terms and conditions as set forth herein. If EA desires to renew this Agreement for a term of five (5) years, it must provide the Foundation with a written request, at least thirty (30) days prior to the expiration of the original Term of this Agreement, which renewal is conditioned upon payment by EA of all sums then due and owing by EA to the Foundation pursuant to this Agreement or otherwise. The Monthly Rent Installment for any additional term shall be determined on the basis of \$18.00 per square foot.

6. **TERMINATION OF AGREEMENT**

This Agreement may be terminated by either party upon an event of default of the other and expiration of the applicable cure period as set forth herein without the cure of the default having been accomplished.

In addition to any other right of EA to terminate this Agreement, this Agreement may be terminated by EA upon thirty (30) days prior written notice to the Foundation for no reason or for any reason whatsoever.

If this Agreement is terminated for any reason, the Foundation shall be entitled to recover from EA or LED all sums due by EA to the Foundation up to and including the date of actual surrender of the Premises to the Foundation.

7. **CARE AND USE OF FACILITIES**

EA shall occupy and use the Premises only for general office use, and for such other uses as are reasonably associated with or necessary for the conduct of EA's business therein, including, specifically and without limitations, the operation of the WW QA North American Test Center related to EA's interactive digital games (herein "EA's Use") and for no other purpose. During the Term of this Agreement, the Foundation shall not permit occupancy or use of the Premises or any other part of the LDMF by any person or entity, other than EA, that is engaged in the production of video or digital games and any directly related business without EA's prior written consent thereto.

Subject to EA's right to use and occupy the Premises for EA's Use, EA shall not permit any conduct or condition which may endanger, materially disturb or otherwise unreasonably interfere with the normal operations of any other LDMF occupant or with the management of the LDMF. The Foundation shall not permit any conduct or condition arising out of occupancy by any other LDMF occupant which endangers, materially disturbs or otherwise unreasonably interferes with EA's use of the Premises and its normal operations therein. EA may use all

Common Areas only for their intended purposes. The Foundation shall have exclusive control of all Common Areas at all times.

EA shall comply with all health, safety, environmental and other ordinances and laws now existing or to be enacted, and the rules and regulations established or to be established by the Foundation. EA shall maintain and keep the Premises in a neat, clean and orderly condition, as a prudent administrator, during the Term of this Agreement, or any extension thereof, and shall not cause damage to or defacement of same. At the termination of this Agreement, whether by expiration or termination, EA shall, without further notice, deliver to the Foundation management at the address set forth in Section 23 all of the keys to the Premises, all of the parking access cards and permits issued to EA, and all of the furniture and fixtures assigned to EA; deliver possession of the Premises and appurtenances to the Foundation; and clean the Premises such that it is free from trash and in the original condition as received (save and except any alterations, additions and improvements consented to in writing by the Foundation as provided herein), reasonable wear and tear accepted. EA shall not cause an increase in the fire or hazard insurance premiums by EA's use of the Premises. EA shall not conduct any unlawful trade, occupation, or operation in the Premises or in the LDMF.

8. ALTERATIONS OR IMPROVEMENTS

The Foundation is providing hereunder a newly constructed tenant space making up the Premises, including all furnishings, fixtures and equipment in accordance with the plan attached hereto and made a part hereof. EA shall pay only for those items that shall be owned by EA, including internal signage and logos, access and CCTV systems for the Premises, audio-visual and other equipment not provided by the Foundation in the new construction, and all EA IT owned equipment, including servers, switches and related equipment. EA shall install and own the access system on the third floor which shall be separate from the Foundation's building access system. EA's access system shall have the ability to open the main building entrance door on the first floor. EA shall also install and own a CCTV system on the third floor to monitor the Premises. EA shall not make or allow to be made any alterations, modifications or improvements, other than minor cosmetic changes such as painting and floor coverings, in and to the Premises or the LDMF without first obtaining the written consent of the Foundation which consent shall not be unreasonably withheld. Such consent shall be obtained from the Chief Executive Officer of the Foundation. Any and all such other alterations, modifications, or improvements made by or through EA shall become the property of the Foundation and shall be surrendered to the Foundation at the termination or expiration of this Agreement or any extensions or renewals thereof without compensation. Any such alterations, modifications or improvements shall not impair the safety or the appearance of the Premises or the LDMF and shall be made according to all applicable laws, ordinances, regulations and policies, including but not limited to those of the Foundation and LSU. At the termination of this Agreement, if the Foundation directs by written notice to EA, EA, at its sole expense, shall promptly remove any additions from the Premises and/or restore to the Premises any modifications or improvements designated by the Foundation and repair any damage caused by such removal and restore the Premises to its original condition.

Notwithstanding the foregoing, EA shall have the right to erect, maintain and operate on the roof of the LDMF certain antenna and satellite communications facilities for its own use,

including without limitation utility lines, transmission lines, electronic equipment, transmitting and receiving antennas, and other supporting equipment and structures thereto (the "Communications Facilities"). In connection therewith, EA shall have the right to perform all work necessary to prepare, maintain and alter the Communications Facilities for EA's business operations and to install transmission lines in connection with the Communications Facilities. The Foundation reserves the right to observe the erection, maintenance and installation of the Communications Facilities, and reserves the right to approve the connection details to the existing roof or building structure. The Foundation shall not be responsible to EA, and EA holds the Foundation harmless, with respect to any interference by other antenna or rooftop structures either now existing or to be erected in the future. Title to the Communications Facilities shall be held by EA, and all of the Communications Facilities shall remain EA's personal property and are not fixtures. EA has the right to remove all Communications Facilities at its sole expense on or before the expiration or earlier termination of this Agreement; provided, however, that EA shall repair to the Foundation's reasonable satisfaction any damage to the LDMF caused by such removal and restore the LDMF to its original condition.

EA agrees to pay promptly all sums allegedly due and payable for any work, labor or services performed or materials supplied to the Premises and to have canceled immediately, by posting bond or otherwise, any lien or encumbrance placed on the property of the Foundation as a result of any work authorized or allowed by EA. EA shall indemnify and hold the Foundation harmless from any and all claims, liens, or costs (including attorney's fees), which arise from any work authorized or allowed by EA.

9. **SIGNS**

The general design, location, size and nature of EA's signage (the "Signage Plan"), has been approved by EA, the Foundation and the LSU System and is attached to this Agreement as Exhibit "C" and made a part hereof. The Signage Plan specifies which interior signage shall be furnished and maintained by the Foundation at its expense, and which signage shall be furnished and maintained by EA at its expense. Except for EA's Signage as described and included within the Signage Plan, EA shall not place any signs in or on the Premises or the LDMF other than signs that are located wholly within the interior of the Premises and not visible from the exterior of the Premises. EA shall remove its signs at the termination of this Agreement, shall repair any resulting damage, and shall restore the Premises and the LDMF to their condition existing prior to the installation of EA's signs. EA shall not otherwise mark, paint, drill into or in anyway alter the windows, doors, walls, ceiling, partitions or floors of the Premises or the LDMF other than as allowed by Section 8 above, without the prior written consent of the Foundation.

10. **MAINTENANCE**

The Foundation shall maintain the LDMF, including the Premises, the Common Areas, the building systems and any other improvements owned by the Foundation located in the LDMF or on the Common Areas in good order and repair at all times. If EA becomes aware of any condition that is the Foundation's responsibility to repair, EA shall promptly notify the Foundation in writing of the condition. The Foundation shall not be obliged to make any repairs caused by the fault, negligence, acts or omissions of EA or those of EA's agents, directors,

officers, employees, or visitors, and the Foundation shall not be liable for any damages caused thereby, and any such repairs shall be made at the sole expense of EA.

EA shall keep the Premises in a neat and orderly condition. Except for those alterations, repairs and replacements occasioned by normal wear and tear (which shall be the responsibility of the Foundation), or unless caused by the negligence or willful misconduct of the Foundation, alterations, repairs and replacements to the Premises, the LDMF or the Common Areas, made necessary because of: (i) any EA alterations, modifications or improvements made in accordance with the terms of this Agreement; (2) any use or circumstances special or particular to EA; or (iii) any act or omission of EA or its directors, officers, employees or visitors, shall be made at the sole expense of EA.

11. INSURANCE

EA shall, during the entire term hereof, keep in full force and effect a policy or policies of commercial general liability, property damage, and fire insurance, acceptable to the Foundation, with respect to the Premises, and the business and operations of EA in or about the Premises and the LDMF, with combined single limits of commercial general liability of not less than two million (\$2,000,000.00) dollars per occurrence and five million (\$5,000,000.00) dollars general aggregate issued by a solvent insurance company acceptable to the Foundation, authorized to do business in the State of Louisiana, and bearing a rating of A+:XV. The Foundation shall be named as an additional insured on said policies and will be provided a 30 day notification of any policy cancellations, nonpayment of premiums, or policy alterations by the insurance company.

EA shall carry an Employer's Liability and Worker's Compensation Liability Insurance policy for full coverage and protection against liability to employees.

Prior to the commencement of this Agreement, and at any other time demanded by the Foundation, EA shall furnish certificates of all insurance policies required pursuant to this Agreement, which policies shall be issued to EA and/or the Foundation as their interests may appear, together with a certification to the Foundation that all such insurance is in force and will not be canceled or otherwise changed or modified during the term of this Agreement or any extension and/or renewal thereof without notifying the Foundation in writing thirty (30) days in advance of such contemplated cancellation or modification.

Any insurance carried by the Foundation shall be in addition to that required to be carried by EA and in the event of dual coverage, the Foundation's insurance shall be considered as excess coverage.

In addition to the insurance coverage to be provided by EA for the benefit of the Foundation pursuant to this Section 11, the Foundation shall maintain insurance through the Office of Risk Management against loss or damage to the Premises and the LDMF with coverage for perils as set forth under the "Causes of Loss-Special Form" or equivalent property insurance policy in an amount equal to the full insurable replacement cost of the Premises and the LDMF subject to a commercially reasonable deductible not less than \$1,000.00 (excluding coverage of EA's personal property and any alterations by EA), for damage to property arising out of any one

occurrence. The Foundation further agrees to carry, or cause to be carried, during the Term, insurance for fire, extended coverage, vandalism and malicious mischief, insuring the improvements located within the Premises, for the full insurable replacement value thereof. The Foundation also agrees to carry, or cause to be carried, during the Term hereof, workmen's compensation insurance and public liability insurance on the Premises, providing coverage of not less than \$1,000,000 combined single limit with a \$4,000,000 general aggregate limit (which general aggregate limit may be satisfied by an umbrella liability policy), for bodily injury, personal injury or death. Either EA or the Foundation shall be entitled to make reasonable requests of the other party to furnish certificates of all insurance policies required pursuant to this Agreement, which certificates shall be provided within a reasonable amount of time following such limited and reasonable requests. Notwithstanding anything to the contrary set forth herein, provision of insurance by the Office of Risk Management, is deemed to comply with the Foundation's requirements in this Section 11.

12. LIABILITY AND INDEMNITY

Except to the extent caused by or contributed to by the negligence or willful misconduct of the Foundation or its board members, officers, or employees (herein "**Foundation Indemnitees**"), EA will protect, indemnify and hold harmless the Foundation Indemnitees from and against any and all claims, actions, damages, liability and expense (including fees to attorneys, investigators and experts) in connection with loss of life, personal injury or damage to property in or about the Premises or the LDMF to the extent caused by the negligence or fault of EA or its officers, directors, or employees. In case any action or proceeding is brought against the Foundation Indemnitees by reason of the foregoing, EA, at its expense, shall resist and defend such action or proceeding, or cause the same to be resisted and defended by counsel (reasonably acceptable to the Foundation Indemnitees) designated by the insurer whose policy covers such occurrence or by counsel designated by EA and approved by the Foundation Indemnitees. EA's obligations pursuant to this subsection shall survive the expiration or termination of this Agreement.

Except to the extent caused by or contributed to by the negligence or willful misconduct of EA or its officers, directors or employees (herein "**EA Indemnitees**"), and to the extent allowed by law, the Foundation will protect, indemnify and hold harmless the EA Indemnitees from and against any and all claims, actions, damages, liability, and expense (including fees of attorneys, investigators and experts) in connection with loss of life, personal injury or damage to property caused to any person in or about the Premises or the LDMF to the extent occasioned by the negligence or fault of the Foundation or its board members, officers or employees. In case any action or proceeding is brought against the EA Indemnitees by reason of the foregoing, the Foundation, at its expense and to the extent allowed by law, shall resist and defend such action or proceeding, or cause the same to be resisted and defended by counsel (reasonably acceptable to the EA Indemnitees) designated by the insurer whose policy covers such occurrence or by counsel designated by the Foundation and approved by the EA Indemnitees. The Foundation's obligations pursuant to this subsection shall survive the expiration or termination of this Agreement.

13. SUCCESS OR FAILURE OF EA'S BUSINESS

EA specifically recognizes and acknowledges that the business venture to be undertaken by EA depends upon the ability of EA as an independent business person, as well as other factors, such as market and economic conditions, all of which are beyond the control of the Foundation. EA acknowledges that success or failure of EA's business enterprise will be dependent on the business acumen and diligence of EA. EA agrees that success or failure of EA's business will not depend on the Foundation's performance under this Agreement or any other agreement with the Foundation, and the Foundation makes no representations or warranties as to the growth or success of EA's business. The Foundation shall have no liability to EA whatsoever for the success or failure of EA's business including but not limited to any consequential or incidental damages to EA or to any other person or entity.

14. SUBLEASE, ASSIGNMENT or TRANSFER BY EA

EA shall not enter into nor permit any sublease, assignment or transfer (herein "Transfer") of this Agreement or any rights hereunder voluntarily or by operation of law, without the prior consent of the Foundation, which consent shall not be unreasonably withheld, conditioned or delayed. Without limitation, EA agrees that the Foundation's consent shall not be considered unreasonably withheld if (i) the proposed transferee is an existing tenant of the LDMF or the Foundation, (ii) the business or business reputation of the proposed transferee is unacceptable to the Foundation, in its commercially reasonable discretion, or (iii) EA is in default, beyond any applicable cure period, under this Agreement, or any act or omission by EA shall have occurred, which, with the giving of notice and/or the passage of time, would constitute a default. Consent to one Transfer shall not be deemed to be consent to any subsequent Transfer. In no event shall any Transfer relieve EA from any obligation under this Agreement. The Foundation's acceptance of fees from any person shall not be deemed to be a waiver by the Foundation of any provision of this Agreement or to be consent to any transfer. Any Transfer not in conformity with this Section 14 shall be void at the option of the Foundation.

In connection with any request by EA for the Foundation's consent to a Transfer, EA shall provide the Foundation, at least fifteen (15) days prior to the proposed Transfer, current financial statements of the transferee certified by an executive officer of the transferee, a complete copy of the proposed Transfer documents, and any other information the Foundation reasonably requests. Immediately following the Foundation approving any Transfer, EA shall deliver to the Foundation an assumption agreement reasonably acceptable to the Foundation executed by EA and the transferee, together with a certificate of insurance evidencing the transferee's compliance with the insurance requirements of EA under this Agreement. EA agrees to reimburse the Foundation for reasonable administrative and attorney's fees (not to exceed \$1,000) in connection with the processing and documentation of any Transfer for which the Foundation's consent is requested.

Notwithstanding any provision herein to the contrary, the Foundation's consent shall not be required for any Transfer by EA to an Affiliate provided that (i) EA provides the Foundation notice of the Transfer at least fifteen (15) days prior to the effective date thereof, together with current financial statements of the Affiliate certified by an executive officer of the Affiliate, and (ii) EA delivers to the Foundation an assumption agreement reasonably acceptable to the Foundation executed by EA and the Affiliate, together with a certificate of insurance evidencing the Affiliate's compliance with the insurance requirements of EA under this Agreement. For

purposes of this Agreement, "Affiliate" shall be defined to mean a company or other person controlling, controlled by, or under common control with, EA, where "control" shall mean the direct or indirect control by ownership or otherwise of more than fifty percent (50%) of the outstanding voting shares, ownership or voting rights, or other similar measure of control.

Notwithstanding any provision herein, no prior consent from or notice to the Foundation shall be required for any Transfer by EA pursuant to a merger, by operation of law or otherwise.

15. **DEFAULT**

The occurrence of any of the following at any time after the commencement of the Term of this Agreement shall be an event of default under this Agreement:

- (a) Subject to EA's right of termination of this Agreement upon providing the Foundation written notice of same, as provided in Section 6 hereof, should EA abandon or discontinue the use of the Premises for the purposes stated herein, or should EA fail to pay any one of the Monthly Rent Installments timely or to make any other payments required by this Agreement, except as otherwise set forth herein;
- (b) In the event of the failure of LED or any other Louisiana state agency to make payments under Section 3(a), the failure of EA to either pay Rent or to vacate the Premises within forty-five (45) days of receiving written notice from the Foundation of such LED's failure;
- (c) Should either party become insolvent, fail to pay any debt when due, file a voluntary petition for relief under or pursuant to any Chapter within Title 11 United States Code, in or with any court of the United States, or should proceedings be instituted or a petition filed against either party looking to the appointment of a receiver or syndic or seeking an order for relief pursuant to 11 USC Section 303, to place either party in involuntary bankruptcy;
- (d) Should either party make an assignment for the benefit of creditors;
- (e) Should either party suffer its interest in this Agreement or any portion of the Premises or the LDMF to be seized, attached or otherwise taken or encumbered under any writ, claim or lien;
- (f) Should destruction, damage or defacement occur to the Premises, the LDMF or any other property of one of the parties hereto by the actions, omissions or fault of the other party hereunder;
- (g) Should either party fail to cure promptly any hazardous condition that has occurred or is reasonably likely to occur which that party has created or allowed after fifteen (15) days written notice from the other party; or
- (h) Should either party breach any of its obligations to the other pursuant to this Agreement or otherwise, or fail to comply with any of the other terms, provisions, covenants of stipulations of this Agreement.

Upon the occurrence of any of the above described defaults, the non-defaulting party may give notice of such occurrence in writing to the other party at the address set forth in Section 23 hereof. If the default shall not be cured within thirty (30) days of receipt of such notice (except as to Section 15(f) which provides for a fifteen (15) day notice), the non-defaulting party may, at its sole option, at any time thereafter:

(a) Declare and make, by written notice of to the defaulting party, all sums due under this Agreement or any part of the unpaid sums immediately due and payable, or proceed one or more times for past due Monthly Rent Installments without prejudicing the non-defaulting party's rights to proceed later for any sums for the unexpired term; and

(b) Terminate this Agreement by written notice to the defaulting party, collect fees accrued to the date of surrender of the Premises, provided that no such termination of this Agreement shall relieve the defaulting party of its liability and obligations under this Agreement incurred prior to such termination, and, if the non-defaulting party is the Foundation, reenter and relet the Premises; and

(c) Recover from the defaulting party all unpaid sums due under this Agreement, as well as any additional sums provided for by law, including attorney's fees or as otherwise provided in this Agreement, to the extent allowed by law, for which the defaulting party is liable or for which the defaulting party has agreed to indemnify the other party under the provisions of this Agreement; and

(d) Exercise any other right or remedy provided to the non-defaulting party by law and/or pursuant to this Agreement, including, but not limited to, an action for specific performance of the terms of this Agreement and/or a claim for recovery of damages suffered by the non-defaulting party as a result of the default by the other party.

Either party shall have the right to sue for accrued fees in the same proceeding with any other demand it is entitled to make. Any default or delinquency on the part of one party or any failure of the other party to exercise any option above given the non-defaulting party or the exercise by the non-defaulting party of the right to sue for any accrued fees, shall not bar or abridge the right of the non-defaulting party to exercise any of said options upon any subsequent delinquency or default or to insist thereafter upon a strict compliance with said provisions, and nothing herein shall impair any other or additional right or remedy not in conflict with the foregoing provisions which the non-defaulting party may have by law or in equity.

In addition, as provided herein, the non-defaulting party shall have the right, at its sole option, to correct any default by the defaulting party and charge the defaulting party for any and all reasonable costs incurred by the non-defaulting party relative to same; and the defaulting party agrees to reimburse the non-defaulting party for such charges, including, to the extent allowed by law, its attorney's fees, within ten (10) days from receipt of written demand from the non-defaulting party.

16. SURRENDER OF PREMISES BACK TO THE FOUNDATION

Should the Agreement be declared terminated or upon expiration of its Term, EA shall surrender the Premises to the Foundation immediately, hereby waiving any notice of eviction

therefrom. If the Foundation terminates this Agreement, as provided above, the Foundation may assign the Premises to another at its discretion or make any use of the Premises as the Foundation so desires.

17. **END OF TERM**

EA shall surrender the facilities at the end of this Agreement in good order and condition except for reasonable wear and tear.

18. **HOLDING OVER**

Should EA hold over after the Term of this Agreement expires, with the Foundation's written approval, this Agreement shall continue on a month-to-month basis for a Monthly Rent Installment of one hundred twenty five percent of the prior month's Monthly Rental Installment, and for payment by EA of all other fees and charges set forth herein, and upon all of terms and conditions specified in this Agreement.

19. **RELATIONSHIP OF THE FOUNDATION AND EA**

Neither party hereto shall use any trademark, service mark, trade name or other indicia of the other party, nor shall either party hold itself out as having any business affiliation with the other party without having specific written agreement from the other party and upon cause shall issue public disclaimers to that effect. It is not the intent of this Agreement that either party shall gain any advantage for soliciting and selling any goods or services to employees, students, customers, or agents of the other party. Each party is specifically prohibited from direct solicitation and sale of the other party's owned or leased property. This Agreement does not create a partnership, joint venture or any other implied or inadvertent relationship between the parties.

20. **WAIVER**

No waiver by either party or its successors or assigns, of any breach of any of the obligations or conditions herein contained to be performed by the other party, shall be construed as a waiver of any succeeding breach of the same or any other obligation or condition of this Agreement.

21. **DONATION, ASSIGNMENT OR TRANSFER BY THE FOUNDATION**

Subject to this Agreement, the Foundation may donate, assign or transfer the Premises, the LDMF or this Agreement to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU"), or to another non-profit corporation or entity which meets the requirements of La. R.S. 17:3390 and which is acceptable to LSU, without prior consent from or notice to EA. In the event of such donation, assignment or transfer by the Foundation to LSU, all of the provisions of this Agreement as to the rights and obligations of the Foundation shall thereupon apply to LSU, or such other non-profit corporation or entity and the Foundation shall thereupon be divested of all rights and be released from all obligations to EA hereunder occurring thereafter, but none of EA's rights hereunder shall be terminated or modified by any such donation, assignment or transfer.

22. RIGHT OF ENTRY AND INSPECTION

EA shall permit the Foundation and its agents to enter the Premises at all reasonable times following reasonable notice (except in an emergency) to inspect, maintain, or make alterations to the Premises or the LDMF, to exhibit the Premises or the LDMF for the purpose of sale or financing, and, during the last twelve (12) months of the Term, to exhibit the Premises or the LDMF to any prospective tenant. Provided however, the Foundation shall not bypass the EA access system more specifically described under Section 8 hereof in entering the Premises, but will check in at the EA Security Desk and follow all EA access procedures except in case of an emergency. The Foundation will make reasonable efforts not to inconvenience EA in exercising such rights and shall respect and keep confidential EA's proprietary and confidential information that may be revealed to the Foundation in connection therewith. The Foundation reserves and shall have the right and power to prescribe weight limits and position of objects located within the Premises or the LDMF in order to distribute the weight properly so that no damage is done from overloading.

23. NOTICES

All notices or other communications to the Foundation and EA shall be sent registered or certified mail or hand delivered to each party's address as follows:

The Foundation:	Louisiana State University System Research & Technology Foundation Attention: Chief Executive Officer 101 Louisiana Emerging Technology Center East Parker Boulevard LSU Campus Baton Rouge, Louisiana 70803
EA:	Electronic Arts, Inc. Attention: Steve Berry, Sr. Manager, Facilities, Electronic Arts-Tiburon Louisiana Business and Technology Center Louisiana State University South Stadium Drive Baton Rouge, Louisiana 70803
With a copy to:	Curt Wilhelm 209 Redwood Shores Parkway Redwood City, CA 94065
With a copy to:	Russell Evans 209 Redwood Shores Parkway Redwood City, CA 94065

Notice to the above addresses shall be sufficient for any reason unless a change of address has been sent by certified mail. All matters which must be approved by the Foundation

and all items which must be delivered to the Foundation shall be processed through the Foundation's Chief Executive Officer, who shall be the Foundation's Coordinator of this project.

24. **QUIET ENJOYMENT**

The Foundation covenants that EA, upon performing all of its covenants, agreements and conditions of this Agreement, shall have quiet and peaceful occupation of the Premises as against anyone claiming by or through the Foundation, subject, however, to the terms of this Agreement.

25. **COMPLIANCE WITH LAWS/BUILDING RULES AND REGULATIONS**

EA will, at its expense, promptly comply with all laws now or subsequently adopted pertaining to the Premises, the LDMF, parking areas for the LDMF or EA's Use, but it is expressly understood that the Foundation has constructed the Premises and the LDMF to be in compliance with ADA requirements for EA's Use. Unless the cost thereof is paid by EA, neither EA nor its agents shall use the Premises in any manner that under any law or regulation would require the Foundation to make any alteration to or in the LDMF or Common Areas. Without limiting the foregoing, EA shall not change EA's Use in any manner that would cause the Premises or the LDMF to be deemed a "place of public accommodation" under the ADA if such change in EA's Use would require any such alteration. EA will comply, and will cause its agents to comply, with the LDMF Rules and Regulations set forth on Exhibit "D" attached hereto. EA acknowledges that the Foundation may from time to time reasonably amend, delete or modify existing rules and regulations, or adopt reasonable new rules and regulations for the use, safety, cleanliness and care of the Premises and the Building, and the comfort, quiet and convenience of occupants of the Building. Modifications or additions to the Rules and Regulations will be effective upon notice to EA from the Foundation.

26. **CONDEMNATION/TAKING**

If (a) all of the Premises is the subject of a condemnation or taking ("Taken"), or (b) any part of the Premises is Taken, but the remainder is insufficient for the reasonable operation of EA's business, or (c) any part of the Premises is Taken, but it would be impractical or the condemnation proceeds are insufficient to restore the remainder for the reasonable operation of EA's business, then this Agreement shall terminate as of the date the condemning authority takes possession. If this Agreement is not terminated, the Foundation shall restore the LDMF and the Premises to a condition as near as reasonably possible to the condition prior to such taking, the Monthly Rental Installments and all other fees to be paid by EA hereunder shall be abated for the period of time all or a part of the Premises is untenable in proportion to the square foot area untenable, and this Agreement shall be amended appropriately. All condemnation awards and similar payments shall be paid and belong to the Foundation, except any amounts awarded or paid specifically to EA for removal and reinstallation of EA's trade fixtures, personal property or EA's moving costs, or for EA's business damages.

27. **UTILITIES AND OTHER SERVICES**

Notwithstanding any provision in this Agreement to the contrary, the Foundation shall furnish utility services for EA's use of the Premises 24 hours per day, 7 days per week, which

shall include, but not limited to: (i) electricity; (ii) chilled water/HVAC; (iii) trash removal and janitorial services pursuant to the cleaning schedule and specifications attached as Exhibit "B;" (iv) water; (v) elevator service; and (vi) such other services as reasonably appropriate or necessary.

28. **DAMAGE BY FIRE OR OTHER CASUALTY**

If the Premises is made wholly or substantially untenable by fire or other casualty, or if EA's use and occupancy of the Premises are wholly or substantially interfered with due to damage to the Common Areas, then either the Foundation or EA may, by notice to the other party within sixty (60) days after the casualty or damage, terminate this Agreement. Such termination shall become effective as of the date of such casualty or damage.

If the Premises is made substantially or wholly untenable by fire or other casualty and this Agreement is not terminated as provided above, the Foundation shall restore the Premises to the condition it was in on the Effective Date of this Agreement, not including any personal property of EA or alterations performed by EA. If the Foundation does not terminate this Agreement as provided above, and the Foundation fails within one hundred eighty (180) days from the date of such casualty to restore the Premises as required hereinabove, EA may terminate this Agreement upon notice to the Foundation delivered within thirty (30) days after the expiration of the aforesaid one hundred eighty (180) day period.

In the event of termination of this Agreement pursuant to this Section 28, the Monthly Rental Installment for the month at issue shall be prorated on a per diem basis and paid to the date of the casualty. If the Premises is untenable and this Agreement is not terminated, the Monthly Rental Installment for the month(s) at issue shall abate on a per diem basis from the date of the casualty until the Premises is ready for occupancy by EA. If part of the Premises is untenable, the Monthly Rental Installment for the month(s) at issue shall be prorated on a per diem basis and apportioned in accordance with the part of the Premises which is usable by EA until the damaged part is ready for EA's occupancy. Notwithstanding the foregoing, if any damage was proximately caused by an act or omission of EA or its agents, then in such event, EA agrees that the Monthly Rental Installment for the month(s) at issue shall not abate or be diminished during the Term of this Agreement.

29. **IMPROVEMENTS**

As of the date of EA's execution of this Agreement, EA has examined and knows the present condition of the Premises, the LDMF, the zoning, streets, sidewalks, parking areas, curbs and access ways adjoining it, and visible easements, and EA accepts them in the condition in which they now are, without relying on any representation, covenant or warranty by the Foundation, except as may be expressly set forth herein. EA and its agents shall have the right, at EA's and any such agent's own risk, expense and responsibility, at all reasonable times prior to the Effective Date hereof, to enter the Premises for purpose of taking measurements and installing its furnishings and equipment, but only as otherwise allowed by this Agreement provided that (i) EA does not unreasonably interfere with or delay the work to be performed by the Foundation, (ii) EA uses contractors and workers previously approved by the Foundation as

provided below, and (iii) EA obtains the Foundation's prior written consent or oral consent thereto (which consent shall not be unreasonably withheld, conditioned or delayed).

30. **CAPTIONS**

The captions in this Agreement are for convenience only, are not a part of this Agreement and do not in any way define, limit, describe or amplify the terms of this Agreement.

31. **MISCELLANEOUS**

This Agreement shall not be modified in any manner except by an instrument in writing signed by or on behalf of the parties hereto and no agreement or representation, verbal or otherwise, made by the Foundation or EA, shall be binding on either party unless incorporated in this Agreement. The covenants, warranties and obligations contained herein shall inure to the benefit of and be binding upon the heirs, administrators and assigns of the respective parties. The obligations of all persons or entities referred to herein as EA shall be in solido. This Agreement shall be interpreted under the laws of the State of Louisiana. If any revision of this Agreement shall be invalid, the remainder of this Agreement shall not be affected thereby. This Agreement supercedes and replaces all prior agreements between the parties whether written or oral.

This Agreement is contingent upon the modification of the CEA with the State of Louisiana and LED to provide for, among other things, continuing financial incentives to be provided for EA in connection with EA's occupation of the Premises and full payment of all Rent, utilities and other support hereunder by LED on behalf of EA. The continuation of the benefits to EA contained in the CEA are significant inducements for EA entering into this Agreement. This Agreement shall also not become effective until EA has terminated the Participation and Use Agreement between EA and the Board of Supervisors of LSU & Agricultural and Mechanical College and the modification of the CEA has incorporated this Agreement as a replacement exhibit to the CEA.

[The remainder of this page is intentionally left blank.]

THUS DONE, READ AND SIGNED in duplicate originals, on the date first above written, in the presence of the undersigned competent witnesses who have hereunto signed their names with the parties hercunder.

WITNESSES:

Allyssa Witty
[Signature]

THE FOUNDATION:

By: [Signature]
Arthur R. Cooper
Chief Executive Officer
Louisiana State University
Research & Technology Foundation

Date: 2/4/2013

WITNESSES:

Jean P. Powell
[Signature]

EA: [Signature]
By: [Signature]
Curt Wilhelm
Vice President, Corp. Services & Facilities
Electronic Arts, Inc.

Date: 2/5/2013

**CONSENTED TO/APPROVED
PURSUANT TO LA. R.S. 17:3365:**

WITNESSES:

LSU:

By: _____
[insert name]
[insert title]
Board of Supervisors of
Louisiana State University and
Agricultural and Mechanical College
Date: _____

[Signature Page for Agreement]

A

The following documents are exhibits to this Agreement:

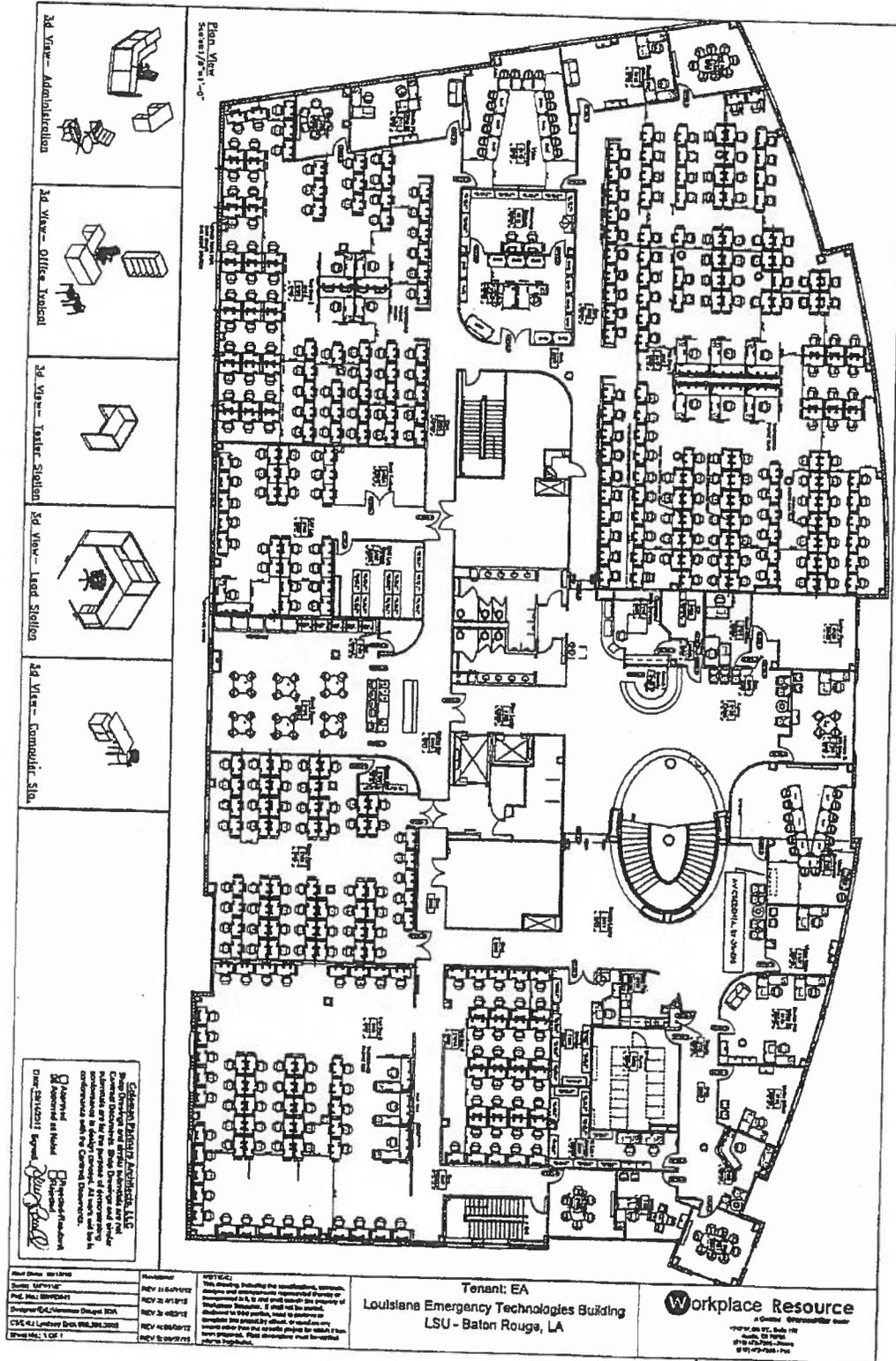
- Exhibit "A" The Premises
- Exhibit "B" Janitorial Service
- Exhibit "C" Signage Plan
- Exhibit "D" LDMF Rules and Regulations

EXHIBIT "A"
The Premises

EA's lease space includes the entire third floor of the Louisiana Digital Media Center for a total gross tenant area of 28,253 square feet.

Space is designated according to the floor plan attached, along with any revision made after 9/7/2012.

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- 3d View - Administration
- 3d View - Office/Workstation
- 3d View - Tester Station
- 3d View - Lead Station
- 3d View - Commuter Station

Approved
 Approved as Noted
 Date: 05/12/21
 Signature: [Signature]
 Title: [Title]

Author: [Name]	Reviewer: [Name]	05/12/21
Date: 04/19/21	REV 1: 04/19/21	
Proj. No: 18000004	REV 2: 01/19/21	
Designer: [Name]	REV 3: 08/21/21	
Client: [Name]	REV 4: 08/26/21	
Drawn By: [Name]	REV 5: 08/27/21	

Tenant: EA
 Louisiana Emergency Technologies Building
 LSU - Baton Rouge, LA

Workplace Resource
 A General Contractor Firm
 1107 W. 8th St., Suite 100
 Baton Rouge, LA 70801
 225-389-1111
 www.workplaceresource.com

EXHIBIT "B"
Janitorial Service

LSU Research & Technology Foundation Janitorial Service

The LSU Research & Technology Foundation (LSURTF) will provide for basic tenant janitorial services. This service includes daily emptying of trash cans in each unit, vacuuming of carpet, and cleaning of the kitchen, break rooms, restrooms and common areas. It also includes twice monthly polishing of hard floor and tiled areas and annual steam cleaning of carpet.

The regular janitorial staff is on site from 9:00 am – 2:30 pm daily, Monday-Friday. They can also be contacted during these hours to address specific needs during these hours. For those activities that could be disruptive to EA staff, such as vacuuming and floor polishing, the janitorial staff will try to accomplish them during "off hours" in the evening or at a time that is convenient to EA.

EXHIBIT "C"
SIGNAGE PLAN

Signage plan to be attached prior to February 1, 2013 Effective Date.

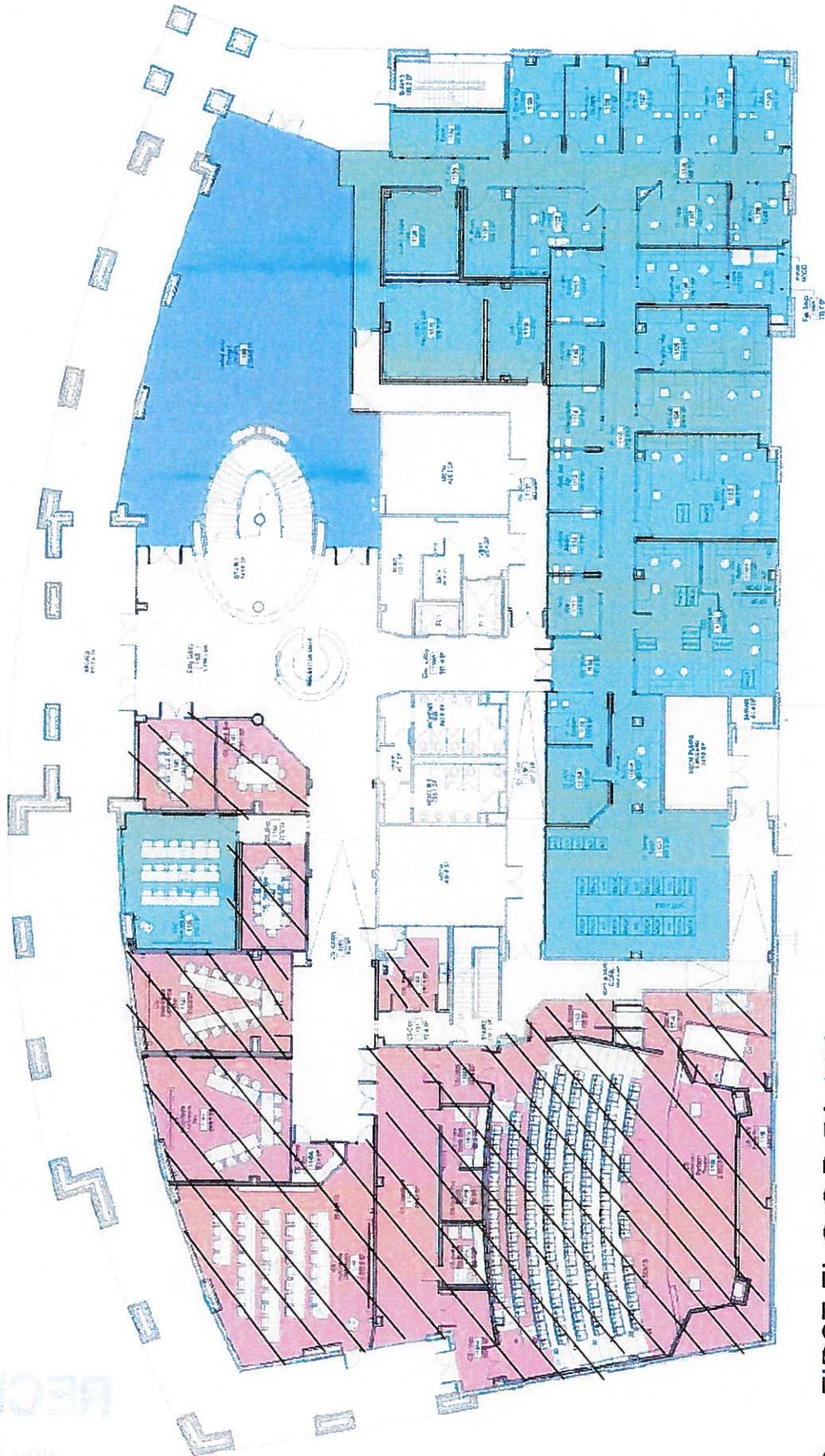
EXHIBIT D
RULES AND REGULATIONS

- A. The plumbing facilities shall not be used for any other purpose other than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by TENANT who shall, or whose employees, agents and invitees shall, have caused it.
- B. Except as to TENANT's customary improvements, TENANT shall not deface wall, ceilings, glass, partitions, floors, doors, wood, paint, stone or metal work of the Premises or the Building by marking, nailing, drilling or otherwise defacing.
- C. TENANT shall not use, keep or permit to be used or kept, any foul or obnoxious gas or substance in the Premises or permit or suffer the Premises to be used or occupied in any manner offensive or objectionable to LANDLORD or other occupants of the Building or Program by reason of any noise, odors and/or vibrations.
- D. TENANT, or its agents, shall not play any musical instrument or make or permit any improper noises in the Building.
- E. TENANT, or its employees, shall not loiter in the entrance or corridors of the Building or Program, or in any way obstruct the sidewalks, hallways and stairways and shall use the same only as a means of access to and from the Premises.
- F. LANDLORD may limit weight, size and position of all safes, fixtures and other equipment used in the Premises. In the event TENANT shall require extra heavy equipment, TENANT shall notify LANDLORD of such fact and shall pay the cost of structural bracing to accommodate same. All damage done to the Premises or the Program by putting in, or taking out, or maintaining extra heavy equipment shall be repaired at the expense of the TENANT.
- G. TENANT shall not do anything in the Premises, or bring or keep anything therein, which will in any way increase or tend to increase the risk of fire or the rate of fire insurance or which shall conflict with the regulations of the Fire Department or the law or with any insurance policy on the Premises or any part thereof, or with any rules or regulations established by any administrative body or official having jurisdiction, and it shall not use any machinery therein, even though its installation may have been permitted, which may cause any unreasonable noise, or jar or tremor to the floor or walls, or which by its weight might injure the floors of the Premises.
- H. Keys for the Premises shall be provided to TENANT by LANDLORD and TENANT shall return to LANDLORD any such keys upon termination of the Lease. TENANT shall not change locks or install other locks on doors of the Premises without receiving prior written approval from LANDLORD and providing LANDLORD with appropriate keys for such locks.
- I. No personnel shall enter or remain in the Building or Program while intoxicated or under the influence of liquor or drugs. LANDLORD shall have the right to exclude or expel any person who, in the absolute discretion of LANDLORD, is under the influence of liquor or drugs.

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- J. TENANT and its agents and employees shall not bring into nor keep within the Premises any animal or bird, however; this rule does not apply to dogs trained to assist individuals with a disability. TENANT and its agents and employees shall not throw refuse or other substances or litter of any kind in or about the Premises except in receptacles placed therein for such purposes by LANDLORD or governmental authorities.
- K. TENANT shall not install any form of window covering or ventilators or similar devices visible from the outside of the Premises without the prior written consent of LANDLORD.
- L. All freight must be moved into, within and out of the Premises only during such hours and according to such regulations as may be posted from time to time by LANDLORD.
- M. No aerial, antenna or dish shall be erected on the roof or exterior walls of the Premises or on the grounds, without in each instance the written consent of LANDLORD. Any aerial, antenna or dish so installed without such written consent shall be subject to removal without notice at any time.
- N. TENANT shall not burn any trash or garbage at any time in or about the Building.
- O. No waiver of any rule or regulation by LANDLORD shall be effective unless expressed in writing and signed by LANDLORD or its authorized agent.
- P. TENANT shall abide by any additional rules or regulations which are ordered or requested by any governmental or military authority.
- Q. In the event of any conflict between these Rules and Regulations or any further or modified rules and regulations from time to time issued by LANDLORD and the Lease, the Lease shall govern and control.
- R. All extension signs shall be in accordance with LANDLORD's sign plan. No other signage shall be used by TENANT except that which is approved in writing by LANDLORD.
- S. TENANT shall not clean, wash, repair, or otherwise perform any maintenance or service on any vehicle owned or utilized by TENANT in any of the common areas of the Building or any other area in plain view of the public.

RECEIVED
NOV 20 2013
FBI LABORATORY
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE



FIRST FLOOR PLAN

Blumberg No. B119
EXHIBIT
C

**FIRST AMENDMENT TO
COOPERATIVE ENDEAVOR AGREEMENT**

THIS FIRST AMENDMENT TO THE COOPERATIVE ENDEAVOR AGREEMENT (the “**Agreement**”) is made and entered into as of June 24, 2016 (the “**Effective Date**”), by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation of the State of Louisiana, represented herein Daniel T. Layzell, its duly authorized undersigned Vice President for Finance and Administration & CFO (hereinafter referred to as “**LSU**”), and the Louisiana State University System Research and Technology Foundation, a nonprofit Louisiana corporation, represented herein by Arthur R. Cooper, its duly authorized undersigned Chief Executive Officer (hereinafter referred to as the “**R & T FOUNDATION**”) (LSU and the R & T FOUNDATION are each a “**Party**” and collectively, the “**Parties**”).

RECITALS

WHEREAS, Article VII, Section 14(C) of the Constitution of the State of Louisiana provides that “For a public purpose, the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual;”

WHEREAS, the Parties entered into the original Cooperative Endeavor Agreement (“**2013 CEA**”) on September 17, 2013 and hereby incorporates the Recitals of the 2013 CEA as if copied in extenso.

WHEREAS, the Parties entered into an Agreement and Lease of Property (“**LEASE**”) for Construction of the Louisiana Emerging Technology Center (“**LETC**”) on August 21st, 2003, which was amended to include the Louisiana Digital Media Facility (“**LDMF**”), on of May 11, 2011;

WHEREAS, the LETC and LDMF have been completed and, the R & T FOUNDATION has donated the LDMF to LSU;

WHEREAS, the LETC and LDMF have been operated and managed by the R & T FOUNDATION during their construction and since their completion;

WHEREAS, the Parties desire to provide that the term of the LEASE which includes land that the LDMF (also referred to as the Digital Media Center) and LETC were constructed on and this agreement are the same and the terms of this agreement be amended to change the provisions to simplify the agreement between the parties;

NOW THEREFORE, in consideration of the mutual covenants herein contained and the public purposes and benefits to be obtained hereby, the Parties agree as follows:

Amendment 1

The term PROPERTY shall mean the the Louisiana Emerging Technolog Center and the Digital Media Center (also referred to as the Louisiana Digatal Media Center) as more particularly described in Exhibit 1 to this amendment and LDMF in the 2013 CEA will be replaced by the term PROPERTY wherever it is used in the 2013 CEA in an article that is not amended and replaced by Amendment 3 below.

Amendment 3

Articles I, II, III and IX are hereby amended and replaced and an Exhibit 1 is attached to this amendment as an addition to the prior Exhibits, the remaining terms of the original agreement shall be incorporated into this Agreement as if copied in extenso, the amended Articles are as follows:

ARTICLE I SCOPE OF SERVICES AND TERM

Section 1.01 Scope of Services

The R & T FOUNDATION hereby agrees to render the following services to the PROPERTY described in Exhibit A of this agreement:

(A) Services.

- (1) Routine Services. The R & T FOUNDATION will operate and manage the PROPERTY or contract to have it preformed, and, in connection therewith, will (a) provide routine janitorial services required by the normal, prudent use of the PROPERTY, (the "**Routine Janitorial Services**"); (b) maintain in good repair, ordinary wear and tear excepted, (i) the roof, foundation, elevators, exterior walls, and exterior windows, (ii) the electrical, heating, air conditioning, ventilation, lighting, plumbing and fire alarm systems, utility lines, and sewer pipes forming a part of or serving the PROPERTY, and (iii) the parking lot, entrances, exits, stairways, common areas, and exterior landscaping (the "**Routine Maintenance Services**"); (c) respond to tenant issues that arise in the normal, prudent use of the Property, such as replacing light bulbs, cleaning windows, and making minor repairs, including minor repairs to interior and/or demising walls, interior windows, and interior doors; and (d) invoice tenants for amount owed by tenants (the "**Routine Tenant Services**") (collectively, the Routine Janitorial Services, Routine Maintenance Services and Routine Tenant Services are referred to herein as the "**Routine Services**").
- (2) Non-Routine Services. The R & T FOUNDATION will also provide, or contract to have it provided, other services in connection with the operation and management of the Property other than those Routine Services identified in Subsection (A)(1) of this Section 1.01 of this

agreement , including, but not limited to major interior or exterior repairs (the “**Non-Routine Services**”), the R & T FOUNDATION will obtain written approval from, a representative of LSU designated hereunder to act on behalf of LSU (the “**LSU Designated Representative**”.)

- (B) Non-Routine Services Provided to a Tenant. If requested by a Tenant of the Property, the R & T FOUNDATION will also provide Non-Routine services for that Tenant on and invoice the Tenant directly for such services.
- (C) Alterations and Planning. the R & T FOUNDATION will only authorize the requested alteration, physical addition, modification, improvement, master planning, business plan development or any other type of study to the Property or for the evaluation of other property to include in the definition of the Property after (1) providing written notice to the LSU Designated Representative of, and obtaining written approval from the LSU Designated Representative authorizing, performance of the work requested and (2) confirming with LSU who will perform the and how the work will be paid for, including any financing.
- (D) Expenses Requiring LSU Approval. Before incurring any expense that exceeds \$2,500 the R & T FOUNDATION will obtain written approval from the LSU Designated Representative. The approval for a recurring expense only needs to be at the time of the initial expenditure.
- (E) Annual Operating Budget. The R & T FOUNDATION will prepare an operating budget delineating the expenses that the R & T FOUNDATION anticipates it will incur to operate and manage the Property for the upcoming calendar year and forward this operating budget to the LSU Designated Representative at least sixty (60) days before the start of the year. During this budget process, the LSU Designated Representative may amend the threshold amount of any budget item and approval of the budget will serve as approval under Subsection 1.01 (D) of this agreement up to the amount established in the approved budget.

Section 1.02 LSU Review, Payment, and Representatives.

- (A) Payment Obligations. Subject to the terms and conditions of this Agreement, LSU will pay the amounts described Article II of this Agreement including to the full amount of any insufficiency in PROPERTY Account in Article II of this agreement provided the insufficiency is the result of items that were approved pursuant to Subsection 1.01 of this agreement; provided that, LSU will not be obligated to pay in any one fiscal year more than \$750,000.00 in connection with this Agreement.
- (B) Written Response. Within five (5) business days of receiving written notice of any expense requiring LSU approval as described in Subsection 1.01(D) of this Agreement LSU, through its Designated Representative, will provide written approval of the expense or indicate in writing that it does not approve of the

expense and if the expense is not approved it will not be considered in determining the deficiency amount in Subsection 2.01(C)(3) of this amendment.

(C) LSU Designated Representative and Point of Contact.

- (1) For purposes of this Agreement, the LSU Designated Representative is LSU's Associate Vice President for Facilities and Property Oversight or his designee or such other individual as may in the future be identified by LSU by written notice provided to the R & T FOUNDATION in the manner provided for in Section 12.03 of this Agreement.
- (2) For purposes of this Agreement, the R & T FOUNDATION's Chief Executive Officer, or such other entity and/or individual as may in the future be identified by the R & T FOUNDATION by written notice provided to the LSU in the manner provided for in Section 12.03 of this Agreement, will be the point of contact for issues arising under Paragraphs 2 (Services), 7 (Care and Use of Facilities), 8 (Alterations or Property), 10 (Maintenance), 22 (Right of Entry or Inspection), 27 (Utilities and Other Services), and 29 (Property).

**ARTICLE II
PAYMENT TERMS**

Section 2.01 Payment Process.

- (A) PROPERTY Account. The R & T FOUNDATION will establish, or contract to have it established, a separate checking account for the PROPERTY (the "**PROPERTY Account**") and all revenue and expenses associated with the PROPERTY shall be deposited or deducted of this account. The R & T FOUNDATION will provide LSU an accounting of the deposits and deductions from this account within 15 days from the end of each month
- (B) Payment for Services and List of Expenses. LSU will notify the R & T FOUNDATION of any revenue it received from a third party for the use of the Property, the R & T FOUNDATION will invoice LSU ten (10) days prior to the first day of each ensuing calendar month, and LSU will pay the R & T FOUNDATION the any amounts received by LSU for the use of the PROPERTY. LSU will provide, on a regular basis, a list of all the expenses LSU has incurred for the operation of the PROPERTY.
- (C) Payment of Expenses and Insurance.
 - (1) Services and Alterations. All expenses that were or are incurred by the R & T FOUNDATION in connection with providing the Routine Services, Non-Routine Service and Alterations will be paid out of the PROPERTY Account.

- (2) Insurance. The Insurance Reimbursement Amount described and defined in Subsection 4.02 of the original Agreement, will be paid out of the PROPERTY Account. In the event that the PROPERTY Account does not have sufficient funds to pay this amount, the R & T FOUNDATION will so advise the LSU Designated Representative in writing and LSU will then remit to the R & T FOUNDATION sufficient funds from the Reserve Maintenance Fund (or some other source) to cover the deficiency.
- (3) Deficiency of Property Account. In the event that the Property Account does not have sufficient funds the R & T FOUNDATION will so advise the LSU Designated Representative in writing and LSU will then remit to the R & T FOUNDATION sufficient funds to cover the deficiency provided the deficiency has occurred from expenses that have been approved by LSU pursuant to Section 1.01 (D) of this agreement. If the deficiency is the result of maintenance items, the LSU Designated Representative will remit the funds from the Maintenance Fund
- (D) Accounting. Each quarter, the R & T FOUNDATION will provide the LSU Representative with an accounting of all revenue received and expenses incurred in connection with the PROPERTY, as well as a copy of the account statement for the PROPERTY Account and a comparison, on a year-to-date basis, of the budgeted amount with the actual expenditures. Any excess funds may be at the request of LSU be distributed to LSU for payment of expenses of LSU identified in Section 2.01(B) (less any amounts at current rental rates allocated to space located in the PROPERTY occupied by LSU) or to additional funds owed to LSU by the R & T FOUNDATION. Any funds remaining after reimbursement to LSU may be distributed to the R & T FOUNDATION.
- (E) The Reserve Maintenance Fund. LSU will retain from the amount paid pursuant to Section 2.01 (B) of this Agreement (the “**Reserve Maintenance Fund Amount**”) and place it in a separate account maintained by LSU (the “**Reserve Maintenance Fund**”) in an amount as mutually agreed upon by the R&T Foundation and LSU through the annual operating budget process in Subsection 1.01(E) of this amendment.

Section 2.02 Amendment of PROPERTY

- (A) Existing Space. In the future, any space that is currently occupied by LSU in the PROPERTY may be made available to 3rd party tenants at LSU’s request and it would be managed under this agreement.

(B) Additional Property. At the LSU Designated Representative request additional property may be added to Exhibit A by the agreement of the Parties. The amended Exhibit A must be signed and dated by the LSU Designated Representative and the R & T FOUNDATION and a notice send to all parties listed in Section 15.03 of the original agreement.

**ARTICLE III
TERMINATION AND SUBCONTRACT**

Section 3.01. Termination by Parties. Either Party will have the option to terminate this Agreement upon forty-five (45) days written notice, however should LSU terminates this agreement then LSU agrees to assume the payment any expense approved pursuant to Section 1.01 (D) of this agreement.

Section 3.02. Subcontract by the R & T FOUNDATION. With consent of the LSU Designated Representative, the R & T FOUNDATION can subcontract with a 3rd Party to provide the services under this agreement.



**ARTICLE IX
TERM**

This Agreement shall begin on the Effective Date listed above and shall terminate at the same time as the Agreement and Lease of Property which is 50 years from the 21st day of August 2003 ("2003 Lease"); unless terminated earlier.

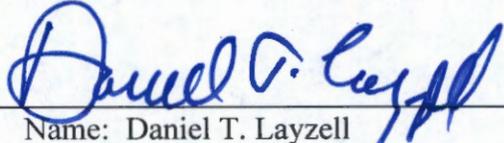
[Signature page follows]

THUS DONE AND SIGNED at Baton Rouge, Louisiana, on the 27 day of June, 2016, to be effective as of the Effective Date.

WITNESSES:

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

Dellie Richards

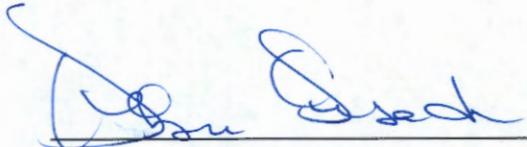
By: 
Name: Daniel T. Layzell
Title: Vice President for Finance
Administration & CFO

Kirk Gray

THUS DONE AND SIGNED at Baton Rouge, Louisiana, on the 27th day of June, 2016, to be effective as of the Effective Date.

WITNESSES:

**LOUISIANA STATE UNIVERSITY
SYSTEM RESEARCH AND
TECHNOLOGY FOUNDATION**



By: 
Name: Arthur R. Cooper
Title: Chief Executive Officer

Alyssa Gompally

Exhibit to Amendment

A – Property Covered

[Signature Page for Cooperative Endeavor Agreement]

Exhibit 1

The following property is covered by this agreement:

1. The Digital Media Center is a 94,000 sq. ft. building which was constructed by the R&T Foundation pursuant to the LEASE, as amended. The building currently houses both LSU's Center for Computation and Technology ("CCT") and Electronic Arts ("EA"). EA is currently occupying the 3rd Floor of the Digital Media Center.
2. The Louisiana Emerging Technology Center is a 67,000 sq. ft. building which was constructed by the R&T Foundation pursuant to the LEASE. The building houses private companies, primarily startup technology companies and LSU's Office of Innovation and Technology Commercialization.

ATTACHMENT IV

OUTSTANDING LIABILITIES OF LSURF

<u>Name of Creditor</u>	<u>Amount Owed</u>
TUFF LSU Management LLC	\$1,700,000
LSU Ag Center	873,000
Technology Transfer Legal Fees	657,000
Accounts Payable	150,000
TOTAL	<u>\$3,380,000</u>

3 Year Pro Forma Summary of Revenues & Expenses

	FY 2020	FY 2021	FY 2022
Tenant Revenue	799,250	1,343,670	1,357,175
Monthly Use Support Payment	450,000	600,000	600,000
Total Operating Revenues	\$ 1,249,250	\$ 1,943,670	\$ 1,957,175
O&M	819,190	818,490	854,700
TUFF Interest	44,725	44,725	44,725
Minimum MRA Funding	60,000	60,000	60,000
Total Operating Expenses (Less Utilities)	\$ 923,915	\$ 923,215	\$ 959,425
Projected Net Revenues	\$ 325,335	\$ 1,020,455	\$ 997,750

Three-Year Net Operational Savings to LSU Associated with LSURF-Managed Facilities

LSU Cost/Savings	FY 2020 - 2022			Annual Average	
	FY 2020	FY 2021	FY 2022	(Cost)/Savings	
LSU Utilities Provided	\$ (255,000)	\$ (260,100)	\$ (265,302)	\$ (780,402)	\$ (260,134)
LSURF Management Fee	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (1,800,000)	\$ (600,000)
LSU Saved O&M	\$ 1,141,300	\$ 1,141,300	\$ 1,141,300	\$ 3,423,900	\$ 1,141,300
LSU Avoided Deferred Maintenance	\$ 1,569,300	\$ 1,569,300	\$ 1,569,300	\$ 4,707,900	\$ 1,569,300
Total	\$ 1,855,600	\$ 1,850,500	\$ 1,845,298	\$ 5,551,398	\$ 1,850,466



Request from LSU A&M for Approval to Lease Space in Jesse Coates Hall to REFF for Construction of Biology Labs

To: Members of the Board of Supervisors

Date: October 25, 2019

This is a significant board matter pursuant to the Board's Bylaws, Art. VII, Sec. 1:

- C.1 The lease of any immovable property potentially for a term longer than 5 years
- E.1 Any contract or series of related contracts for the construction, renovation, or other capital improvement of buildings or other immovable property of the Board where the construction cost is projected to be greater than \$1 million.

Approval is also required by the Uniform Affiliation Agreement

1. Summary of Matter

Due to LSU's recent enrollment growth, there is an urgent need to construct additional biology lab facilities due to the number of students in many different majors who are required to take biological science labs. To continue LSU's enrollment growth, it is essential that these labs be completed and ready for use for Fall 2020. The only way to meet that ambitious timeline is to have the LSU Real Estate and Facilities Foundation (REFF) lease the space, construct the improvements, and lease the completed labs back to LSU.

The transaction will be structured very similarly to LSU's other public-private partnership projects, such as Nicholson Gateway. LSU will lease the current building space to REFF. REFF will engage an architect and a contractor, using a construction manager at risk arrangement to design and build the new labs, with normal LSU involvement and oversight into the plans and specifications. REFF will also engage CSRS, our project management partner for many of our P3 projects, to coordinate the process and oversee the construction process as an owner's representative. REFF will borrow the funds needed through a conventional loan, secured by a facilities lease of the lab space back to LSU.

The improvements consist of creating eight (8) biology labs located in floors 1-3 of Jesse Coates Hall, in place of previous research labs, along with prep rooms, restrooms, waiting areas and appropriate furniture, fixtures, and equipment. Construction costs are estimated at \$1.2 million, with design, FF&E, and other costs bringing the total borrowing to an amount not to exceed \$2.5 million. The lease is expected to be for a term of 5 to 8 years, depending on how long of a financing period is necessary.

The lease/lease-back process being used for this construction is similar to the process used for Nicholson Gateway and other P3 projects, except that here LSU's lease payments (which REFF will use to pay the debt service) will derive from LSU's general operating budget rather than self-generated auxiliary funds. This will require some minor differences in the legal language, because these funds, unlike the auxiliary funds used in the housing projects, are considered appropriated funds, and thus by law will require a "non-appropriation clause," allowing LSU to terminate the lease without penalty in the unlikely event that the legislature fails to appropriate sufficient funds to pay this rent.

2. Review of Business Plan

Payment under the facilities lease (used by REFF to pay the debt service) will be made by LSU with funds provided by the Office of Academic Affairs. Financing arrangements are still being made. To be

conservative, staff have run projections assuming a 5% interest rate on a 7-year lease term, which would require an annual debt service payment of \$424,017.27. The Office of Academic Affairs currently has sufficient budget capacity to cover these rent payments at this conservatively-projected level. LSU believes a substantially lower interest rate can be achieved. There will be no penalty for early payment. Costs of operating the labs will be handled in accordance with ordinary practices for such expenses.

3. Fiscal Impact

LSU is ultimately responsible for repaying the approximately \$2.5 million debt that will be incurred. Funding will be provided by the Office of Academic Affairs. If the labs were not constructed, it is possible that LSU would have to pause the current enrollment growth expectations due to a lack of lab space for basic biological science classes, which would have a significant negative financial impact on the university.

4. Description of Competitive Process

LSU and REFF staff reviewed prior competitive submissions from qualified architects and construction manager at risk firms on other LSU projects prior to REFF selecting the architect and contractor for this project. Competitive rates for the contractor's pre-construction services were negotiated, and contractor will provide a guaranteed maximum price, based on competitive sub-contractor pricing, prior to being authorized to proceed. The urgent need to begin design and construction immediately, and the advantages of integrating the architect and the contractor as part of a design-build team, made it unfeasible to engage in a traditional competitive low bid process. As is typical with a design-build arrangement, LSU requires the contractor to obtain competitive bids from its subcontractors, and transparently report them to LSU, to insure a competitive cost of construction.

5. Review of Legal Documents

Drafts of the lease agreements necessary to accomplish this business plan are being prepared now. Once completed, they will be reviewed by the Office of General Counsel prior to execution by the President. Approval in advance of these documents being drafted is necessary because of the urgent need to obtain required state approvals, particularly the State Bond Commission approval, in order to allow construction to begin as soon as possible.

6. Parties of Interest

LSU
LSU Real Estate and Facilities Foundation
Greenleaf Lawson Architects
Stuart and Company

7. Related Transactions

None.

8. Conflicts of Interest

None.

ATTACHMENTS

- I. Transmittal Memo

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board"), pursuant to the authority granted by Art. 8, Section 7 of the Louisiana Constitution and La. R.S. 17:3361 and other applicable law, authorizes F. King Alexander, in his capacity as President of LSU, to execute and deliver to and with the LSU Real Estate and Facilities Foundation or a special purpose entity created and controlled by it (collectively, "REFF") a ground lease, facilities lease, and other related agreements to allow for construction by REFF and operation by LSU of laboratories for the biological sciences (the "Facilities") located in portions of Jesse Coates Hall, with the understanding that REFF will finance construction of the Facilities with a loan secured by the lease of the Facilities back to LSU; and

BE IT FURTHER RESOLVED that, as is standard practice for LSU public-private partnerships, if for any reason the project fails to close, LSU will reimburse REFF for its reasonable pursuit costs incurred with LSU's consent; and

BE IT FURTHER RESOLVED that the Board authorizes counsel to the Board to make application to the Louisiana State Bond Commission on behalf of the Board for the approval of the facilities lease; and

BE IT FURTHER RESOLVED that the Board, pursuant to the Uniform Affiliation Agreement between it and REFF, finds an acceptable University purpose for REFF to: (1) construct the Facilities, (2) to enter into a new or amended ground lease, facilities lease, and any related or ancillary contracts and agreements reasonably necessary, and (3) to borrow sums to provide for construction of the Facilities and legal, due diligence, and other costs associated with the acquisition; provided that the total amount borrowed by REFF to accomplish the transactions described herein shall not exceed \$2.5 million; and

BE IT FURTHER RESOLVED that any reference herein to REFF shall include any special purpose entity formed and controlled by REFF for the purpose of furthering this transaction.



CAMPUS CORRESPONDENCE

To: F. King Alexander, President of LSU
Finance & Administration / CFO

Date: October 8, 2019

Through: Daniel T. Layzell, Executive Vice President for
Finance & Administration / CFO

Through: Tony Lombardo, Associate Vice President for
Facilities & Property Oversight

From: Patrick H. Martin, V, Assistant Vice President for
Real Estate, Public Partnerships, and Compliance 

Re: Board of Supervisors Agenda, October 25, 2019
Request from LSU A&M for Approval to Lease Space in Jesse Coates Hall to REFF for
Construction of Biology Labs

This board item authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to execute and deliver to and with the LSU Real Estate and Facilities Foundation a ground lease, facilities lease, and other related agreements to allow for construction by REFF and operation by LSU of laboratories for the biological sciences located in portions of Jesse Coates Hall, with the understanding that REFF will finance construction of the Facilities with a loan secured by the lease of the Facilities back to LSU.

Furthermore, this item declares the Board of Supervisors determines that an Acceptable University Purpose exists, for purposes of the Uniform Affiliation Agreement, for REFF to: (1) construct the Facilities, (2) to enter into a new or amended ground lease, facilities lease, and any related or ancillary contracts and agreements reasonably necessary, and (3) to borrow sums to provide for construction of the Facilities and legal, due diligence, and other costs associated with the acquisition; provided that the total amount borrowed by REFF to accomplish the transactions described herein shall not exceed \$2.5 million.

I recommend that this item be included on the agenda for the October 25, 2019 Board of Supervisors meeting.



Request from LSU A&M to Enter Into a Lease With Tiger Athletic Foundation for Replacement of Synthetic Turf and Construction of Related Improvements at the Charles McClendon Outdoor Practice Facility

To: Members of the Board of Supervisors

Date: October 25, 2019

Pursuant to Article VII, of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a Significant Board Matter.

Section 1.C.4. The lease of any immovable property, as lessee or lessor, where the anticipated use of the building or land by the lessee would fundamentally transform the building or land and alter the purposes for which the University can use it.

Section 1.E.1. Any contract or series of related contracts for the construction, renovation, or other capital improvement of buildings or other immovable property where construction costs are projected to be greater than \$1,000,000.

1. Summary of the Matter

Tiger Athletic Foundation (“TAF”), at the request of LSU Athletics and as approved by the Board, constructed Field 3 of the Charles McClendon Outdoor Practice Facility, including the installation of synthetic turf in 2009. The useful life of the turf was projected at approximately ten years. TAF requests consideration and approval for the University to lease Field 3 and surrounding areas to TAF for the purpose of permitting TAF to remove and replace the existing synthetic field turf, expand the synthetic turf area, rework the subsurface, add a drivable surface between Fields 3 and 4 to permit EMS and service vehicle access, construct a video tower and perform related improvements on the land (the “Work”) at TAF’s cost and in strict accordance with plans and specifications approved by LSU and applicable LSU policies and procedures.

The proposed lease would be effective on or about December 15, 2019, and terminate on either August 31, 2020, or donation of the completed Work to LSU, whichever is earlier, unless extended upon written consent by the President of LSU.

2. Review of Business Plan

TAF has sufficient private contributions that may be used for the purpose of paying expenses incurred by TAF for design and construction of the Work and related expenses.

3. Fiscal Impact

The cost of constructing the Work, excluding design, is estimated at an amount not to exceed One Million Three Hundred Thousand Dollars (\$1,300,000). The estimated cost of the Work may be increased only with the written consent of TAF and the LSU Representative. All costs and expenses shall be paid by TAF from private funds.

4. Description of Competitive Process

Based on approved construction drawings, qualified contractors will be asked to submit proposals.

5. Review of Legal Documents

Before execution by the President, all legal documents will be reviewed by LSU for legal sufficiency and compliance with LSU policies, procedures and practices. Pursuant to the terms of the attached Lease, the Board will grant to TAF and its contractors rights of access and use of LSU property for the sole purpose of performing the Work. Lease provisions include requirements that: construction must be at TAF's expense; contractors must be licensed in Louisiana and provide labor and materials payment bonds for the full amount of the construction contract naming TAF and the Board as dual-obligees; unless waived by the LSU Representative, contractors must provide specific insurance in certain minimum amounts naming the Board and TAF as additional insureds; and, Plans and Specifications must be approved by the LSU Representative prior to commencement of construction.

6. Parties of Interest

Board, LSUA&M and Tiger Athletic Foundation are the primary parties in interest.

7. Related Transactions

None

8. Conflicts of Interest

None

ATTACHMENTS

- I. Draft Lease for Replacement of Synthetic Turf and Construction of Related Improvements.

RESOLUTION

“NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College authorizes F. King Alexander, in his capacity as President of LSU, to execute a Lease to Tiger Athletic Foundation in order to facilitate replacement of synthetic turf at field three of the Charles McClendon Outdoor Practice Facility and the construction of related improvements, and to execute related agreements as may be reasonably necessary to facilitate the project;

BE IT FURTHER RESOLVED that the Board, pursuant to the Uniform Affiliation Agreement between it and the Tiger Athletic Foundation, finds an acceptable University purpose for Tiger Athletic Foundation to enter into the proposed Lease, and any related or ancillary contracts and agreements reasonably necessary for the project; and,

BE IT FURTHER RESOLVED that F. King Alexander, in his capacity as President of LSU, or his designee, is hereby authorized by and empowered for and on behalf of and in the name of the Board of Supervisors, to include in the Lease any and all provisions and stipulations that he deems in the best interest of the Board of Supervisors.”

**LEASE AGREEMENT FOR REPLACEMENT OF
SYNTHETIC TURF AND RELATED IMPROVEMENTS AT THE
CHARLES MCCLENDON OUTDOOR PRACTICE FACILITY**

**THIS LEASE AGREEMENT FOR REPLACEMENT OF SYNTHETIC TURF AND
RELATED IMPROVEMENTS** (herein “Lease”) is entered into as of the dates indicated on the
attached Acknowledgments, by and between,

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional
corporation organized and existing under the Constitution and laws of the State of
Louisiana, domiciled in the Parish of East Baton Rouge, said State, appearing
herein through, F. King Alexander, in his capacity as President of LSU, duly
authorized and empowered by resolution of said Board of Supervisors (hereinafter
referred to as “Board”),

and

TIGER ATHLETIC FOUNDATION, a Louisiana non-profit corporation
organized and existing under the laws of the State of Louisiana, domiciled in the
Parish of East Baton Rouge, herein appearing through and represented by Richard
B. Perry, its duly authorized President and Chief Executive Officer (hereinafter
referred to as “Foundation”),

provides as follows:

WITNESSETH

WHEREAS, Foundation is a private non-profit Louisiana corporation described in Section
501(c)(3) of the Internal Revenue Code of 1986, as amended, whose tax exempt purpose is to
support the mission and programs of Louisiana State University and Agricultural and Mechanical
College (“University”), a higher education institution under the management and supervision of
Board;

WHEREAS, Louisiana Revised Statutes 17:3361, et seq., expressly authorizes Board to
lease property to a nonprofit corporation such as Foundation for the purpose of constructing and
renovating buildings, other structures and improvements;

WHEREAS, Board is the owner of the immovable property including but not limited to that certain parcel of land and improvements described on Exhibit “A” including that certain area designated as Field 3 of the Charles McClendon Outdoor Practice Facility (the land and other improvements described on Exhibit “A” are sometimes collectively referred to as the “Land”);

WHEREAS, Foundation desires to lease the Land for the purpose of replacing and expanding the synthetic turf area, and making related improvements, all at Foundation’s expense and in accordance with design standards established by the Board and/or University, and Board desires to grant Foundation such a lease and limited rights of use and access in order to facilitate construction of such improvements; and,

WHEREAS, the improvements to be constructed by Foundation pursuant to the terms of this Lease will be donated by Foundation to Board upon completion of construction and acceptance by Board in accordance with the terms of this Lease;

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

CERTAIN TERMS DEFINED

“**Applicable Laws**,” refers to all laws, statutes, rules, regulations, ordinances, building codes, resolutions and orders of any Governmental Authority, including but not limited to applicable rules, regulations and architectural standards of University and Board, applicable to the parties and substantially affecting the ability of the parties to meet their obligations hereunder; provided, however, that this definition shall not be interpreted as waiving protections granted to any party against future laws impairing the obligations of contracts between the parties and/or any third parties.

“**Architect**,” refers to any architect or other design professional, including their permitted successors and assigns, engaged by Foundation to perform architectural or design services with respect to any phase of the design and/or construction renovation of the Improvements or any substitute or successor architect or other design professional engaged by Foundation.

“**Construction Contract**,” refers to one or more agreements for the construction of the Improvements entered into by and between the Foundation and the Contractor, including all

amendments, modifications, exhibits, schedules, supplements and change orders to all such agreements.

“**Contractor**,” refers to the contractor or contractors selected by Foundation to construct the Improvements and their permitted successors and assigns.

“**Effective Date**,” refers to December 15, 2019, or the date upon which all of the following have occurred, whichever is later: (a) this Lease is executed and delivered by the parties hereto; (b) all necessary approvals of this Lease, as required by Applicable Laws, are obtained; and, (c) the final Plans and Specifications have been approved and an Authorization to Proceed has been authorized and issued in accordance with the terms of this Lease, including but not limited to Section 4.1B.

“**Force Majeure**,” refers to any (a) act of God, lightning, hurricane, tornado, and other extraordinarily adverse and inclement weather, fire, explosion, flood, act of a public enemy, war, insurrection, riot or civil disturbance; (b) labor dispute, strike, work slow down or work stopped; and, (c) any other similar cause or similar event beyond the reasonable control of the Foundation.

“**Governmental Authorities**,” refers to any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

“**Improvements**,” refers to the removal and replacement of the existing synthetic field turf, expansion of the synthetic turf area, reworking the subsurface, adding a drivable surface between fields 3 and 4 to permit EMS and service vehicle access, construction of a video tower and related improvements by Foundation to be made in accordance with the Plans and Specifications and the terms of this Lease.

“**LSU**” refers to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, including the campus of the Board at which the Work is to be performed.

“**LSU Representative**”, refers to the President of LSU or the Executive Vice President for Finance and Administration and CFO of LSU acting as the President’s designee. With respect to matters involving construction and design, including, without limitation, approvals of Plans and Specifications, Change Orders, Authorizations to Proceed, Punch Lists, and Substantial Completion, the term LSU Representative shall refer to the LSU Associate Vice President for Facilities and Property Oversight.

“**LSU Rules and Regulations**” refers to all current and future rules, regulations, procedures and directives promulgated by or pursuant to authority granted to LSU.

“**LSU Construction Monitor**,” one or more persons designated and authorized from time to time by the Associate Vice President for Facilities and Property Oversight to monitor Foundation’s construction progress during the construction phase of the Improvements or any other Work who shall be either a licensed architect or a licensed engineer. The initial LSU Construction Monitor shall be LSU’s Director of Planning, Design and Construction.

“**Payment and Performance Bonds,**” refers to payment and performance bonds required in connection with performance of the Work and described in Section 4D of this Lease.

“**Plans and Specifications,**” refers to one or more sets of final plans and specifications, including any amendments thereto, for design of the Improvements, materials selection and method of construction for the construction of the Improvements and for all Work related thereto, which have been approved, in writing, by the LSU Representative.

“**Punch List,**” refers to a list prepared by the Architect and approved by the LSU Construction Monitor and the LSU Representative, which sets forth those items of Work to be completed following Substantial Completion, prior to final acceptance.

“**Substantial Completion,**” refers to the date or dates on which (a) the Architect has certified to Foundation that the Work (or, if approved by the LSU Construction Monitor and the LSU Representative, any portion of the Work) has been completed substantially in accordance with the Plans and Specifications, subject to customary punch list items remaining to be completed, (b) the LSU Construction Monitor and the LSU Representative have given written approval of the Architect's certificate, which approval shall not be unreasonably delayed, withheld or conditioned, and (c) governmental certificates and approvals required to allow beneficial use and occupancy of the Improvements by the University have been obtained, including, but not limited to, a Certificate of Occupancy (whether temporary or final if applicable) and State Fire Marshal approval.

“**Work,**” refers to all work and activities required to be undertaken by Foundation in order to design and construct the Improvements including, without limitation, the transportation and storage of materials, the securing of work sites and staging areas, the design, planning and construction of Facilities and all necessary utility placements, relocations, tie-ins and upgrades.

1.

AGREEMENT TO LEASE

For and in consideration of One Hundred (\$100) Dollars and other good and valuable consideration, Board hereby leases the Land to Foundation, and hereby grants to Foundation such rights of use and access as are necessary for Foundation to perform the Work. Unless otherwise agreed to in writing by Foundation and Board, this Lease, including all rights of use and access for construction purposes, shall terminate upon the earlier of; (a) termination of this Lease in accordance with the provisions hereof; (b) donation of the Improvements to Board as provided for herein; or (c) August 31, 2020.

2.

AGREEMENT TO CONSTRUCT AND DONATE IMPROVEMENTS

Foundation agrees to construct the Improvements in accordance with the Plans and Specifications and to donate the Improvements to Board after completion of the Work. It is estimated that the total cost to construct the Improvements (excluding design), will not exceed One Million Three Hundred Thousand and 00/100 Dollars (\$1,300,000.00), all of which cost and expense shall be paid by Foundation from private donations. The amount estimated for costs and expense may be increased with the written consent of Foundation and the LSU Representative, subject to the requirements of Subsections 4.1.A and 4.1.J hereof.

3.

USE OF PREMISES

Foundation may use the Land only for construction of the Improvements. Foundation shall not use the Land for the sale, distribution, storage, transportation or handling of petroleum or other similar synthetic products. Foundation shall not make any use of the Land in violation of any Applicable Laws, and shall not permit any contamination or pollution on or about the Land or increase the fire or insurance hazard by any use thereof. Before beginning any Work on the Land, Foundation shall obtain any permits required by the State of Louisiana, the Parish of East Baton Rouge and the United States of America or any of their subdivisions or departments. Foundation shall not install or otherwise place storage tanks in or on the Land without the LSU Representative's prior written consent which, in addition to any other conditions required by the LSU Representative, shall be subject to the condition that any such tanks shall be located on a concrete slab and shall be surrounded by a retaining wall that will retain the products stored in the tanks in the event of any spill, discharge, leak, overflow, or other release.

4.

CONSTRUCTION

4.1 At its sole cost and expense, Foundation shall construct the Improvements in a good and workmanlike manner, in accordance with the following provisions:

A. Plans and Specifications/Change Orders

At least thirty (30) days prior to commencement of any construction, proposed final plans and specifications approved by the LSU Construction Monitor shall be delivered to the LSU Representative for his review. The LSU Representative shall approve or disapprove such proposed final plans and specifications in writing within thirty (30) days of receipt thereof. Any request for change orders to the Plans and Specifications or to the Construction Contract shall be made to the LSU Representative, who shall approve or disapprove such request in writing within ten (10) working days of having received such request from the Foundation. Any change in work and materials relating to construction of the Improvements which either (1) materially alters the exterior appearance of the Improvements, or (2) materially alters the quality of materials or the interior appearance of any buildings forming part of the Improvements and costs more than One Hundred Thousand and 00/100 Dollars (\$100,000.00), is subject to the prior review and approval of the LSU Representative, which approval shall not be unreasonably withheld, delayed or conditioned. Foundation shall notify the LSU Representative in writing of any such proposed changes in work or materials, and provide to the LSU Representative copies of the proposed changes, and the LSU Representative shall either approve or disapprove any such changes within seven (7) Business Days after receipt of such notice from Foundation. If the LSU Representative fails to respond within such seven (7) day period, it shall be deemed that LSU approves such changes. Notification to the LSU Representative shall include copies of proposed change orders approved by the Contractor, the Architect, the Foundation and the LSU Construction Monitor, and shall further include sufficient information for the LSU Representative to make a determination whether to approve or disapprove such changes in the Work or materials. Complete copies of all final change orders shall be provided to the LSU Representative no later than the commencement of the Work represented by the change order, even if approval of the LSU Representative is not required. Changes in work or materials relating to construction of the Improvements not required to be submitted to the LSU Representative by this section shall be submitted in writing (unless

written submission is waived by the LSU Construction Monitor) to and received by the LSU Construction Monitor who shall either approve or disapprove any such changes within two (2) Business Days after receipt of such request and copies of the proposed changes from Foundation. If the LSU Construction Monitor fails to respond within such two (2) Business Day period, it shall be deemed that he approves such changes.

No change order to the Construction Contract which materially and substantially deviates from the Plans and Specifications as originally approved shall be implemented without the prior written consent of the LSU Representative.

B. Commencement and Completion of Work

Unless delayed by Force Majeure, at its own expense, Foundation agrees to: (1) commence the Work on or before December 15, 2019, or within thirty (30) days after the LSU Representative has issued a written Authorization to Proceed, whichever is later; and (2) make best reasonable efforts to achieve Substantial Completion of all Work on or before July 31, 2020, but in any event to complete all Work on or before August 31, 2020. No work shall commence until the LSU Representative has issued a written Authorization to Proceed and written approval to the final proposed plans and specifications. The commencement and completion dates set forth herein may be extended by a written request issued by the Foundation and approved in writing by the LSU Representative.

C. Construction Contract

The Work shall be performed on behalf of Foundation pursuant to the terms of the Construction Contract. Where appropriate, the Construction Contract and Payment and Performance Bonds shall be recorded properly with the Clerk of Court of East Baton Rouge Parish prior to commencement of the Work. Foundation shall include a liquidated damages clause in the proposed Construction Contract. Board and Foundation hereby acknowledge the following, and, to the extent practically and legally possible, the Construction Contract and all subcontracts

entered into by the Contractor shall acknowledge expressly that they have been informed of the following:

- (i) The Work will be performed solely and exclusively for Foundation.
- (ii) Foundation is a separate legal entity from University and Board. It is not acting as agent for University or Board, and Foundation has no authority to obligate University or Board to any extent whatsoever.
- (iii) Neither Board nor the State of Louisiana shall be liable, directly or indirectly, for the payment of any sums whatsoever or for the performance of any other obligation whatsoever arising out of the Work performed pursuant to this Lease.
- (iv) Foundation has no ownership interest in the Land on which the Work will be performed. Any improvements placed on the Land shall become property of Board upon completion of the Work. The Work shall not give rise to any rights against the Land or Board.
- (v) It is understood and agreed that the Board, its members, employees and agents including but not limited to the LSU Representative and the LSU Construction Monitor, shall owe no legal duty to or assume any liability or responsibility to any party as a result of or in connection with any consent, approval or review given or undertaken in connection with the Work. No party shall infer, based on any consent, approval or review given or undertaken by the Board, its members, employees and agents including but not limited to the LSU Representative and the LSU Construction Monitor, agreement with or endorsement of the particular matter at issue; rather, such

consent, approval or review shall only be deemed to indicate “no objection” to the particular matter at issue.

D. Payment and Performance Bonds

Foundation shall require that the Contractor provide a performance and labor and materials payment bond(s) with a corporate surety authorized to do business in the State of Louisiana. Said bond(s) shall be for the greater of the full amount of the Contract Sum or the Guaranteed Maximum Price as defined and established in the Construction Contract. Both Foundation and Board shall be obligees under the bond(s).

E. Rights Concerning the Land During Construction

To the extent necessary, Foundation and the Contractor shall have the right to occupy and use the Land, with reasonable ingress to and egress from the Land, during the term of this Lease and, with the prior written consent of the LSU Construction Monitor, shall fence or block off that area of the Land necessary to perform the Work in a safe and secure manner. Except for unknown or unforeseen and unforeseeable defects, Foundation assumes all responsibility for the condition of the Land during the term of this Lease. Foundation and the Contractor shall maintain Land and any improvement or construction thereon in a reasonably prudent manner at all times until the Work is accepted by the LSU Representative and donated to the Board. Board shall not be responsible for any maintenance or repairs to the Land or the Work during the term of this Lease. The LSU Construction Monitor and the LSU Representative and any other individuals authorized by the LSU Representative shall at all times have access to the Land and the exercise of all rights as owner except as otherwise provided herein, even those not specifically acknowledged herein. Foundation accepts the Land for the purposes herein outlined without any warranty of title or recourse whatsoever against Board.

F. Access over Adjoining Property during Construction

Board hereby grants to Foundation a servitude of access over and across such other property owned by Board only in so far as such is reasonably necessary in order for the Foundation to fulfill its obligations hereunder, provided, however, that (1) such access routes are approved in writing by the LSU Construction Monitor; and (2) Foundation shall not unreasonably interfere with Board's (or Board's lessee's) use of such other property.

G. LSU Rules and Regulations; Access During Construction

Foundation agrees that it will comply with all Board and University regulations, policies and mandates with regard to all contractors and personnel entering the Land for purposes of construction, which rules and regulations will be addressed at the pre-construction conference, and that it will secure, at its own expense, all necessary permits and licenses from all regulatory agencies or bodies. Foundation shall make these same requirements of the Contractor. At all times during construction, the LSU Construction Monitor, the LSU Representative and any individuals authorized by the LSU Representative shall have the right but not the obligation to enter the Land and review the Work to determine that it is being performed in compliance with the Plans and Specifications and in a good and workmanlike manner.

H. Signage

Before erecting or placing any sign upon the Land or the Improvements, Foundation shall submit the design specifications of such sign to the LSU Construction Monitor for approval. Foundation may only erect or place signage hereunder if it has obtained the prior written approval of the University Construction Monitor.

I. Acceptance of Construction

Foundation and Board agree to work together to identify and facilitate completion

of all warranty and punch list items within the first year following acceptance of the Work. Foundation will not accept any portion of the Work without the written approval of the LSU Representative. Board reserves the right to refuse to approve the acceptance of the Work unless monies equal to the value of the punch list deficiencies are withheld by the Foundation and designated for payment to the Contractor only upon completion of the punch list items. Upon donation of the Work, by Foundation to Board, Foundation hereby agrees that, to the extent allowed by law, Foundation will assign or transfer to Board its right to enforce actions against the Contractor and/or the Architect arising out of the Work; provided, however, Foundation shall continue to be obligated to complete the Punch List items. Final payment shall not be made to the Contractor until the LSU Representative agrees in writing that the Punch List items have been completed.

J. Funds for Construction

At the LSU Representative's request, prior to the commencement of the Work, Foundation shall satisfy the LSU Representative that the total amount of money needed to complete the Work, has been collected or acquired by the Foundation and is dedicated to that use. At the LSU Representative's sole option, Foundation may be required to provide a letter of credit, a performance bond, or a dedicated escrow account to guarantee its performance.

K. On Site Construction Inspector

If in the LSU Representative's sole discretion it becomes necessary, Foundation at Foundation's expense shall hire an on-site construction inspector or clerk of the works for full time supervision of the Work.

L. Inspection and Survey

Foundation shall inspect the Land, and arrange for any necessary boundary surveys,

topographical surveys, soil borings and other site investigations at its expense. Foundation accepts the Land in its present condition.

M. No Liens; Release of Recorded Liens

Foundation shall not suffer or permit any liens to be enforced against the Land or Board by reason of a failure to pay for any work, labor, services or materials supplied or claimed to have been supplied to Foundation or to anyone through or under the Foundation. If any such liens shall be recorded against the Land, Foundation shall cause the same to be released of record, or in the alternative, if the Foundation in good faith desires to contest the same, Foundation shall be privileged to do so, but in such case, Foundation shall promptly deposit with the Recorder of Mortgages of East Baton Rouge Parish a bond guaranteeing payment of any such liens and hereby agrees to indemnify, defend with an attorney of the LSU Representative's choice, and save Board harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and released prior to the execution of such judgment.

5.

INSURANCE

5.1 Unless otherwise approved in writing by the LSU Representative, during the Work and prior to the donation of the Improvements to Board, Foundation shall maintain or require the Contractor to maintain the following:

A. Builder's Risk Insurance

Contractor shall provide an "All Risk" builder's risk insurance policy, including but not limited to fire and extended coverage insurance, vandalism and malicious mischief, for not less than one hundred (100%) percent of the full replacement value of the Work or property destroyed

to protect against any damage or loss during the Work and until final donation of the Improvements to Board and acceptance thereof. This policy shall be taken out prior to commencement of construction and discontinue upon final acceptance by Board of the donation. It shall run in favor of Contractor, Foundation and Board, as their interests may appear. The coverage shall include the Architect's fee for work required and reconstruction following a loss during construction. Written evidence of such insurance shall be provided to the LSU Representative prior to commencement of the Work.

B. General Liability and Property Damage Insurance

Foundation and its contractors, before commencing any construction, shall procure such comprehensive liability and property damage insurance, including insurance for the operation of motor vehicles, which will cover Foundation's, Board's and the Architect's legal liability arising out of the construction performed by Foundation or any of its contractors or subcontractors and by anyone directly or indirectly employed by either of them, for claims for damages for personal injury, including accidental death, as well as claims for property damage, including but not limited to damage to surrounding buildings, which may arise from operations for the construction of the Work, with minimum limits of liability of Two Million (\$2,000,000.00) dollars per occurrence and Five Million (\$5,000,000.00) dollars general aggregate. Foundation shall also require its contractors and subcontractors to have in full force and effect a policy of workmen's compensation and employer's liability insurance before proceeding with the construction under this Lease. Written evidence of such insurance shall be provided to the LSU Representative prior to commencement of the Work.

C. Architect's Design, Errors and Omissions

Upon execution of this Lease, Foundation shall provide the LSU Representative

with evidence that the Architect has procured architect's design, errors and omissions insurance coverage for the Work in an amount acceptable to the LSU Representative, and Board shall be named as an additional insured on said policy.

5.2 Unless otherwise approved by the LSU Representative in writing, the following requirements shall be applicable to insurance policies and coverages required pursuant to the terms of this Lease:

A. Required Insurance Shall Be Primary

All insurance required hereby shall be primary as respects Board, its members, officers, employees and authorized agents. Any insurance or self-insurance maintained by the Louisiana Office of Risk Management and Board shall be excess and noncontributory of Foundation or any Contractors' insurance.

B. Failure to Comply With Reporting Requirements

Any failure of the Foundation or Contractor to comply with reporting requirements of a policy required hereby shall not affect coverage provided to Board, its members, officers, employees and authorized agents.

C. Application of Multiple Policies

The Foundation's and/or Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the policy limits.

D. No Release

Neither the acceptance of the completed Work nor the payment therefor shall release the Foundation or Contractor or insurer from applicable obligations of the insurance requirements or indemnification requirements set forth herein.

E. No Recourse

The insurance companies issuing the required policies shall have no recourse against Board for payment of premiums or for assessments under any form of the policies.

F. Excess Insurance

Excess umbrella insurance may be used to meet the minimum requirements for the general liability and automobile liability only.

G. Deductibles and SIR's

The Foundation and/or Contractor shall be responsible for all deductibles and self-insured retentions.

H. No Special Limitations

The coverage required hereunder shall contain no special limitations (e.g. limitations beyond those that are normal and customary based on the policy, coverage and activity insured) on the scope of protection afforded to Board, its members, officers, employees and authorized agents.

I. Licensed Louisiana Insurers

All insurance shall be obtained through insurance companies duly licensed and authorized to do business in the State of Louisiana, which, to the extent available on commercially reasonable terms, bear a rating of A+:XV in the latest A. M. Best Co. ratings guide. If at any time an insurer issuing a policy hereunder does not meet the minimum A. M. Best Co. ratings, and such requirement has not been waived in writing by the LSU Representative, the Foundation and/or Contractor shall obtain a policy with an insurer that meets the A. M. Best Co., rating required and shall submit another Certificate of Insurance as required hereunder.

J. Occurrence Based Policies

All insurance required hereunder, with the exception of Architect's Design Errors and Omissions policies, shall be occurrence coverage. Except as specifically permitted herein, claims-made policies are not allowed.

K. Verification of Coverage

The Foundation shall furnish the LSU Representative with Certificates of Insurance reflecting proof of coverage required hereunder. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the LSU Representative before Work commences and upon any contract renewal thereafter. The LSU Representative reserves the right to request complete certified copies of all required insurance policies at any time. Said certificates and policies shall to the extent allowed by law provide at least a twenty (20) day written notification to the LSU Representative prior to the cancellation thereof. Upon failure of the Foundation to furnish, deliver and maintain such insurance as provided herein, and expiration of any applicable cure period, then Board may, but shall not shall be obligated to, obtain said insurance on behalf of the Foundation at the Foundation's commercially reasonable cost and expense. Failure of the Foundation to purchase and/or maintain, either itself or through its contractor(s), any required insurance, shall not relieve the Foundation from any liability or indemnification hereunder.

L. Additional Insureds

The Foundation, Board and its members, officers, employees and authorized agents shall each be named as additional insureds on all policies required hereby.

M. Additional Insurance

The LSU Representative may review Foundation's required insurance as stated herein at the time of renewal of the policies or at the time of a material change, and the LSU Representative reserves the right to require reasonable additional limits or coverages to the extent available at commercially reasonable rates. Foundation agrees to comply with any such reasonable request by the LSU Representative or to allow reasonable changes or reductions in coverages.

N. Blanket Policies

If any blanket general insurance policy of Foundation complies with the requirements of this Lease, such insurance shall fulfill the requirements set forth herein.

O. Limitation on Liability

The insurance and other provisions of this Lease do not waive or abrogate, are not intended to waive or abrogate, and shall not be interpreted to waive or abrogate the limitation on liability established under La. R.S. 13:5106 for Board.

6.

DONATION OF IMPROVEMENTS AND TITLE TO IMPROVEMENTS

6.1 Foundation agrees to donate the Improvements to Board after (a) final acceptance of all Work by Foundation and written approval by the LSU Representative of said final acceptance, and (b) the delivery to the LSU Representative of either (i) a clear lien certificate as to the Work, which certificate has been obtained from the proper parish clerk's office or (ii) evidence that any liens against the Improvements have been adequately bonded. Unless otherwise agreed to in writing by the LSU Representative and Foundation, the Work shall not be donated to Board until the events in both (a) and (b) of this paragraph have occurred; however, for good cause as determined by the LSU Representative in his sole discretion, the Work may be donated to Board

following Substantial Completion subject to Foundation's obligation to satisfactorily complete any outstanding punch list items and satisfy any outstanding liens and payment obligations relating to the Work. If the Architect for the Work recommends final acceptance of the Work by Foundation, the LSU Representative shall not unreasonably refuse to approve final acceptance by Foundation. Unless otherwise agreed to in writing by the LSU Representative and Foundation, use and/or occupancy of the Improvements shall be prohibited until the Improvements have been donated by Foundation to Board.

6.2 Upon fulfillment of the conditions set forth in paragraph 6.1 (a) and 6.1 (b) hereof, the Improvements shall be donated to and title and ownership to said Improvements shall be transferred to and shall become owned by Board. Said donation shall occur concurrently with final fulfillment of the conditions set forth in paragraph 6.1 (a) and 6.1 (b), and, upon said donation, Foundation shall have no further responsibilities, obligations or liabilities with regard to the completed Improvements, Land or the Work except as otherwise specifically set forth herein. Foundation shall bear the risk of loss with respect to the Improvements until acceptance of the donation by the LSU Representative; provided, however, Foundation's risk shall be limited to available insurance proceeds. Furthermore, prior to such donation, Foundation shall obtain guarantees and warranties from the contractor or contractors and suppliers of equipment, which guarantees and warranties shall be assigned to and shall run in favor of Board upon the donation of the Improvements, provided, however, Foundation itself shall make no warranty as to the condition of the Work. To the extent that such terms are available on commercially reasonable terms, guarantees and warranties for the construction and completion of the Improvements shall run from the later of (1) the fulfillment of the conditions set forth in paragraph 6.1 or (2) the full execution of the donation of the Improvements from the Foundation to Board or (3) occupancy for

the purposes set forth herein (the “Warranty Commencement Date”), which warranties shall include but not be limited to the following items and periods if reasonably available:

- (a) For ten (10) years following the Warranty Commencement Date, all defects in materials and workmanship;
- (b) For ten (10) years following the Warranty Commencement Date, all plumbing, electrical, heating, cooling and ventilating systems; and
- (c) For the length of manufacturers’ warranties, all appliances and equipment.

6.3 Upon fulfillment of the conditions set forth in Paragraph 6.1 hereof the parties agree to execute any and all documents necessary to effectuate the donation and the acceptance thereof on behalf of Board. The parties will record the donation and acceptance in the records of the parish in which Land is located.

6.4 Notwithstanding anything contained in this Lease, at all times Board shall have the absolute right to terminate this Lease on thirty (30) days’ written notice to Foundation. Upon such termination either Board shall take title to the Improvements, or Board, at its option, may require Foundation to transfer all of its right, title and interest in this Lease, in any funds (subject to applicable donor restrictions and the terms of any valid and perfected liens, pledges and security interests) dedicated to complete the construction of the Improvements, and in the Improvements already constructed, to another non-profit corporation or entity which meets the requirements of La. R.S. 17:3390, which is acceptable to Board, and which accepts the obligations of the Foundation hereunder.

7.

INDEMNIFICATION

7.1 Foundation, for itself and for its successors, assigns, agents, contractors, employees, invitees, customers and licensees, agrees to indemnify, defend and to hold Board

harmless against any loss for damages or injuries that may be suffered by Board or by any person, including but not limited to Foundation's agents, contractors, employees, invitees and licensees, to the extent such loss arises out of or is related to the Work, except with respect to acts or omissions by Board's members, officers and employees unless said members, officers and employees are acting at the direction or request of the Foundation, and Foundation agrees to defend Board with an attorney of Board's choice in any legal action against it and pay in full and satisfy any claims, demands or judgments made or rendered against Board, and to reimburse Board for any legal expenses, including attorney's fees and court costs, which may be incurred by it in defense of any claim or legal action arising thereunder, but Foundation's costs and expenses incurred in fulfilling this indemnity and defense shall, to the extent allowed by Applicable Laws, be limited to insurance proceeds which are available for this purpose.

7.2 To the extent allowed by Applicable Laws, Board, agrees to indemnify, defend and hold Foundation harmless against any loss for damages or injuries that may be suffered by Foundation or by any person including but not limited to Board's agents, contractors, employees, invitees, and licensees, except if any of such persons are acting at the direction or request of the Foundation, to the extent that such loss, damage or injuries arise out of or are related to the fault or negligence of Board, its members, employees, or officers, and Board agrees to defend Foundation in any legal actions against it and, to the extent allowed by law, pay in full and satisfy any claims, demands or judgments made or rendered against Foundation, and to reimburse Foundation for any legal expenses, including attorneys fees and court costs, which may be incurred by it in defense of any claim or legal action arising thereunder; provided, however, that Board's costs and expenses incurred in fulfilling this indemnity and defense shall be limited to proceeds

from the Office of Risk Management which are available for this purpose.

8.

TERMINATION

This Lease shall terminate upon donation of the Improvements to Board and acceptance by Board of said donation as set forth in paragraph 6.1(a), 6.1(b) and 6.2 hereof, or at the latest on August 31, 2020. This Lease may be extended by written consent of both parties, which consent may be granted by the LSU Representative.

9.

NOTICES

All notices, demands and correspondence made necessary by the provisions of this Lease shall be deemed to be properly given, served and addressed, if and when sent by certified mail, return receipt requested, directed as follows:

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

Foundation: Tiger Athletic Foundation
Attention: Richard B. Perry, President and CEO
Pete Maravich Assembly Center
North Stadium Drive
P.O. Box 711
Baton Rouge, LA 70821

10.

FOUNDATION DEFAULT

10.1 Board may declare Foundation in default upon one or more of the following events:

A. Failure to Timely Commence or Complete.

Failure of Foundation to commence and/or complete the Work as set forth in this Lease, within the time frame allowed, unless such time period has been mutually extended in writing by the LSU Representative and Foundation unless such failure was caused by a Force Majeure, and which failure has continued for a period of thirty (30) days after receipt of written notice from the LSU Representative specifying such failure and requesting that it be remedied; or

B. Deviation From Approved Plans and Specifications.

A substantial deviation, unauthorized in writing by the LSU Representative, from the plans and specifications for the Work approved by the LSU Representative, which deviation has continued for a period of thirty (30) days after receipt of written notice from the LSU Representative specifying such failure and requesting that it be remedied; or

C. Breach of Lease Covenants.

Failure of Foundation to observe or perform any other covenant, condition or obligation upon its part to be observed or performed under this Lease for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied; or

D. Taking of Improvements.

The taking by execution of the Improvements for the benefit of any person or entity other than Board; or

E. Involuntary Bankruptcy.

A court having jurisdiction shall enter an order for relief in any involuntary case commenced against Foundation, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction in the premises

appointing a custodian, receiver, liquidator, assignee, trustee, sequestration, or other similar official of or for Foundation or any substantial part of the properties of Foundation or ordering the winding up or liquidation of the affairs of Foundation, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days; or

F. Voluntary Bankruptcy.

The commencement by Foundation of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by Foundation to the commencement of a case under such Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestration, or other similar official of or for Foundation or any substantial part of the properties of the Foundation; or

G. Abandonment of Project.

Foundation, after commencement of construction but prior to substantially completing construction of the Improvements, abandons (with no intent to continue) construction for a period of ninety (90) consecutive days, excluding delays caused by Force Majeure.

10.2 Whenever any event of default referred to in this section shall have occurred and be continuing and Foundation refuses or fails to take the reasonable and necessary remedial action to cure such default in the time period specified therefor, in addition to any other remedies herein or by law provided, Board shall have the right, without any further demand or notice, to declare this Lease terminated. In the event of the termination of this Lease, Foundation expressly waives any notice to vacate. Furthermore, in the event of the termination of this Lease during the Work, Board shall be the owner of all improvements made on or to the Land, provided, however, at Board's sole option and direction, in the event of the termination of this Lease during the Work,

Foundation shall transfer any Improvements constructed pursuant to the Lease, its rights and obligations under this Lease and any funds (subject to applicable donor restrictions and the terms of any valid and perfected liens, pledges and security interests) Foundation has dedicated to complete the construction of the Improvements to another non-profit corporation or entity which meets the requirements of La. R.S. 17:3390 and which is acceptable to Board.

11.

BOARD DEFAULT

Foundation may declare Board in default upon the failure of Board to observe or perform any covenant, condition or agreement upon its part to be observed or performed under this Lease for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied. If the default be continuing and Board has not taken any action reasonably anticipated to cure such default, in addition to any other remedies herein or by law provided, Foundation shall have the right, without any further demand or notice to declare this Lease terminated and shall have no further obligation to perform any of the obligations of Foundation under this Lease.

12.

MISCELLANEOUS

12.1 Relationship of Parties.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto.

12.2 Attorneys Fees.

The prevailing party to the extent allowed by law shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

12.3 Louisiana Law to Apply.

This Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in East Baton Rouge Parish, Louisiana.

12.4 Nonwaiver.

No waiver by Board or Foundation of a breach of any of the covenants, conditions, or restrictions of this Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions, or restrictions of this Lease. The failure of Board or Foundation to insist in any one or more cases upon the strict performance of any of the covenants of the Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. No waiver, change, modification or discharge by Board or Foundation of any provision of this Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the parties hereto.

12.5 Severability.

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby.

12.6 Authorization.

By execution of this Lease, Foundation and Board each represent to the other that

they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Lease have been taken and performed; and that the persons signing this Lease on their behalf have due authorization to do so.

12.7 Use of Name, Logos or Marks.

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

12.8 Amendment.

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

12.9 Assignment and Mortgage.

Foundation shall not assign this Lease or any part hereof without the prior written consent of the LSU Representative, and any attempt of assignment without the prior written consent of the LSU Representative shall be null and void as to Board. Furthermore, Foundation may not mortgage or encumber its rights in or arising out of this Lease or any rights it has or might have in the Land, the Improvements or the Work without the prior written consent of the LSU Representative, and any attempt to mortgage or encumber without the prior written consent of the LSU Representative shall be null and void as to Board.

12.10 Books, Records and Audit.

The books, accounts and records of Foundation which pertain directly to the Work and construction of the Improvements shall be maintained at the principal office of Foundation.

Board may at its option and at its own expense during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of Foundation and its contractor(s) to the extent necessary to verify compliance with this Lease or insofar as said books, bank accounts, records and accounts directly relate to Foundation's performance of its obligations under this Lease. Audits may be made on either a continuous or periodic basis or both and may be conducted by employees of Board, by independent auditors retained by Board to conduct such audit, or by the Louisiana Legislative Auditor, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs of the Foundation.

12.11 Successors and Assigns.

All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of University or Board into another educational institution or governing body.

12.12 Notice of Lease.

Foundation agrees not to record this Lease. At the Foundation's request, the parties will execute a Notice of Lease for recording in the records of East Baton Rouge Parish, and the cost of recording will be borne by Foundation.

12.13 LSU Representative.

In addition to any other individuals specifically authorized in writing by the President of LSU System to act as the LSU Representative, the LSU Associate Vice President for Facility and Property Oversight is hereby authorized to act as the LSU Representative. It is

understood and agreed that the Board, its members, employees and agents including but not limited to the LSU Representative and the LSU Construction Monitor, shall owe no legal duty to or assume any liability or responsibility to any party as a result of or in connection with any consent, approval or review given or undertaken in connection with this Lease or the Work. No party shall infer, based on any consent, approval or review given or undertaken by the Board, its members, employees and agents including but not limited to the LSU Representative and the LSU Construction Monitor, agreement with or endorsement of the particular matter at issue; rather, such consent, approval or review shall only be deemed to indicate “no objection” to the particular matter at issue.

12.14 Oversight By Division of Administration Office of Facility Planning and Control (“OFPC”). Design and construction of the Improvements is subject to oversight by OFPC in accordance with La. R. S. 17:3361 (A) (2), and such oversight includes, but is not limited to (a) the right to review and approve plans and specifications prior to commencement of construction and to require changes to conform to Applicable Laws, including space and quality standards, and (b) the right to conduct periodic inspections during construction to ensure that all work is being performed in compliance with the OFPC approved Plans and Specifications.

12.15 Entire Agreement.

This Lease, together with the exhibits attached hereto, contain the final and entire agreement between the parties hereto with respect to the Land and contain all of the terms and conditions agreed upon with respect to the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Lease shall be deemed to exist or to bind the parties hereto; it

being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the dates indicated on the attached Acknowledgments.

WITNESSES:

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

By: _____
F. King Alexander
President of LSU

TIGER ATHLETIC FOUNDATION

By: _____
Richard B. Perry, President and CEO

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

ACKNOWLEDGMENT

BE IT KNOWN that on this ____ day of _____, 2019, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared F. King Alexander, appearing herein in his capacity as President of LSU, and appearing on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a public constitutional corporation organized and existing under the laws of the State of Louisiana, who, being by me first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing instrument on behalf of said corporation with full authority of its Board of Supervisors and that said instrument is the free act and deed of said corporation and was executed for the uses, purposes and benefits therein expressed.

IN TESTIMONY WHEREOF, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

F. King Alexander
President of LSU

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

ACKNOWLEDGMENT

BE IT KNOWN that on this ____ day of _____, 2019, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared Richard B. Perry, appearing herein in his capacity as President and Chief Executive Officer of Tiger Athletic Foundation, a charitable organization, who, being by me and first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing instrument on behalf of said corporation with full authority of its Board of Directors and that said instrument is the free act and deed of said Foundation and was executed for the uses, purposes and benefits therein expressed.

IN TESTIMONY WHEREOF, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

Richard B. Perry, President and CEO

NOTARY PUBLIC

EXHIBIT "A"
PROPERTY DESCRIPTION

That certain tract or parcel of land, and surrounding areas including improvements located thereon or related thereto, designated as **Football Practice Field No. 3 of the Charles McClendon Outdoor Practice Facility**, on the campus of Louisiana State University, located in Section 55, Township 7 South - Range 1 West, City of Baton Rouge, East Baton Rouge Parish, Louisiana, and being more particularly described as follows:

From a POINT OF BEGINNING being the southwest corner of the Indoor Football Practice Facility proceed South $0^{\circ}28'51''$ West a distance of 87.84' to a point and corner at the centerline of a drainage ditch; thence proceed North $81^{\circ}54'21''$ West along the centerline of the drainage ditch, a distance of 252.16' a point and corner; thence proceed North a distance of 552.68' to a point and corner; thence proceed East a distance of 241.51' to a point and corner at face of the LSU Football Operations Building; thence proceed southerly along the face of the Football Operations Building and Indoor Practice Facility to the POINT OF BEGINNING.

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

R.S. 9:2742

NOTICE OF LEASE

BE IT KNOWN, that as of the ____, day of _____ 2019, the undersigned parties made and entered into a "Lease Agreement for Replacement of Synthetic Turf and Construction of Related Improvements," pursuant to which Lessor, for good and valuable consideration, leased the land and improvements described herein to Lessee.

LESSOR'S NAME: BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE

LESSEE'S NAME: TIGER ATHLETIC FOUNDATION

LEASE TERM: Approximately December 15, 2019, and ending on approximately August 31, 2020, unless terminated earlier or extended in accordance with applicable lease terms.

DESCRIPTION OF LEASED PROPERTY: See, attached Exhibit "A".

SIGNED, this ____ day of _____, 2019.

WITNESSES:

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

BY: _____
Name:
Title:

WITNESSES:

TIGER ATHLETIC FOUNDATION

BY: _____
Richard B. Perry, President & CEO



Board of Supervisors

SECTIONS VI - VIII

MINUTES

BOARD OF SUPERVISORS MEETING | OCTOBER 25, 2019

MINUTES
AFFILIATED ORGANIZATION OVERSIGHT COMMITTEE
AUGUST 2, 2019

The meeting of the Affiliated Organization Oversight Committee of the Louisiana State University Board of Supervisors was called to order at the Pennington Biomedical Research Center in Baton Rouge on August 2, 2019.

The roll call reflected the following.

Present

Mr. Rémy V. Starns
Mr. Jack A. "Jay" Blossman, Jr.
Mr. B. Wayne Brown
Ms. Valencia Sarpy Jones
Mr. Lee Mallett
Mr. Robert "Bobby" Yarborough
Mr. Robert Dampf (entered immediately after roll call).

Absent:

Mr. Jimmie M. Woods, Sr.

Supervisors also in attendance were James M. Williams and Mary L. Werner. Also present were, LSU President F. King Alexander and external counsel Winston DeCuir, Jr.

Mr. Williams stated his intent that we are all together in trying to improve LSU.

Mr. Starns stated that he found the existing agreement wanting, and contracted with outside attorney to review and bring expertise. Mr. Starns previously met with Center for Internal Audit director and talked through some auditing comments. Presented the proposed changes and called this meeting. Mr. Starns introduced Mr. Winston DeCuir, Jr., and asked him to review the proposed changes to the affiliation agreement.

Mr. DeCuir stated that this board, as well as others he works for, want to affect the private status. None of the boards felt the University auditors should have access to affiliate records.

There is a proposal to place a Board member on the foundation boards as ex officio. The statute allows for a minority of board members to be public servants [R.S. 17:3390] without changing the status of the foundation, alter the private nature of records, or alter the conduct of the foundations.

DeCuir shared the Southern Association of Colleges & Schools Commission on Colleges (SACSCOC) requirements for foundations and the relationship to the institution should be written (Principle of accreditation 5.3A). The CEO of the institution is in charge of fundraising, and the University has some obligation to maintain control.

DeCuir provided a general index of changes:

- Amend Section 2.2 adds a Board of Supervisors member to affiliate board as ex officio
- Addition of Section 8.4 adds an MOU requirement for a multipurpose foundation.
- Addition of Section 9.4.3 which is a change to the "claw-back" provision to allow for University to take funds should the relationship ever be dissolved.

Mr. Starns shared that he received a document titled "Affiliate Comments, Concerns, and Questions on Proposed Uniform Affiliation Agreement," and sent it to Mr. DeCuir. (The document was compiled by Mr. Brad Jewell of the Pennington Biomedical Research Foundation in cooperation with some other affiliates.)

Mr. DeCuir spoke about a number of the points enumerated in the "Affiliate Comments, Concerns, and Questions on Proposed Uniform Affiliation Agreement," and addressed each of the points. DeCuir responded to several questions from Supervisors about best practices, the ethics code, and compliance.

Mr. Yarborough mentioned a possible effect on directors and officers insurance. DeCuir responded that past experience indicates no exclusion and no ethical problem by having Supervisors on the affiliate board. Mr. Jewell of the Pennington Biomedical Foundation provided comments collected by the numerous affiliates. Taking up the Supervisor ex officio appointee (Section 2.2), there is reportedly the potential of an insurance exclusion. There is a concern that the Supervisors represent a governing authority and their participation in a governing authority of another organization and there could be conflict.

Mr. David Hardy of Tiger Athletic Foundation provided public comment. In response to the Code of Ethics conversation, he felt that R.S. 17:3390 does not provide an exemption to the ethics code. Another interpretation of the statute is that it allows participation of a management board member, but not necessarily by appointment. Also, the affiliate board in R.S. 17:3390B(2) should be elected or appointed by the members of the organization; the proposal seems to counter the idea that another entity can appoint members to the affiliate board. Mr. Starns raised the point that an ex officio seat should not represent management or control of a board of directors.

Mr. Hardy also raised the issue of the ethics conflict by citing R.S. 42:1112 in which no public servant shall participate in a transaction in which his agency is involved. He stated a concern that a blanket issue on affiliates would require recusal of all Supervisors. He also stated that there is an inherent conflict of interest in serving on two boards as both boards require the full participation of its members, and that may be compromised if the member withheld information that could be useful to the other board.

Ms. LeuAnne Greco of LSU Foundation provided public comment. She wanted to add the concern about confidentiality of records.

Mr. Starns opened the discussion about 1.1 and the blank in the draft. Mr. Jewell stepped forward to respond by saying they did not want burdensome transactions as Section 1.1 would require approval of "all actions". DeCuir responded that the blank was meant for the affiliate to insert their purpose in their terms. Section 8.3.2 is meant to outline the responsibilities of each party in a major transaction. He suggested that it takes some reasonableness to know the significance.

Mr. Starns opened the discussion to 9.4.3, the "claw-back" provision. Mr. Williams suggested an amendment that when on termination of affiliate occurs, the affiliate would ask the donor their preference as to the direction of their money. Mr. Leo Hamilton of the LSU Alumni Association preliminarily agreed with amendment.

Mr. Starns stated that it was his intent to insert a diversity supplier requirement into the affiliate agreement. Mr. Starns publicly stated an amendment will be forthcoming and he would share in advance.

Motion to table proposal by Mr. Brown, seconded by Mr. Dampf. The motion passed without objection.

Mr. Starns called for the discussion of the Presidential Evaluation. There was a request for executive session based a personnel matter. Motion made by Mr. Blossman and seconded by Mr. Dampf, and with no objection, the committee entered into executive session.

Present during executive session were: Mr. Starns, Mr. Blossman, Mr. Brown, Mr. Dampf, Ms. Jones, Mr. Mallett, and Mr. Yarborough, which represented quorum. Mr. Williams and Mrs. Werner were present.

Executive session concluded by a motion by Mr. Dampf, seconded by Mr. Mallett, and was concluded without objections.

Mr. Starns moved to conclude the committee meeting. Without objection, the meeting was concluded.

MINUTES
BOARD OF SUPERVISORS MEETING
SEPTEMBER 12, 2019

Mr. James Williams, Chairman, called to order the Evaluation Meeting of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College in the Board Room of the University Administration Building at Louisiana State University in Baton Rouge on September 12, 2019.

The roll call reflected the following.

Present

Mr. James M. Williams
Mr. Jack A. "Jay" Blossman, Jr.
Mr. Richard Brazzel
Mr. B. Wayne Brown
Mr. R. Blake Chatelain
Mr. Robert S. Dampf
Mr. Lee Mallett
Mr. James W. Moore
Mr. J. Stephen Perry
Mr. Rémy Voisin Starns
Mr. Robert "Bobby" Yarborough

Absent

Mr. Ronnie Anderson
Mr. Glenn J. Armentor
Ms. Valencia Sarpy Jones
Ms. Mary L. Werner
Mr. Jimmie M. Woods, Sr.

Mr. Williams informed the audience that the Board was meeting on the evaluation of the President and other University personnel differently than it had been handled previously. Motion to Enter into executive session was made by Mr. Yarborough, and seconded by Mr. Blossman, and without objection the Board entered into executive session.

At the beginning of Executive Session, roll was called

Mr. James M. Williams
Mr. Jack A. "Jay" Blossman, Jr.
Mr. Richard Brazzel
Mr. B. Wayne Brown
Mr. R. Blake Chatelain
Mr. Robert S. Dampf
Mr. Lee Mallett
Mr. James W. Moore
Mr. J. Stephen Perry
Mr. Rémy Voisin Starns

Mr. Robert "Bobby" Yarborough

The Board exited executive session on the motion of Mr. Yarborough and seconded by Mr. Brown.

Mr. Williams announced that the Board has conducted a self-evaluation process that satisfies the principles of accreditation.

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SEPTEMBER 13, 2019

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MINUTES
REGULAR BOARD MEETING
SEPTEMBER 13, 2019

1. Call to Order and Roll Call

Mr. James Williams, Chairman, called to order the Regular Meeting of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College in the Board Room of the University Administration Building at Louisiana State University in Baton Rouge on September 13, 2019.

The office administrator called the roll.

Present:

Mr. James M. Williams, Chairman
Ms. Mary Werner, Chair-Elect
Mr. J. Stephen Perry, Past Chair
Mr. Ronnie Anderson
Mr. Glenn Armentor
Mr. Jack "Jay" A. Blossman, Jr.
Mr. Richard Brazzel
Mr. B. Wayne Brown
Mr. R. Blake Chatelain
Mr. Robert S. Dampf
Ms. Valencia Sarpy Jones
Mr. Lee Mallet
Mr. James M. Moore, Jr.
Mr. Rémy Voisin Starns
Mr. Jimmie Woods
Mr. Robert "Bobby" Yarborough

Absent:

There were no absent Board members.

Also present for the meeting were the following: Dr. F. King Alexander, President of LSU; Mr. Tom Skinner, General Counsel for LSU; LSU officers and administrators from their respective campuses; faculty representatives; interested citizens and representatives of the news media.

2. Invocation and Pledge of Allegiance

Alan "Kenny" Lee, a biochemistry senior, led the Pledge of Allegiance.

August Simien, a junior majoring in philosophy, delivered the invocation.

Both students delivered remarks about their experience as LSU students.

3. Public Comment

There was one individual registered for public comment. This individual was granted special permission to make remarks regarding a topic not on the meeting agenda.

Trent Angers remarked the basketball court at the Pete Maravich Assembly Center should be named after legendary LSU basketball coach, Dale Brown.

Motion from Mr. Armentor to ask the LSU Naming Committee to reexamine the item of naming the basketball court in honoring Dale Brown, and report back to the Board Chair in order to make a recommendation if the item should be added to the October Board meeting agenda. Motion was seconded by Mr. Yarborough.

Dr. Kim Hunter Reed, Commissioner of Higher Education, provided remarks to the Board.

4. Committee Meetings

The Board recessed the regular meeting to convene the committee meetings.

4.A. Academic & Research Committee

4.A.1. Request from Pennington Biomedical for Expansion of Mission to Include Treatment of Patients

Upon motion by Mr. Yarborough, seconded by Mr. Chatelain, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from Pennington Biomedical Research Center to expand its mission to include the treatment of patients, which will include the billing of third party insurance and government insurance programs.

4.A.2. Request from LSU A&M, Eunice, and Shreveport to Approve the Proposed Action Plans for Student Success in Gateway Courses

Upon motion by Mr. Chatelain, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the Action Plans for Student Success in Gateway Courses for LSU A&M, LSU Eunice, and LSU Shreveport.

4.A.3. Request from LSU Health Sciences Center – Shreveport to Establish the Doctorate of Philosophy in Rehabilitation Science

Upon motion by Mr. Chatelain, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish a Doctorate of Philosophy in Rehabilitation Science at LSU Health Sciences Center - Shreveport, subject to approval by the Louisiana Board of Regents.

4.A.4. Request from LSU Alexandria for a Letter of Intent for a Bachelor of Science in Computer Science

Upon motion by Mr. Chatelain, seconded by Mr. Brazzel, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the Letter of Intent to develop a proposal for a Bachelor of Science in Computer Science at LSU Alexandria, subject to approval by the Louisiana Board of Regents.

4.A.5. CONSENT AGENDA

- A. Request from LSU A&M to Name the Eastman Interdisciplinary Study Area
- B. Request from LSU Health Sciences Center - New Orleans to Reconfigure the Kenneth Ardoin/Pfizer Superchair into Two Distinct Endowed Chairs
- C. Request from LSU Eunice to Establish an Endowed Scholarship for Two-Year Workforce Scholarship

Upon motion by Mr. Yarborough, seconded by Mr. Chatelain, the Committee voted unanimously to approve the following resolutions:

NOW, THEREFORE, BE IT RESOLVED that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the student lounge areas in Room 1228 Patrick F. Taylor Hall the "Eastman Interdisciplinary Study Area".

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Health Sciences- New Orleans to reconfigure the Kenneth Ardoin/Pfizer Superchair in Basic Cardiovascular Research into two chairs:

- 1. Kenneth Ardoin/Pfizer Chair in Translational Biomedical Research
- 2. Kenneth Ardoin/Pfizer Chair in Basic Cardiovascular Research

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Eunice to establish the Crowley Rotary Club Endowed Scholarship; and

BE IT FURTHER RESOLVED that the President, as may be appropriate, is hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of the Crowley Rotary Club Endowed Scholarship.

4.B. Finance Committee

4.B.1. Request to Implement the LSU Supplier Diversity Program as a University Policy

Upon motion by Mr. Yarborough, seconded by Mr. Brazzel, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") affirms the goals and objectives of the Supplier Diversity Program ("Program") as wholly congruent with the values of the University and has determined that it should be University-wide policy ("Policy"); and,

BE IT FURTHER RESOLVED that the Board directs F. King Alexander, in his capacity as President of LSU, to implement the Program as Policy, and to take such steps as necessary to ensure its effective implementation at each LSU campus and entity; and,

BE IT FURTHER RESOLVED that the Board directs F. King Alexander, in his capacity as President of LSU, or his designee, to provide the Board with quarterly status reports on the Program.

4.B.2. Recommendation to Approve the FY 2019-2020 Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby approve the operating budget for the fiscal year ending June 30, 2020, providing:

- (a) Final approval and commitment authorization of funds for unrestricted educational and general, medical, and related expenses in the amount of \$1,059,809,225 for the campuses shown below.

LSU A&M
LSU Agricultural Center
LSU Alexandria
LSU Eunice
LSU Shreveport
LSU Health Sciences Center, New Orleans
LSU Health Sciences Center, Shreveport
LSU Pennington Biomedical Research Center
The Hospital and Central Office of the LSU Health Care Services Division

- (b) Commitment authorizations for auxiliary enterprises, grants and contracts, and other restricted funds estimated to be \$1,506,811,653.
- (c) Transactions included or referred to in the operating budget that otherwise require Board approval are not approved by mere inclusion in the operating budget.

BE IT FURTHER RESOLVED that each campus shall prepare a semi-annual financial report that is in accordance with a format approved by the President. The format of the report will include the following:

1. Budget and actual for unrestricted revenues by source of funds
2. Actual for unrestricted expenditures by object and by function
3. Beginning account balances and actual revenues and expenditures/transfers for restricted operations
4. Any significant changes in the budget that should be brought to the attention of the President and Board
5. An explanation of any significant reduction in anticipated revenues or significant increase in expenditures

Any subsequent modification to the reporting format will be approved by the President with notification to the Board.

4.B.3. Request from LSU Health Sciences Center New Orleans for Authorization to Waive Charges related to Interest and Late Fees for a Limited Number of Prior Students whose Student Loans were not Judiciously Billed and which Involves Several Prior Years

Upon motion by Mr. Moore, seconded by Ms. Werner, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of the Louisiana State University, or his designee, to waive past due interest and/or late fees due from prior students on a case-by-case basis, up to a cumulative amount not to exceed \$100,000, related to a limited number of campus-based student loans in repayment that were not judiciously billed primarily between 2001 and 2018 and;

BE IT FURTHER RESOLVED that F. King Alexander, President of the Louisiana State University, or his designee is duly authorized to reimburse prior students on a case-by-case basis who paid past due interest and/or late fees and to reimburse the respective lending programs as required for any past due interest and/or late fees that is waived on a case-by-case basis, up to a cumulative amount not to exceed \$100,000 and;

BE IT FURTHER RESOLVED that F. King Alexander, President of the Louisiana State University, or his designee, is duly authorized by and empowered for and on behalf of and in the name of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to implement these waivers and/or process reimbursements to students or lending programs for past due interest and/or late fees which will result in no expectation of revenue recognition or collection from said prior students.

4.B.4. Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to offer scholarships to each member of the Executive Council of the Student Government Association of LSU Shreveport in the amount of \$1,600 per semester term, excluding the summer semesters for a total of \$3,200 per academic year.

4.B.5. Request from LSU Shreveport to Increase the Total Scholarships Awarded per Athletic Team by \$15,000

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to increase the Athletic Scholarship offerings for each of its athletic teams: Men & Women's Basketball, Men and Women's Soccer, Baseball, and Tennis, by \$15,000 per team per academic year to be paid out of the Athletic Auxiliary Budget

4.B.6. Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to lower the requirements for the Shreveport Scholarship from a 24 ACT to a 22 ACT with no additional changes to the required grade point average.

- 4.B.7. Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to waive remaining tuition dollars after all institutional and federal aid has been calculated for students who show need as per the federal guidelines.

- 4.B.8. Request by LSU First Health Plan to Establish a Date for Prohibition of Certain Prescriptions

This item was withdrawn from the Finance Committee agenda by the committee chair, Mr. Chatelain.

4.C. Athletics Committee

- 4.C.1. Request from LSUE to Approve Employment Contract for Jaime Gonzales, Head Coach Women's Basketball

Upon motion by Mr. Anderson, seconded by Mr. Armentor, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Jaime Gonzales as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

- 4.C.2. Request from LSUE to Approve Employment Contract for Meghan Collins, Head Softball Coach

Upon motion by Mr. Anderson, seconded by Mr. Armentor, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Meghan Collins as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

- 4.C.3. Request from LSU A&M to Approve Employment Contract for Charles Winstead, Head Men's Golf Coach

Upon motion by Mr. Blossman, seconded by Mr. Dampf, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Charles Winstead as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

4.D. Property and Facilities Committee

4.D.1. KPMG Update on the University Operations and Facilities Assessment

The midstream update was presented by Dan Feitelberg, Principal of Higher Ed Practice.

4.D.2. Request for Approval of the FY 2020-21 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories for Louisiana State University

Upon motion by Mr. Chatelain, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that the following list of projects to be submitted to the Division of Administration in accordance with the provisions of La. R.S. 39:101 et seq. and first year prioritized project categories are approved and;

BE IT FURTHER RESOLVED, that F. King Alexander, Louisiana State University President, be and he is hereby authorized to make adjustments as necessary in this request as circumstances dictate, including technical corrections, increasing or decreasing the amount requested for individual projects by not more than twenty percent (20%) of the amount approved in this resolution, combining or renaming projects and/or changing sources of funds and to add self-generated projects with individual project costs of less than \$1 million without further approval by the Board, provided, however, that such project additions be reported to the Board.

BE IT FURTHER RESOLVED that transactions included or referred to in the capital outlay request that otherwise require Board approval are not approved by inclusion in the capital outlay request per Article VII, Section 2.A of the Bylaws.

4.D.3. Request from LSU Shreveport for Approval for the LSU Real Estate and Facilities Foundation to Acquire Existing On-Campus Housing

A motion was made by Mr. Brown, and it was seconded. The committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") authorizes F. King Alexander, in his capacity as President of LSU, to authorize, approve, and consent to the transfer of the LSU-Shreveport student housing complex known as University Court Apartments (the "Facilities") from Campus Living Villages to LSU Real Estate and Facilities Foundation ("REFF") or a special purpose entity created by it, and to include in such authorizations, approvals, and consents such terms and conditions as he deems to be in the best interests of LSU; and

BE IT FURTHER RESOLVED that the Board authorizes F. King Alexander, in his capacity as President of LSU, to execute and deliver a new ground lease, facilities lease, operating agreements, and other related agreements with REFF as necessary or appropriate for the operation and maintenance of the Facilities, with the understanding that such agreements will result in LSU-Shreveport becoming liable to make lease payments which will be used for the outstanding debt service payments on the existing loans related to the Facilities, and a new loan to be obtained by REFF for necessary capital repairs and improvements, and to include in such leases, loans, and other agreements such terms and conditions as he deems to be in the best interests of LSU; and

BE IT FURTHER RESOLVED that the Board authorizes counsel to the Board to make application to the Louisiana State Bond Commission on behalf of the Board for the approval of the facilities lease;

BE IT FURTHER RESOLVED that the Board, pursuant to the Uniform Affiliation Agreement between it and REFF, finds an acceptable University purpose for REFF to: (1) acquire the Facilities, (2) to enter into a new or amended ground lease, facilities lease, operating agreements, and any related or ancillary contracts and agreements reasonably necessary, and (3) to borrow additional sums to provide for renovations to the Facilities and legal, due diligence, and other costs associated with the acquisition; provided that the total amount borrowed by REFF to accomplish the transactions described herein shall not exceed \$5.5 million; and

BE IT FURTHER RESOLVED that any reference herein to REFF shall include any special purpose entity formed and controlled by REFF for the purpose of furthering this transaction.

4.D.4. Request from LSU A&M to Accept a Donation of Land for the Rural Life Museum

Upon motion by Mr. Brown, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to accept the donation of land from the Burden Foundation as described herein, with the act of donation to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in the best interests of LSU.

4.D.5. Request from LSU AgCenter to Approve a First Amendment to Ground Lease Agreement for Solar Energy Generation and a Servitude Agreement related thereto at Southeast Research Station, Washington Parish, Franklinton, Louisiana

Upon motion by Mr. Brown, seconded by Mr. Chatelain, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of Louisiana State University, or his designee, to execute a First Amendment to Ground Lease Agreement for Solar Energy Generation, a Servitude and Right-of-Way Agreement and Letter Agreement for Substation Servitude each being between the LSU Board of Supervisors and Iris Solar, LLC.

BE IT FURTHER RESOLVED that F. King Alexander, President of Louisiana State University, or his designee, is authorized by and empowered for and on behalf of and in the name of the LSU Board of Supervisors, in consultation with General Counsel, to include in the First Amendment to Ground Lease for Generation of Solar Energy, in the Servitude and Right-of-Way Agreement and in the Letter Agreement for Substation Servitude any and all provisions and stipulations that he may deem to be in the best interest of the LSU Board of Supervisors, and any such documents executed by F. King Alexander or his designee, shall conclusively be deemed as duly authorized by and acts of the LSU Board of Supervisors.

- 4.D.6. Request from LSU AgCenter and LSU A&M to Approve an ExxonMobil Pipeline Right of Way Iberville and East Baton Rouge Parishes, Louisiana

Upon motion by Mr. Chatelain, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to execute one or more servitude agreements as described herein with ExxonMobil Pipeline Company, with the agreements to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in LSU's best interests.

- 4.D.7. Request from LSU Agricultural Center to Approve a Lease of Mississippi Batture Property Central Research Station, East Baton Rouge Parish, Baton Rouge, Louisiana

Upon motion by Mr. Brown, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution. The lease terms are subject to Board approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President, Louisiana State University System, to execute lease agreement(s) with highest responsive and responsible bidder(s) for the purpose of generating revenue for the LSU AgCenter to be utilized to address budget issues and/or supplement other priority programs.

BE IT FURTHER RESOLVED that F. King Alexander, President, Louisiana State University System, or his designee, be hereby authorized by and empowered for and on behalf of and in the name of the Board of Supervisors, in consultation with General Counsel, to include in the lease any and all provisions and stipulations that he deems in the best interest of the Board of Supervisors.

- 4.D.8. Request from LSU A&M to Authorize the Board of Supervisors to Enter into a Mitigation Banking Contract with Spanish Lake Restoration, LLC

Presentation of data presented by Hampton Grunewald of the LSU AgCenter.

Upon motion by Mr. Chatelain, seconded by Mr. Starns, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Dr. F. King Alexander, President of the Louisiana State University, or his designee, acting on behalf and in the name of the Board, and in consultation with general counsel, to execute an agreement with Spanish Lake

Restoration, LLC as determined by a competitive bid and evaluation process, with all such agreements and documents as well as any subsequent amendments thereto, to contain the terms and conditions, that the President deems to be in the best interest of LSU.

- 4.D.9. Request from LSU AgCenter to Authorize the Board of Supervisors to Enter into a Contract with Bring the Wall to our Veterans, Inc. to Develop a Veterans Memorial Area in Washington Parish, Louisiana

Upon motion by Mr. Starns, seconded by Mr. Yarborough, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Dr. F. King Alexander, President of the Louisiana State University, or his designee, acting on behalf and in the name of the Board, and in consultation with general counsel, to execute an agreement with Bring the Wall to our Veterans, Inc. to Develop a Veterans Memorial Area in Washington Parish, Louisiana, with all such agreements and documents as well as any subsequent amendments thereto, to contain the terms and conditions, that the President deems to be in the best interest of LSU.

4.E. Affiliated Organization Oversight Committee

- 4.E.1. Discussion on Proposed Uniform Affiliated Agreement

Motion at the previous meeting on August 2 by Mr. Brown was passed to table discussion of the amendments to the uniform affiliate agreement. The committee chair, Mr. Starns called for a motion to remove the item from the table. Moved by Mr. Mallett, seconded by Mr. Yarborough.

Mr. Starns reported the status of the agreement will be an ongoing discussion for now, as the committee continues to meet with foundations and other interested parties and affiliates. It is suggested that the approval process will conclude at a future full Board meeting.

4.F. Ad Hoc Committee on Revenue

- 4.F.1. Report on Information Relate to Revenue Generation

Committee chair, Mr. Blossman, reported the administration and Athletics have proposed a solution for the short term to address the issue of not increasing student fees. He recommended the incoming Chair to continue the mission of the Ad Hoc Committee, as he believes there are revenue sources that could assist with a long term solution.

4.G. Healthcare and Medical Education Committee

- 4.G.1. Update on the Joint Venture Agreement between LSU Health Shreveport and Ochsner Health System

Presentation of data presented by Dr. Ghali Ghali, LSUHSC Shreveport Chancellor and Mr. Chuck Daigle, Ochsner LSU Health Shreveport CEO.

4.H. Legal Committee

- 4.H.1. Request to Authorize the President to Enter Litigation

The Board entered into executive session by motion from Ms. Werner, seconded by Mr. Brazzel.

Unanimous vote to end executive session. Motion to authorize the President to enter litigation by Ms. Werner, seconded by Mr. Armentor.

4.I. Audit Committee

The Audit Committee of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College was called to order in Conference Room 112 of the University Administration Building at Louisiana State University in Baton Rouge on September 13, 2019.

The roll called was recorded:

Mr. Lee Mallet, Chair
Ms. Mary L Werner, Vice Chair
Mr. Ronnie Anderson
Mr. Jay Blossman
Mr. Blake Chatelain
Mr. James W Moore, Jr
Mr. Jimmie M Woods
Mr. Rémy Voisin Starns

Also attending the meeting were Supervisors Mr. Brown, Mr. Dampf, Ms. Jones, and Mr. Yarborough. General Counsel Tom Skinner, Chad Brackin, and Dan Layzell were also in attendance.

Mr. Skinner provided a short summary of the hearing of the Legislative Auditor Advisory Council on the matter of the Louisiana Health Information Technology foundation which occurred on Sept. 12, 2019.

4.I.1. 4th Quarter Audit Summary

Mr. Chad Brackin presented the summary.

4.I.2. FY2019 Internal Audit Annual Report

Mr. Chad Brackin presented the annual report.

4.I.3. Revised Internal Audit Charter

As the item was being introduced, Mr. Williams, Mr. Perry, Mr. Armentor, and President Alexander entered the meeting. Brackin provided the overview. Upon question about the role of the Audit Committee and the President, Brackin offered a description of the proposed amendments explaining that "functional" meant substantive matters and "administrative" mean routine administrative approvals.

In general discussion, it was indicated that simultaneous information on significant audit issues should be distributed to the Audit Chair, Board Chair, and President simultaneously except when there is perceived misconduct by a senior administrative official. It was also agreed that compensation of the chief auditor should be established by the Board in consultation with the President.

Mr. Starns made a motion to adopt the discussed changes to the proposed audit charter to apply to the "LSU universe," and Mr. Blossman seconded the motion, which was adopted without objection.

Subsequent to the meeting, the amendments were reduced to writing and distributed to the Board prior to a vote to adopt the resolution. The Audit Charter as approved is entered into the minutes.

ATTACHMENT: Revised Draft of Audit Charter

Motion by Mr. Mallett to adjourn was adopted without objection.

5. Reconvene Board Meeting

After the adjournment of the Committee Meetings, the Regular Board Meeting was called back to order. The roll call was recorded:

Present:

Mr. James M. Williams, Chairman
Ms. Mary Werner, Chair-Elect
Mr. J. Stephen Perry, Past Chair
Mr. Ronnie Anderson
Mr. Glenn Armentor
Mr. Jack "Jay" A. Blossman, Jr.
Mr. Richard Brazzel
Mr. B. Wayne Brown
Mr. R. Blake Chatelain
Mr. Robert S. Dampf
Ms. Valencia Sarpy Jones
Mr. Lee Mallet
Mr. James M. Moore, Jr.
Mr. Rémy Voisin Starns
Mr. Jimmie Woods
Mr. Robert "Bobby" Yarborough

Absent:

There were no absent Board members.

6. Approval of the Minutes of the Board Meeting held on June 28, 2019

Upon motion by Mr. Yarborough, seconded by Mr. Chatelain, the Board voted unanimously to approve the minutes of the Board meeting held on June 28, 2019.

7. Chair's Report

Mr. Williams expressed his sincerest appreciation to various individuals.

Mr. Williams congratulated the 4-H shooting sports team on their national title.

Mr. Williams shared a letter from one of his scholarship recipients.

Mr. Williams recounted a review of his year as Chairman.

8. Election of Chair-Elect for 2019-2020 and Administration of Oath

The Chairman called for nominations for Chair-Elect. Mr. Brown nominated Mr. Dampf for the position. His nomination was seconded by Mr. Mallett. There were no other nominations. Motion by Mr. Armentor to close nomination and seconded by Mr. Chatelain. With no objection, Mr. Dampf was pronounced as the 2019-2020 Chair-Elect.

Mr. Dampf was administered the Oath of Office by Mr. Armentor.

9. Oath of Office for Board Chair for 2019-2020

Chief Judge Ulysses Gene Thibodaux of the Louisiana 3rd Circuit Court of Appeals administered the Oath of Office to Ms. Mary Werner.

Ms. Werner presented a resolution to Mr. Williams for his service as the 2018-2019 Chair.

The Board voted unanimously to approve the following resolution.

WHEREAS, James M. Williams assumed the chairmanship of the Louisiana State University Board of Supervisors in September 2018, making him the first African American alumnus of LSU to serve as the chair of the LSU Board; and

WHEREAS, Mr. Williams demonstrated his commitment to the recruitment of qualified students who may have been overlooked by traditional measures and those who may have higher financial barriers, but who are capable of university level work; and

WHEREAS, Mr. Williams oversaw both the enrollment and graduation of record-breaking classes in terms of number, diversity and academic achievement during his time as chair;

WHEREAS, Mr. Williams ensured that LSU's interests were served by expanding the pool of qualified vendors and contractors, thus initiating the diversity supplier program and garnering the support of his Board colleagues; and

WHEREAS, Mr. Williams presided over the Board during a time that saw the approval of numerous publicly and privately funded projects that helped campus communities across the state, and allowed the initial developmental concepts of the Big Charity Redevelopment with the hopes of reviving an integral part of New Orleans; and

WHEREAS, Mr. Williams sought to connect LSU to communities that it had never engaged before, most notably the Krewe of Zulu Mardi Gras Parade, which served as a strong indicator that LSU wants to be a part of New Orleans culture; and

WHEREAS, Mr. Williams oversaw the reconfiguration of the LSU Health Sciences Center Shreveport's hospital partnerships in Shreveport and Monroe with the mission of improving education for health professionals and patient care for citizens in those areas; and

WHEREAS, Mr. Williams chaired the Board during the public launch of the Fierce for the Future Capital Campaign, LSU's first university-wide fundraising campaign, and having an ambitious goal of raising \$1.5 billion across all campuses; and,

WHEREAS, Mr. Williams believed that the higher education boards should work more collaboratively and sought to build personal ties and connections to members of other boards; and,

WHEREAS, it will never be accurately recorded or estimated the number of hours Mr. Williams gave of his personal time and attentions for the benefit of the university on a broad range of matters; and,

NOW THEREFORE BE IT RESOLVED, Mr. Williams' colleagues on the LSU Board of Supervisors wish to thank him for his leadership, service, time, dedication, and talents to serve Louisiana State University;

THEREFORE BE IT FURTHER RESOLVED, LSU is grateful to Elizabeth and their children for their sacrifice of Mr. Williams' time to serve our grateful university.

10. Committee Reports

A motion was made by Mr. Chatelain, seconded by Mr. Anderson, to approve the Committee resolutions there were recommended by the Committees. The Board voted unanimously to approve all Committee recommendations.

11. Personnel Actions Requiring Board Approval

Ms. Werner asked to move into executive session to discuss a personnel matter. Motion by Mr. Yarborough, seconded by Mr. Moore.

Motion by Mr. Moore to end executive session. Seconded by Mr. Yarborough.

Motion to approve personnel action by Mr. Yarborough and seconded by Mr. Anderson.

12. Reports from Council of Staff Advisors and Council of Faculty Advisors

Ashley Gautreaux, HR Director of the LSU AgCenter and newly-appointed Chairperson for the Staff Advisory Committee, delivered the staff report. Dr. John Vanchiere, of the LSU Health Sciences Center in Shreveport, delivered the report for the Faculty Advisors.

13. President's Report

Dr. Alexander reported LSU's enrollment has now surpassed 50,000. He thanked the chancellors for their leadership.

Dr. Alexander reported on the "Fierce for the Future" campaign benchmarks and campus fundraising initiatives.

Dr. Alexander reported the administration plans to phase out the Excellence Fee for graduate students over the next two years.

Dr. Alexander reported on the impact of the LIGO Research.

Dr. Alexander reported on the salary of LSU graduates, which is ranked nationally among flagship universities.

14. Reports to the Board

Upon motion of Mr. Williams, seconded by Mr. Anderson, the Board voted unanimously to approve the following reports to the Board:

1. 4th Quarter Informational Board Report
2. FY19 4th Quarter Consolidated Investment Report
3. FY19 Semi-Annual Financial Report for the period ending June 30, 2019

Upon motion of Mr. Moore, seconded by Mr. Yarborough, the Board voted unanimously to amend the Board meeting dates.

1. Revised 2019-20 Board Meeting Dates

15. Adjournment

Ms. Werner asked for a motion to adjourn with no further business before the Board.

Upon motion by Mr. Brazzel, seconded by Mr. Yarborough, the meeting was adjourned.



Board of Supervisors

SECTION IX

PERSONNEL ACTIONS REQUIRING BOARD APPROVAL

Personnel Actions Requiring Board Approval
per PM-69

October 25, 2019

Personnel Actions Requiring Board Approval per PM-69
October 25, 2019

LSU at Alexandria
Appointments

<u>Name</u>	<u>Title</u>	<u>Effective Date</u>	<u>Compensation</u>
Paul Coreil	Chancellor ¹	10/25/2019	\$235,000

Note: Dr. Coreil will also receive a housing allowance of \$24,000 per year and a car allowance of \$12,000 per year.

LSU at Shreveport
Contract Extensions

<u>Name</u>	<u>Title</u>	<u>Current End Date</u>	<u>Proposed End Date</u>
Ghali E. Ghali	Chancellor	12/31/2019	12/31/2020

Note: The terms and conditions of Dr. Ghali's initial agreement will remain the same and he will serve at the same level of compensation.

¹ Dr. Coreil was appointed Interim Chancellor of LSU at Alexandria (LSUA) effective June 1, 2019 at the compensation level noted above. Under this proposed action, the "Interim" title is removed and he will serve at the same level of compensation.



Board of Supervisors

SECTION XII

REPORTS TO THE BOARD



Finance Committee
Fall 2019 Enrollment

Written Report Only

To: Members of the Board of Supervisors

Date: October 25, 2019

The following is a summary report that compares Fall 2018 enrollment to Fall 2019 enrollment. Additional details are included in Table 1 attached to this report.

LSU A & M:

- The number of new first-time freshmen increased. Fall 2018 (5,812) and Fall 2019 (6,132)
- Total undergraduate headcount increased. Fall 2018 (25,363) and Fall 2019 (25,920)
- The number of graduate students enrolled increased. Fall 2018 (4,622) and Fall 2019 (4,794)
- The number of professional students enrolled increased. Fall 2018 (435) and Fall 2019 (466)
- The number of law students enrolled increased. Fall 2018 (567) and Fall 2019 (581)
- Total headcount enrollment increased. Fall 2018 (30,987) and Fall 2019 (31,761)
- The number of freshmen applications increased. Fall 2018 (24,270) and Fall 2019 (24,509)
- First to second year retention decreased. Fall 2018 (83.7% for Class of 2017) and Fall 2019 (83.0% for Class of 2018)

LSU Alexandria:

- The number of new first-time freshmen increased. Fall 2018 (461) and Fall 2019 (468)
- Total undergraduate headcount increased. Fall 2018 (3,164) and Fall 2019 (3,280)
- The number of freshmen applications decreased. Fall 2018 (1,128) and Fall 2019 (1,118)
- First to second year retention increased. Fall 2018 (58.42% for Class of 2017) and Fall 2019 (58.60% for Class of 2018)

LSU Eunice:

- The number of new first-time freshmen decreased. Fall 2018 (920) and Fall 2019 (784)
- Total undergraduate headcount decreased. Fall 2018 (3,232) and Fall 2019 (2,989)
- The number of freshmen applications decreased. Fall 2018 (1,867) and Fall 2019 (1,579)
- First to second year retention decreased. Fall 2018 (53.77% for Class of 2017) and Fall 2019 (50.13% for Class of 2018)

LSU Shreveport:

- The number of new first-time freshmen increased. Fall 2018 (293) and Fall 2019 (337)
- Total undergraduate headcount increased. Fall 2018 (2,527) and Fall 2019 (2,592)
- Total graduate headcount increased. Fall 2018 (4,354) and Fall 2019 (5,926). A 36.10% increase
- Total headcount enrollment increased. Fall 2018 (6,881) and Fall 2019 (8,518). A 23% increase
- The number of freshmen applications increased. Fall 2018 (1,000) and Fall 2019 (1,048)
- First to second year retention increased. Fall 2018 (64.60% for Class of 2017) and Fall 2019 (66.07% for Class of 2018). A 2.28% increase

LSU Health Sciences Center New Orleans:

- Total headcount enrollment decreased. Fall 2018 (2,808) and Fall 2019 2,804)

LSU Health Sciences Center Shreveport:

- Total headcount enrollment increased. Fall 2018 (890) and Fall 2019 (939)

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Capital Improvements Projects above \$175,000

Updated October 4, 2019

2019-2020		AMOUNT APPROVED	FUNDS SOURCE	APPROVED BY	APPROVAL DATE
LSU	East Campus Apartments Building #4 Roof Repairs	\$265,320	Auxiliary Funds	Exec. VP Layzell	09/06/19
	Subtotal LSU	\$265,320			
HSCNO	Allied Health/School of Nursing (AHSON) 7th & 8th Floor Restroom Renovations	\$395,000	Operational Funds	Exec. VP Layzell	07/15/19
	Subtotal HSCNO	\$395,000			
TOTAL CAPITAL PROJECTS APPROVALS 2018-2019		\$660,320			
2018-2019		AMOUNT APPROVED	FUNDS SOURCE	APPROVED BY	APPROVAL DATE
LSU	Foster Hall Renovations	\$470,000	Other Ancillary Self-Generated Revenues	Exec. VP Layzell	07/10/18
	Hill Memorial Library Roof Replacement	\$490,000	Ancillary Self-Generated Revenues	Exec. VP Layzell	09/27/18
	Louisiana Animal Disease Diagnostic Laboratory 2nd Floor Lab Addition	\$633,600	School of Vet. Med. Self-Generated Revenue	Exec. VP Layzell	09/20/18
	Military Science Building Roof Replacement	\$860,000	Ancillary Self-Generated Revenues	Exec. VP Layzell	09/27/18
	PERTT Facility Building Repairs-Roof Replacement	\$337,733	Operational Funds	Exec. VP Layzell	12/14/18
	East Campus Apartments Building #9 Roof Repairs	\$265,320	Auxiliary Funds	Exec. VP Layzell	05/07/19
	School of Veterinary Medicine Toilet Room Renovations (1204-1206, 1406-11216)	\$301,962	Self-Generated Revenue	Exec. VP Layzell	05/07/19
	PMAC AHU 9 Replacement-Volleyball	\$490,000	Auxiliary Funds	Exec. VP Layzell	05/03/19
	Pleasant Hall Renovation	\$490,000	Operational Funds	Exec. VP Layzell	10/25/18
	Pleasant Hall Renovation Budget Increase	\$118,000	Additional Operational Funds	Board of Regents	03/04/19
	Student Health Center Subsurface Drainage Installation	\$360,000	Auxiliary Funds	Exec. VP Layzell	09/20/18
	Subtotal LSU	\$4,816,615			
AgCenter	Burden Museum & Gardens New Entrance Road	\$450,000	1/3 Burden Foundation, 1/3 AgCenter, 1/3 LSU	Exec. VP Layzell	01/10/19
	Subtotal AgCenter	\$450,000		Exec. VP Layzell	
HSCNO	MEB 3rd Floor Audio-Visual Training Center	\$350,000	Self-Generated Revenues	Exec. VP Layzell	03/27/19
	Clinical Sciences and Research Building (CSRB) Lab Renovation 4th Floor	\$450,000	Indirect Fee Grant	Exec. VP Layzell	06/24/19
	Clinical Sciences and Research Building (CSRB) Purchase of Replacement AHUs	\$395,000	Self-Generated Revenues	Exec. VP Layzell	06/24/19
	Subtotal HSCNO	\$350,000			
LSUE	Acadian Hall Kitchen Renovation	\$456,986	Auxiliary Revenues	Exec. VP Layzell	03/11/19
	Subtotal LSUE	\$456,986			
LSUS	Cyber Collaboratory	\$450,000	Self-Generated (Student Tuition & Fee Revenues)	Exec. VP Layzell	08/21/18
	Business Education Building 3rd Floor Renovation	\$237,450	Self-Generated (Student Tuition & Fee Revenues)	Exec. VP Layzell	03/27/19
	New Soccer Building	\$449,500	Auxiliary Funds (Student Athletic Fee)	Exec. VP Layzell	04/03/19
	Student Veteran Resource Center	\$200,000	Self-Generated (Student Tuition & Fee Revenues)	Exec. VP Layzell	07/31/18
	Subtotal LSUS	\$1,336,950			
TOTAL CAPITAL PROJECTS APPROVALS 2018-2019		\$7,410,551			

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Capital Improvements Projects above \$175,000

Updated October 4, 2019

	2017-2018		AMOUNT APPROVED	FUNDS SOURCE	APPROVED BY	APPROVAL DATE
LSU	Alex Box Seating Bowl Waterproofing Budget Increase (original approval \$300,000)		\$436,700	Auxiliary Funds	Exec. VP Layzell	06/20/17
	Bernie Moore Track Pavilion		\$365,000	Auxiliary Funds	Exec. VP Layzell	05/15/17
	Choppin Hall 2nd Floor Laboratory Renovation		\$300,000	Self Generated Revenues & Operational Funds	Exec. VP Layzell	12/05/17
	Cub Complex Baseball Field Lighting		\$400,000	Auxiliary Funds	Exec. VP Layzell	11/28/17
	Dodson Hall HVAC Replacement		\$483,033	Auxiliary Funds	Exec. VP Layzell	03/26/18
	Enverinmental Test Chamber for Construction Management		\$225,000	Other- Departmental & Grant Funding	Exec. VP Layzell	12/18/17
	Football Operations Practice Field Video Tower Foundations		\$175,000	Auxiliary Funds	Exec. VP Layzell	11/28/17
	Natatorium Toilet Suite Renovations		\$300,000	Auxiliary Funds	Exec. VP Layzell	08/10/17
	Natatorium Toilet Suite Renovations budget increase		\$369,950	Auxiliary Funds	Exec. VP Layzell	08/17/17
	Open Jet Facility		\$255,750	Operational Funds	Exec. VP Layzell	02/19/18
	School of Veterinary Medicine budget increase from \$725,000 to \$851,000		\$851,000	Other- School of Vet. Med. cash reserve funds	Board of Regents	06/06/18
	Tiger Stadium Field Improvements 2017		\$400,000	Auxiliary Funds	Exec. VP Layzell	02/19/17
	Tiger Stadium East Renovations for Concessions		\$458,570	Auxiliary Funds	Exec. VP Layzell	06/20/17
	Vet Med Annex 193A Cage Washer Room Renovations		\$275,000	Operational Funds	Exec. VP Layzell	02/19/17
	Welcome Center Renovations		\$350,000	Operational Funds	Exec. VP Layzell	08/11/17
		Subtotal LSU	\$5,645,003			
AgCenter	Audubon Sugar Institute Roof Replacement		\$496,830	Other-LSU Ancillary Self-Generated Revenue	Exec. VP Layzell	05/08/18
	Equipment Storage Building- Rice Research Building		\$300,000	Other- Rice Research Board Grant	Exec. VP Layzell	11/19/17
	Rice Mill Equipment Installation		\$200,000	Technology Funds	Exec. VP Layzell	03/26/18
	Warehouse Renovations for Food Incubator Bottline Line		\$495,000	Self-Generated Funds	Exec. VP Layzell	09/07/17
		Subtotal AgCenter	\$1,491,830		Exec. VP Layzell	11/20/17
HSCNO	AHSON 3rd & 4th Floor Renovation		\$350,000	Operational Funds	Exec. VP Layzell	10/25/17
	Human Development Center Infant Room Renovation		\$250,000	Self- Generated Funds- Unrestricted Funds	Exec. VP Layzell	10/25/17
	Seton Building Entrance Lobby Renovation		\$350,000	Self- Generated Funds- Unrestricted Funds	Exec. VP Layzell	11/28/17
	Seton Building 2nd Floor Office Renovation- ULL Pharmacy		\$285,000	Self- Generated Funds- Unrestricted Funds	Exec. VP Layzell	02/26/18
	Seton Building 1st Floor Office Renovation		\$478,125	Self- Generated Funds- Unrestricted Funds	Exec. VP Layzell	10/25/17
		Subtotal HSCNO	\$1,713,125			
HSCS	Medical School Educational Space Renovations Phase II		\$350,000	Wise Funding	Exec. VP Layzell	01/22/18
	Medical School Educational Space Renovations Phase I increase scope		\$495,000	Self- Generated Funds- Unrestricted Funds	Exec. VP Layzell	10/25/17
		Subtotal HSCS	\$845,000			
LSUS	HPE Roof Replacement		\$948,000	Self- Generated Funds- from MBA Prgam, BOR Emergency Funds, and BOR Other DM Funds	Exec. VP Layzell	03/01/18
		Subtotal LSUS	\$948,000			
TOTAL CAPITAL PROJECTS APPROVALS 2017-2018			\$9,797,958			

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Design Contracts

Updated October 4, 2019

	2019-2020 Design Contracts		Designer Fee	Reimbursables or other fees	Revised Total	Designer	Approved by	Approval Date
LSU A&M	Honors College Site Plan Schematic Design		\$44,000	\$5,000	\$49,000	Tipton Associates	AVP Danny Mahaffey	08/28/19
	Williams Hall 3rd Floor Lab Renovation		\$31,681	\$500	\$32,181	Mougeot Architecture	AVP Danny Mahaffey	09/12/19
		Subtotal	\$75,681	\$5,500	\$81,181			
LSU A&M	Innovation Park Roadway Improvements Project		\$1,664,371	\$0	\$1,664,371	Professional Engineering Consultants Corp.	Architect Selection Board	09/17/19
		Subtotal	\$1,664,371	\$0	\$1,664,371			
		Total LSU A&M	\$1,740,052	\$5,500	\$1,745,552			
HSCNO	AHSON 7th & 8th Floor Restroom Renovation		\$16,600	1.10 x actual	\$16,600	Mathes Brierre Architects	AVP Mahaffey	07/10/19
		Total HSCNO	\$16,600		\$16,600			
HSCS	Center for Medical Education and Wellness		\$1,862,920	\$0			Architect Selection Board	
		Total HSCNO	\$1,862,920	\$0	\$0			
LSUS	Preliminary Design Scope-Estimate Bike Path & Running Path		\$14,700		\$14,700	Sutton Beebe Babin/Aillet, Fenner, Jolly McClelland, Inc.	AVP Mahaffey	08/26/19
		Total LSUS	\$14,700	\$0	\$14,700			
PBRC	Reroof Comparative Biology, Utilities & Central Store		\$64,608		\$64,608	Post Architects, LLS	Architect Selection Board	09/10/19
		Total LSUS	\$64,608	\$0	\$64,608			
TOTAL ALL CAMPUSES 2019-2020			\$3,698,880	\$5,500	\$1,841,460			

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Design Contracts

Updated October 4, 2019

	2018-2019 Design Contracts	Designer Fee	Reimbursables or other fees	Revised Total	Designer	Approved by	Approval Date	
LSU A&M	Choppin Hall 7th Floor Lab Renovation	\$14,707	\$500	\$15,207	Mougeot Architecture	AVP Danny Mahaffey	06/17/19	
	Design Building Skylight Replacement	\$78,798	\$4,700		Post Architects	AVP Danny Mahaffey	07/12/18	
	Hatcher Hall Exterior Skin Upgrades	\$42,104	\$1,500		GD Architecture	AVP Danny Mahaffey	03/18/19	
	Lab School Entry Project	\$24,547	\$2,500		Tipton Assoc.	AVP Danny Mahaffey	12/13/18	
	Nicholson Hall Roof Replacement	\$41,595		\$41,595	Jerry M. Campbell & Associates	AVP Danny Mahaffey	04/30/19	
	PMAC Volleyball HVAC Replacement	\$33,916	\$9,306		Henry C. Eyre, Jr. PE, Inc.	AVP Danny Mahaffey	04/16/19	
	Roosevelt Apartments Abatement & Demolition	\$10,412	\$14,773	\$25,185	Wynn White Consulting Engineers	AVP Danny Mahaffey	05/28/19	
	Student Health Moisture Issues	\$39,691	\$9,300		Wynn White Consulting Engineers	AVP Danny Mahaffey	09/19/18	
	Student Union Tiger Card Office Renovation	\$22,706	\$2,000		GraceHebert Architects	AVP Danny Mahaffey	02/12/19	
	University Stores Renovations for Parking & Transportation	\$41,595	\$500	\$42,095	Jerry M. Campbell & Associates	AVP Danny Mahaffey	05/28/19	
	Vet School Master Plan Proposal	\$40,000	Actual Cost		Tipton Assoc.	AVP Danny Mahaffey	09/19/18	
	Vet School Toilet Room Renovation at 2 1st Floor Student Locker Rooms	\$34,026	\$1,000		Bradley-Blewster Assoc.	AVP Danny Mahaffey	01/23/19	
		Subtotal	\$424,098	\$46,079	\$124,083			
	LSU A&M	HP Long Field House Renovations	\$1,664,371			Remson Aley Herpin Architects/ Tipton Assoc.	Architect Selection Board	11/27/18
La. Animal Disease Diagnostic Laboratory (LADDL) 2nd Floor Lab Addition		\$40,495			GD Architecture	Architect Selection Board	11/27/18	
		Subtotal	\$1,704,866	\$0	\$0			
	Total LSU A&M	\$2,128,964	\$46,079	\$124,083				
AgCenter	Efferson Hall Conference Room Renovation	\$10,438	\$500	\$10,938	Domain Architecture	AVP Mahaffey	07/12/18	
		Total AgCenter	\$10,438	\$500	\$10,938			
HSCNO	CSRB 4th Floor Renovations	\$25,550	1.10 x actual	\$25,550	Mathes Brierre Architects	AVP Mahaffey	06/24/19	
		Total HSCS	\$25,550	\$25,550				
HSCS	Medical School B-Building HVAC Replacement	\$284,231			John J. Guth Assoc.	Engineer Selection Board	11/27/18	
		Total HSCS	\$284,231	\$0	\$0			
LSUS	Technology Center Cyber Collaboratory Project	\$42,671	\$4,500		Sutton Beebe Babin Architects	AVP Mahaffey	09/21/18	
	Veterans Resource Center	\$20,397	\$0	\$0	Sutton Beebe Babin Architects	AVP Mahaffey	08/20/10	
		Total LSUS	\$63,068	\$4,500	\$0			
TOTAL ALL CAMPUSES 2018-2019		\$2,486,701	\$51,079	\$135,021				

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Design Contracts

Updated October 4, 2019

	2017-2018 Design Contracts	Designer Fee	Reimbursables or other fees	Revised Total	Designer	Approved by	Approval Date	
LSU A&M	Central Plant CW Piping Assessment & Repair	\$35,029			Infinity Engineering Consultants	AVP Danny Mahaffey	03/19/18	
	College of Science Program Refinement	\$39,400	\$1,500		Holly & Smith Architects	AVP Danny Mahaffey	02/14/18	
	Dodson Hall HVAC Bidding through CA	\$19,897			Jerry M. Campbell & Assoc.	AVP Danny Mahaffey	03/15/18	
	Open Jet Proposal (Old River Model Facility)	\$13,661			Forte Tablada	AVP Danny Mahaffey	7/17/2017	
	PERTT Building Phase I Repairs	\$42,753	\$500		Neal Johnson	AVP Danny Mahaffey	05/18/18	
	South Stadium Drive Sewer Improvements	\$27,364	\$11,950		Boyd Holmes Engineering	AVP Danny Mahaffey	08/17/17	
	SVM La. Animal Disease Diagnostic Laboratory (LADDL) 2nd Floor Lab	\$39,246	\$1,000		Foil Wyatt	AVP Danny Mahaffey	08/23/17	
	Student Union Interior	\$19,492			GraceHebert Architects, APAC	AVP Danny Mahaffey	06/15/18	
	Tiger Stadium Concession Additional Design Services	\$22,000			Nesbit & Assoc.	AVP Danny Mahaffey	01/23/18	
	Tiger Stadium South Stadium Rail Replacement	\$42,307			Wardlaw & Lasseigne	AVP Danny Mahaffey	04/04/18	
	University Administration Building Boardroom Lighting Upgrades	\$13,000			AST Engineers	AVP Danny Mahaffey	10/17/17	
	University High Baseball Field Lighting Project	\$35,320			Nesbit & Assoc.	AVP Danny Mahaffey	10/27/17	
	University Lab School Foundation/Lounge Space	\$15,238	\$1,500		Tipton Assoc.	AVP Danny Mahaffey	09/13/17	
		Subtotal	\$364,707	\$16,450	\$0			
	Design Building Skylight	\$78,798			Post Architects	Architect Selection Board	06/06/18	
	Hebert Law Center Roof Replacement	\$41,981			BE-CI, Inc. & Neal Johnson, AJV	Architect Selection Board	09/28/17	
	Memorial Tower Renovations	\$382,941			Jerry M. Campbell & Assoc., APAC	Architect Selection Board	09/28/17	
	Stephenson Veterinary Hospital	\$607,315			Tipton Assoc. APAC in Association with Architect 449	Architect Selection Board	09/28/17	
	Tiger Stadium Field and Drainage Replacement	\$141,954			Manchac Consulting Groups	Engineer Selection Board	07/27/17	
	Subtotal	\$1,174,191	\$0	\$0				
	Total LSU A&M	\$1,538,898	\$16,450	\$0				
AgCenter	Audubon Sugar Institute Roof Replacement	\$51,383		\$0	Jerry M. Campbell & Assoc.	AVP Mahaffey	07/24/17	
	Burden Museum and Gardens Urban Farm Proposal	\$17,750	\$750	\$0	Suzanne Turner & Assoc.	AVP Mahaffey	07/10/17	
	Animal & Food Science Laboratory Shaka Retort & Steam Generator for Lab 100	\$11,668			Henry C. Eyre, Jr., P.E.	AVP Mahaffey	12/18/17	
	Total AgCenter	\$80,801	\$750	\$0				
HCS D	Lallie Kemp Medical Center Chiller Plant Upgrade	\$44,365	\$0	\$0	Howell Consultants	AVP Mahaffey	10/26/17	
	Total Lallie Kemp	\$44,365	\$0	\$0				
LSUE	Library Renovations for New Testing Center	\$13,500	\$1,500	\$0	The Sellers Group	AVP Mahaffey	11/15/17	
	Total LSUE	\$13,500	\$1,500	\$15,000				
LSUS	Replace Roof, Health & Physical Education Building	\$57,424	\$0	\$0	Sutton Beebe Babin Architects	Architect Selection Board	06/06/18	
	Total LSUS	\$57,424	\$0	\$0				
TOTAL ALL CAMPUSES 2017-2018		\$1,734,988	\$18,700	\$15,000				

2013-2014	
LSU A&M	
	Alex Box Stadium Grandstand Canopy Bird Control System- Misc. Items
	Allen Hall Building Elevator Installation
	Choppin Hall-Williams Emergency Power Modifications
	Dalrymple Drive Roundabout Reapproval
	Department Relocation
	Design Building Skylight
	Duemite Room Renovations
	Engineering Shops HVAC Replacement
	Faculty Club Hotel Guestroom Renovation
	Faculty Club Renovation, Furniture, Fixtures & Equipment
	Firemen Training Center New laundry Building
	Geology Field Camp- 3 projects
	Greenhouse Program
	Library Master Planning and Feasibility Study Services
	Nicholson Hall Window and Door Replacement
	Parking Study Update
	Parking Study Update- Revised Scope
	School of Veterinary Medicine Facility Planning and Programming
	Small Animal Clinic Admissions Asbestos Removal added to existing project
	Stucco Repair LSU Campus Main Quad
	Temporary Gym Floor and Office Relocation
	U-High Bleacher & Press Box Addition
	U-High Football Field Re-Lighting AST 13-06-5 Revised Scope Fee Proposal
	Vet School Primary Care Clinic Modular Building Study
	Burden- Visitors Center and Outreach Facility Program Completion Renderings
	Tree House at Woodland Garden Schematic Design Burden Center
	Warehouse for Food Incubator
	Subtotal LSU A&M
	Total All Campuses 2013-2014

(Contracts are with the State of Louisiana)

2013-2014	
LSU A&M	
	Choppin Hall Annex, Fifth Floor Build-Out
	Evangeline Hall Renovation
	New Greek House

Patrick Taylor Hall Renovation, Planning and Contraction
Renovation and Addition Press Building
Reroof CAMD and Office Building 1
Roof Replacement Student Health Center
Subtotal LSU A&M
LSU Health Care Services Division
Air Handler Replacement University Hospital & Clinics Lafayette General Health
Demolition of Earl K. Long Hospital Facility
New Emergency Generator and Chillers
Replacement of Air Handlers & Chillers, W.O. Moss Memorial Health Clinic
Subtotal LSU Health Care Services Division
LSU Health New Orleans
Renovations Dental School Simulation Lab and Pre-Clinical Teaching Lab
Subtotal LSU Health New Orleans
LSU Health Shreveport
Boiler Replacement
Inpatient Critical Care Renovation
Subtotal LSU Health Shreveport
Total All Campuses 2013-2014

Designer Fee	Reimbursables or other fees	Revised Designer Fee	Designer
\$27,179			GraceHebert Architects
\$52,444	\$7,500		Remson Haley Herpin Architects
\$12,821	\$500		Assaf, Simoneaux, Tauzin & Associates, Inc.
\$52,140	\$11,600	\$61,095	CSRS
\$20,000			Tipton Associates APAC
\$44,474	\$400		Bani, Carville & Brown, LLC
\$11,407			GraceHebert Architects
\$36,276			IMC Consulting Engineers
\$49,280			Coleman Partners Architects, LLC
\$17,000			Coleman Partners Architects, LLC
\$14,400			GD Architecture, LLC
\$13,500	\$800		CRP Architects
\$25,385	\$1,500		GD Architecture, LLC
\$44,000			McMillan Pazdan Smith
\$48,627	\$7,500		Watts Didier Architects, LLC
\$38,400	\$5,000		Walker Parking Consultants
\$38,400	\$5,000	\$44,400	Walker Parking Consultants
\$17,477			Foil Wyatt Architects & Planners
\$4,342			Foil Wyatt Architects & Planners
\$48,625			Jerry M. Campbell & Associates, APAC
\$19,676			GraceHebert Architects
\$34,002	\$3,000	\$39,291	Lionel F. Bailey, AIA
\$20,800			Assaf, Simoneaux, Tauzin & Associates, Inc.
\$17,770			Crump Wilson Architects
\$19,750			GD Architecture, LLC
\$17,200	\$1,300		LLC
\$19,750			Futch Design Associates
\$765,125	\$44,100	\$144,786	
\$765,125	\$44,100	\$144,786	

Contract Amount	Reimbursables or other fees	Revised Contract Amount	Designer
\$423,511			with HDR
\$137,544		\$1,026,496	Chenevert Architects
\$373,993		\$391,118	Post Architects, LLC

\$863,049		\$7,350,347	LLC/Perkins+Will
\$205,116		\$221,603	Cockfield Jackson Architects
\$42,886		\$42,886	Watts Didier Architects, LLC
\$63,425		\$65,603	Remson Haley Herpin Architects
\$2,109,524	\$0	\$9,098,053	
\$113,507		\$0	Ritter Consulting Engineers, Ltd.
\$93,609			Domain Architecture, APAC
\$124,631		\$128,031	Poche Prouet Associates
\$110,114		\$115,866	Associated Design Group, Inc.
\$441,861	\$0	\$243,897	
\$347,455			Blitch Knevel Architects, LLC
\$347,455	\$0	\$0	
\$313,690			Purtle & Associates, Inc.
\$359,685			LLC
\$673,375	\$0	\$0	
\$3,572,215	\$0	\$9,341,950	

Designer Selected by Architect Selection Board	09/26/13
Designer Selected by Architect Selection Board	11/20/13
Designer Selected by Architect Selection Board	11/20/13
Designer Selected by Architect Selection Board	04/15/14
Designer Selected by Engineer Selection Board	02/26/14
Designer Selected by Architect Selection Board	11/20/13
Designer Selected by Engineer Selection Board	11/07/13
Designer Selected by Engineer Selection Board	12/18/13
Designer Selected by Architect Selection Board	04/15/14
Designer Selected by Engineer Selection Board	02/26/14
Designer Selected by Architect Selection Board	01/21/14

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Foundation Construction Related Agreements*

Updated October 4, 2019

**Donation to follow upon completion and acceptance of all work or as stated in the agreement*

2019-2020							
Document Type	Campus	Lessor	Lessee	Project	Estimated Cost	Approval Date	Approved by
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Alex Box Practice Facility Pitching Center	\$130,000	8/23/2019	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Gymnastics Practice Facility Vault Lift Installation	\$175,000	8/8/2019	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Pete Maravich Statue Installation & Plaza	\$250,000	8/8/2019	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	PMAC Replacement & Installation of Indoor Lighting Equipment	\$80,000	8/8/2019	Exec. VP Layzell
2018-2019							
Document Type	Campus	Lessor	Lessee	Project	Estimated Cost	Approval Date	Approved by
License for Use Agreement	HSCNO	LSU BoS	RISE: A Real Estate Co.	Preferred Developer for Dental School Housing	to be negotiated	10/17/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Recital Hall LLC (REFF)	New Music Building Recital Hall Renovation	\$3,500,000	9/20/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Beach Volleyball Waterproofing Repairs	\$350,000	7/31/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Dr. Billy Cannon Statue Installation and Plaza	\$250,000	7/23/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Golf Practice Facility Hitting Bay Improvements	\$40,000	4/26/2019	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Resurfacing of Courts at LSU Tennis Complex	\$180,000	6/10/2019	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Tiger Stadium North End Zone Joint Repairs	\$350,000	7/23/2018	Assoc. VP Lombardo
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Tiger Stadium North End Zone Joint Repairs	\$350,000	7/23/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoX	SLA LLC (REFF)	School of Landscape Architecture Renovations	\$574,810	9/12/2018	Exec. VP Layzell
2017-2018							
Document Type	Campus	Lessor	Lessee	Project	Estimated Cost	Approval Date	Approved by
Lease Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Alex Box Batting Cage Facility Renovation and Expansion	\$2,000,000	3/19/2018	Pres. Alexander
Lease Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Athletics Administration Building Multi-Facility Tech Improvements	\$2,000,000	3/19/2018	Pres. Alexander
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Band Hall Renovation Agreement	\$70,000	7/25/2017	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Martin Broussard Hydrotherapy Pool Replacement and Renovation Project	\$905,000	3/19/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Natatorium LED Lighting project	\$300,000	3/19/2018	Exec. VP Layzell
License for Use Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Tiger Stadium Concessions and Related Improvements	\$646,462	6/1/2018	Exec. VP Layzell
Lease Agreement	LSU	LSU BoS	Tiger Athletic Foundation	Tiger Stadium Concessions Renovation & Expansion Phase II	\$2,750,000	4/2/2018	Pres. Alexander
License for Use Agreement	LSU Eunice	LSU Eunice	LSU at Eunice Foundation	Use of Space to construct Soccer Fields	\$300,000	6/5/2018	Exec. VP Layzell

**Report to LSU Board of Supervisors:
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Grants of Mineral Rights

Updated October 4, 2019

2019-2020															
Campus that Benefits	Sale Date	State Lease #	Leased to:	Operated by	Release Date	Parish	Section, Township, Range	Acres Bid	Lease Term	Cash Bonus	Price Per Acre	Rentals/Year	Royalty	Accepted Acres	Accepted Bonus
AgCenter	07/10/19	21927	Mack Energy Co.			East Baton Rouge	S65-66-67-68-69-70, T8S, R1W	674.780	3 years	\$84,347.50	\$250.00	\$84,347.50	22.5%	674.780	\$84,347.50
2018-2019															
Campus that Benefits	Sale Date	State Lease #	Leased to:	Operated by	Release Date	Parish	Section, Township, Range	Acres Bid	Lease Term	Cash Bonus	Price Per Acre	Rentals/Year	Royalty	Accepted Acres	Accepted Bonus
n/a															
2017-2018															
Campus that Benefits	Sale Date	State Lease #	Leased to:	Operated by	Release Date	Parish	Section, Township, Range	Acres Bid	Lease Term	Cash Bonus	Price Per Acre	Rentals/Year	Royalty	Accepted Acres	Accepted Bonus
n/a															

**Report to LSU Board of Supervisors:
All Campuses**

Other Agreements and Approval Requests

Updated October 4, 2019

2019-2020				
Document Type	Campus	Lessor or Seller or Assignor	Lessee or Buyer or Assignee	Related Agreements or Purpose

2018-2019				
Document Type	Campus	Lessor or Seller or Assignor	Lessee or Buyer or Assignee	Related Agreements or Purpose
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Simple Greek	Lease of Retail Space
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Private Stock	Lease of Retail Space
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	General Health System (Baton Rouge General)	Lease of Retail Space
Kappa Kappa Gamma- Consent to Assignment & Sublease	LSU	LSU BoS	Delta Iota House Assn. of Kappa Kappa Gamma Fraternity	Document needed for financing & construction of new Fraternity house.
Consent to Sublease between LSU BoS for HCSD & Our Lady of Angels Hospital in Bogalusa	HCSD	LSU BoS	Our Lady of Angels Hospital	Agreement to sublease a portion of the property of a substance abuse provider
Purchase Agreement for Property in Square 518 First District New Orleans	HSCNO	LSU BoS	Michael J. Clark	Purchase Agreement for 508-510 S. Galvez in New Orleans
Assignment, Assumption & 3rd Amendment to Lease	AgCenter	LSU BoS	Christian Life Fellowship School & Church of the King, Baton Rouge, Inc.	Agreements for 5.3246 acres adjacent to the Perkins Road farm.
Assignment, Bill of Sale and Conveyance	AgCenter	Camterra Resources Partners Ltd.	Elm Grove Holdings, LLC	
Concurrence to renewal of Long Term Lease with USDA for Honey Bee Research	AgCenter	LSU Agricultural Center	United State Government	Consent to the USDA exercising its option term to renew its existing 50 year Long Term Lease for a renewal term of 50 years beginning 7/1/2018.
Consent to Sublease between LSU Board of Supervisors and Our Lady of the Angels Hospital	LSU BoS	Our Lady of the Angels		

**Report to LSU Board of Supervisors:
All Campuses**

Other Agreements and Approval Requests

Updated October 4, 2019

2018-2019 Continued				
Document Type	Campus	Lessor or Seller or Assignor	Lessee or Buyer or Assignee	Related Agreements or Purpose
Second Amendment and Restated Ground Lease Agreement	LSU Eunice	LSU BoS	Bengal Village, LLC	Lease Agreements and related documents needed to transfer LSUE on-campus student housing from Eunice Student Housing Foundation the Bengal Village, LLC, the sole member of which is the LSU Real Estate and Facilities Foundation.
Memorandum of Lease- Second Amended and Restated Ground Lease	LSU Eunice	LSU BoS	Bengal Village, LLC	
Facilities Lease	LSU Eunice	LSU BoS	Bengal Village, LLC	
Memorandum of Lease- Facilities Lease	LSU Eunice	LSU BoS	Bengal Village, LLC	
Assignment and Assumption of Lease	LSU Eunice	Eunice Student Housing Foundation, Inc.	Bengal Village, LLC	
Act of Sale with Assumption of Mortgage	LSU Eunice	Eunice Student Housing Foundation, Inc.	Bengal Village, LLC	
Transfer of LSUE Manual Hall Annex Modular Building to LSUA for use by its soccer team.	LSU Eunice	LSU Eunice	LSU Alexandria	Approval to transfer between two LSU campuses in progress. LSU Eunice was no longer utilizing the building and did not need it. LSU Alexandria desires the building for use by the soccer team.
Determination of an Acceptable University Purpose for purchase by LSU Health Foundation New Orleans of building in LaPlace	LSU Health New Orleans	River Parishes Hospital	LSU Health Foundation New Orleans	Consent to purchase of adjacent facility to support ambulatory clinics
Determination of an Acceptable University Purpose for Donation of 3 parcels of property in Mandeville	LSU Health New Orleans	The AI Copeland Family Foundation	LSU Health Foundation New Orleans	A single owner would like to donate 3 parcels in Mandeville near the north end of the causeway bridge. Two parcels total 21.43 acres. The third parcel is 7.6 acres and contains a marina.
2017-2018				
Document Type	Campus	Lessor or Seller or Assignor	Lessee or Buyer or Assignee	Related Agreements or Purpose
Act of Exchange	LSU	LSU BoS	New Schools for Baton Rouge	Exchange of properties of equal value to benefit both parties
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Frutta Bowls	Lease of Retail Space
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Matherne's	Lease of Retail Space
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Starbucks	Lease of Retail Space
Approval of Nicholson Gateway Retail Lease	LSU	Nicholson Gateway Project, LLC	Wendy's	Lease of Retail Space
Consent to Amendment of Nicholson Gateway Lease	LSU	Nicholson Gateway Project, LLC	Matherne's	Amendment to Lease of Retail Space
Consent to Amendment of Nicholson Gateway Lease	LSU	Nicholson Gateway Project, LLC	Private Stock	Amendment to Lease of Retail Space
Consent to Amendment of Nicholson Gateway Lease	LSU	Nicholson Gateway Project, LLC	Starbucks	Amendment to Lease of Retail Space
Ground Lease and Construction Agreement	LSU	LSU BoS	Baton Rouge Speech & Hearing Foundation	Ground Lease Agreement for construction of Parking Lot
2017-2018 Continued				
Document Type	Campus	Lessor or Seller or Assignor	Lessee or Buyer or Assignee	Related Agreements or Purpose

**Report to LSU Board of Supervisors:
All Campuses**

Other Agreements and Approval Requests

Updated October 4, 2019

Consent to Assignment	AgCenter	Camterra Resources	Elm Grove Holdings	Oil & Gas Lease
Determination of Acceptable University Purpose	LSU Health New Orleans	LSU Health Foundation of New Orleans		Purchase Agreement for Property at 2127 and 2133 Poydras St., New Orleans
Intent to Lease	LSU Health New Orleans	LSU Health New Orleans	LSU Health Foundation of New Orleans	Proposed Lease of OB-Gyn Building
Intent to Lease	LSU Health New Orleans	LSU Health New Orleans	LSU Real Estate & Facilities Foundation	Proposed Dental School Housing
Letter Agreement	LSU Health New Orleans	LSU Health New Orleans	Enwave Brookfield District Energy USA, LLC	Install 4" water line

**Report to LSU Board of
All Campuses Last 3 Years**

Property Leases

Updated October 4, 2019

2019-2020													
Campus	Lessor or Sublessor	Lessee or Sublessee	Location	Lease Purpose	BoS Appr.	Start	Lease Term	Sq. Ft.	Annual Rental	Dollars / SF	Terms left	Length	Approved by
LSU	LSU	Baton Rouge Speech & Hearing Foundation	Innovation Park	1st Amendment to Ground Lease for Construction of Parking Lot	n/a	01/23/18	05/29/42	73,183	\$9,056.42		2	20-year	Pres. Alexander
LSU	LSU	LSU Foundation	Nicholson Gateway	Lease for Office Space	n/a	02/01/1	01/31/2	4,576	\$27,300.00	\$17.32	7	5-year	Pres. Alexander
AgCenter	Corpus Christi Church	AgCenter	2022 St. Bernard Ave., New Orleans	Amendment #2 & Option Term #3 for Cooperative Extension Service space	n/a	06/23/19	06/22/20	1,100	\$14,400.00	\$13.09	2	1-year	Pres. Alexander
AgCenter	NorthEast Educational Development Foundation	AgCenter	10284 Highway 17S, Oak Grove	Option Term #5 for Lease for Delta Rural Development Center	n/a	07/01/19	06/30/20	4,999	\$30,000.00	\$6.00	1	1-year	Pres. Alexander
HSCNO	La. Cancer Research Center of LSU HSCNO & Tulane HSC	LSU Health New Orleans	1710 Tulane Avenue, New Orleans	For use as office and lab space		12/07/18	07/01/18	06/30/28	63,233	Proportionate share of Operating Expenses	2	10-year	Pres. Alexander

**Report to LSU Board of
All Campuses Last 3 Years**

Property Leases

Updated October 4, 2019

2018-2019													
Campus	Lessor or Sublessor	Lessee or Sublessee	Location	Lease Purpose	BoS Appr.	Start	Lease Term	Sq. Ft.	Annual Rental	Dollars / SF	Terms left	Length	Approved by
LSU A&M	LSU BoS	Baton Rouge Parking	Tiger Stadium	S. Plaza Victory Recognition	09/08/1	12/15/1	08/31/1						Pres. Alexander
LSU A&M	LSU BoS	Delta Iota House Associate of Kappa Kappa Gamma Fraternity	Lot 5 Sorority Road	Construction of new House	04/26/19	05/31/19	02/28/64						Exec. VP Layzell
LSU A&M	LSU BoS	Electronic Arts	La.Digital Media Center	Amendment 1 extends terms	n/a	01/01/19	12/31/23	28,253	\$508,560.00	\$18.00			Exec. VP Layzell
LSU A&M	LSU BoS	Louisiana State Police	LSP Training Facility	Forensic Research	n/a	09/14/18	09/13/13	.65 acres			5	1-yr.	Exec. VP Layzell
LSU A&M	LSU BoS	LSU Foundation	Canal Hall in Nicholson Gateway	use as office space	n/a	02/01/19	01/31/24	4,576	\$27,300.00	\$17.32	7	5-yr.	Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Alex Box	Construction of Alex Box Plaza	09/07/1	01/15/1	08/31/1	3,150	\$100.00				Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	PMAC	Office & Storage Space	n/a	07/01/1	06/30/1	7,645	\$92,780.64	\$9.62	1	1-yr.	Pres. Alexander
AgCenter	Town of Vidalia	AgCenter	112 Front Street, Vidalia	Lease of Space for Concordia Parish Extension Services	n/a	06/14/18	06/13/19	1,393	\$10,000.00	\$833.33	4	1-year	Pres. Alexander
AgCenter	Town of Vidalia	AgCenter	112 Front Street, Vidalia	Option Term #1 to Lease of Space for Concordia Parish Extension Services	n/a	06/14/19	06/13/20	1,393	\$10,000.00	\$833.33	3	1-year	Pres. Alexander
HCSO	The Foundation for the LSU Health Sciences Center	HCSO	2000 Tulane Avenue, New Orleans	Accountable Care Office, Option Term #3	n/a	11/01/15	04/30/22	6,108	\$138,453.00	\$11,537.75	0		Pres. Alexander
HSCNO	HSCNO	LSU Healthcare Network	Dental School and Downtown Campuses	2nd & 3rd Amendments to Digital Signs lease	n/a	07/13/16	07/12/46				0		Pres. Alexander
HSCNO	HSCNO	LSU School of Med in NO Faculty Group Practice	Space in the Dental School Annex	Lease of spce for Ambulatory Surgery location	n/a	07/01/18	06/30/20	461	\$16,135.00	\$35.00	up to 4	1-yr.	Pres. Alexander
HSCNO	HSCNO	State of La. Dept. of Public Safety & Correction	2025 Gravier Street, New Orleans	Lease for use of office space		01/01/19	12/31/28	3,888	Lessee provides in-kind security services				Pres. Alexander
HSCNO	HSCNO	University Medical Center Management Corporation	S. Roman Street Garage	Lease for use of 207 parking spaces during construction of permanent parking	10/04/18	11/01/18	10/31/18		\$37,260.00		1 or more	1-yr.	Pres. Alexander
HSCNO	HSCNO	University Medical Center Management Corporation	S. Roman Street Garage	1st Amendment to Lease for use of 207 parking spaces during construction of permanent parking	n/a	11/01/18	10/31/18		\$37,260.00		1 or more	1-yr.	Pres. Alexander
HSCNO	HSCNO	University of Louisiana Monroe College of Pharmacy	2025 Gravier Street	Lease of office space	05/06/16	12/01/18	11/30/23	3,437	24 mos @ \$11,1129.29, 36 mos @ \$5,012.29	24 mos @ \$38.80, 36 mos @ \$17.50	5	1-yr.	Pres. Alexander
HSCNO	HSCNO	University of Louisiana Monroe College of Pharmacy	2025 Gravier Street	Amendment 1 changes total construction cost	05/06/16	12/01/18	11/30/23	3,437	24 mos @ \$11,978.84, 36 mos @ \$5,012.29	24 mos @ \$41.82, mos @ \$17.50	5	1-yr.	Pres. Alexander
HSCNO	HSCNO / Tulane Health Sciences Center (LCRC)	HSCNO	1710 Tulane Avenue, New Orleans	office & laboratory space	12/07/18	07/01/18	06/30/30	63,233	\$2,155,050.00			10-yr.	Pres. Alexander

**Report to LSU Board of
All Campuses Last 3 Years**

Property Leases

Updated October 4, 2019

HSCS	Willis-Knighton	HSCS	Willis-Knighton Medical Center	Department of Psychology Outpatient Adolescent Clinic, Option Term 7	n/a	10/01/10	09/30/19	2,856	\$8,400.00	\$2.94	0		Pres. Alexander
LSUE	Board of Supervisors	Bengal Village LLC (REFF)	Student Housing on Eunice Campus	2nd Amended and Restated Ground Lease		02/08/19	06/30/24	5.33 acres	\$1.00				Pres. Alexander
LSUE	LSUE	Keith Heinen	Agricultural Acreage	Agricultural Lease on LSUE land	n/a	02/01/10	01/31/20	83	\$1,660.00		2	1-yr.	Pres. Alexander

**Report to LSU Board of
All Campuses Last 3 Years**

Property Leases

Updated October 4, 2019

2017-2018													
Campus	Lessor or Sublessor	Lessee or Sublessee	Location	Lease Purpose	BoS Appr.	Start	Lease Term	Sq. Ft.	Annual Rental	Dollars / SF	Terms left	Length	Approved by
LSU A&M	LA. Beta House Corp.	Congregation of Christ the King Church	Sublease of Fraternity House	Lease of empty Fraternity house to church group	n/a	03/05/18	08/31/19		\$20,400.00		4	18-mo.	Pres. Alexander
LSU A&M	LSU Alumni Association	LSU for Risk Management	Alumni Center	Risk Management Office Space	n/a	04/01/18	03/31/21	<10,000	\$39,302.73		7	1-yr.	
LSU A&M	LSU BoS	Baton Rouge Speech & Hearing Foundation	Innovation Park	Amendment to revise terms of lease to include exercise option to Lease Tract A and to lease Tract B instead of Purchase Tract B	04/26/19	—	—	—	—	—	—	—	Pres. Alexander
LSU A&M	LSU BoS	Baton Rouge Speech & Hearing Foundation	Innovation Park	Ground Lease of additional property to construct parking	n/a	01/23/18	05/29/42	35,683	\$3,528.00		2	20 years	Pres. Alexander
LSU A&M	LSU BoS	LSU Foundation's Nicholson Gateway Project, LLC	Nicholson Gateway Building 500	Amendment 1 to Retail Sublease to add Rooftop Terrace to Retail Facilities		03/01/18		11,058		—	—	—	Pres. Alexander
LSU A&M	LSU BoS	LSU Foundation's Nicholson Gateway Project, LLC	Nicholson Gateway	Retail Facilities Sublease Agreement		01/01/18							Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Tiger Stadium	Amend Lease for Demolition of South End Zone dorms		02/06/17	08/31/17	—	—	—	—	—	Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Bernie Moore Track Stadium	Remove & Replace existing surface	05/05/17	07/17/17	12/31/17		\$100.00		—	—	Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Football Operations Center	Renovation and Expansion Phase II		02/09/18	09/30/19		\$100.00		—	—	Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Alex Box Batting Cage	Renovation & Addition						—	—	—	Pres. Alexander
LSU A&M	LSU BoS	Tiger Athletic Foundation	Tiger Stadium Restroom Facilities	Phase II Renovations & Expansion	n/a	02/28/18	10/31/18	5,600	\$100.00		—	—	Pres. Alexander
AgCenter	AgCenter	Julien R. Stevens	Rosepine Research Station	farming (renewal of lease)	06/03/11	01/01/18	01/01/19	624.6 acres	\$20,100.00	n/a	3	1-year	n/a
AgCenter	Corpus Christi Church	AgCenter	2022 St. Bernard Ave., New Orleans	Option Term #2 for Cooperative Extension Service space	n/a	06/23/18	06/22/19	1,100	\$14,400.00	\$13.09	1	1-year	Pres. Alexander
AgCenter	Northeast Educational Development Foundation	AgCenter	10284 Highway 17S, Oak Grove	Option Term #4 for Lease for Delta Rural Development Center	n/a	07/01/18	06/30/19	4,999	\$30,000.00	\$6.00	1	1-year	Pres. Alexander
HSCNO	LSU Health New Orleans	LSU Healthcare Network	Gravier Street, New Orleans	Amendment to provide additional services & additional rental at the UMOB	03/24/17	04/19/18		11,411		—	—	—	Pres. Alexander
HSCNO	University Medical Center Management Corp.	LSU BoS for HSCNO	2000 Canal Street, New Orleans	Lease of Space for Primary Care Clinic	n/a	04/24/18	04/23/19	257	\$46,380.00				Pres. Alexander
HSCS	Willis-Knighton Medical Center	HSCS	820 Jordan Street, Ste. 104, Shreveport	Option Term #5 for Outpatient Adolescent Clinic Lease	n/a	10/01/10	09/30/18	2,856	\$8,400.00	\$2.94	2	1-yr.	Pres. Alexander
HSCS	Willis-Knighton Medical Center	HSCS	820 Jordan Street, Ste. 104, Shreveport	Option Term #6 for Outpatient Adolescent Clinic Lease	n/a	10/01/10	09/30/19	2,856	\$8,400.00	\$2.94	1	1-yr.	Pres. Alexander

**Report to LSU Board of
All Campuses Last 3 Years**

Property Leases

Updated October 4, 2019

HSCS	Willis-Knighton Medical Center	HSCS Cardiothoracic Specialty Clinic	2751 Bicknell Drive, Shreveport	Mutual Agreement to Terminate lease-clinic relocated to State facility	07/01/11	11/30/17	—	—	—	—	—	Pres. Alexander
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**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Schematic Design

Updated October 4, 2019

2019-2020				
Campus	Project	Architect	Approved by	Approval Date
LSU	Emerge Center at Innovation Park	Coleman Partners Architects, LLC	LSU Board of Supervisors	04/26/19
2018-2019				
Campus	Project	Architect	Approved by	Approval Date
LSU A&M	New Kappa Kappa Gamma Sorority House	Fusch Architects, Inc.	LSU Board of Supervisors	09/07/18
	Stephenson Veterinary Hospital	Tipton Associates	LSU Board of Supervisors	10/04/18
	Phi Kappa Psi Fraternity House	Coleman Partners Architects, LLC	LSU Board of Supervisors	11/02/18
2017-2018				
Campus	Project	Architect	Approved by	Approval Date
LSU A&M	Alex Box Batting Cage Renovations and Additions	GraceHebert Architects	LSU Board of Supervisors	03/16/18

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Servitudes

Updated October 4, 2019

2019-20200								
Campus/Lessor	Lessee	Servitude or Right-of-Way Location	Acreage	Payment	Length of Term	Type of Document	Approved by	Approval Date
2018-2019								
Campus/Lessor	Lessee	Servitude or Right-of-Way Location	Acreage	Payment	Length of Term	Type of Document	Approved by	Approval Date
AgCenter	Corps of Engineers	Right-of-entry for Flood Control S54-T7S-R1W East Bat Rouge Parish (Nicholson Gateway area)		\$0.00	2 years	Statutory Notification of the Grant	5th La. Levee District & 5th La. Levee Bd.	10/1/18
LSU A&M	Entergy		unspecified		Permanent	Right-of-Way	Pres. Alexander	6/27/2018
2017-2018								
Campus/Lessor	Lessee	Servitude or Right-of-Way Location	Acreage	Payment	Length of Term	Type of Document	Approved by	Approval Date
AgCenter	ExxonMobil Pipeline	Ben Hur Research Station				Survey Permit	Pres. Alexander	6/4/18
AgCenter	Franklin Parish Police Jury	at LSUE Campus near LA Hwy 755, Eunice	4.64 acres		Temporary Construction	Servitude	Pres. Alexander	10/2/2017
HSCNO	Entergy New Orleans, Inc.	2021 Perdido Street, New Orleans			Permanent	Right-of-Way	Chancellor Hollier	4/29/2018
HSCNO	Entergy New Orleans, Inc.	2025 Gravier Street, New Orleans			Permanent	Right-of-Way	Chancellor Hollier	4/29/2018
HSCS	City of Shreveport	1414 Claiborne Ave., Shreveport		\$300.00	Temporary Construction	Servitude	Pres. Alexander	6/4/2018
HSCS	City of Shreveport	6670 St. Vincent Avenue, Shreveport		\$500.00	Permanent	Utility Servitude	Pres. Alexander	5/9/2017

Report to LSU Board of Supervisors: Timber Sales
All Campuses Last 3 Years

Updated October 4, 2019

2019-2020								
Campus	Location	Parish	Buyer	Acreage	Payment	Designated Timber to be Removed:	Approved by	Approval Date
n/a								
2018-2019								
Campus	Location	Parish	Buyer	Acreage	Payment	Designated Timber to be Removed:	Approved by	Approval Date
AgCenter	Jones Idlewild Research Station	E. Feliciana	Good Hope, Inc.		\$ 138,950	17-acre clear cut, 14-acre clear cut and 22-acre site. All pine sawtimber along with hardwood sawtimer, chip & saw, and pulpwood will be removed.	Pres. Alexander	11/6/2018
2017-2018								
Campus	Location	Parish	Buyer	Acreage	Payment	Designated Timber to be Removed:	Approved by	Approval Date
n/a								

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Transfers of Title to Immovable Property

Updated October 4, 2019

2019-2020						
Campus	Transfer Description	Value	State ID	Site Code	Approved by	Transfer Date
LSU A&M	Act of Donation by TAF Of Tiger Stadium Restroom Renovation Phase II	\$2,354,042			Pres. Alexander	08/28/19
2018-2019						
Campus	Transfer Description	Value	State ID	Site Code	Approved by	Transfer Date
LSU A&M	Act of Donation by Recital Hall LLC (REFF) of Virginia Martin Howard Board Room	\$116,918			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by SLA, LLC (REFF) of the Renovations & Improvements to office areas & commons space School of Landscape Architect	\$529,199			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by TAF of Alex Box Batting Cage Renovations & Additions	\$3,722,871			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by TAF of Beech Volleyball Waterproofing Repairs	\$198,663			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by TAF of Bernie Moore Track Resurfacing	\$1,303,713			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by TAF of Martin J. Broussard Hydrotherapy Pool Replacement and Renovation Project	\$916,777			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by TAF of Tiger Stadium Concessions and Replacement Improvements	\$646,462			Pres. Alexander	06/27/19
LSU A&M	Act of Donation by the LSU Foundation of a life-sized Bengal tiger sculpture outside the Admissions & Recruiting Center at Pleasant Hall	\$106,627			Pres. Alexander	05/14/19
LSU A&M	Act of Donation by the LSU Property Foundation and Acceptance by LSU of design development services for restoration & renovation to the LSU Memorial Tower and adjacent plazas	\$568,725			Pres. Alexander	10/12/18
LSU A&M	Act of Donation for the Improvements constructed to the existing office space of the University Lab School's administration offices	\$123,218			Pres. Alexander	10/02/18
LSU A&M	Act of Donation of Dr. Billy Cannon Statue Installation and Plaza	\$268,296			Pres. Alexander	12/04/18
LSU A&M	Act of Donation of Natatorium Lighting by Tiger Athletic Foundation to LSU	\$312,444			Pres. Alexander	12/17/18
LSU A&M	Property Exchange between LSU & Louisiana National Guard	Equivalent value			Pres. Alexander	11/20/18
LSU A&M	Purchase of 604 West Roosevelt Property	\$155,708			Pres. Alexander	09/11/18
AgCenter	Act of Donation by LSU Property Foundation to AgCenter of Grant Parish Property	\$63,300			Pres. Alexander	12/12/18
HSCNO	Act of Donation by LSU Health Foundation and Acceptance of Property at 526 S. Roman St., New Orleans	\$187,000			Pres. Alexander	02/01/18
HSCNO	Act of Donation by Mariner's Village Properties LLC & Mariner's Village Marina, LLC				Pres. Alexander	12/20/18
HSCNO	Purchase of 4 Properties on South Galvez, 424-426, 428-430, 432-434, and 436-438	\$1,054,962			Pres. Alexander	12/17/18
HSCNO	Purchase of property at 508-510 S. Galvez St., New Orleans from Michael J. Clark	\$240,000			Pres. Alexander	03/11/19
LSUE	Transfer Student Housing from the Eunice Student Housing Founding, Inc. to the LSU Real Estate and Facilities Foundation	\$6,597,555			Pres. Alexander	02/08/19

**Report to LSU Board of Supervisors:
All Campuses Last 3 Years**

Transfers of Title to Immovable Property

Updated October 4, 2019

2017-2018						
Campus	Transfer Description	Value	State ID	Site Code	Approved by	Transfer Date
LSU A&M	Act of Donation Band Hall Renovations Project	\$66,051		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation Game Day Parking Improvements in Levee Lot A (for 96 RV's)	\$367,167		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation Game Day Parking Improvements Levee Lot B (for 149 RV's)	\$574,791		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation Game Day Parking Improvements Project B (for 636 cars)	\$1,044,678		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation Game Day Parking Improvements Project C (for 1,118 cars)	\$261,169		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation Multi-Facility Technology Improvements Project B	\$578,294		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation of Capital Improvements to Mike the Tigers Habitat	\$1,190,717		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation of Football Indoor Field Lighting Improvements and Termination of License Agreement for Use of Facilities and Premises	\$295,000		2-17-014	Pres. Alexander	09/20/17
LSU A&M	Act of Donation of Football Indoor Practice Facility Synthetic Turf Replacement and Termination of License Agreement for Use of Facilities & Premises	\$550,934		2-17-014	Pres. Alexander	09/20/17
LSU A&M	Act of Donation of Pleasant Hall Grand Lawn Improvements from the Admissions and Recruiting Center, LLC.	\$181,768		2-17-014	Pres. Alexander	10/26/17
LSU A&M	Act of Donation of PMAC Renovations and Improvements to Restroom Facilities and Termination of License for Use of Facilities and Premises	\$332,769		2-17-014	Pres. Alexander	09/20/17
LSU A&M	Act of Donation of Tiger Stadium for Capital Improvement-South End Zone: demolition of South End Zone Dormitory & related mechanical, electrical & plumbing work.	\$2,425,782		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Act of Donation PMAC LED Lighting Project	\$389,065		2-17-014	Pres. Alexander	02/09/18
LSU A&M	Exchange of Property with New Schools for Baton Rouge- LSU transfers approximately 10 acres located at GSRI to NSBR in exchange for State Street Property				Pres. Alexander	09/20/17
AgCenter	Cash Sale between Division of Administration, Facility Planning and Control, LSU AgCenter and Tensas Parish Police Jury of AgCenter's 61 acres in Tensas Parish	\$207,400			Pres. Alexander	12/13/17
HSCNO	Purchase of property at 429 S. Johnson St., New Orleans from 435 S. Johnson St. LLC	\$520,000			Pres. Alexander	06/04/18
HSCNO	Act of Donation by the LSU Health Foundation of Property at 526 S. Roman Street, New Orleans	\$187,000			Pres. Alexander	02/15/18
HSCNO	Purchase of Property at 2129-2131 Gravier Street, First District, New Orleans	\$445,000			Pres. Alexander	12/19/17
HSCNO	Purchase of Property at 429 S. Roman Street, New Orleans	\$520,000			Pres. Alexander	06/04/18

Louisiana State University
Office of Internal Audit

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

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Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Louisiana State University and A&M College

Payroll

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of the audit was to evaluate the controls used by the LSU Payroll Office to ensure the accuracy of employee withholdings and deductions in accordance with Federal, State, and University regulations. The audit scope included payroll transactions and related documents for the period July 1, 2017, to June 30, 2018, at LSU A&M, LSU Agricultural Center, LSU Alexandria, LSU Eunice, LSU Shreveport, and Pennington Biomedical Research Center.

Audit Findings and Recommendations:

Our review noted issues with controls surrounding regulatory compliance and document retention. As a result, we provided management the following recommendations:

1. Implement a review process to validate the legitimacy and accuracy of payroll inputs.
2. Provide additional training to University departments to reduce the frequency of delayed terminations. In addition, a threshold should be established in policy regarding the amount of time required to terminate a University employee.
3. Establish controls to ensure compliance with Louisiana Revised Statute 42:31.
4. Establish documentation standards which require that Workday be the official repository for supporting documents on applicable financial and human resources transactions.
5. Implement controls to detect potential instances of non-compliance with minimum wage and overtime regulations promulgated by the Fair Labor Standards Act (FLSA).

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

Research Initiatives (STC)

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of this audit was to determine if adequate controls were in place to ensure compliance with LSU policy, applicable State laws, and the terms of the agreement between the University and its affiliate, Stephenson Technologies Corporation (STC). The scope included transactions and documentation related to STC's affiliation with LSU from inception through June 30, 2018.

Audit Findings and Recommendations:

We identified issues regarding a lack of formalized written agreements governing the affiliation as well as apparent conflicts of interest. Related to these processes, we offered management the following recommendations:

1. Execute the Uniform Affiliation Agreement with STC and assign responsibility to an independent LSU employee for monitoring compliance with the agreement.
2. Consult General Counsel to determine actions necessary to remedy actual or apparent conflicts of interest and whether external reporting is required.
3. Make a full accounting of support provided to STC by the University and pursue reimbursement as necessary; evaluate the current structure for reimbursing travel costs related to STC contracts that are incurred by LSU employees.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

Athletics Compliance

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of this audit was to determine whether LSU A&M's Athletics Compliance implemented controls designed to effectively mitigate risks and address the NCAA Division Bylaws governing the recruitment of prospective student athletes. The scope included recruiting controls during the period of August 1, 2016, to July 31, 2017. We also reviewed changes in controls that occurred through July 31, 2018.

Audit Findings and Recommendations:

We did not identify any significant or reportable instances of control weaknesses; therefore, management was not required to provide a response. However, our conclusion was limited to the adequacy of controls within the scope of testing and does not represent absolute assurance regarding the potential existence of non-compliance.

Employee Travel & Reimbursements

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of our audit was to evaluate the process for requesting, reviewing, and approving travel expenses and employee reimbursements to ensure compliance with applicable University policies and State law. The scope included expense transactions as well as related policies and procedures during the period of July 1,

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

2017, to June 30, 2018, for all campuses utilizing the Workday system to process reimbursements: LSU Agricultural Center, LSU A&M, LSU Alexandria, LSU Eunice, LSU Shreveport, and Pennington Biomedical Research Center.

Audit Findings and Recommendations:

We identified issues related to compliance with State law governing payments to employees by affiliates, as well as weaknesses in the review and approval of executive expenditures. As a result, we had the following recommendations for management:

1. Implement written policies and procedures governing payments or reimbursements by affiliates to University employees over \$1,000 as required by State law.
2. Implement policies and procedures for executive travel, including appropriate approval protocol, regular reporting to the LSU Board of Supervisors, and applicability to expenditures routed through affiliated organizations.

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans. which will be fully completed by July 1, 2020.

Investment Management

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objectives of the audit were to ensure funds were invested in accordance with the University's strategic goals, pursuant to applicable laws, and that investment services were obtained in compliance with the Higher Education Procurement Code. The scope included investments managed by the LSU Foundation during the 2018-2019 Fiscal Year for the following campuses: LSU A&M, Pennington Biomedical Research Center, LSU Agricultural Center, LSU

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Alexandria, LSU Eunice, LSU Shreveport, and Health Sciences Center New Orleans.

Audit Findings and Recommendations:

We identified issues regarding substantiation of the investment management contract fee, appropriateness of system access, and accuracy of the quarterly investment reports. As a result, we had the following recommendations for management:

1. Maintain documentation to support the fee paid to the LSU Foundation for investment management services.
2. Evaluate current user access levels within JP Morgan Markets to determine the appropriate level of access for each user based on their role and to maintain segregation of duties.
3. Review all formulas within the Quarterly Investment Report template for accuracy and correcting any errors to past reports available on the website.

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans. Recommendations two and three will be completed by October 31, 2019. The first recommendation will be addressed by July 1, 2021, which is when the current investment management contract expires.

Emergency/Crisis Management

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of this audit was to determine if controls for emergency management were in place and communicated to responsible parties for the safety of LSU students, faculty, and staff. The scope included a review of emergency management protocols and related documentation for the period July 1, 2017, to March 31, 2019, at the LSU A&M campus.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Audit Findings and Recommendations:

We identified issues regarding the formality of the emergency management program and contingency plans, as well as the adequacy of processes for training, education, and post-incident analysis. As a result, we had the following recommendations for management:

1. Develop a formalized emergency management plan, including a resource needs assessment, formal communication structure, and training protocol for emergency management personnel.
2. Establish a secondary location for the emergency operations center and reactivate the Load Shed Committee to prioritize the University's power needs in the event of a prolonged outage.
3. Determine the training needs of both emergency management personnel and University officials; develop a training curriculum, accordingly.
4. Implement a post-incident/post-training assessment, including a determination as to which exercises or incidents will require a post-incident assessment.

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by June 30, 2020.

IT Asset Management

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The objectives of this audit were to:

- Determine if controls are in place to identify and manage Information Technology (IT) assets regardless of acquisition cost of the asset.
- Determine if controls are in place to identify and report lost or stolen assets.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

- Determine if controls are in place to ensure that IT equipment is properly sanitized prior to disposal.

The scope included purchases of IT assets made during Fiscal Year (FY) 2019, and recently surplused IT equipment housed at the LSU Property Management Warehouse. Devices with the ability to store, process, and transmit data were included in the scope.

Audit Findings and Recommendations:

We identified issues related to the inventory of IT assets with an acquisition cost less than \$1,000; reporting of lost or stolen computing resources; and proper sanitization of electronic devices prior to disposal. As a result, we made the following recommendations:

1. Establish procedures to inventory all devices capable of storing, processing and distributing electronic information regardless of acquisition cost of the device.
2. Clarify the requirements defined under PS-114, or other appropriate policy, to ensure proper reporting of lost or stolen computing resources.
3. Ensure that departments are aware of the data sanitization policy requirements and methods for sanitizing electronic devices prior to disposal.

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by June 30, 2020.

Management Letter (Louisiana Legislative Auditor)

Audit Initiation:

This external audit was conducted by the Louisiana Legislative Auditor's Office.

Audit Scope and Objectives:

The Louisiana Legislative Auditor's (LLA) Office conducted a review of the University's affiliate relationship with the Louisiana Health Information Technology Foundation (LaHIT).

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Audit Findings and Recommendations:

Overall, LLA found that LSU did not follow its own procedures and by-laws, or ensure proper oversight by the LSU Board, when forming LaHIT and licensing CLIQ for commercial use. Consequently, LLA made the following recommendations to University management:

1. Manage all technology transfers through the appropriate OTM office in accordance with a uniform process
2. Ensure proceeds from the license of intellectual property remain under the University's control
3. Develop policies that define circumstances in which LSU can assist with commercialization subsequent to technology transfer
4. Enter into written agreements that clearly outline reciprocal obligations and benefits to parties
5. Execute license agreements directly with companies responsible for commercializing the intellectual property
6. Adhere to licensing procedures, including use of standard templates and justification for significant deviations
7. Obtain formal estimate of the value of any intellectual property the University intends to license
8. Bring all significant actions regarding licensing of intellectual property and recognition of affiliates to the Board for approval
9. Review transactions and situations for potential conflicts of interest prior to their completion
10. Consider appropriate corrective action if LSU becomes aware that public employees received anything of value related to the commercialization of CLIQ

Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Louisiana State University Eunice

Online & Distance Learning

Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

Audit Scope and Objectives:

The primary objective of this audit was to determine if LSU Eunice had controls in place to ensure appropriate course rigor, maintain student integrity, and correctly assess and record associated fee revenue related to online and distance learning.

Audit Findings and Recommendations:

We did not identify any material weaknesses related to the controls governing online and distance learning at LSUE; therefore, management was not required to provide a response.

Louisiana State University Health Sciences Center New Orleans

Physicians Services Agreements

Audit Initiation:

This audit was included on the Board approved audit plan.

Audit Scope and Objectives:

The objectives of this audit included an evaluation of the effectiveness of controls in place for the Physician Services Agreements (PSA) clinical revenue billing.

The scope of our work included a review of policies, procedures, controls, and documentation for clinical revenue PSAs including, but not limited to, contracts, timesheets, invoices, payments, etc. for the period July 1, 2017 to June 30, 2018.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Audit Finding and Recommendations:

Based on testing performed, we noted an issue related to the accuracy of time and leave reporting and recommended that management implement controls to ensure timesheet and leave requests are reported accurately and approved by the responsible personnel. In addition, management should ensure the incorrect reporting of time did not result in billing discrepancies to 3rd parties.

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

Office of Compliance Program

Audit Initiation:

This audit was included on the Board approved audit plan.

Audit Scope and Objectives:

The objective of this audit was to ensure the eight elements of a compliance program are effectively and efficiently implemented, which included the following:

- Implementing Policies and Procedures
- Designating a Compliance Officer and Compliance Committee
- Conducting Effective Training and Education
- Developing Effective Lines of Communication
- Conducting Internal Monitoring and Auditing
- Enforcing Standards through Well Publicized Disciplinary Guidelines
- Responding Promptly to Detected Problems and Undertaking Corrective Action
- Defining Roles and Responsibilities and Assigning Oversight Responsibility

The scope of this audit included a review of OCP's policies, procedures, and documentation for Fiscal Years 2016 to 2018 as well as interviews with key personnel at LSUHSC-NO.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Audit Findings and Recommendations:

Based on testing performed, we identified issues related to the governance of OCP; risk-based monitoring and testing; lack of independence, anonymity, and under-utilization of the OCP hotline system. As a result, we made the following recommendations to management:

- Develop and implement policies to define the roles and responsibilities of OCP and establish an active compliance committee with diverse representation.
- Perform an annual risk assessment to assess which risks have the greatest risk exposure and allocate resources to performing testing and monitoring.
- Discontinue use of internal phone line to receive hotline calls and rely on the LSU-Ethics and Integrity Hotline.

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

Louisiana State University Health Sciences Center Shreveport

Human Resources

Audit Initiation:

We began the audit Financial Controls for Expenditures from the Board approved Audit Plan.

Audit Scope and Objectives:

The objectives of this audit included an evaluation of the effectiveness of human resource administration processes in reducing risk to acceptable levels in the following areas:

- Separation of Employment
- Compliance with federal and state regulations and University policy

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

The scope of this audit included human resource administration processes during the period July 1, 2016 through June 30, 2018. Employees on leaves of absence without pay as of June 30, 2019 were examined for compliance with Permanent Memorandum 20.

Audit Findings and Recommendations:

Based on testing performed, we identified issues related to separation process; employee clearance process; recovery of assets from separated employees; compliance with LA R.S. 42:31; nepotism controls; and performance evaluations. As a result, we made the following recommendations to management:

- Develop and implement a comprehensive written policy and standardized process to govern all types of employee separations from the University.
- Develop and implement a comprehensive written policy and standardized process to govern employee clearance process.
- Develop and implement a comprehensive written policy and procedure to ensure that recover of University assets is pursued timely and compliance with LA Title 34.
- Consult with General Counsel regarding implementation of a written policy to ensure compliance with LA R.S. 42:31.
- Implement controls to ensure that compliance with University nepotism policies is reviewed in advance of employee transfers and promotions.
- Develop and implement a policy which governs and requires annual performance evaluations for unclassified personnel.

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

Quarterly Audit Summary

Fiscal Year 2019, 4th Quarter

Department of Medicine - Financial Controls

Audit Initiation:

This was a consulting review that originated as a management request.

Audit Scope and Objectives:

The objectives of this review included evaluating the effectiveness of financial processes in reducing risk to acceptable levels in the following areas:

- Process documentation
- Expenditures
- Employee leave
- Productivity

Audit Findings and Recommendations:

During the review we documented areas for improvement and provided supplemental information to management. Upon receipt of these opportunities management has reviewed and is in the process of implementing changes as needed.

Louisiana State University
Office of Internal Audit

ANNUAL REPORT

FISCAL YEAR 2019

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OVERVIEW

VISION

To be viewed as a valued business partner and a trusted advisor and recognized as a driving force behind a culture of governance, accountability, compliance, and execution that helps in the achievement of the University's objectives.

MISSION

Internal Audit is committed to providing independent, objective, and timely service, as well as responding to requests for consulting and other services, and to adding value to and improving the University's operations. Internal Audit helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

STRATEGIC GOALS

- Focus on the University's Highest Risks
- Provide Impactful Reporting to Stakeholders
- Maintain Efficient and Effective Audit Processes
- Maintain an Adequately Skilled and Knowledgeable Staff

INDEPENDENCE STATEMENT

In accordance with Louisiana Revised Statute 17:3351.I, the Office of Internal Audit is maintained as an independent function that conforms to the *Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing (Standards)*.

The *Standards* include certain elements to demonstrate that the internal audit activity is independent and internal auditors are objective in performing their work. Our Internal Audit Charter, which was adopted in June, 2014, establishes the organization and responsibilities of our office and includes provisions to ensure independence and objectivity.

RISKS

The scope of Internal Audit activities is primarily defined through an annual risk assessment process, the results of which are used to establish the Internal Audit Plan.

INTERNAL AUDIT'S RESPONSIBILITY REGARDING RISK

Internal Audit has responsibility for evaluating the effectiveness and efficiency of controls established by management for the purpose of managing risk. A risk is anything that could occur that would impact the achievement of an objective and is generally measured in terms of impact and likelihood.

RISK ASSESSMENT PROCESS

The purpose of our annual risk assessment is to aid Internal Audit in developing a risk-based plan of activities for the upcoming fiscal year. In this process, Internal Audit evaluates risk exposures relating to the University's governance, operations, and information systems regarding the following:

- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations and programs
- Safeguarding of assets
- Compliance with laws, regulations, policies, procedures and contracts

Risks are identified, in part, by seeking input from executive management, operating management and external sources including external audits, regulatory and industry information.

We also rely on risks identified by management during the Enterprise Risk Management process, which is currently being implemented at LSU. Current events and emerging risks were considered as well. In determining the level of risk, the following factors may be considered: inherent risk, existing internal controls, results of analytics, results of previous audits, volume (e.g. number and dollar amount of transactions), value-added potential, management interest, emerging risks and auditor discretion.

To address the risk of fraud, on August 1, 2014, the University issued Permanent Memorandum (PM) 76 - Detection, Reporting and Investigation of Incidents of Financial Irregularity. In addition, the LSU Ethics and Integrity Hotline, which is monitored by EthicsPoint, provides a secure and confidential means to report suspected fraudulent or unethical behavior.

RISKS

ANNUAL AUDIT PLAN

Based on our risk assessment, an annual audit plan is developed and presented to the Board of Supervisors Audit Committee for approval. Risks are classified on the Audit Plan by major functional category with effort budgeted in each area. Below is a summary of FY 2019 planned and actual effort by functional risk category. A detailed list of all audit activities by functional risk category is also included as Appendix A to this report.

FUNCTIONAL RISK CATEGORY	2019 Planned % Effort	2019 Actual % Effort
Auxiliary and Service Departments	4%	5%
Asset and Risk Management	5%	1%
Compliance	3%	5%
Financial Management	31%	52%
Governance and External Relationships	5%	8%
Human Resources	3%	4%
Information Technology	12%	7%
Plant Operations and Management	9%	0
Research and Development	21%	10%
Student Services	3%	5%
All Other Categories	4%	3%
	100%	100%

REPORTING

AUDIT REPORTS

Reports are issued at the end of each engagement to the President, Chancellors and other responsible parties at each institution. Each report includes a response from management that indicates whether they concur with the findings and the corrective actions that they plan to implement to address the recommendations.

The list of reports issued by campus for FY 2019 is included as *Appendix B*.

OUTSTANDING ACTION PLANS

At the conclusion of each project, responsible management responds to each finding and recommendation with an action plan that they will implement to address the issue. Internal audit follows-up with them at the appropriate time to determine if the corrective action was taken and if those actions adequately resolved the issue. A report on Outstanding Action Plans is provided periodically to management and to the Audit Committee. The following chart shows the FY 2019 action plan activity for each campus:

Campus	Open as of July 1, 2018	Added during FY 2019	Cleared During FY 2019	Open Action plans
Multi-campus	11		2	9
LSU A&M	27	31	25	33
LSU Agricultural Center	1		1	0
LSU-Alexandria	10	7	2	15
LSU-Eunice	0	3	2	1
LSU-Shreveport	17		6	11
LSUHSC-New Orleans	1	13	1	13
LSUHSC-Shreveport	9	9	1	17
LSU HCSD	0	1		1
PBRC	6		6	0
	82	64	46	100

REPORTING

In addition, action plans resulting from the Encryption and Social Engineering audits, are not included in the above chart. Those action are dependent upon implementation of a policy addressing these issues at all institutions of the University. Development of that policy is currently in progress.

INVESTIGATIONS

Internal Audit is responsible for conducting investigations when allegations of fraud, conflicts of interest, or significant non-compliance with regulations or policies are reported. Reports of alleged violations are received through LSU Ethics, Integrity, and Misconduct Helpline, phone calls or emails, through direct reports made by employees, faculty, contractors, students, vendors or through information discovered during regularly scheduled audits and audits requested by management.

During FY 2019, Internal Audit allocated approximately 4000 hours conducting or overseeing a total of 117 investigations, including two that were carried forward from FY 2018. Of the 115 new reports, 68 (59%) were received through the LSU Ethics, Integrity, and Misconduct Helpline. Four investigations remained open at June 30, 2019, and were carried over into FY 2020 for continued investigation.

AUDIT PROCESS

To ensure an effective and efficient audit process, Internal Audit has established a Quality Assurance and Improvement Program (QAIP) designed to provide ongoing measurement and analyses of performance metrics to ensure compliance with the *Standards*.

EXTERNAL QUALITY ASSURANCE REVIEW

Internal Audit is required to have an external quality assurance review at least every five years. This review was completed in FY 2019 with Internal Audit receiving an overall rating of “generally conforms” to the *Standards*. This opinion is the highest possible rating and means that practices are in place to ensure the independence, objectivity and proficiency of Internal Audit.

PRODUCTIVITY PERFORMANCE MEASURES

- *Audit plan accomplishment*

Each year an audit plan is developed based on results of an annual risk assessment. Risks are continually monitored, and the audit plan is revised as necessary to address significant changes that may arise. We have established a target of 75% completion of our audit plan. This target allows for flexibility for unplanned audit work that may be necessary. The chart below illustrates the status of the 2019 Audit Plan:

2019 Audit Plan Status	#	%
Audits on Plan (as revised)	31	
Audits substantially complete at 6/30/2019	25	81%
Audits currently in progress and carried forward to FY 2020	4	13%
Audits not started and carried forward to FY 2020	2	6%

AUDIT PROCESS

- *Direct/Indirect effort*
Audit staff allocate their time between direct hours and indirect hours. Direct hours include time spent working on audits, consultations, special projects and investigations. Indirect hours include paid leave, meetings, training and administrative tasks. The internally established goal for our staff was 75% direct audit hours in FY 2019, and we achieved 74%.

STAFF

INTERNAL AUDIT STAFFING

	As of 6/30/16	As of 6/30/17	As of 6/30/18
Professional Staff (Positions)	15	15	15
Administrative Support	1	1	1

DEGREES

Percent of audit staff with Bachelor's Degree	100%
Percent of audit staff with Advanced Degree	33%
Percent of audit staff with Professional Certifications	100%

CERTIFICATIONS (SOME STAFF HOLD MULTIPLE CERTIFICATIONS)

All staff that are not certified are currently pursuing appropriate certifications.

Certified Public Accountant	4
Certified Internal Auditor	7
Certified Fraud Examiner	3
Certified Compliance and Ethics Professional	1
Certified EnCase Examiner	1
Certified Government Auditing Professional	1
ITIL® Foundation	1

TRAINING AND PROFESSIONAL DEVELOPMENT

Our professional audit staff completed over 900 hours of continuing professional development in FY 2019. This included training provided by the Association of College and University Auditors (ACUA), the local and national chapters of the Institute of Internal Auditors (IIA), the LSU Department of Accounting and others. Training ensures that staff are current on auditing best practices and helps develop subject matter expertise that is valuable to the organization.

APPENDIX A

FY 2019 Audit Activity by Functional Risk Category

ASSET AND RISK MANAGEMENT

1906 – LSU A&M Emergency/Crisis Management

AUXILIARY AND SERVICE DEPARTMENTS

1809 – LSU A&M Athletics Compliance

1907 – LSU A&M Athletics

COMPLIANCE

1914 – HSCNO Office of Compliance

FINANCIAL MANAGEMENT

1805 – LSU A&M Payroll

1903 – LSU A&M Employee Travel

1905 – LSU A&M Investment Management

1912-A – HSCNO Financial Controls Expenditures – Consulting

1912-B – HSCNO Financial Controls Expenditures

1913 – HSCNO Physician Services Agreements

1815 – HSCS Feist Weiller Cancer Center Financial Operations

1920 – HSCS School of Medicine Financial Controls (Consulting)

1816 – HCSD Operational and Financial Controls

1910 – LSUA Scholarships and Financial Aid

GOVERNANCE AND EXTERNAL RELATIONS

1919 – Multi Campus Supplier Diversity

HUMAN RESOURCES

1807 – Multi Campus LSU First Pharmacy Benefits Manager (Gallagher Benefit Services)

1911 – HSCS Human Resource Management

INSTRUCTION AND ACADEMIC SUPPORT

1909 – LSUE Online and Distance Learning

APPENDIX A

INFORMATION TECHNOLOGY

- 1915 – LSU A&M IT Asset Management
- 1821 – HSCNO Internet of Things (IoT)
- 1820 – Multi Campus Data Security (Encryption)
- 1822 – Multi Campus Social Engineering (IT)

RESEARCH AND DEVELOPMENT

- 1806 – LSU A&M Research and Development Initiatives – Stephenson Technology Group
- 1717 – HSCNO Sponsored Programs
- 1802 – Multi Campus Export Controls
- 1904 – LSU A&M and HSCS – Lab Safety

STUDENT SERVICES

- 1823 – LSU A&M University Lab School

APPENDIX B

Audits Issued in FY 2019 by Campus

LSU A & M

- 1805 - Payroll
- 1806 – Research and Development Initiatives – Stephenson Technology Group
- 1807 - LSU First Pharmacy Benefits Manager (Gallagher Benefit Services)
- 1809 – Athletics Compliance
- 1823 - University Lab School
- 1903 – Employee Travel
- 1905 – Investment Management
- 1906 – Emergency/Crisis Management
- 1915 – IT Asset Management

LSU HEALTH SCIENCES CENTER – NEW ORLEANS

- 1717 - Sponsored Programs
- 1821 - Internet of Things (IoT)
- 1912-A - Financial Controls Expenditures – Consulting
- 1912-B - Financial Controls Expenditures
- 1913 – Physician Services Agreements
- 1914 – Office of Compliance

LSU HEALTH SCIENCES CENTER – SHREVEPORT

- 1815 - Feist Weiller Cancer Center Financial Operations
- 1911 – Human Resource Management
- 1920 - School of Medicine Financial Controls (Consulting)

LSU HEALTH CARE SERVICES DIVISION

- 1816 - Operational and Financial Controls

LSU EUNICE

- 1909 – Online and Distance Learning

LSU ALEXANDRIA

- 1910 - Scholarships and Financial Aid

APPENDIX B

MULTI-CAMPUS

- 1802 - Export Controls
- 1820 - Data Security (Encryption)
- 1822 - Social Engineering (IT)
- 1919 - Supplier Diversity

2019 AUDITS CARRIED FORWARD TO 2019

- 1904 - LSU A&M and HSCS - Lab Safety
- 1907 - LSU A&M - Athletics
- 1908 - LSU A&M - Lab School Operations
- 1917 - Multi-campus - Security Awareness and Training (IT)

OTHER AUDIT ACTIVITIES

- Information Technology (IT) support
- Follow-up on corrective action plans from prior audits
- Annual risk assessment and planning
- Implementation of enterprise risk management (ERM) program
- Quality Assessment Review (QAR)
- Quality Assessment and Improvement Program (QAIP)
- Investigations/special projects
- Management of LSU Ethics & Integrity Hotline
- Participation on campus committees
 - IT Governance Council
 - PCI Committee
 - Student Employment Committee
 - Benefits Oversight Committee