BOARD OF REGENTS BRIEFING PAPER

 Agenda Item Title: Site Designation for the UNLV School of Medicine Academic Building; Approval of Transfer Agreement with Clark County for a Nine Acre Site; Approval of a Preliminary Affiliation Agreement between UNLV and UMC; and Approval of an Interim Office Space Lease with UMC Meeting Date: June 9-10, 2016

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Background: In November 2013 the Board of Regents approved a plan to develop a four-year allopathic medical school at UNLV. In 2015, the Nevada Legislature approved \$27 million for the UNLV School of Medicine for fiscal years 2016-17. The funds will cover the cost for hiring the school's academic faculty, clinical faculty, and administrative staff, curriculum development, and other operational costs – all essential items to meet the school's accreditation deadlines.

The UNLV School of Medicine achieved "candidate accreditation status" in February 2015 and has a site visit in late spring/early summer by the Liaison Committee on Medical Education ("LCME"), the national accrediting body. It is important for the school's accreditation to demonstrate short and long-term academic, clinical and research facility sites and planning. Thus, UNLV is requesting: (1) designation of a permanent site for the UNLV School of Medicine academic building: (2) approval of a Transfer Agreement with Clark County for a nine (9) acre site; and (3) approval of a Preliminary Affiliation Agreement with University Medical Center of Southern Nevada ("UMC") that will be executed concurrently with the Transfer Agreement; and (4) approval of Interlocal Medical Office Lease with UMC to accommodate interim office space needs.

The Nevada System of Higher Education ("NSHE") and the County of Clark ("Clark County") have a long history of working together to improve health care in Nevada. NSHE, UNLV, and the UNLV School of Medicine entered into a Memorandum of Understanding identifying the Las Vegas Medical District surrounding the UMC campus as the potential site for the new medical school in December 2014. The MOU reserved approximately nine (9) acres of property in the Las Vegas Medical District owned by Clark County at the southwest corner of Shadow Lane and Pinto Lane. The MOU was renewed in December 2015.

Key Terms of the Preliminary Affiliation Agreement:

UNLV is requesting approval from the Board of Regents to enter into a 10-year Preliminary Affiliation Agreement with UMC. The purpose of the Preliminary Affiliation Agreement is to provide a framework for the creation premiere academic health care center that fully integrates the expertise of the UNLV School of Medicine with the resources of UMC to enhance teaching, promote health care innovation, and improve access to health care for Southern Nevadans. The Preliminary Affiliation Agreement is a first-step as both parties work towards an Academic Health Center Master Affiliation Agreement setting forth in detail their respective roles, responsibilities and obligations under the academic health care center model. The Preliminary Affiliation Agreement also establishes a partnership and protocol for the expansion of various programs that are critical to the operation of the medical school and UMC, including programs related to graduate medical education and clinical medicine.

A purpose of the Preliminary Affiliation Agreement is to enhance medical education, scientific research, and technological pursuits of the medical school and UMC. The agreement benefits both parties by

allowing UNLV School of Medicine students, residents and fellows to have access to UMC patient care, surgical facilities and testing capabilities, development of intellectual property, recruitment and enhancement of faculty and leadership, and increased publication opportunities.

UMC benefits through increased access to UNLV School of Medicine faculty, technical staff, and subject matter experts, access to students, development of intellectual property, and faculty and adjunct opportunities for its employees. The agreement also allows UMC to brand themselves with UNLV School of Medicine with outdoor building signage.

Key Terms of Transfer Agreement:

Pursuant to the terms of the Transfer Agreement, Clark County will transfer fee title to approximately nine (9) acres located at the Southwest corner of Shadow Lane and Pinto Lane in the heart of the Las Vegas Medical District (the "Site") to NSHE. The transfer is made subject to certain restrictions, including (1) that NSHE retains fee title to the site, (2) that the site is used for the operation of a medical school and other health related programs, and (3) that construction of the building, with a construction value of at least \$20 million, commences by July 1, 2021. These restrictions on the use of the site are in effect for a period of 50 years. The closing date for the transfer of title to the Site will be mutually agreed to by the parties, but not later than December 31, 2016.

Consideration from UNLV for the transfer of the Site includes; (1) the requirements within the Transfer Agreement, (2) execution of the Preliminary Affiliation Agreement and deposit of five million dollars (\$5,000,000.00) ("**Purchase Price Funds**") in an escrow or funds control account; and (3) payment of one-half of the costs Clark County incurs to demolish the existing structures on the Site, not to exceed the sum of five hundred thousand dollars (\$500,000.00).

The Purchase Price Funds will be deposited in an interest bearing escrow account. Provided the Preliminary Affiliation Agreement with UMC remains in full force and effect, NSHE will be entitled to the return of \$500,000 annually until the funds and all interest earned on the funds have been returned to NSHE. If, however, at any time during the 10 year term of the Preliminary Affiliation Agreement a court or arbitrator determines that NSHE has breaches the agreement, the remaining funds and all interest earned will be surrendered to Clark County.

If at any time during the term of the Preliminary Affiliation Agreement (or successor agreement) there is a change in control of UMC, UNLV shall be entitled to the portion of the Purchase Price Funds remaining in the escrow account as of the date of such change in control, including all interest earned on such funds. The term "change in control" means the sale, merger or consolidation of all or substantially all of the assets of UMC to or with a private person, corporation of entity, but does not include any such sale, merger, or consolidation to or with a government, government agency, or a political subdivision of a government.

Key Terms of Interlocal Medical Office Lease:

In order to address the short term needs for faculty and staff office space and other uses UNLV is also requesting approval of an Interlocal Medical Office Lease for approximately 23,955 square feet from UMC at 2040 W. Charleston Blvd. Under the terms of the lease, UNLV School of Medicine will occupy the third, fourth and fifth floors of the building. The initial lease term is five years with two additional one-year extension options. During the first year of occupancy the monthly full-service lease rate will be \$1.75 per rsf. The rate will increase annually at three percent but will remain lower than current rental square foot property in that area. According to third-quarter 2015 market reports, full-service lease rates for the Downtown medical submarket averaged \$1.99 per rentable square foot.

UMC has agreed to make significant renovations to the third, fourth, and fifth floors at their cost. UMC

and UNLV will work together to design space to meet the needs of UNLV School of Medicine while remaining functional for future UMC leasing opportunities when UNLV vacates the premise. Renovations will include upgrades to the common area bathrooms, construction of 26 offices on each floor, in addition to conference and administrative space, workrooms, and break rooms. The fifth floor space will include a library, offices, classrooms, and conference rooms. It is estimated UNLV School of Medicine's academic faculty and staff will occupy the fourth floor in October 2016, third floor occupancy is slated for December 2016, and fifth floor occupancy will take place April 2017. The final occupancy dates for each floor will be determined by the construction schedule UNLV is finalizing with UMC. Housing the initial administrative and academic units in this facility on the UMC campus, will help to promote collaboration and coordination and facilitate the efficiency and effectiveness of the many interactive partnerships UNLV School of Medicine is embarking upon with UMC.

The cost to lease the third, fourth, and fifth floors for the remainder of fiscal year 2017 is approximately \$266,000. The overall cost for the initial five-year term is estimated at \$2.43 million. Exercising the two-year extension options is not required under the terms of the lease. Initial lease payments will be paid from funds procured by UNLV School of Medicine from the State of Nevada, to provide interim housing for newly-hired faculty and staff, in advance of having a permanent facility.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

UNLV President Len Jessup and UNLV School of Medicine Founding Dean Dr. Barbara Atkinson request: (1) designation of a permanent site for the UNLV School of Medicine academic building; (2) approval of a Transfer Agreement with Clark County for a nine (9) acre site; (3) approval of a Preliminary Affiliation Agreement with UMC that will be executed concurrently with the Transfer Agreement; and (4) approval of Interlocal Medical Office Lease with UMC. President Jessup and Dean Atkinson further request that the Chancellor be authorized to execute the Transfer Agreement and any ancillary documents related thereto, subject to the review and approval of such documents by the Vice Chancellor for Legal Affairs.

4. IMPETUS (WHY NOW?):

UNLV and Clark County wish to collaborate to establish a four-year allopathic medical school in the Las Vegas Medical District. Putting the medical school's academic building on this strategically located nine acres near Clark County's only public hospital – the University Medical Center of Southern Nevada (UMC) – and near the UNLV Shadow Lane Campus will help to create a premiere academic health center for Southern Nevada that fully integrates the expertise of a university affiliated medical school with the resources of a teaching hospital and thus establish an Academic Health Center

Timing is critical for three reasons: (1) the UNLV School of Medicine is scheduled to have a site visit on July 17-20 and having the location of the permanent building secured will underscore the University's commitment; (2) UNLV and UNLV School of Medicine leadership needs to move ahead to finalize the capital campaign to raise money for construction of the academic building and in order to do this a specific site must be identified; and (3) having a permanent site approved by Board of Regents will allow the architects to plan and conduct the planning and design needed for the new facility.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The UNLV School of Medicine requires a site for its permanent academic building.
- Concrete steps and commitments by NSHE, UNLV, and Clark County toward finalizing the permanent site for the UNLV School of Medicine will positively impact the school's accreditation. The LCME's site visit will occur July 17-20.
- The location of the Site is ideal, near UMC and the Shadow Lane campus, allowing for close collaboration between the only public hospital in Clark County and the UNLV School of Medicine.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

The University could seek collaborations with other partners that include land, facilities, and programs. In addition, UNLV could seek other available land parcels to purchase.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:			
Do not approve the requests.			

8. COMPLIANCE WITH BOARD POLICY:					
☐ Consistent With Current Board Policy: Title # Chapter # Section #					
☐ Amends Current Board Policy: Title # Chapter # Section #					
☐ Amends Current Procedures & Guidelines Manual: Chapter # Section #					
Other:					
X Fiscal Impact: Yes X No					
Explain: With reference to the Transfer Agreement UNLV School of Medicine is to pay half of the					
estimated cost of demolition of the Health District Building at the Site in an amount not to exceed					
\$500,000. UNLV plans to use some of the funds received from the sale of land at the Shadow Lane					
Campus to the State of Nevada for Project Neon in order to cover such costs. UNLV will also need to					
assemble \$5,000,000 to put in an escrow account as part of the Transfer Agreement, which University					
representatives expect will be returned to UNLV over a ten (10) year period (the Preliminary Affiliation					
Agreement term, and any successor to that agreement). The Preliminary Affiliation Agreement does not					
create a fiscal impact. With reference to the lease with UMC, the overall cost to lease the third, fourth,					
and fifth floor space for a five-year term is estimated at \$2.34 million, with annual payments included in					
the State Operating Budget.					

Transfer Agreement

This Transfer Agreement ("Agreement") is entered into by and between the Board of Regents of the Nevada System of Higher Education ("NSHE"), on behalf of the University of Nevada Las Vegas ("UNLV"), and the County of Clark, a political subdivision of the State of Nevada ("County"), and is effective as of the Effective Date.

WITNESSETH:

Whereas, in November of 2013 the Board of Regents approved a plan to develop a new four year allopathic medical school at UNLV; and

Whereas, UNLV has identified a parcel at the southeast corner of Shadow Lane and Pinto Lane within the City of Las Vegas, and more fully described as APN 139-33-305-020, as depicted on **Exhibit A** (the "Parcel"), as the preferred site for the primary campus of the medical school; and

Whereas, the County holds title to the Parcel for the benefit of University Medical Center of Southern Nevada ("UMC"); and

Whereas, the County intends to transfer fee title to the Parcel to NSHE, and NSHE intends to accept fee title to the Parcel and develop and use the Parcel as the primary campus of the UNLV Medical School; and

Whereas, it is the mutual intent of the County, NSHE and UMC that the Parcel be used in conjunction with the nearby UMC campus to create an integrated academic health center/teaching hospital ("Academic Health Center") for the betterment of public health in Southern Nevada; and

Whereas, concurrent with the execution of this Agreement, NSHE and UMC will execute an agreement (the "Preliminary Affiliation Agreement") setting forth certain obligations of each related to the creation of the Academic Health Center; which will be followed by a "Academic Health Center Master Affiliation Agreement" and

Whereas, the County and NSHE are authorized to enter into this Agreement pursuant Chapter 277 of the Nevada Revised Statutes and certain other inherent, express, and necessarily implied powers and authority.

NOW, THEREFORE, the parties agree as follows:

1. **Transfer**. The County agrees to transfer fee title and right of possession in the Parcel to NSHE subject to certain limitations set forth in the Deed with Right of Reversion (the "Deed") attached as **Exhibit B**. Transfer of fee title to the Parcel shall be consummated at closing (the "Closing") in escrow through the Title Company on the date (the "Closing Date") which is mutually agreed to by the parties but not later than December 31, 2016. Closing shall occur on the Closing Date at the offices of Nevada Title Company, Attn: Kristin Ravelo (the "Title Company").

- 2. **Consideration**. Consideration from NSHE for the transfer of the Parcel includes (1) the promises and obligations set forth in this Agreement, (2) execution of the Preliminary Affiliation Agreement and deposit of the Purchase Price Funds as provided in Section 5, and (3) payment of the Demolition Contribution (as defined in Section 6), the sufficiency of which the parties hereby acknowledge.
- 3. **Reversion**. NSHE's fee interest in the Parcel shall be subject to certain reversionary rights set forth in the Deed.
- 4. **Purchase Price Funds**. In order to ensure that the Parcel is used for the betterment of public health in Southern Nevada and the creation of the Academic Health Center the parties agreed as follows:
 - a. *Control Account*. NSHE shall deposit five million dollars (\$5,000,000.00) (the "Purchase Price Funds") in an escrow or funds control account (the "Escrow Account") with a financial institution or other third-party mutually agreed to by the parties (the "Escrow Agent").
 - b. Annual Return of Purchase Price Funds. Annually, on the date following the Effective Date of the Preliminary Affiliation Agreement, (or any successor agreement), NSHE shall be entitled to the return of five hundred thousand dollars (\$500,000.00) from the Purchase Price Funds (the "Annual Return") provided the Preliminary Affiliation Agreement (or any successor agreement) remains in full force and effect. The Annual Return shall continue each year until the entirety of the Purchase Price Funds, including all interest earned on such funds, have been returned to NSHE, or until the balance of such funds shall otherwise been surrendered to the County as provided in subsection c.
 - c. Surrender of the Purchase Price Funds. If, during the term of the Preliminary Affiliation Agreement (or any successor agreement) a court of competent jurisdiction or arbitrator (if binding arbitration is agreed to by NSHE and UMC) issues a final order declaring NSHE in breach thereof, the County shall be entitled to the portion of the Purchase Price Funds remaining in the Escrow Account as of the date of the court or arbitrator's order, including all interest earned on such funds.
 - d. Change of Control Return of Purchase Price Funds. If at time during the term of the Preliminary Affiliation Agreement (or successor agreement) there is a Change in Control of UMC, NSHE shall be entitled to the portion of the Purchase Price Funds remaining in the Escrow Account as of the date of such Change in Control, including all interest earned on such funds. The term "Change in Control" means the sale, merger or consolidation of all or substantially all of the assets of UMC to or with a private person, corporation of entity, but does not include any such sale, merger, or consolidation to or with a government, government agency, or a political subdivision of a government.

- e. Escrow Agreement and Instruction. The parties shall execute an agreement and issue any instruction to the Escrow Agent necessary for the creation and maintenance of the Escrow Account (the "Escrow Agreement"). The Escrow Agent shall have only those duties that are specifically set forth in the Escrow Agreement consistent with this Section 4. All costs and fees related to the creation and maintenance of the Escrow Account shall be paid by NSHE.
- 5. **Conditions of Closing.** The obligation of the parties to consummate the transaction contemplated by this Agreement is subject to the full and complete satisfaction of each of the following conditions precedent:
 - a. Execution by the County and NSHE of the Preliminary Affiliation Agreement.
 - b. Payment by NSHE to into escrow, on or before the Closing Date, of one-half of the costs the County incurs to demolish the existing structures on the Parcel, not to exceed the sum of five hundred thousand dollars \$500,000.00 (the "Demolition Contribution"), which shall be paid to the County upon closing.
 - c. Issuance of a commitment for title insurance by the Title Company in a form satisfactory to NSHE. The cost of any such title insurance shall be solely the responsibility of NSHE. County will use its best efforts to assist in clearing any exceptions to title, but is not obligated to expend any funds to clear or resolve any exceptions or other title issues.
 - d. Investigation and remediation of any pollutants and hazardous substances on the Parcel to NSHE's satisfaction, including, without limitation, a determination by any governmental authority having jurisdiction over any remediation activities that, in accordance with applicable federal, state and local law and regulations, "no further action" is required with respect to such remediation. The cost of any such investigation and remediation of any pollutants and hazardous substances on the Parcel shall be solely the responsibility of NSHE. The County will use its best efforts in assist in the investigation of any pollutants and hazardous stances, but is not obligated to expend any funds related thereto.
 - e. Deposit by NSHE of the Purchase Price Funds into the Escrow Account.
 - f. Deposit by the County of the Deed into escrow.
- 6. **Risk of Loss**. All risk of loss related to the Parcel passes to NSHE upon Closing. NSHE may elect to insure itself against any loss to improvements it makes or it causes to be made upon the Parcel or to its personal property sited at the Parcel prior to the Closing. Except to the extent that such loss is caused by the intentional or negligent acts of the County occurring after the date of Closing, the County shall have no obligation to reimburse NSHE for any damages.

- 7. **Condition of the Parcel.** NSHE acknowledges that the County has not physically occupied the Parcel except to undertake some recent demolition and that the County is transferring the Parcel in an "as-is" condition. The County makes no warranties or representations about the condition of the property or the suitability of the property for NSHE's purposes. Prior to the Closing Date, the County shall permit NSHE and NSHE's agents and representatives access to the Parcel for the purpose of conducting such physical and environmental inspections and surveys of the Parcel as NSHE shall deem necessary (the "Inspections"). NSHE releases and holds harmless the County, UMC, their officers and employees, from any claims arising after the Closing Date related to the condition of the Parcel. Further, NSHE agrees to indemnify and defend Clark County, UMC, their officers and employees from and against any claims arising out the Inspections and NSHE's occupancy and/or use of the Parcel prior to the Closing Date. This obligation of indemnification survives the termination of this Agreement and is subject to Chapter 41 of the Nevada Revised Statutes.
- 8. **Form of Deed**. The County will convey fee title to the Parcel to NSHE via the attached Deed, with no warranty of title.
- 9. **Remedies**. Upon the occurrence of an event of default by either party, both parties hereto reserve all rights and remedies provided by law, including the remedy of specific performance, each of the parties hereto acknowledging and agreeing that the remedy of damages would be inadequate.
- 10. **Interpretation of Agreement.** This agreement shall be interpreted in accordance with the laws of the state of Nevada.
- 11. **Assignment.** Neither party may assign any of its rights under this agreement, either voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law, or any other manner, except with the prior written consent of the other party.
- 12. **Amendment**. This Agreement shall not be modified or amended except by the express written agreement of the parties, approved and executed in the same manner as the original Agreement.
- 13. **Parties Benefited**. This Agreement is for the exclusive benefit of NSHE, UNLV, the County, and UMC, and is not for the benefit of any other person or entity, nor shall this agreement be deemed to have conferred any rights, express or implied upon any other person or entity.
- 14. **Recordation.** The parties agree not to record this Agreement or any memorandum thereof.
- 15. **Notice**. Any notice required or allowed to be provided under this agreement shall be provided to the parties below, via U.S. Mail, return receipt requested, or by personal delivery with a signed receipt of copy:

To NSHE: University of Nevada Las Vegas

Attention: Gerry J. Bomotti

4505 Maryland Parkway Box 451004

Las Vegas, NV 89154-1004

To County: Chair, Clark County Commission

500 S. Grand Central Parkway, 6th Floor

Las Vegas, NV 89106

16. Exhibits; Entire Agreement. This Agreement represents the entire agreement of the County and NSHE and supersedes all prior understandings, agreements and discussions of the parties. Each exhibit referred to herein is hereby incorporated into this Agreement by reference.

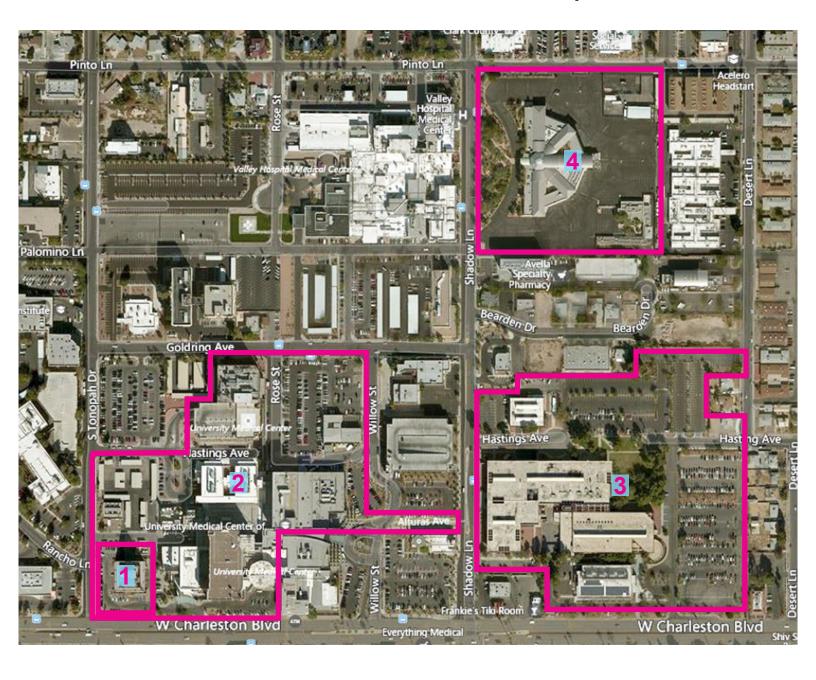
17. Regulatory Compliance. Nothing in this Agreement shall be construed as creating any duty or obligation of either party to provide referrals to the other party (or their affiliates) and this Agreement shall not be construed as creating any commitment for referrals of patients or clients between the parties (or their affiliates). It is the intent of the parties that this Agreement comply in all respects with applicable Federal, state and local laws, regulations, rules, case law and applicable administrative opinions (the "Laws"), and the parties have structured their relationship with this specific intent. However, the parties acknowledge that the Laws are complex and subject to change. In the event that any provision of this Agreement is rendered invalid or unenforceable by a court of competent jurisdiction, or a regulatory agency issues an opinion or guidance questioning the structure or enforceability of any provision of this Agreement, the parties will amend this Agreement as necessary in order to comply with the Laws including any such order, opinion or guidance.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, NSHE and County have approved and executed this Transfer Agreement as of the dates written below, the latter of which shall be the "Effective Date".

NEVADA SYSTEM OF HIGHER EDUCATION, ON BEHALF OF THE UNIVERSITY OF NEVADA, LAS VEGAS	THE COUNTY OF CLARK, a political subdivision of the State of Nevada	
Recommended: By: Gerry J. Bomotti Senior Vice President for Finance & Business	By:STEVE SISOLAK, Chair Board of Commissioners. Date:	
Approved:	Attest:	
By: DONALD KLAICH Chancellor	Lynn Marie Goya, County Clerk	
Date:		
Approved as to Form:		
By: Elda Luna Sidhu General Counsel		

Exhibit A: UNLV Medical School Lease & Acquisition Sites



Key

- 1 2040 W. Charleston Lease
- 2 UMC Campus
- 3 Shadow Lane Campus
- 4 9 Acre County Acquisition Site

Exhibit B - Form of the Deed

APN Nos:	
RECORDING REQUESTED BY AND WHEN RECORDED MAIL DOCUMENTS TO:	
MAIL TAX STATEMENTS TO:	

DEED WITH RIGHT OF REVERSION

The County of Clark ("Grantor") does hereby transfer and convey to the Board of Regents of the Nevada System of Higher Education on Behalf of University of Nevada, Las Vegas ("Grantee") all of its right, title, and interest, subject to special conditions, to the following described real property in the City of Las Vegas, County of Clark, State of Nevada (the "Property").

See Exhibit A for a Legal Description of the Property

For a term of fifty (50) years from the Grant Date, such transfer and conveyance is subject to the special conditions and rights referred to hereinafter:

- 1. The Nevada System of Higher Education or its successor at all times retains fee title to the Property;
- 2. The Property is used for activities commonly associated with the operation of a medical school and other health related programs such as, but not limited to, nursing, physical therapy, health sciences, or similar public health related activities, and such activities and ancillary uses are operated by the Nevada System of Higher Education, its lessees, agents or partners.
- 3. The Nevada System of Higher Education shall, on or before July 1, 2021, commence (and diligently pursue to completion) construction of a building with a construction value of at least twenty million dollars (\$20,000,000.00) on the Property.

If the Property is used in violation of the above special conditions, Grantor shall give Grantee written notice of such violation and one hundred eighty days (180) days after Grantee's receipt of such notice of violation to cure the violation. If after such 180 day period the violation has not been cured, Grantor may reenter, retake and repossess the Property and thereby terminate all right, title and interest Grantee has in the Property by way of judicial proceedings seeking any remedy recognizable at law or in equity.

The forgoing use restrictions shall not be construed to prohibit Grantee from conveying a leasehold interest or other less than fee interest reasonably necessary to finance improvements to the Property or to operate a Nevada System of Higher Education owned medical school and other health related programs on the Property so long as the Property is used is a manner that is consistent with the above and any such interest remains subject to the right of reentry described herein.

This Deed is made and delivered, and title to the aforesaid Property is conveyed (i) subject to unpaid general taxes for the current tax year, (ii) subject to all matters of record and all matters of which the Grantee has notice, whether actual or constructive and (iii) without representation, warranty or covenants of any kind whatsoever, whether express or implied, contractual or statutory.

[SIGNATURE PAGE TO FOLLOW]

Dated this	_ day of	, 2016 (the "Grant Da	ate").	
		Grantor:		
		County of Clark		
		By:Chair, Board of Cor	nmissioners	
Attest:				
County Clerk				
STATE OF) ss.			
		nowledged before me this, the		
		Notary Public		
My Commission	Expires:			

Preliminary Affiliation Agreement

This Preliminary Affiliation Agreement (this "Agreement") is entered into by and between the Board of Regents of the Nevada System of Higher Education ("NSHE"), on behalf of the University of Nevada, Las Vegas ("UNLV"), and its School of Medicine ("UNLV School of Medicine"), and the University Medical Center of Southern Nevada ("UMC"). This Agreement shall become effective as of the last date any authorized signatory affixes his/her signature below (the "Effective Date"). The UNLV School of Medicine and UMC may individually be referred to as a "party" and collectively as the "parties."

Recitals

- A. UMC has been serving the health care needs of southern Nevada since 1931 and is the only public hospital in Clark County. UMC maintains the only Level 1 trauma center in the State of Nevada and its burn care center, cardiology/stroke center, and pediatric intensive care unit are nationally recognized as centers of excellence.
- B. UMC is currently affiliated with the University of Nevada, School of Medicine ("UNSOM"). In addition to programs related to medical student education, UMC and UNSOM are partners in residency programs in emergency medicine, family medicine, rural family medicine, internal medicine, obstetrics and gynecology, orthopaedics, otolaryngology, pediatrics, plastic surgery, psychiatry, and general surgery. UMC and UNSOM also operate fellowships in cardiology, gastroenterology, pulmonary/critical care, colorectal surgery, female pelvic medicine, reconstructive surgery, child psychiatry, and sports medicine.
- C. In November of 2013, the NSHE Board of Regents approved a framework for the development of a new allopathic medical school at UNLV with the goal of improving healthcare outcomes in southern Nevada. On August 22, 2014 the UNLV School of Medicine was officially created and received formal approval by the Board of Regents.
- D. The vision of the UNLV School of Medicine is to develop a world-class center for education, patient care, and research that prepares Nevada's doctors with the most innovative and technologically advanced forms of medical training, while serving the healthcare needs of a diverse and urban population though community partnerships. Key to accomplishing this vision is the creation of a premier academic health center that fully integrates the expertise of a university affiliated medical school with the resources of a teaching hospital (an "Academic Health Center" or "AHC").
- E. The Academic Health Center model has been implemented successfully throughout the country and studies have shown that areas served by Academic Health Centers have improved health care outcomes and more robust economies.
- F. As the UNLV School of Medicine develops its administrative, academic, and clinical operations, it is working closely with UNSOM to develop a plan for the transition of most of UNSOM's southern Nevada operations to the UNLV School of Medicine (the "Transition Plan") on or before July 1, 2017 (the "Transition Date"). Pursuant to the Transition Plan

the teaching, residency, fellowship, clinical and other programs jointly operated by UNSOM and UMC will be transferred to the UNLV School of Medicine.

- G. The UNLV School of Medicine and UMC intend to maintain and strengthen the programs transferred as part of the Transition Plan and expand their affiliation with the goal of creating a premier Academic Health Center for the betterment of public health in southern Nevada. This expanded affiliation will include new and expanded programs in (1) medical student education, (2) graduate medical education, (3) basic science, clinical and translational research, and (4) clinical medicine.
- H. The Academic Health Center model requires a close physical connection between the medical school and the hospital. The UNLV School or Medicine anticipates leasing space from UMC and has identified the Las Vegas Medical District adjacent to UMC as the best location for its future campus. The campus will be primarily located on approximately 9 acres of land on the southwest corner of Shadow Lane and Pinto Lane and UNLV's existing Shadow Lane Campus on Charleston Boulevard adjacent to UMC. The UNLV School of Medicine anticipates investing hundreds of millions of dollars in the development of its campus and expects that this investment will enhance the Las Vegas Medical District, spur additional redevelopment in the area, and provide numerous direct and indirect benefits to UMC.
- I. In furtherance of the above, the parties desire to enter into this Preliminary Affiliation Agreement in order to formalize their relationship and set forth a process and certain obligations that will result in the creation of a premier Academic Health Center that is jointly operated by the parties. This Preliminary Affiliation Agreement is a first-step and the parties anticipate and acknowledge the need for additional and further agreements, including an "Academic Health Center Master Affiliation Agreement" setting forth in detail the respective roles, responsibilities and obligations of the parties.
- J. The parties are authorized to enter into this Agreement pursuant to (1) Article 11, Section 4 of the Constitution of the State of Nevada, (2) Chapters 396, 450 and 277 of the Nevada Revised Statutes, and (3) certain other inherent, express, and necessarily implied powers and authority.

THEREFORE, in consideration of the mutual covenants and conditions of this Agreement, the parties agree as follows:

Agreement

Section 1. Academic Health Center.

1.1. Creation. The parties agree to create a premier Academic Health Center that includes programs in the follow areas: (1) medical student education, (2) graduate level medical education, including residencies and fellowships, (3) basic science, clinical, and translational research, and (4) the clinical practice of medicine, as further outlined in this Agreement. This Agreement sets forth the parties' vision for the Academic Health Center,

describes certain obligations of each party, and anticipates further and additional agreements between the parties, including an Academic Health Center Master Affiliation Agreement that will set forth the roles, responsibility and obligations of the parties in further detail. The parties acknowledge that creating an Academic Health Center is a complex endeavor requiring each to commit substantial time and resources and that each party's commitment to making such an investment is material to the willingness of the other to enter into this Agreement.

1.2. Exclusive Relationship. For the Term of this Agreement (as defined below): (1) the UNLV School of Medicine shall not create or pursue the creation of an Academic Health Center with any hospital, hospital system or hospital consortium other than UMC ("Another Hospital"); and (2) UMC shall not create or pursue the creation of an Academic Health Center with any medical school or similar academically affiliated health care organization other than the UNLV School of Medicine ("Another Medical School").

Section 2. Medical Student Education Programs.

- 2.1. *UME Programs*. The parties have entered into a Medical Student Affiliation Agreement setting forth certain roles, responsibilities, and obligations of the parties related to the creation and operation of certain programs, projects, arrangements, and undertakings involving medical student education ("**UME Programs**"); a copy of which is attached as **Exhibit A**. The parties acknowledge that strong UME Programs are key to successfully implementing the Academic Health Center model and that additional and further commitments to UME Programs will be necessary from each party. Accordingly, the Academic Health Center Master Affiliation Agreement will include a detailed plan setting forth the roles, responsibility and obligations of the parties relative to new and expanded UME Programs.
- 2.2. Non-Exclusive Relationship. The parties acknowledge that each may establish programs and affiliations with Another Hospital or Another Medical School related to medical student education and nothing in this Agreement, including this Section 2, shall restrict or prevent the other from entering into any type of agreement related to medical student education with Another Hospital or Another Medical School.

Section 3. Graduate Medical Education Programs.

3.1 Primary GME Partner. It is the intent of the parties that each will serve as the primary GME Program partner of the other. The term "GME Program" means any graduate level (post M.D. or D.O.) program, project, arrangement, or undertaking involving or concerning the medical education and training of residents, fellows, and related faculty and staff. Certain GME Programs operated by UMC and UNSOM will be transferred to the UNLV School of Medicine pursuant to the Transition Plan (the "Transferred GME Programs"). The Transferred GME Programs will form the foundation of the parties' initial GME partnership and the parties will use their best efforts to maintain the programs at their current level and complete the transition of the Transferred GME Programs to the UNLV School of Medicine. Except as provided in Section 3.2 and Section 3.3, the UNLV School of

Medicine shall not operate or establish any GME Program with Another Hospital and UMC shall not operate or establish any GME Program with Another Medical School.

- 3.2. *Other GME Partners UNLV*. Nothing in this Agreement, including Section 3.1., shall restrict or prevent the UNLV School of Medicine from:
 - a. Continuing any GME Program with Another Hospital provided the GME Program is in existence as of the Effective Date of this Agreement and is transferred from UNSOM as part of the Transition Plan (an "Existing UNLV GME Program"); or
 - Expanding an Existing UNLV GME Program or establishing any new b. GME Program (collectively a "New UNLV GME Program") with Another Hospital, provided; UMC is first offered the option to partner in the New UNLV GME Program. Any proposal for a New UNLV GME Program shall be made in writing (a "New UNLV GME Program Notice") and served upon UMC in the manner provided in Section 14.3. Each New UNLV GME Program Notice shall include a detailed description of the proposed New UNLV GME Program, consistent with Accreditation Council of Graduate Medical Education ("ACGME") program requirements, including (1) the number of new or expanded residencies or fellowships, (2) the number and type of faculty and staff required, (3) the educational facilities and related equipment, and (4) any other resources that may be required of the parties to start and maintain the New UNLV GME Program. UMC shall have sixty (60) days after receipt of the New UNLV GME Program Notice (the "New UNLV GME Program Option Period") to (1) reject, (2) partially-accept, or (3) accept-in-full the New UNLV GME Program Notice. For purposes of this Section 3.2.b the term "partially-accept(s)" shall mean an expression of willingness to partner in the New UNLV GME Program in a manner that varies from the New UNLV GME Program Notice, including, but not limited to, any variation in the number of residencies or fellowships. If UMC partially-accepts or accepts-in-full the New UNLV GME Program Notice, the parties shall have sixty (60) days from the expiration of the New UNLV GME Program Option Period to mutually execute an agreement for such New UNLV GME Program (the "New UNLV GME Program Negotiation Period"). During the New UNLV GME Program Negotiation Period the parties shall negotiate in good faith and use their best efforts to reach an agreement on the New UNLV GME Program. If (1) UMC rejects the New UNLV GME Program Notice, (2) UMC fails to respond to the New UNLV GME Program Notice, or (3) UMC partially-accepts or accepts-in-full the New UNLV GME Program Notice and the parties fail to execute an agreement related to the New UNLV GME Program prior to the expiration of the New UNLV GME Program Negotiation Period, the UNLV School of Medicine may establish such New UNLV GME Program with Another Hospital. If UMC partially-accepts any New UNLV GME Program Notice and the parties execute any agreement related to the New UNLV GME Program, nothing shall prevent the UNLV School of Medicine from also establishing the New UNLV GME Program in whole or part with Another Hospital. The Dean of the UNLV School of Medicine may, in his or her sole discretion, extend the New UNLV

GME Program Option Period, or the New UNLV GME Program Negotiation Period, or both, for up to ninety (90) additional days.

- 3.3 Other GME Partners UMC. Nothing in this Agreement, including Section 3.1, shall restrict or prevent UMC from:
 - a. Continuing any GME Program with Another Medical School provided the GME Program is in existence as of the Effective Date of this Agreement (an "Existing UMC GME Program"); or
 - b. Expanding any Existing UMC GME Program or establishing any new GME Program (collectively a "New UMC GME Program") with Another Medical School provided; UNLV is first offered the option to partner in the New UMC GME Program. Any proposal for a New UMC GME Program shall be made in writing (a "New UMC GME Program Notice") and served upon UNLV in the manner provided in Section 14.3. Each New UMC GME Program Notice shall include a detailed description of the proposed New UMC GME Program, consistent with ACGME program requirements, including (1) the number of new or expanded residencies or fellowships, (2) the number and type of faculty and staff required, (3) the educational facilities and related equipment, and (4) any other resources that may be required of the parties to start and maintain the New UMC GME Program. UNLV shall have sixty (60) days after receipt of the New UMC GME Program Notice (the "New UMC GME Program Option Period") to (1) reject, (2) partially-accept, or (3) accept-in-full the New UMC GME Program Notice. For purposes of this Section 3.2.b the term "partially-accept(s)" shall mean an expression of willingness to partner in the New UMC GME Program in a manner that varies from the New UMC GME Program Notice, including, but not limited to, any variation in the number of residencies or fellowships. If UNLV partially-accepts or accepts-in-full the New UMC GME Option Notice, the parties shall have sixty (60) days from the expiration of the New UMC GME Program Option Period to mutually execute an agreement for such New UMC GME Program (the "New UMC GME Program Negotiation Period"). During the New UMC GME Program Negotiation Period the parties shall negotiate in good faith and use their best efforts to reach an agreement on the New UMC GME Program. If (1) UNLV rejects the New UMC GME Program Notice, (2) UNLV fails to respond to the New UMC GME Program Notice, or (3) UNLV partially-accepts or accepts-in-full the New UMC GME Program Notice and the parties fail to execute an agreement related to the New UMC GME Program prior to the expiration of the New UMC GME Program Negotiation Period, UMC may establish such New UMC GME Program with Another Medical School. If UNLV partially-accepts any New UMC GME Program Notice and the parties execute any agreement related to the New UMC GME Program, nothing shall prevent UMC from also establishing the New UMC GME Program in whole or party with Another Hospital. The Chief Executive Officer of UMC may, in his or her sole discretion, extend the New UMC GME Option Period, or the New UMC GME Program Negotiation Period, or both, for up to ninety (90) additional days.

Section 4. Research Programs.

The parties agree that innovative programs in basic science, clinical, and translational research ("Research Programs") are key to successfully implementing the Academic Health Center model. Tomorrow's physicians need to understand modern research methods to assess the results thereof and incorporate the results into their practices. It is the intent of the parties to work together to engage in joint research and develop robust state-of-the-art Research Programs at the Academic Health Center. Accordingly, the Master Affiliation Agreement will include a detailed plan setting forth the roles, responsibility and obligations of the parties relative to the establishment and operation of Research Programs, including any restrictions or exclusive rights between and among the parties. Additionally, the parties agree that in the event Research Programs are a part of any service performed at UMC by the UNLV School of Medicine, UMC shall be provided an opportunity to be included in such Research Programs.

Section 5. Clinical Medicine Programs.

- 5.1. Primary Clinical Medicine Partner. It is the intent of the parties that each will serve as the primary Clinical Medicine Program partner of the other. The term "Clinical Medicine Program" means any program, project, arrangement, or undertaking of the study and practice of medicine in relation to the care of patients that involves medical students or graduate level medical residents, fellows, and related faculty and staff. Certain Clinical Medicine Programs operated by UMC and UNSOM will be transferred to the UNLV School of Medicine pursuant to the Transition Plan (the "Transferred Clinical Medicine Programs"). The Transferred Clinical Medicine Programs will form the foundation of the parties' initial clinical medicine partnership and the parties will use their best efforts to maintain the programs at their current levels and complete the transition of the Transferred Clinical Medicine Programs to the UNLV School of Medicine. Except as provided in Section 5.2 and Section 5.3, the UNLV School of Medicine shall not operate or establish any Clinical Medicine Program with Another Hospital and UMC shall not operate or establish any Clinical Medicine Program with Another Medical School.
- 5.2. Other Clinical Medicine Partners UNLV. Nothing in this Agreement, including Section 5.1, shall restrict or prevent the UNLV School of Medicine from:
 - a. Continuing any Clinical Medicine Program with Another Hospital provided the Clinical Medicine Program is in existence as of the Effective Date of this Agreement and is transferred from UNSOM as part of the Transition Plan (an "Existing UNLV Clinical Medicine Program"); or
 - b. Expanding any Existing UNLV Clinical Medicine Program or establishing any new Clinical Medicine Program (collectively a "New UNLV Clinical Medicine Program") with Another Hospital provided; UMC is first offered the option to partner in the New UNLV Clinical Medicine Program. Any proposal for a New UNLV Clinical Medicine Program shall be made in writing (a "New UNLV Clinical").

Medicine Program Notice") and served upon UMC in the manner provided in Section 14.3. Each New UNLV Clinical Medicine Program Notice shall include a detailed description of the proposed New UNLV Clinical Medicine Program, consistent with ACGME program requirements, including (1) a summary of the facility involved, and (2) a five-year business plan including an estimate of start-up and annual operating costs that may be incurred by the parties. UMC shall have ninety (90) days after receipt of a New UNLV Clinical Medicine Program Notice to (1) accept-in-full, or (2) reject the New UNLV Clinical Medicine Program Notice (the "New UNLV Clinical Medicine Program Option Period"). If UMC acceptsin-full the New UNLV Clinical Medicine Program Notice, the parties shall have one hundred eighty (180) days from the expiration of the New UNLV Clinical Medicine Program Option Period to mutually execute an agreement for such New UNLV Clinical Medicine Program (the "New UNLV Clinical Medicine Program **Negotiation Period**"). During the New UNLV Clinical Medicine Program Negotiation Period the parties shall negotiate in good faith and use their best efforts to reach an agreement on the New UNLV Clinical Medicine Program. If (1) UMC rejects the New UNLV Clinical Medicine Program Notice, (2) UMC fails to respond to the New UNLV Clinical Medicine Program Notice, or (3) UMC accepts-in-full the New UNLV Clinical Medicine Program Notice and the parties fail to execute an agreement related to the New UNLV Clinical Medicine Program prior to the expiration of the New UNLV Clinical Medicine Program Negotiation Period, the UNLV School of Medicine may establish such New UNLV Clinical Medicine Program with Another Hospital. The Dean of the UNLV School of Medicine may, in his or her sole discretion, extend the New UNLV Clinical Medicine Program Option Period, or the New UNLV Clinical Program Negotiation Period, or both, for up to ninety (90) additional days.

- 5.3. Other Clinical Medicine Partners UMC. Nothing in this Agreement, including Section 5.1, shall restrict or prevent UMC from:
 - a. Continuing any Clinical Medicine Program with Another Medical School provided the Clinical Medicine Program is in existence as of the Effective Date of this Agreement (an "Existing UMC Clinical Medicine Program"); or
 - b. Expanding any Existing UMC Clinical Medicine Program or establishing any new Clinical Medicine Program (collectively a "New UMC Clinical Medicine Program") with Another Medical School provided; UNLV is first offered the option to partner in the New UMC Clinical Medicine Program. Any proposal for a New UMC Clinical Medicine Program shall be made in writing (a "New UMC Clinical Medicine Program Notice") and served upon UNLV in the manner provided in Section 14.3. Each New UMC Clinical Program Notice shall include a detailed description of the proposed New UMC Clinical Medicine Program, consistent with ACGME program requirements, including (1) a summary of the facility involved, and (2) a five-year business plan including an estimate of start-up and annual operating costs that may be incurred by the parties. UNLV shall have sixty (60) days after receipt of the New UMC Clinical Medicine Program Notice (the "New UMC

Clinical Medicine Program Option Period") to (1) accept-in-full, or (2) reject the New UMC Clinical Medicine Program Notice. If UNLV accepts-in-full the New UMC Clinical Program Option Notice, the parties shall have sixty (60) days from the expiration of the New UMC Clinical Medicine Option Period to mutually execute an agreement for such New UMC Clinical Medicine Program (the "New UMC Clinical Medicine Program Negotiation Period"). During the New UMC Clinical Medicine Program Negotiation Period the parties shall negotiate in good faith and use their best efforts to reach an agreement on the New UMC Clinical Medicine Program. If (1) UNLV rejects the New UMC Clinical Medicine Program Notice, (2) fails to respond to the New UMC Clinical Medicine Program Notice, or (3) UNLV accepts-in-full the New UMC Clinical Medicine Program Notice and the parties fail to execute an agreement related to the New UMC Clinical Medicine Program prior to the expiration of the New UMC Clinical Medicine Program Negotiation Period, UMC may establish such New UMC Clinical Medicine Program with Another Medical School. The Chief Executive Officer of UMC may, in his or her sole discretion, extend the New UMC Clinical Medicine Program Option Period, or the New UMC Clinical Medicine Program Negotiation Period, or both, for up to ninety (90) additional days.

Section 6. Academic Support and Professional Services.

- 6.1 Transition. The parties acknowledge that in order to create a premier Academic Health Center they must strengthen and expand their affiliation. The Transferred GME Programs and the Transferred Clinical Medicine Programs form a baseline from which the parties will strengthen their affiliation by expanding those programs or adding new programs as provided in this Agreement. Consistent with all application Legal Requirements (as defined in Section 6.2), and subject to Section 14.1, UMC agrees to the following:
 - a. For a period of twenty-four (24) months from the Effective Date or until June 30, 2018 (whichever occurs later), UMC will support full time equivalency (FTE) positions for residents, fellows and faculty in the Transferred GME Programs and the Transferred Clinical Medicine Programs (the "Academic Support") at the same levels as it supported those positions in the Fiscal Year preceding the Transition Date as described in **Exhibit B**; provided however, this commitment to Academic Support is contingent on the parties executing the Academic Health Center Master Affiliation Agreement or such other agreement required under Section 9.2 prior to the Transition Date.
 - b. UMC will consent to the assignment of all professional services provided by UNSOM (or its practice plan), as such services are generally described in **Exhibit B**, prior to the Transition Date to the UNLV School of Medicine (or its practice plan) provided: (1) the UNLV School of Medicine is able to staff such services with health care practitioners who are credentialed by UMC's medical staff to perform the necessary services, (2) such practitioners are acceptable to UMC, in its reasonable discretion, and (3) the provision of all professional services comply with all applicable Legal Requirements (as defined

in Section 6.2), including, but not limited, fair market value compensation requirements.

6.2 Legal Requirements. The parties acknowledge that the obligations imposed by this Section 6 may be subject to and limited by certain federal and state law and regulations governing patient referrals and fair market compensation requirements, including, but not limited to the "Stark Law" (currently codified at 42 U.S.C. § 1395nn and 42 C.F.R. § 411.350 -411-389) and other anti-kickback restrictions (the "Legal Requirements"). Nothing in this Section 6 shall require, or be interpret to require, either party to act or take action in violation of any Legal Requirements.

Section 7. Facilities.

The Academic Health Center contemplated by this Agreement will be located within the Las Vegas Medical District at various UMC facilities and at facilities operated by the UNLV School of Medicine. The UNLV School of Medicine is planning for the core of its campus to be located on approximately 9 acres near the southwest corner of Shadow Lane and Pinto Lane (APN 139-33-305-020) currently owned by Clark County (the "Pinto Parcel") and on approximately 18 acres at West Charleston Boulevard and Shadow Lane operated by NSHE (the "Shadow Lane Campus"). The parties anticipate that fee title to the Pinto Parcel will be transferred to NSHE pursuant to a "Transfer Agreement" - subject to the property being used for the operation of a medical school and other health related programs. The parties also anticipate that the UNLV School of Medicine will lease a significant amount of space from UMC on or near UMC's central campus including at facilities located at 2040 West Charleston, 2231 West Charleston, and 1524 Pinto Lane (the "Leased Facilities"). The parties will use their best efforts to negotiate any leases or other agreements related to the Leased Facilities and UMC will use its best efforts to complete any improvements the parties determine are necessary to the UNLV School of Medicine's use of the Leased Facilities. The Shadow Lane Campus, the Pinto Parcel, the Leased Facilities, and the UMC campus are key components of the Academic Health Center envisioned under this Agreement and the parties will collaborate to develop each in a manner that furthers the Academic Health Center model.

Section 8. Joint Marketing and Branding.

8.1. Marketing Plan. Commencing on the Effective Date, the parties will create and maintain a joint communication and marketing plan (the "Marketing Plan") that will detail certain marketing and advertising strategies related to the development and operation of the Academic Health Center and any programs related thereto. A committee comprised of marketing, public relations, and other professionals, as assigned by the Chief Executive Officer of UMC and the Dean of the UNLV School of Medicine, will meet no less than quarterly to develop and implement the Marketing Plan, including all television, radio, print, digital and other advertising. The Marketing Plan shall include certain guidelines that have the purpose of creating a regionally and nationally recognized brand for the Academic Health Center. The Marketing Plan shall also include a method for the allocation of the costs between the parties. The Marketing Plan and the cost

allocation method shall be subject to the approval of both the Chief Executive Officer of UMC and the Dean of the UNLV School of Medicine.

- 8.2. *Use of Marks*. Each party owns or controls certain copyrights, trademarks, trade names, trade dress, logos, slogans, seals and other intellectual property (the "Marks"). The Marketing Plan will set forth certain rights of each party to use the Marks of the other to market and brand the Academic Health Center and any program related thereto (the "Permitted Marks"). Except as provided in Marketing Plan, or a separate agreement, neither party shall utilize any Mark of the other party.
- 8.3 Restrictions on Use of Marks by Others. Each party agrees that it will not use its Marks or grant any third-party rights to use its Marks (1) in a manner that dilutes the brand of the Academic Health Center or programs related thereto, or (2) to market programs or related services each party operates at or with Another Hospital or Another Medical School. Notwithstanding the forgoing, nothing shall prevent or restrict either party from using its Marks to market programs or related services it operates at or with Another Hospital or Another Medical School if such programs or related services (1) are in existence of the Effective Date of this Agreement, or (2) are expanded or created pursuant to Section 2, Section 3, Section 4, and Section 5 of this Agreement.
- 8.4. Signage. For the Term of this Agreement and the term of the Academic Health Center Master Affiliation Agreement contemplated herein (the "Signage Term"), the UNLV School of Medicine grants to UMC (1) rights to place on the UMC campus up to three static signs reading "UNLV School of Medicine at UMC", "UNLV Medicine at UMC", or such other name or phrase consistent with the Brand Guidelines, on the exterior of any building selected by UMC (the "Building Signs"), and (2) right to UMC to display, on electronic marquee sign(s) (the "Marquee Signs") UMC may in the future erect on its campus, the Permitted Marks and information related programs and services of the Academic Health Center provided the information displayed is consistent with the Marketing Plan, including the Brand Guidelines. The design and size of the Building Signs shall be mutually agreed to by the parties and be consistent with the Brand Guidelines. All costs related to the construction, installation, operation, and maintenance of the Building Signs and Marquee Signs shall be the sole responsibility of UMC. During the Sign Term, neither party shall (1) erect any signs, or (2) authorize others to erect any signs using the parties Marks that dilutes the brand of the Academic Health Center or otherwise violates the parties' obligations under Section 8.3.

Section 9. Academic Health Center Master Affiliation Agreement.

9.1 Joint Committee. The parties agree to form a joint committee for the purpose of implementing the provisions of this Agreement and to commence negotiations toward the Academic Health Center Master Affiliation Agreement described in this Agreement (the "Joint Committee"). It is the goal of the parties to have the Academic Health Center Master Affiliation Agreement approved by the parties' respective governing boards prior to the Transition Date (July 1, 2017); provided that if either party determines that more time is necessary to obtain approval of the Academic Health Center

Master Affiliation Agreement, the time period may be extended for an additional year (until July 1, 2018) unless otherwise mutually agreed. The Joint Committee will be led by personnel designated respectively by the Dean of UNLV School of Medicine and by the Chief Executive Officer of UMC. The Joint Committee will meet regularly and will use its best efforts to come to agreement on all material terms of the Academic Health Center Master Affiliation including all terms described in this Agreement.

- 9.2. Other Agreements. The parties acknowledge that in the event the Academic Health Center Master Affiliation Agreement is not approved by the parties' respective governing boards prior to the Transition Date (July 1, 2017), other agreements may be necessary to ensure that the Academic Support described in Section 6 can be effectuated. As such, and subject to Section 6, the parties agreed to use their best efforts to negotiate such other agreements if necessary in order to ensure that Transferred GME Programs and the Transferred Clinical Medicine Programs continue after the Transfer Date.
- 9.3 Outside Experts and Consultants. The parties acknowledge that creation of the Academic Health Center contemplated by this Agreement is a complex endeavor. The parties anticipate the need to engage certain outside experts and consultants related to the legal and operational structure of the Academic Health Center and to advise or assist the Joint Committee relative to the Academic Health Center Master Affiliation Agreement. Where appropriate, the Joint Committee may recommend the joint hiring of such experts and consultants and may recommend a method for the allocation of the costs between the parties. Any cost allocation method recommended by the Joint Committee shall be subject to the approval of both the Chief Executive Officer of UMC and the Dean of the UNLV School of Medicine.
- 9.4 Stark Exception. The parties acknowledge that the programs and relationships between them resulting from this Agreement and the Academic Health Center Master Affiliation Agreement are subject to various state and federal laws and regulations governing referrals between the parties, including, but not limited to the Stark Law. In the course of negotiating the Academic Health Center Master Affiliation Agreement the parties agree to investigate legal and operational structures that will allow them to assert certain exceptions to the Stark Law, including the "affiliated academic medical center" exception. The Joint Committee shall investigate such legal and operational structures and may recommend to the Dean of the UNLV School of Medicine and the Chief Executive Officer of UMC the hiring of outside legal counsel and other experts necessary to such investigation.
- 9.5. Term of the Academic Health Center Master Affiliation Agreement. The Academic Health Center Master Affiliation Agreement shall have an initial term of ten (10) years subject to certain rights of re-negotiation, agreed to by the parties; which shall include the right of either party to request that the other party renegotiate any provision of the Academic Health Center Master Affiliation Agreement any time after the fifth anniversary of the effective date of that agreement (a "AHC Renegotiation Notice"). Any AHC Renegotiation Notice shall be served as provided in the notice provision of the

Academic Health Center Master Affiliation Agreement and the parties shall commence good faith negotiations related to the provisions of the Academic Health Center Master Affiliation Agreement identified in the AHC Renegotiation Notice within thirty (30) days after service of the AHC Renegotiation Notice. The parties acknowledge that in order for the Academic Health Center to be successful, each must make certain long term commitments. Therefore, it is anticipated that the Academic Health Center Master Affiliation Agreement will include certain renewal and option periods mutually agreed to by the parities.

Section 10. Community Health Programs.

The UNLV School of Medicine and UMC intend to sponsor and participate in numerous health initiatives, public education programs, and community health activities ("Community Health Programs") with a variety of health care providers, community health organizations, hospitals, and government entities. Nothing in this Agreement or the Academic Health Center Master Affiliation Agreement shall prevent either party from engaging is such Community Health Programs including with Another Hospital or Another Medical School.

Section 11. Licensing and Accreditation.

The parties will cooperate with each other on any licensing or accreditation related to the operations of the UNLV School or Medicine, UMC or the Academic Health Center contemplated by this Agreement, including those imposed by the Accreditation Council for Graduate Medical Education and the Joint Commission on the Accreditation of Hospitals.

Section 12. Dispute Resolution.

- Negotiation. Any dispute arising out of or related to this Agreement shall be 12.1 subject to the following dispute resolution procedures. Either party may give the other party notice of any dispute not resolved in the ordinary course of business by providing the party a written notice describing the nature and basis of the dispute (a "Dispute Notice"); the notice shall be served as provided in Section 14.3. Within five (5) days after delivery of any Dispute Notice, the receiving party shall submit a written response to the Dispute Notice (a "Response") which shall be served on the other party as provided in Section 14.3. The Response shall describe in detail the receiving party's position related to the dispute described in the Dispute Notice. Within ten (10) days after delivery of the Response the Dean of the UNLV School of Medicine and the Chief Executive Officer of UMC shall meet to attempt to resolve the dispute (a "Dispute Meeting"). The Dispute Meeting shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any statements made or materials given by any party during the Dispute Meeting may not be used against it in later proceedings if the parties fail to resolve the dispute during the Dispute Meeting.
- 12.2 *Mediation*. If any dispute arising out of or related to this Agreement is not resolved through negotiation as provided in Section 12.1, the parties may by mutual

agreement, submit the dispute to non-binding private mediation before a mediator mutually agreed to by the parties at a time and place mutually agreed to by the parties using procedures established by the mediator. The mediation shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any statements made or materials given by any party during the mediation may not be used against it in later proceedings if the parties fail to resolve the dispute during the mediation.

12.3 Legal Action. It is the intent of the parties that the negotiation procedures set forth in Section 12.1, and, if mutually agreed, the mediation procedures set forth in Section 12.2, shall govern any dispute arising out of or related to this Agreement. Neither party may seek legal redress for any dispute arising out of or related to this Agreement in a court of law until such time as the negotiation process set forth in Section 12.1 has been completed; after which either party shall have the right to commence legal action in a court of law with competent jurisdiction. The parties acknowledge that a breach of this Agreement by either party will cause irreparable harm and unreasonably interfere with the operations of the other party and the development of the Academic Health Center, the amount and extent of which cannot be adequately addressed by monetary damages. Therefore, the parties agree that in the event of a breach of this Agreement, the non-breaching party may, following the completion of the process set forth in Section 12.1, seek injunctive relief or any other remedy available in law or equity.

Section 13. Term of this Agreement.

- 13.1 Term. The term of this Agreement shall be for ten (10) years from the Effective Date or until the date upon which each party's governing board has approved the Academic Health Center Master Affiliation Agreement, whichever occurs earlier. If this Agreement survives beyond the fifth (5th) anniversary of the Effective Date, either party may request that the other party renegotiate any provision of this Agreement by serving a written request upon the other party as provided in Section 14.2 (a "Renegotiation Request"). Within thirty (30) days after service of any Renegotiation Request, the parties shall commence good faith negotiations related the provisions of this Agreement identified in the Renegotiation Request.
- 13.2 Early Termination. Notwithstanding Section 13.1, if fee title to the Pinto Parcel has not been transferred to the Board of Regents of the Nevada System of Higher Education pursuant the terms and conditions of the Transfer Agreement on or before December 31, 2016, NSHE may, in its sole and absolute discretion, terminate this Agreement at any time by giving UMC written notice of such termination which shall become effective sixty (60) days thereafter.

Section 14. Miscellaneous.

14.1 *Privileges and Immunities Not Waived*. It is acknowledged by and between the parties that (1) NSHE is a constitutional entity of the state of Nevada, and (2) UMC is a county hospital organized pursuant to Chapter 450 of the Nevada Revised Statutes. Nothing contained in this Agreement shall be construed as a waiver or relinquishment by

either party of any right to claim any exemption, privilege or immunity provided by to that party by law, including without limitation, any right to terminate (1) this Agreement or (2) any agreement between the parties contemplated by this Agreement, including the Academic Health Center Master Affiliation Agreement, in the event any funding authority fails to appropriate funds to enable the party to fulfill its obligations under such agreements.

- 14.2 Administrative Authority: Except where any applicable policy of the Nevada System of Higher Education or UNLV provides otherwise, the Dean of the UNLV School of Medicine is authorized to issue any approval or consent required to administer this Agreement. Except where any applicable policy of the Clark County Commission, sitting as the Board of Hospital Trustees of UMC, or the Governing Board of UMC, provides otherwise, the Chief Executive Officer of UMC is authorized to issue any approval or consent required to administer this Agreement.
- 14.3 Notices. Any notices to be given under this Agreement shall be delivered by: (1) personal delivery, (2) United States mail, certified or registered, postage prepaid, return receipt requested, or (3) by overnight delivery using a nationally recognized courier. All mailed notices shall be deemed received three (3) days after mailing. Notices shall be delivered or mailed to the following addresses or such other address as either party may specify in writing to the other party:

UNLV: University of Nevada, Las Vegas

School of Medicine

4505 South Maryland Parkway

Box 453070

Las Vegas, NV 89154-3070

Attention: Dean

Telephone: 702-895-3524

with copy to

UNLV General Counsel 4505 South Maryland Parkway

Box 451085

Las Vegas, NV 89154-3070 Attention: General Counsel Telephone: 702-895-5185

UMC:

University Medical Center of Southern Nevada 1800 W. Charleston Blvd.

Las Vegas, NV 89102 Attention: CEO

Telephone: 702-383-2000

with copy to

UMC Office of General Counsel 1800 W. Charleston Blvd. Las Vegas, NV 89102 Attn: General Counsel

- 14.4 Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Nevada, and the venue for any and all disputes relating to, arising out of, or in connection with this Agreement shall be in a court of competent jurisdiction in Clark County, State of Nevada and the parties expressly consent to the jurisdiction of said courts.
- 14.5 *No Waiver*. The failure of either party to insist at any time upon the strict performance of any requirement, condition or covenant of this Agreement, or to exercise any option, right, power or remedy contained in this Agreement shall not be construed as a waiver or a relinquishment thereof for the future.
- 14.6 *Modifications and Amendments*. No alteration, modification, amendment or supplement to this Agreement or any of its provisions shall be effective, enforceable or binding unless made in writing and duly signed by a duly authorized representative of the parties.
- 14.7 Assignment. Neither party shall assign or transfer this Agreement or any interest therein without prior written consent of the other party.
- 14.8 *Integration*. This Agreement states the entire understanding between the parties, superseding any previous or contemporaneous understandings, commitments, oral or written, with respect to the subject matter of this Agreement.
- 14.9 No Third Party Beneficiaries. This Agreement is not intended to create, nor shall it be in any way interpreted or construed to create, any third-party beneficiary rights in any person not a party hereto unless otherwise expressly provided herein
- 14.10 *Authority*. Each party represents and warrants that it is authorized to enter into this Agreement, that the person(s) signing on its behalf are duly authorized to execute this Agreement, and that no other signatures are required.
- 14.11 *Nondiscrimination*. Each party certifies that it does not discriminate against any employee, applicant for employment, student or person to whom it provides services because of race, color, religion, gender, sex, sexual orientation, gender identity, age, national origin, or disability, and that it complies with all applicable federal, state and local laws and executive orders regarding employment.

- 14.12 *Disbarment*. Each party certifies that it is not suspended, debarred or ineligible from entering into contracts with the Executive Branch of the Federal Government, or in receipt of a notice of proposed debarment from the same or any state agency or local public body. Each party agrees to provide immediate notice to the other party in the event of being suspended, debarred or declared ineligible by any federal, state or local department or agency, or upon receipt of a notice of proposed debarment during the term of this Agreement.
- 14.13 Regulatory Compliance. Nothing in this Agreement shall be construed as creating any duty or obligation of either party to provide referrals to the other party (or their affiliates) and this Agreement shall not be construed as creating any commitment for referrals of patients or clients between the parties (or their affiliates). It is the intent of the parties that this Agreement comply in all respects with applicable Federal, state and local laws, regulations, rules, case law and applicable administrative opinions (the "Laws"), and the parties have structured their relationship with this specific intent. However, the parties acknowledge that the Laws are complex and subject to change. In the event that any provision of this Agreement is rendered invalid or unenforceable by a court of competent jurisdiction or, a regulatory agency issues an opinion or guidance questioning the structure or enforceability of any provision of this Agreement, the parties will amend this Agreement as necessary in order to comply with the Laws including any such order, opinion or guidance.
- 14.14 *Counterparts*. This Agreement may be executed in duplicate counterparts and may be transmitted by facsimile, scanned copy or electronic correspondence.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEROF, the parties have executed this Preliminary Affiliation Agreement as of the Effective Date set forth above.

University Medical Center of Southern Nevada

Name: Title:	Date			
Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas				
Recommended by:				
Barbara Atkinson Dean, UNLV School of Medicine	Date			
Len Jessup President	Date			
Approved:				
Daniel J. Klaich Chancellor, NSHE	Date			
Approved as to Legal Form:				
Elda Luna Sidhu General Counsel, UNLV				

Exhibit A

Medical Student Affiliation Agreement

MEDICAL STUDENT AFFILIATION AGREEMENT

This Medical Student Affiliation Agreement ("AGREEMENT") is made between the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas School of Medicine ("SCHOOL") and University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes ("HOSPITAL").

RECITALS

WHEREAS, NRS 277.180 authorizes public agencies to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which any of the public agencies entering into the contract is authorized by law to perform.

WHEREAS, the purpose of this AGREEMENT is for HOSPITAL and SCHOOL to define a clinical education program within SCHOOL that educates medical students, in whole or in part, through interactions with patients at a medical facility as defined in NRS 449.0151 ("the Clinical Program");

WHEREAS, the purpose of this AGREEMENT is to guide and direct the parties respecting their affiliation, working arrangements, and agreements in furtherance thereof to provide high-quality clinical learning experiences for medical students in the SCHOOL.

WHEREAS, this AGREEMENT is intended and shall be interpreted to meet the SCHOOL's accreditation standards related to affiliation agreements with clinical affiliates which require at a minimum:

- The HOSPITAL will provide medical students, and faculty if applicable, access to appropriate resources for medical student education.
- The SCHOOL is ultimately responsible for the Clinical Program, academic affairs, and the assessment of medical students.
- The SCHOOL is primarily responsible for the appointment and assignment of faculty members with responsibility for medical student teaching.
- Specification of the responsibility for treatment and follow-up when a medical student is exposed to an infectious or environmental hazard or other occupational injury.
- The shared responsibility of the SCHOOL and HOSPITAL for creating and maintaining an appropriate learning environment.
- Confirmation that the SCHOOL's department heads (or clerkship directors) have authority to
 ensure faculty and medical student access to appropriate resources for medical student
 education when those department heads are not also the clinical service chiefs at affiliated
 institutions.

WHEREAS, HOSPITAL has made it a professional responsibility to assist in the educational experience of medical students by supporting a medical Clinical Program.

WHEREAS, SCHOOL is currently conducting medical student training programs for which it desires to obtain the assistance of HOSPITAL to further the training and experience of SCHOOL's students can receive toward their educational objectives.

WHEREAS, neither party intends for this AGREEMENT to alter in any way its respective legal rights or its legal obligations to any third party.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties identified in the Medical Student Affiliation Agreement agree as follows:

A. Responsibilities of the SCHOOL

- 1. The SCHOOL will plan and determine the adequacy of the educational experience of the medical students in theoretical background, basic skill, professional ethics, attitude and behavior and shall assign to HOSPITAL only those medical students who have satisfactorily completed the prerequisite didactic portions of the SCHOOL's curriculum.
- 2. The SCHOOL will retain ultimate responsibility for the education and assessment of its medical students. The SCHOOL's representative for this AGREEMENT shall be a faculty member appointed and assigned by the SCHOOL, who will be responsible for medical student teaching and assessment provided pursuant to this AGREEMENT.
- 3. Assign to the Clinical Program only faculty who are Hospital-privileged, and agree to follow HOSPITAL rules and regulations even though they are not HOSPITAL employees.
- 4. The SCHOOL shall direct its medical students and faculty to comply with the policies and procedures of HOSPITAL including those governing the use and disclosure of individually identifiable health information under federal law. Solely for the purpose of defining medical students' role in relation to the use and disclosure of HOSPITAL's protected information, medical students shall be deemed members of HOSPITAL's workforce, as that term is defined by 45 C.F.R. 160.103, when engaged in activities pursuant to this AGREEMENT. Medical students are not, however, and shall not, for any purpose, be considered employees of HOSPITAL or SCHOOL.
- 5. The SCHOOL will require all participating medical students to maintain health insurance and provide proof of health insurance to the SCHOOL. The HOSPITAL may request the medical student to provide proof of health insurance prior to beginning of the training experience.
- 6. The SCHOOL will require all participating medical students to have completed an appropriate criminal background check, and to have documented appropriate immunizations on file with the SCHOOL. If applicable, HOSPITAL shall notify the medical student of any requests for evidence of criminal background test or immunization. The SCHOOL will inform the medical student of his/her responsibility to provide evidence to the HOSPITAL of any required criminal background checks or immunizations, when requested. The HOSPITAL shall notify the SCHOOL of its requirements of an acceptable criminal background check and required immunizations [i.e. (i) completed a pre-placement drug

screen and two-step TB testing; (ii) obtained proof of exposure to or vaccination against Rubella, Rubeola, and Varicella; and (iii) offered the individual the option of receiving Hepatitis B Vaccine]. The SCHOOL will also inform medical students that they may be required to undergo a drug test or other similar screening tests pursuant to HOSPITAL's policies and practices, and that the cost of any such test will be paid by the medical student. Notwithstanding the foregoing, in the event such background check provided by medical student do not include all of HOSPITAL's applicable checks from the list, the medical student, at his/her cost, shall be responsible for having the remaining checks completed and submitted to the HOSPITAL in a timely manner.

- 7. The SCHOOL will advise medical students and faculty that they are required to comply with HOSPITAL's rules, regulations, and procedures, as may be amended from time to time.
- 8. If requested by the HOSPITAL, the SCHOOL will provide instruction to the HOSPITAL's staff with respect to the SCHOOL's expectations regarding assessment of the SCHOOL's medical students at the HOSPITAL.
- 9. SCHOOL shall provide professional liability (malpractice) insurance for its medical students and faculty while they are engaged in the Clinical Program at HOSPITAL in a minimum amount of \$1,000,000/\$3,000,000 and will provide HOSPITAL with a certificate of insurance evidencing such coverage.
- 10. Prior to a medical student's arrival at HOSPITAL, SCHOOL shall arrange with HOSPITAL's representative for medical students to attend a Hospital orientation to include HIPAA, Hospital infection control, safety and emergency procedures and execution of the Medical Student Statement of Acknowledgement attached hereto as Exhibit B.
- 11. The SCHOOL shall immediately address written concerns of HOSPITAL regarding medical student performance. This may require removal of a medical student from the Clinical Program whose performance is unsatisfactory, whose personal characteristics prevent desirable relationships within HOSPITAL, whose conduct may have a detrimental effect on patients, who fails to adhere to HOSPITAL's existing policies, rules and regulations, or whose health status is a detriment to the medical student's successful completion of the Clinical Program.
- 12. The SCHOOL shall report to HOSPITAL any use or disclosure of Protected Health Information ("PHI") which is not in compliance with the HOSPITAL policies or the terms of this AGREEMENT of which it becomes aware. SCHOOL shall report to HOSPITAL any Security Incident of which it becomes aware. For purposes of this AGREEMENT, "Security Incident" is defined as the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system. In addition, SCHOOL agrees to pay all required costs of notification and to mitigate, to the extent practicable, any harmful effect that is known to SCHOOL of a use or disclosure of Protected Health Information by either SCHOOL or its medical students/faculty in violation of the requirements of this AGREEMENT.
- 13. The SCHOOL shall, following the discovery of breach of unsecured PHI, as defined in the HITECH Act or accompanying regulations, notify the HOSPITAL of such breach pursuant to the terms of 45 CFR § 164.410 and cooperate in the HOSPITAL's breach analysis procedures, including risk assessment, if requested. A breach shall be treated as discovered by SCHOOL as of the first day on which such breach is known to SCHOOL or, by exercising reasonable diligence, would have been known to SCHOOL. SCHOOL will provide such notification to HOSPITAL at the time of discovery of the breach. In addition, SCHOOL

agrees to pay all required costs of notification and to mitigate, to the extent practicable, any harmful effect that is known to SCHOOL of a use or disclosure of Protected Health Information by either SCHOOL or its medical students/faculty in violation of the requirements of this AGREEMENT.

B. Responsibilities of the HOSPITAL

- 1. The HOSPITAL shall identify a Program Coordinator from among its staff who will communicate and cooperate with the SCHOOL's clerkship director to ensure faculty and medical student access to appropriate resources for the clinical training experience ("Program Coordinator").
- 2. The HOSPITAL has a responsibility to maintain a positive, respectful, and adequately resourced learning environment so that sound educational experiences can occur. Therefore, the HOSPITAL will provide medical students and faculty with access to appropriate resources for medical student education including: a) access to patients at HOSPITAL facilities in an appropriately supervised environment, in which the medical students can complete the SCHOOL's curriculum; b) medical student security badges or other means of secure access to patient care areas; c) access and required training for medical students in the proper use of electronic medical records or paper charts, as applicable; d) computer access; e) secure storage space for medical students' personal items when at HOSPITAL; and f) access to call rooms, if necessary.
- 3. The HOSPITAL will retain full authority and responsibility for patient care and quality standards, and will maintain a level of care that meets generally accepted standards conducive to satisfactory instruction. While in HOSPITAL's facilities, medical students will have the status of trainees; are not to replace HOSPITAL staff; and, are not to render unsupervised patient care and/or services. All services rendered by medical students must have educational value and meet the goals of the Clinical Program. HOSPITAL and its staff will provide such supervision of the educational and clinical activities as is reasonable and appropriate to the circumstances and to the medical student's level of training.
- 4. The HOSPITAL staff will, upon request, assist the SCHOOL in the assessment of the learning and performance of participating medical students by completing assessment forms provided by the SCHOOL and returned to the SCHOOL in a timely fashion.
- 5. The HOSPITAL will provide for the orientation of SCHOOL's participating medical students as to the HOSPITAL's rules, regulations, policies, and procedures.
- 6. The HOSPITAL agrees to comply with applicable state and federal workplace safety laws and regulations. In the event a medical student is exposed to an infectious or environmental hazard or other occupational injury (i.e., needle stick) while at HOSPITAL, the HOSPITAL, upon notice of such incident from the medical student, will provide such emergency care as is provided its employees, including, where applicable: examination and evaluation by HOSPITAL's emergency department or other appropriate facility as soon as possible after the injury; emergency medical care immediately following the injury as necessary; initiation of the HBV, Hepatitis C (HCV), and/or HIV protocol as necessary; and HIV counseling and appropriate testing as necessary. In the event that HOSPITAL does not have the resources to provide such emergency care, HOSPITAL will refer such medical student to the nearest emergency facility. The SCHOOL will define, for its medical students, who bears financial responsibility for any charges generated.

- 7. To the extent the HOSPITAL, generates or maintains educational records related to the participating medical student, the HOSPITAL agrees to comply with the Family Educational Rights and Privacy Act (FERPA), to the same extent as such laws and regulations apply to the SCHOOL and shall limit access to only those employees or agents with a need to know. For the purposes of this AGREEMENT, pursuant to FERPA, SCHOOL hereby designates HOSPITAL as a school official with a legitimate educational interest in the educational records of the participating medical student(s) to the extent that access to the SCHOOL's records is required by HOSPITAL to carry out the Clinical Program. SCHOOL agrees to provide guidance to HOSPITAL with respect to complying with FERPA.
- 8. Upon request, the HOSPITAL will provide proof that it maintains liability insurance in an amount that is commercially reasonable. SCHOOL understands that HOSPITAL has a funded program of self-insurance and the same is acceptable in lieu of commercial insurance.
- 9. The HOSPITAL will provide written notification to the SCHOOL promptly if a claim arises involving a medical student. The HOSPITAL and SCHOOL agree to share such information in a manner that protects such disclosures from discovery to the extent possible under applicable federal and state peer review and joint defense laws.
- 10. HOSPITAL reserves the right to immediately remove a medical student from its premises for behavior that HOSPITAL deems to be an immediate threat to the health or welfare of HOSPITAL's patients, staff members, visitors or to HOSPITAL's operations. In such an event, HOSPITAL shall notify the appropriate office of SCHOOL immediately by telephone and followed by written notification within 24 hours or as soon as practicable of its actions and the reasons for its actions.
- 11. The HOSPITAL will resolve any situation in favor of its patients' welfare and restrict a medical student to the role of observer when a problem may exist until the incident can be resolved by HOSPITAL or the medical student is removed. The HOSPITAL will notify the SCHOOL's course director if such an action is required.

C. Mutual Responsibilities

- 1. Representatives for each party will be established on or before the execution of this AGREEMENT.
- 2. Both parties and their employees shall conduct themselves in compliance with all applicable federal, state, and local laws, rules, and regulations and in compliance with the standards, rulings, and regulations of The Joint Commission, the Department of Health and Human Services, and the State Department of Health and Rehabilitative Services, as well as their own respective institutional rules and regulations.
- 3. In consultation with HOSPITAL, establish and maintain for this clinical placement, curriculum standards and educational policies that meet SCHOOL standards. SCHOOL will provide course outlines to HOSPITAL that include objectives, goals and classes for each course providing clinical experience.
- 4. The parties will work together to maintain an environment of high quality patient care. At the request of either party, a meeting or conference will promptly be held between SCHOOL and HOSPITAL representatives to resolve any problems or develop any improvements in the operation of the Clinical Program.

- 5. The SCHOOL will provide qualified and competent individuals in adequate number for the instruction, assessment, and supervision of medical students using the SCHOOL facilities. The HOSPITAL will provide qualified and competent staff members in adequate number for the instruction and supervision of medical students using the HOSPITAL facilities.
- 6. The SCHOOL and the HOSPITAL will not discriminate against any employee, applicant or medical student enrolled in their respective programs because of age, creed, color, disability, handicapping condition (including transmissible diseases such as hepatitis, HIV, AIDS or AIDS related conditions) gender identity or expression, national origin, race, sex, sexual orientation or any other basis protected by law.
- 7. The SCHOOL, including its faculty, staff, and medical students, and HOSPITAL share responsibility for creating an appropriate learning environment that includes both formal learning activities and the attitudes, values, and informal "lessons" conveyed by individuals who interact with the medical student. The parties will cooperate to evaluate the learning environment (which may include on-site visits) to identify positive and negative influences on the maintenance of professional standards, and to conduct and develop appropriate strategies to enhance the positive and mitigate the negative influences. HOSPITAL shall require its faculty and staff who interact with medical students to adhere to the expectations set forth in Exhibit A, Teacher-Learner Expectations, and communicate medical student violations to the SCHOOL SCHOOL agrees to require its medical students and Teachers/faculty to adhere to the expectations set forth in Exhibit A.
- 8. Neither party, nor any joint committee, shall have the power to obligate SCHOOL or HOSPITAL resources, or commit either, to any particular action.
- 9. Clinical training provided pursuant to this AGREEMENT is intended to be in conformity with the SCHOOL's learning objectives which are set forth in Exhibit C.

D. Term and Termination

This AGREEMENT will commence on July 1, 2017 and will continue through June 30, 2022. This AGREEMENT may be terminated at any time and for any reason by either party upon not less than ninety (90) days prior written notice to the other party. Should notice of termination be given under this Section, medical students already scheduled to train at HOSPITAL will be permitted to complete any previously scheduled clinical assignment at HOSPITAL but in no circumstances may this exceed one (1) year from the date of notice.

E. Employment Disclaimer

The medical students participating in the Clinical Program will not be considered employees or agents of the HOSPITAL or SCHOOL for any purpose. Medical students will not be entitled to receive any compensation from HOSPITAL or SCHOOL or any benefits of employment from HOSPITAL or SCHOOL, including but not limited to, health care or workers' compensation benefits, vacation, sick time, or any other benefit of employment, direct or indirect. HOSPITAL will not be required to purchase any form of insurance for the benefit or protection of any medical student of the SCHOOL.

F. Health Insurance Portability and Accountability Act

To the extent applicable to this AGREEMENT, SCHOOL agrees to comply with the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. Sec. 1320d ("HIPAA") and any current and future regulations promulgated there under including without limitation the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the "Federal Privacy Regulations"), the federal security standards contained in 45 C.F.R. Part 142 (the "Federal Security Regulations"), and the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162, all collectively referred to herein as "HIPAA Requirements". SCHOOL agrees not to use or further disclose any Protected Health Information (as defined in 45 C.F.R. Section 164.501) or Individually Identifiable Health Information (as defined in 42 U.S.C. Section 1320d), other than as permitted by HIPAA Requirements and the terms of this AGREEMENT.

SCHOOL will make its internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the Secretary of Health and Human Services to the extent required for determining compliance with the Federal Privacy Regulations.

G. No Agency Relationship Between the Parties

Nothing in this AGREEMENT is intended to or shall be construed to constitute or establish an agency, employer/employee, partnership, franchise, or fiduciary relationship between the parties; and neither party shall have the right or authority or shall hold itself out to have the right or authority to bind the other party, nor shall either party be responsible for the acts or omissions of the other except as provided specifically to the contrary herein.

H. Assignment

This AGREEMENT will not be assigned by either party without the prior written consent of the other.

I. Indemnification

Each party explicitly retains all claims and defenses related to indemnification against third party claims that may exist under Nevada law. SCHOOL is responsible for its own acts and omissions which may occur during or arise out of the performance of this AGREEMENT, which liability shall be limited by NRS 41.0305 through 41.039. HOSPITAL is responsible for its own acts and omissions which may occur during or arise out of the performance of this AGREEMENT, which liability shall be limited by NRS 41.0305 through 41.039.

J. No Special Damages

In no event shall either party be liable hereunder (whether in an action in negligence, contract or tort or based on a warranty or otherwise) for any indirect, incidental, special or consequential damages incurred by the other party or any third party, even if the party has been advised of the possibility of such damages.

K. Notices

Any notice to either party hereunder must be in writing signed by the party giving it, and shall be deemed given when mailed postage prepaid by U.S. Postal Service first class, certified, or express mail, or other overnight mail service, or hand delivered, when addressed as follows:

To SCHOOL:

University of Nevada, Las Vegas School of Medicine Atm: Corrin Sullivan, Director of Undergraduate Medical Education 4505 S. Maryland Parkway Las Vegas, NV 89154

To HOSPITAL:

University Medical Center of Southern Nevada Attn: Chief Executive Officer 1800 W. Charleston Boulevard Las Vegas, NV 89102

or to such other addressee as may be hereafter designated by written notice. All such notices shall be effective only when received by the addressee.

L. No Payments

No payments shall be made between the parties or to the medical students in connection with this AGREEMENT.

M. Severability

The invalidity of any provision of this AGREEMENT will not affect the validity of any other provisions.

N. Headings

Headings in this AGREEMENT are for convenience only.

O. Entire Agreement; Modification

This AGREEMENT contains all the terms between the parties and may be amended only in writing signed by both parties.

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P. Workers' Compensation

SCHOOL and HOSPITAL agree that HOSPITAL is not responsible for any Workers' Compensation filed by a SCHOOL faculty member. The parties agree that the medical students are not employees of SCHOOL or HOSPITAL and are not covered by Workers' Compensation. The faculty are employees of SCHOOL and are covered accordingly under SCHOOL's Workers' Compensation.

Q. Governing Law

This AGREEMENT shall be governed by and construed under the laws of the State of Nevada which shall be the forum for any actions arising from an incident to this AGREEMENT. The parties are committed to a mutually beneficial relationship. Any and all legal proceedings relating to or arising out of this AGREEMENT shall be brought in a court of competent jurisdiction in Clark County, Nevada.

R. Budget Act and Fiscal Fund Out

In accordance with the Nevada Revised Statutes (NRS 354.626), the financial obligations under this AGREEMENT between the parties shall not exceed those monies appropriated and approved by HOSPITAL for the then current fiscal year under the Local Government Budget Act. This AGREEMENT shall terminate and HOSPITAL's obligations under it shall be extinguished at the end of any of HOSPITAL's fiscal years in which HOSPITAL's governing body fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which could then become due under this AGREEMENT. HOSPITAL agrees that this section shall not be utilized as a subterfuge or in a discriminatory fashion as it relates to this AGREEMENT. In the event this section is invoked, this AGREEMENT will expire on the 30th day of June of the current fiscal year. Termination under this section shall not relieve HOSPITAL of its obligations incurred through the 30th day of June of the fiscal year for which monies were appropriated.

S. Publicity

Neither HOSPITAL nor SCHOOL shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted which identify the other party or its facilities with respect to this AGREEMENT without the prior written consent of the other party.

T. Non-Subcontract

SCHOOL cannot subcontract this AGREEMENT to another teaching facility to grant third-party medical students or non-affiliated medical students of SCHOOL to participate in the Clinical Program unless written consent is obtained from HOSPITAL. If SCHOOL materially breaches this provision, HOSPITAL can immediately terminate this AGREEMENT.

U. Counterpart Signatures; Electronic Transmission

This AGREEMENT may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one AGREEMENT. Delivery of this AGREEMENT may be accomplished by electronic transmission.

IN WITNESS WHEREOF, the authorized representative(s) of HOSPITAL and of SCHOOL execute this AGREEMENT on this 23rd day of March, 2016.

SCHOOL

University of Nevada, Las Vegas School of Medicine APPROVED

By: (12/4)

Carl Reiber, Ph.D.

Senior Vice Provost for Academic Affairs

RECOMMENDED

Barbara Atkinson, M.D.

Dean, School of Medicine

HOSPITAL

University Medical Center of Southern Nevada

Mason VanHouweling

Chief Executive Officer

EXHIBIT A: TEACHER-LEARNER EXPECTATIONS

The SCHOOL holds in high regard professional behaviors and attitudes, including altruism, integrity, respect for others and a commitment to excellence. Effective learning is best fostered in an environment of mutual respect between teachers and learners. In the context of medical education the term "teacher" is used broadly to include peers, resident physicians, full-time and volunteer faculty members, clinical preceptors, nurses, and ancillary support staff, as well as others from whom students learn.

GUIDING PRINCIPLES:

Duty: Medical educators have a duty to convey the knowledge and skills required for delivering the profession's standard of care and also to instill the values and attitudes required for preserving the medical profession's social contract with its patients.

Integrity: Learning environments that are conducive to conveying professional values must be based on integrity. Students learn professionalism by observing and emulating role models who epitomize authentic professional values and attitudes.

Respect: Respect for every individual is fundamental to the ethic of medicine. Mutual respect is essential for nurturing that ethic. Teachers have a special obligation to ensure that students are always treated respectfully.

RESPONSIBILITIES OF TEACHERS AND LEARNERS:

Teachers should:

- Treat students fairly and respectfully
- Maintain high professional standards in all interactions
- Be prepared and on time
- Provide relevant and timely information
- Provide explicit learning and behavioral expectations early in a course or clerkship
- Provide timely, focused, accurate and constructive feedback on a regular basis and thoughtful and timely evaluations at the end of a course or clerkship
- Display honesty, integrity and compassion
- Practice insightful (Socratic) questioning, which stimulates learning and self-discovery, and avoid
 overly aggressive questioning which may be perceived as hurtful, humiliating, degrading or punitive

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- Solicit feedback from students regarding their perception of their educational experiences
- Encourage students who experience mistreatment or who witness unprofessional behavior to report the facts immediately

Students should:

- Be courteous of teachers and fellow students
- Be prepared and on time
- Be active, enthusiastic, curious learners
- Demonstrate professional behavior in all settings
- Recognize that not all learning stems from formal and structured activities
- Recognize their responsibility to establish learning objectives and to participate as an active learner
- Demonstrate a commitment to life-long learning, a practice that is essential to the profession of medicine
- Recognize personal limitations and seek help as needed
- Display honesty, integrity and compassion
- Recognize the privileges and responsibilities coming from the opportunity to work with patients in clinical settings
- Recognize the duty to place patient welfare above their own
- Recognize and respect patients' rights to privacy
- Solicit feedback on their performance and recognize that criticism is not synonymous with "abuse"

Relationships between Teachers and Students

Students and teachers should recognize the special nature of the teacher-learner relationship which is in part defined by professional role modeling, mentorship, and supervision. Because of the special nature of this relationship, students and teachers should strive to develop their relationship to one characterized by mutual trust, acceptance and confidence. They should both recognize the potential for conflict of interest and respect appropriate boundaries.

EXHIBIT B

MEDICAL STUDENT STATEMENT OF ACKNOWLEDGEMENT

	WHE	REAS,	I am a student at	(hereinafter "School");
entered with m	l into a	Medica	School and University Medical Center of Southern Nevada (I Student Affiliation Agreement (hereinafter "Agreement") to nce and training; and	
	WHE	REAS,	I desire to take part in said medical Clinical Program (herein	after "Program").
	NOW	, ther	REFORE, I stipulate and agree as follows:	
will go	1. vem m		received and reviewed Hospital's orientation materials and ties while at Hospital.	the written regulations which
a stude:	2. nt at Ho		e to follow Hospital's administrative policies, standards, and	practices in effect while I am
policies	3. s and pi	I agree rocedure	e to follow Hospital's Health Insurance Portability and Acco	untability Act ("HIPAA")
activitie	4. es at Ho		e to comply with all federal, state and local laws and/or regul	ations relative to my
per	5. sonnel		e that all patient records and all Hospital statistical, financial, eived, stored or viewed by me shall be kept in the strictest co	
	6.	I unde	rstand that before I may be admitted to the Program to be co	nducted at Hospital, I must:
		a.	Provide evidence of appropriate health insurance,	
		b.	Undergo a physical examination demonstrating my ability functions of the job (with or without reasonable accommod	
		c.	In accordance with Hospital policies, take and pass a pre-p	lacement drug screen,
		đ.	In accordance with Hospital policies, submit to two-step T	B Skin Testing,
		e.	In accordance with Hospital policies, demonstrate exposure Rubella, Rubeola and Varicella,	e to or vaccination against
		f.	In accordance with Hospital policies, demonstrate vaccinal	tion against Hepatitis B or

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In accordance with Hospital policies, provide Hospital with access to my background

exercise of refusal to be so vaccinated, and

g.

check results.

- 7. I understand that before I may commence training or activities at Hospital, I must attend Hospital's orientation program designed to familiarize students with their responsibilities and with their work environment.
- 8. I understand that my student identification badge must be worn at all times and be clearly visible. Badges may not be worn backwards and should be displayed at chest level or higher.
- 9. I acknowledge that I am responsible for providing the necessary and appropriate uniforms and supplies required but not provided by Hospital and for securing living accommodations and transportation.
- 10. I acknowledge that I will not be an employee of Hospital while engaging in the Program at Hospital and that I am ineligible to receive any benefits from Hospital including, but not limited to, industrial insurance coverage.

Student's Signature
Student's Printed Name
Program of Study

EXHIBIT C: PROGRAM OBJECTIVES

(See next page)

School of MEDICINE

MD Curriculum Educational Program Objectives

Location in Curriculum (LC)

- 1. Foundations Phase; 2. Clerkships; 3. Doctoring; 4. Learning Communities;
- 5. Nevada Community Medicine; 6. Intersessions; 7. Scholarly Project

owledge		ition Skills	Formation	Practice-Based Learning and Improvement	tems-Bared Practice	Community Engagement
Medical Knowledge	Patient Care	Communication Skills	Professional Formation	ractice-Ba	yrtems-Ba	evada Cor

E	lucational Program Objectives	LC	Medica	Patient	Сотш	Profess	Practic	System	Nevada	Outcome Measures
Se	ences Knowledge Base	SECTION AND ADDRESS OF THE PARTY OF THE PART	Mile	多網			2018	1525	200	ENGRAPHICA
1_	Apply the principles of anatomy, behavioral science, biochemistry, cell biology, genetics, immunology, microbiology, pathology, pharmacology, and physiology to determine the ctiology, pathophysiology, diagnosis, treatment, and prevention of significant human disorders.	1	x	x						NBME,SGF, SGP
2.	Identify and propose a treatment plan for acute and chronic diseases.	2.3.5	X	х				x		OSCE. NBME, PE
X	tribules	NOTES IN		3	10	11000		No.	HOL	NEW THE PARTY
3.	Demonstrate personal accountability, altruism, humanism, self-awareness, and humility in the care of patients, self, and others.	2, 3, 5		x		x				CE, SGF, SGI
e	nileal Skills	NAME OF	72 !!	200		建 節				and the same
4-	Communicate effectively with patients, families, and other health care professionals, including in situations involving communication barriers.	2, 3, 5		X	x	x		х		OSCE, PE, SGF, SGP
5,	Conduct and document complete and focused medical histories and physical examinations, and recognize confounding factors including age, gender, sociocultural factors, socioeconomic status, family history, and emotional state.	1, 3, 5, 6	x	x	х	x			x	OSCE
6,	Correctly perform basic procedural skills with attention to patient comfort and safety.	3	x	х						PE
11/1	tient as a Person	10 2 A A	*K	1546	148	y (i)	4096		11/16	
7.	Integrate epidemiologic, socioeconomic, behavioral, sociocultural, and community factors into patient care.	1, 2, 5		x		x	x		x	OSCE, PE, SGF, SGP
8.	Apply knowledge of wellness, nutrition, hospitality principles, pain management, and integrative medicine to patient care.	2, 3, 5, 6	X	X		х				CE, SGF, SG
9,5	Anticipate ethical issues encountered in clinical care and research, explain ethically justifiable options and consequences from multiple perspectives, and manage ethical challenges in medical practice and research.	3, 4, 6, 7			Х	x			x	OSCE, SE, CE, SGF, SGP
10.	Provide appropriate patient-centered counseling techniques to improve outcomes and patient satisfaction, and to promote optimal use of health care resources.	2, 3, 5, 6	х	х	x	N				OSCE, PE
П.	and healthcare providers.	2, 3		x		х				CE, SGF, SG
ef	itical Judgment and Scholarship	100				E H	REG			15.45
12.	Demonstrate advanced clinical reasoning to develop and narrow differential diagnoses by merging clinical information with knowledge of mechanisms of disease.	1, 2, 3	X	x						CE, OSCE, PE (Oral Exam), SGF, SGP
13.	Formulate clinical questions and apply evidence-based medicine to provide quality health care to individuals and populations.	2,4	х	x		x	x		x	CE, PE, SGF, SGP
14.	Practice scholarship based on scientific research methods.	7	X			X				CE, SE
UUE	e Medical Practice and its Role in the Community	OUT CONT			100		(((0)))		100	MENDE NUMBER
	Identify the personal skills and systems-level processes that support continuous quality improvement, including patient safety.	3, 6			x	x		x		CE,OSCE, PE, SGF, SGP
16.	Advocate for the improvement of public health outcomes through community engagement and the analysis of social determinants of health and disease.	5	x	x	X	x	x	x	x	CAPSTONE, SGF, SGP
i in	ulticare Systems	200 200	OF THE STREET	4	200	3367	1136	210	1310	Aller Con to
17.	Discuss the core financial, legal, structural, policy, and regulatory aspects of the United States health care system and their impact on the delivery of health care.	3, 5, 6				x		x	x	CE
-			_	4	-	-	4.		-	4

ACLS/BLS = Advanced Cardiac Life Support/Basic Life Support; Capstone = project leading to scholarly presentation; CE = Course Exam; NBME = National Board of Medical Examiners Exams; OSCE = Objective Structured Clinical Examination; PE = Preceptor Evaluation; SE = Self Evaluation; SGF = Small Group Faculty Evaluation; SGP = Small Group Peer Evaluation

Updated June 29, 2015



UNLV School of Medicine Curriculum Map: 2017 Charter Class

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2017-2018	Popu	Immersions EMT Population Health 6 weeks			Introduction to Medical Science 6 weeks			and C	tology 5		Musc-Skeletal and Skin S weeks	3	Winter Break - 2wk	Gastroenter Endocrinology Re 8 week	productive s	Intersession 2	Cardi	an	gy, Pulmonary d Renal weeks	Jotersession 3	Cardio, Pulm, 8 Renal 4 week	er Break	Bench Research 6 weeks or Nevada Community Research
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Exhibit B

Description of Academic Support and Professional Services

1.) Resident and Fellow Support for below FTE's at Academic Year 2015-2016 salary and benefit levels.

Program	UMC FTE	Total FTE AY14-15	UMC FTE	Total FTE AY15-16	UMC FTE AY16-17	Total FTE AY16-17	UMC FTE	Total FTE AY17-18
Residencies:	1 20 24 22	AILTES	. et / 15/20/	ATAB XO	-0148 4-	7110022 200	112 49 149	
Emergency Medicine	24.15	31.00	24.53	30.50	24.00	30.00	24.00	30,00
Family Medicine	6.90	15.00	6.90	15.00	6.90	15.00	6.90	15.00
Rural FM	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Internal Medicine*	69.22	78.64	67.57	76.00	67.57	76.00	63,57	70.00
OB/GYN	13:00	13.00	12.00	12.00	12.00	12.00	14.00	14.00
Orthopaedics	0.00	0.00	0.00	0.00	4.00	4.00	8.00	8.00
Otolaryngology	3.50	4.00	4.00	5.00	4.00	5.00	4.00	5.00
Pediatrics*	25.58	44.00	22.58	41.00	21.00	39.00	21.00	39.00
Plastic Surgery	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Psychlatry	6.00	19.00	6.00	22.00	6,00	24.00	6.00	24.00
Surgery*	19.70	28.00	18.66	29.00	19.00	29.00	19.00	29.00
UMC FTE	175.05	239.64	170.24	238.50	172.47	242.00	174.47	242.00

UMC Total FTE	######################################		185.14	er da	192.37		196.37	
UMC FTE	7,90	11.50	14.90	21.50	19.90	29.00	21,90	32.00
Surgical Critical Care	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Sports Medicine	1.00	1.50	1.00	1.50	1.00	1.00	1.00	1.00
Child Psychiatry	0.90	2.00	2.90	4.00	2,90	4.00	2.90	4.00
Pulm/Critical Care	0.00	0.00	2,00	3.00	4.00	6.00	6.00	9.00
Gastroenterology	1.00	2.00	2,00	4.00	3:00	6.00	3.00	6.00
Cardiology	2.00	3.00	4.00	6.00	6.00	9.00	6.00	9.00

- 2.) Resident Faculty Support will be consistent with ACGME guidelines for residency and fellowship program directors in the below departments:
 - Surgery
 - Pediatrics
 - Obstetrics and Gynecology
 - Internal Medicine
 - Psychiatry
 - Family Medicine
 - Emergency Medicine

3.) Pursuant to Section 6.1 b, the following is a description of the Professional Services as of the Effective Date of this Agreement:

Surgery

General Surgery, Pediatric Surgery, Colorectal Surgery, Surgical Oncology, Transplant Surgery, Acute Care Surgery, Hand Surgery and Bariatric Surgery services

Pediatrics

Endocrinology, Gastroenterology, Behavioral & Development, Allergy & Immunology, Adolescent Medicine, General Pediatrics, Infectious Disease General Pediatric Instructors and Pediatric Hospitalist services

Ob/Gyn

24/7 Obstetrical and Gynecology coverage and Maternal-Fetal Medicine services

Internal Medicine

24/7 Gastroenterology, Pulmonary and Pulmonary Critical care services. Generalist/Hospitalist, Endocrinology, Internal Medicine Instructors, Cardiology and Neurology services

Psychiatry

General Psychiatry and Child & Adolescent Psychiatry services

Family Medicine

General inpatient Family Medicine and Obstetrical services

INTERLOCAL MEDICAL OFFICE LEASE

This INTERLOCAL MEDICAL OFFICE LEASE ("Lease") is entered into by and between the BOARD OF HOSPITAL TRUSTEES ("Trustees") on behalf of UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA ("UMCSN" or "LESSOR") and the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION ("Board") on behalf of the UNIVERSITY OF NEVADA, LAS VEGAS ("UNLV" or "LESSEE"). UMCSN and UNLV shall collectively be referred to as the "Parties". This Lease shall become effective on the date it is last approved by the Trustees and the Board ("Effective Date").

RECITALS

- A. UMCSN is a hospital that is owned and operated by Clark County and is the owner of certain real property and a medical office building located at 2040 W. Charleston Blvd., Las Vegas, Nevada (or the "Building");
- B. UMCSN has full authority to lease all or portions of the Building including to public agencies pursuant to Nevada Revised Statute 277.050;
- C. UNLV desires to lease from UMCSN the third (3rd) and fourth (4th) floors of the Building for the purpose of academic medical education and research, and related office and administrative uses, pursuant to the terms and conditions of this Lease;
- D. UMCSN in turn desires to lease to UNLV space in the Building pursuant to the terms and conditions of this Lease:

Therefore, in consideration of the rents, covenants and agreements contained herein, UMCSN leases to UNLV, and UNLV leases from UMCSN certain medical office space within the Building containing approximately twenty-three thousand nine hundred fifty-five (23,955) square feet (hereinafter referred to as "**Premises**") pursuant to the terms and conditions of this Lease.

TERMS AND CONDITIONS

1. **Premises**: The Premises consists of approximately twenty-three thousand nine hundred fifty-five (23,955) square feet including: (a) seven thousand nine hundred and eighty-five (7,985) square feet on the fourth (4th) floor (the "4th Floor Premises"), (b) seven thousand nine hundred and eighty-five (7,985) square feet on the third (3rd) floor (the "3rd Floor Premises"), and (c) seven thousand nine hundred and eighty-five (7,985) square feet on the fifth (5th) floor (the "Fifth Floor Premises") as depicted in Exhibit D. In addition to the right to use and occupy the Premises as provided herein, LESSEE shall have non-exclusive rights to use the common areas and other portions of the Building designated for the general nonexclusive use of LESSEE and other tenants of the Building and their employees customers and invitees, including without limitation, common entrances, lobbies, corridors, stairwells, elevators, loading and unloading areas, trash areas, driveways and landscaped areas (the "Common Areas").

2. Term:

- 2.1 <u>Original Term.</u> The term of this Lease shall begin on the date LESSEE takes occupancy of the any portion of the Premises (the "Occupancy Date") and shall expire sixty (60) months from the Occupancy Date (the "Original Term"). The Original Term and any Option Periods exercised by LESSEE pursuant to Section 3.2 shall be collectively known as the "Term."
- Qption") the Original Term for two (2) additional one (1) year periods (each an "Option Period") provided; (a) LESSEE shall notified LESSOR in writing ("Option Notice") of LESSEE's election to exercise the option on the date that is no less than one hundred eighty (180) days prior to the expiration of the Original Term or the then applicable Option Period; (b) at the time of the Option Notice LESSEE is not in default under this Lease. If the above conditions are satisfied and LESSEE exercises the Renewal Option, this Lease shall continue in full force and effect throughout the applicable Option Period.

3. Rent:

3.1 <u>Base Rent</u>. Beginning on the dates set forth in Section 3.2 LESSEE agrees to pay Base Rent, for the Original Premises and the Expansion Premises, without notice or demand, in monthly installments as follows:

Lease Year	Monthly Cost Per Square Foot	Monthly base Rent (3 rd Floor Premises – 7,985 sq. ft.)	Monthly Base Rent (4 th Floor Premises – 7,985 sq. ft.)	Monthly base Rent (5 th Floor Premises – 7,985 sq. ft.)
1	\$1.75	\$13,973.75	\$13,973.75	\$13,973.75
2	\$1.80	\$14,373.00	\$14,373.00	\$14,373.00
3	\$1.85	\$14,772.25	\$14,772.25	\$14,772.25
4	\$1.91	\$15,251.35	\$15,251.35	\$15,251.35
5	\$1.97	\$15,730.45	\$15,730.45	\$15,730.45
Option 1	\$2.03	\$16,209.55	\$16,209.55	\$16,209.55
Option 2	\$2.09	\$16,688.65	\$16,688.65	\$16,688.65

Each of the Base Rent payments set forth above shall be payable in monthly installments in advance on the first day of each calendar month. The Parties acknowledge that this is a full service lease and that the Base Rent payments set forth above include all amounts due for the services provided to the Premises described in Section 5 and there are no other monthly fees or charges due under the Lease. Any other non-recurring costs and expenses which LESSEE assumes or agrees to pay LESSOR under this Lease shall be deemed "Additional Rent" (which, together with the Base Rent is sometimes referred to as the "Rent"). If any month of the Term or any extension thereof is less than a full calendar month, the Rent for such month shall be prorated

according to the number of days in the month and the number of days LESSEE occupied the Premises. For all portions of the Premises, the "Lease Year" for purposes of the rent table set for in this Section 4.1 shall be based on the Occupancy Date.

- 3.2. Rent Commencement Dates. LESSEE's obligation to pay Base Rent for the 3rd Floor Premises shall commence on the date LESSEE takes possession of any portion of the 3rd Floor Premises. LESSEE's obligation to pay Base Rent for the 4th Floor Premises shall commence on the date LESSEE takes possession of any portion of the 4th Floor Premises. LESSEE's obligation to pay base Rent for the 5th Floor Premises shall commence on the date LESSEE takes possession of any portion of the 5th Floor Premises.
- 3.3 <u>Rent Increase</u>. The Rent shall increase by three percent (3%) annually on the anniversary of the Occupancy Date as set forth and reflected in the rent table in Section 4.1 above.
- 3.4. <u>Interest.</u> If LESSEE fails to pay within ten (10) days of when Rent is due, any Rent or other amounts or charges which LESSEE is obligated to pay under the terms of this Lease, the unpaid amounts shall bear interest at the prime commercial rate then being charged by Bank of America, Nevada, plus two percent (2%) per annum. LESSEE acknowledges that the late payment of any monthly installment of Base Rent will cause LESSOR to lose the use of that money and incur costs and expenses not contemplated under this Lease, including without limitation, administrative and collection costs, attorney's fees, and processing and accounting expenses, the exact amount of which is extremely difficult to ascertain. Acceptance of any interest charge shall not constitute a waiver of LESSEE's default with respect to nonpayment by LESSEE or prevent LESSOR from exercising any other rights or remedies available to LESSOR under this Lease.
- 3.5. <u>Security Deposit</u>: In anticipation of LESSEE's faithful performance under the terms and conditions the Lease, LESSOR agrees to waive the security deposit.

4. **Use**:

- 4.1 <u>Access and Operating Hours</u>. LESSEE shall have access to the Premises twenty four (24) hours per day, seven (7) days per week. The operating hours of the Building are Monday through Friday, 6:00 am to 8:00 pm, and Saturday, 8:00 am to 12:00 pm (the "**Operating Hours**").
- 4.2 <u>Use of Premises</u>. LESSEE shall only use the Premises for academic medical education and research and related office and administrative uses. LESSOR agrees and acknowledges that all or a portion of the Premises may be used by another institution of the Nevada System of Higher Education ("NSHE") and that any such use is allowed as a matter of right and shall not constitute as assignment or sublease under Section 12 provided such use is consistent with this Section 4.2 and 4.3. LESSEE shall not use or occupy the Premises in violation of law or any covenant, condition or restriction affecting the Building, of which LESSEE has been given a copy prior to execution of this Lease, or the certificate of occupancy issued for the Building, and shall, upon notice from LESSOR, immediately discontinue any use of

the Premises which is declared by any governmental authority having jurisdiction to be a violation of law or certificate of occupancy. LESSEE, at LESSEE's own cost and expense, shall comply with all laws, ordinances, covenants, restrictions, regulations, rules and/or any directions of any governmental agencies or authorities having jurisdiction which shall, by reason of the nature of LESSEE's use or occupancy of the Premises impose any duty upon LESSEE or LESSOR with respect to the Premises or its use or occupation. LESSEE shall not knowingly do or permit to be done anything which will invalidate or increase the cost of any fire, extended coverage or other insurance policy covering the Building and/or property located therein, and shall comply with all reasonable rules, orders, regulations, requirements and recommendations of the LESSOR'S Insurance Carrier or any other organization performing a similar function. LESSEE shall promptly, upon demand, reimburse LESSOR for any additional premium charged for such policy by reason of LESSEE's failure to comply with the provisions of this Paragraph. LESSEE shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other lessees or occupants of the Building, or injure or annoy them, or use or allow the Premises to be used for any unlawful purposes nor shall LESSEE cause, maintain or permit any nuisance in, on or about the Premises. LESSEE shall not commit or suffer to be committed any waste in or upon the Premises. LESSOR acknowledges and agrees that NSHE operates its own police department which may occasionally patrol the Premises and shall have access to the Premises to conduct investigations and other official duties and obligations.

4.3 <u>Lease Restriction</u>. LESSOR covenants and agrees, for the Term of the Lease or until the early expiration thereof, not to lease or allow the use of any portion of the Building by a college or university, medical school, or research institution other than NSHE or its institutions, unless otherwise approved by NSHE, which approval may be granted or withheld at the sole discretion of the Chancellor of NSHE. Nothing in this Section 5.3 shall prevent the use of the Building by UMCSN.

5. Services:

5.1 Utilities. Provided that LESSEE is not in default hereunder, LESSOR agrees, at LESSOR's expense, to furnish to the Premises during the Operating Hours, and subject to the Rules and Regulations of the Building; water and sanitary sewer services, electricity for normal medical office use, normal copying equipment, and heating, ventilation and air conditioning ("HVAC") for the comfortable use and occupancy of the Premises. If LESSEE desires HVAC at times other than the Operating Hours, LESSOR shall use reasonable efforts to furnish such service upon reasonable notice from LESSEE and LESSEE shall pay LESSOR's reasonable charges therefore on demand. LESSOR shall also maintain and keep lighted the common stairs, common entries and restrooms, in the Building. LESSOR shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, nor shall the Rent be abated by reason of (a) failure to furnish or delay in furnishing any such services where such failure or delay is caused by accident or any condition or event beyond the reasonable control of LESSOR, (b) the making of necessary repairs or improvements to the Premises, provided such repairs or improvements are diligently pursued to completion; or (c) the limitation, curtailment or rationing of, or restrictions on, use of water, electricity, gas or any other form of energy serving the

Premises. If LESSEE uses heat generating machines or equipment in the Premises which affects the temperature otherwise maintained by the HVAC system, LESSOR reserves the right to install supplementary air conditioning units in the Premises and the cost thereof, including the cost of installation, operation and maintenance thereof, shall be paid by LESSEE to LESSOR upon demand by LESSOR.

- 5.2 <u>Limitation on use of Utilities and Equipment.</u> LESSEE shall not, without the written consent of LESSOR, use any apparatus or device in the Premises that uses in excess of 120 volts or which consumes more electricity than is usually furnished or supplied for the use of Premises as general and medical office space. LESSEE shall not connect any apparatus requiring electric current except through existing electrical outlets in the Premises or other method approved in writing by LESSOR. LESSEE shall not consume water or electric current in excess of that usually furnished or supplied for the use of premises as general and medical office space without first procuring the written consent of LESSOR, which LESSOR may reasonably refuse, and in the event of consent, such consent may be conditioned upon LESSOR requirement that LESSEE install a separate water meter or electrical current meter in the Premises to measure the amount of water or electric consumed in excess of standard use. The cost of any such meter and of its installation, maintenance and repair, shall be paid for by the LESSEE and LESSEE agrees to pay LESSOR promptly upon demand for all such water and electric current consumed that is in excess of that usually furnished or supplied for use of Premises as shown by said meters at the rates usually charged to public entities for such services by the local public utility company. If a separate meter is not installed, the excess cost for such water and electric current shall be established by an estimate made by a utility company or electrical engineer hired by LESSOR at LESSEE's reasonable expense preapproved by LESSEE before such work is initiated by LESSOR and a condition of LESSOR's approval of such equipment before it is installed. In determining whether or not LESSEE is consuming excessive utilities, LESSOR will consider customary usage in both the Building and the area.
- 5.3 <u>Common Area Janitorial and Other Services</u>. LESSOR shall furnish elevator service, lighting replacement for standard lights, Common Area restroom supplies, external window washing and Common Area janitor services in a manner that such services are customarily furnished to comparable medical office buildings in the area and subject to the specifications and limitations of **Exhibit E**.
- 5.4 <u>Security.</u> LESSOR provides security services for the entirety of the UMC campus and such services shall include periodic patrols of the internal and external areas of the Building during the Operating Hours and at other times as LESSOR determines. LESSOR's Security services can be reached at (702) 383-1810 or such other number as LESSOR may designate. LESSOR acknowledges the LESSEE operates its own police department and security services and that LESSEE's police officers and security personnel may periodically patrol the Premises and shall at all times have access to Premises to conduct investigations and other official duties.

6. **Condition of the Premises:**

6.1 <u>Warranty</u>. LESSOR warrants that the structural, electrical, plumbing and HVAC systems are in good working order and shall remain so throughout the Term of this Lease.

In addition, LESSOR warrants that all elevators servicing the Building are in good working order, shall remain so throughout the Term of the Lease and will be promptly repaired in the event of a breakage or malfunction.

- LESSOR, at its own cost and expense, will use 6.2 Landlord Improvements. commercially reasonable efforts to complete certain improvements to the 3rd Floor Premises, the 4th Floor Premises, and the 5th Floor Premises in accordance with the Tenant Finish Specifications as described in Exhibit B and the Improvement Specifications described in Exhibit C, attached hereto (collectively the "Landlord Improvements"). The Parties anticipate that the Landlord Improvements to the 4th Floor Premises will be complete on or before October 1, 2016, that the Landlord Improvements to the 3rd Floor Premises will be complete on or before December 1, 2016, and that the Landlord Improvements to the 5th Floor Premises will be complete on or before April 1, 2017. In the event either party proposes or is required to make any revisions or changes to the Landlord Improvements, including without limitation any design or material changes, such revisions or changes will be submitted to the other party for its review and approval, which shall not be unreasonably withheld. All approvals called for under this section may be given administratively by the Dean of the UNLV School or Medicine or his or her designee and by the Chief Executive Officer of LESSOR or his designee. The parties acknowledge and agree that in the event of a proposed revision or change, the party proposing the same will be responsible for all costs and expenses related to the same and that the parties will work in good faith to continue to meet the anticipated completion dates, which may be extended if the same is not possible due to factors outside of the reasonable control of the parties.
- 6.3 <u>Tenant Improvements</u>. During the Term, LESSEE may request that LESSOR make additional tenant improvements ("**Improvements**") to the Premises; provide however, LESSOR shall not be required to make any such Improvements. The parties agree to negotiate in good faith all terms related to any proposed Improvements at the time of the request, including but not limited to the party responsible for bearing the costs of said Improvements. Notwithstanding anything herein to the contrary, LESSOR reserves the right to final approval of all design changes to the Premises.

6.4 Office, Directional and Lobby Signage.

- a. LESSOR shall install new signage indicating the room number of each office or space within the Premises ("Office Signage"). LESSEE and LESSOR will agree on the design and type of Office Signage and LESSOR's obligation for the costs of Office Signage shall not exceed five thousand dollars (\$5,000.00) for the Term of this Lease.
- b. LESSEE may install within the Premises signage providing direction and other information to its employees, visitors, guests and invitees ("Directional Signage"). LESSEE shall be responsible for all costs related to the installation and maintenance of Directional Signage and the design and type of such signage shall be subject to the reasonable approval of LESSOR.
- c. LESSOR shall install and maintain signage within the lobby area of the Building identifying the portions of the Building occupied by LESSOR ("Lobby Signage"). To the extent changes are made to the Lobby Signage during the Term, Lessor agrees to use its best efforts to

ensure consistency of design and form with the Office Signage and Directional Signage.

- d. To the extent possible the Office Signage, Directional Signage and Lobby Signage will have a common design and form so as it provided a consistent and pleasing look. Any approvals required to be given by this Section 7.4 may be given administratively on behalf of LESSEE by the Dean of the UNLV School of Medicine or his or her designee and on behalf of LESSOR by the Chief Executive Officer or his or her designee.
- 6.5 <u>Effect of Possession</u>. LESSEE's taking possession of the Premises shall be deemed conclusive evidence that as of the date of taking possession, the Premises are in good order and satisfactory condition, except for such matters as to which LESSEE gave LESSOR notice on or before the possession date.

7. **Repair and Maintenance**:

7.1 <u>LESSOR's Obligation</u>. LESSOR shall, at its sole cost and expense, maintain in good order, condition and repair, the Building and all other portions of the Premises that are not the obligation of LESSEE or of any other tenant in the Building.

7.2 LESSEE'S Obligations.

- a. LESSEE, at LESSEE's sole expenses shall, except for services furnished by LESSOR pursuant to Section 6 or otherwise provided in this Lease, maintain the Premises in good order, condition and repair, save for normal and ordinary wear and tear, including interior surfaces of the ceilings, walls and floors, all doors, all interior windows, standard furnishings and special items and equipment installed by or at the expense of LESSEE. In the event LESSEE modifies any plumbing, pipes and fixtures, electrical wiring, switches and fixtures in any fashion, LESSEE, at LESSEE's sole expense, shall maintain the same in good order, condition and repair.
- b. LESSEE shall be responsible for all repairs and alterations in and to the Premises, the Building and the facilities and systems thereof, the need for which arises out of (i) LESSEE's use or occupancy of the Premises beyond normal wear and tear; (ii) the installation, removal, use or operation of LESSEE's Property (as defined in Section 8) in the Premises; (iii) the moving of LESSEE's Property into or out of the Building; or (iv) the act, omission, misuse or negligence of LESSEE, its agents, or employees.
- c. If LESSEE fails to maintain the Premises in good order, condition and repair, save for normal and ordinary wear and tear, LESSOR shall give LESSEE written notice to do such acts as are reasonably required to so maintain the Premises. If LESSEE fails to promptly commence such work and diligently prosecute it to completion, than LESSOR shall have the right to do such acts and expend such funds at the expense of LESSEE as are reasonably required to perform such work. Any reasonable amount so expended by LESSOR shall be paid by LESSEE, promptly after demand with interest as provided in Section 4, from the date of such work, but not to exceed the maximum rate then allowed by law. LESSOR shall have no liability to LESSEE for any damage,

inconvenience or interference with the use of the Premises by LESSEE as a result of performing any such work.

- 7.3 <u>Compliance with Law.</u> LESSOR and LESSEE shall each do all acts required to comply with all applicable Nevada laws, ordinances, and rules of any public authority relating to their respective maintenance obligations as set forth in this Lease.
- 7.4 <u>Load and Equipment Limits</u>. LESSEE shall not place a load upon any floor of the Premises, which exceeds the load per square foot, which such floor was designed to carry. LESSEE shall not install business machines or mechanical equipment which causes noise or vibration to such a degree as to be objectionable to LESSOR or other Building lessees.
- 7.5 <u>Business Interruption</u>. Except as otherwise expressly provided in this Lease, LESSOR shall have no liability to LESSEE nor shall LESSEE's obligations under this Lease be reduced or abated in any manner, whatsoever, by reason of any inconvenience, annoyance, or interruption to business arising from LESSOR's making any repairs or changes which LESSOR is required or permitted by this Lease or by any other LESSEE's lease or required by law to make in or to any portion of the Building or Premises provided such repairs or changes are diligently pursued to completion. LESSOR shall at all times use reasonable efforts to minimize any interference with LESSEE's business in the Premises.
- 7.6 <u>Notice of Damage</u>. LESSEE shall give LESSOR prompt verbal notice followed by written notice, of any damage to or defective condition in any part of the Building's mechanical, electrical, plumbing, HVAC or other systems serving, located in, or passing through the Premises.
- 7.7 <u>Return of Premises</u>. Upon the expiration or earlier termination of this Lease, LESSEE shall return the Premises to LESSOR broom clean and in the same condition as on the date LESSEE took possession, except for normal and ordinary wear and tear. Any damage to the Premises, including any structural damage, resulting from LESSEE's use of the Premises or from the removal of any of LESSEE's property shall be repaired by LESSEE at LESSEE's expense.

8. Alternations and Additions.

- 8.1 <u>Consent Required.</u> LESSEE shall not make any structural or permanent additions, alterations or improvements to the Premises without obtaining the prior written consent of LESSOR. LESSOR's consent may be conditioned on LESSEE's removing any such additions, alterations or improvements upon the expiration of the Term and restoring the Premises to the same condition as on the date LESSEE took possession, ordinary wear and tear excepted. All work with respect to any addition, alteration or improvement, shall be done in a good and workmanlike manner by properly qualified and licensed personnel reasonably approved by LESSOR, and such work shall be diligently prosecuted to completion.
- 8.2 <u>Liens</u>. LESSEE shall pay the costs of any work done on the Premises pursuant to Section 8.1 and shall keep the Premises free and clear of liens of any kind. LESSEE shall be financially responsible to defend against and keep LESSOR free from all liability, loss, damage, costs, attorneys' fees and any other expense incurred on account of claims by any person

performing work or furnishing materials or supplies for LESSEE. LESSEE shall keep LESSEE's leasehold interest, and any additions or improvements which are or become the property of LESSOR under this Lease, free and clear of all attachment or Judgment liens. Before the actual commencement of any work for which a claim or lien may be filed, LESSEE shall give LESSOR notice of the intended commencement date a sufficient time before that date to enable LESSOR to post notices of non-responsibility or any other notices which LESSOR deems necessary for the proper protection of LESSOR's interest in the Premises, Building, and LESSOR shall have the right to enter the Premises and post such notices at any reasonable time.

- 8.3 <u>Completion Bonds.</u> LESSOR may require that LESSEE provide to LESSOR, at LESSEE's expense, a lien and completion bond in an amount equal to the total estimated cost of any additions, alterations or improvements to be made in or to the Premises, to protect LESSOR against any liability for mechanic's and material men's liens, and to ensure timely completion of the work. Nothing contained in this Section 8.3 shall relieve LESSEE of its obligations under Section 3.2 to keep the Premises, Building free of all liens.
- 8.4 <u>Removal.</u> Unless their removal is required by LESSOR as provided in this Section 8 all additions, alterations and improvements made to the Premises shall become the property of LESSOR and be surrendered with the Premises upon the expiration of the Term, provided, however, LESSEE'S Property may be removed, subject to the provisions of Section 9.
- 9. Leasehold Improvements: All fixtures, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of or during the Term, whether or not by or at the expense of LESSEE ("Leasehold Improvements"), shall be and remain a part of the Premises, shall be the property of LESSOR and shall not be removed by LESSEE, except as expressly provided for in this Section 10. All movable partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment located in the Premises and acquired by or for the account of LESSEE, without expense to LESSOR, which can be removed without structural damage to the Building, and all furniture, furnishings and other articles of movable personal property owned by LESSEE and located in the Premises (collectively "LESSEE's Property") shall be and shall remain the property of LESSEE and may be removed by LESSEE at any time during the Term, provided that if any of LESSEE's property is removed, LESSEE shall promptly repair any damage to the Premises or to the Building resulting from such removal.
- 10. Rules and Regulations: LESSEE agrees to comply with (and cause its agents, contractors, employees and invitees to comply with), the Rules and Regulations attached hereto as Exhibit A and with such reasonable modifications thereof and additions thereto as LESSOR may from time to time make. LESSOR shall not be responsible for any violation of said Rules and Regulations by other lessees or occupants of the Building provided LESSOR makes reasonable efforts to enforce the Rules and Regulations as to such other lessees and occupants. If LESSOR elects to change the Rules and Regulations, LESSOR shall give LESSEE fifteen (15) days' written notice prior to enforcement of such changes.

- 11. **Rights Reserved**: LESSOR reserves the following rights;
 - a. To change the name or street address of the Building;
- b. To have pass keys to the Premises and all doors within the Premises, excluding LESSEE's vaults and safes; and LESSOR reserves the right to continue to manage and maintain the badge access system for the Building. All entry by the LESSOR into the Premises shall be limited by the privacy and security provisions of the Health Insurance Portability and Accountability Act ("HIPAA") and associated regulations. LESSOR agrees that its officers, employees, and agents are not permitted to inspect or review any patient medical records or have access to any identifiable information relating to LESSEE's patients.
- c. At any time during the Term during normal business hours, and on reasonable prior notice to LESSEE, to inspect the Premises, and to show the Premises to any prospective purchaser or mortgagee of the Building, or to any assignee of any mortgage on the Building, or to others having an interest in the Building, and during the last six (6) months of the Term, to show the Premises to prospective lessees thereof; and
- d. To enter the Premises for the purpose of making inspections, repairs, alterations, additions or improvements to the Premises or the Building (including, without limitation, checking, calibrating, adjusting or balancing controls and other parts of the HVAC system), and to take all steps as may be necessary or desirable for the safety, protection, maintenance or preservation of the Premises or the Building or LESSOR's interest therein, or as may be necessary or desirable for the operation or improvement of the Building or in order to comply with laws, orders or requirements of governmental or other authority. LESSOR agrees to use its best efforts (except in emergency), to minimize interference with LESSEE's business in the Premises in the course of any such entry.
- 12. **Assignment and Subletting**: LESSEE shall not assign this Lease or Sublease all or any part of the Premises without the express written approval of a duly authorized representative of LESSOR.
- 13. **Lease Expiration**: In the event LESSEE remains in possession of the Premises after the expiration of the Term, this Lease shall continue on a month-to month basis on the same terms as of the date of the expiration of the Term except LESSEE will pay the Hold Over Rent in Section 14. Either party may terminate such month-to-month tenancy, by giving the other party not less than thirty (30) days' advance written notice of the date of termination.
- 14. Holding Over after Termination: If, after the termination of this Lease LESSEE holds over in possession of the Premises LESSEE's monthly installments of Base Rent payable to LESSOR shall be increased to one hundred twenty five percent (125%) of the monthly installments of the Base Rent payable by LESSEE at the termination date (the "Hold Over Rent"). Such Hold Over Rent shall be payable in advance on or before the first day of each month and the acceptance of Hold Over Rent shall not constitute consent to a further hold over or result in an extension of this Lease.

15. Surrender of Premises: LESSEE shall peaceably surrender the Premises to LESSOR on the expiration of the Term or earlier termination in broom-clean condition and in as good condition as when LESSEE took possession, except for: (a) normal and ordinary wear and tear; (b) loss by fire or other casualty loss, when such loss is not the result of the negligence or willful misconduct of LESSEE or LESSEE's agents, employees, contractors, licensees or invitees; and (c) loss by condemnation. LESSEE shall, on LESSOR's request, remove LESSEE's Property on or before the expiration of the Term or earlier termination and promptly repair all damage to the Premises or Building caused by such removal. If LESSEE abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of LESSEE's Property left on the Premises shall be removed by LESSEE within fifteen (15) days. If LESSEE does not remove its Property within fifteen (15) days, LESSOR may remove LESSEE's Property. If LESSOR elects to remove all or any part of LESSEE's Property, the reasonable cost of removal, including repairing any damage to the Premises or Building caused by such removal, shall be paid by LESSEE. On the expiration of the Term or earlier termination LESSEE shall surrender all keys to the Premises.

16. **Destruction or Damage**:

- 16.1. If the Premises or any portion of the Building necessary for LESSEE's occupancy is damaged by fire, earthquake, act of God, or other casualty (collectively a "Casualty Event"), LESSOR shall subject to Section 26 promptly repair the damage, if such repairs can, in LESSOR's reasonable opinion, be completed within ninety (90) days. If LESSOR determines that repairs can be completed within ninety (90) days, this Lease shall remain in full force and effect, except that if such damage is not the result of the negligence or willful misconduct of LESSEE or LESSEE's agents, employees, contractors, licensees or invitees, the Base Rent shall be abated to the extent LESSEE's use of the Premises is impaired, commencing with the date of such Casualty Event and continuing until completion of the repairs. If, in LESSOR's reasonable opinion, such repairs to the Premises or any portion of the Building necessary for LESSEE's occupancy cannot be completed within ninety (90) days, LESSEE or LESSOR may terminate this Lease as of the date of such Casualty Event. In the event neither Party elects not to terminate this Lease, LESSOR shall promptly repair the Premises or any portions of the Building necessary of LESSEE's occupancy and the Base Rent shall be abated to the to the extent LESSEE's use of the Premises is impaired commencing with the date of such Casualty Event.
- 16.2. If the Premises are to be repaired pursuant to this Section 17, subject to Section 26, LESSOR shall be responsible at its sole cost and expense for the repair, restoration and replacement of any other leasehold improvements and LESSEE's Property. LESSOR shall not be liable for any loss of business, inconvenience or annoyance arising from any repair or restoration of any portion of the Building as a result of any Casualty Event. This Lease shall be considered an express agreement governing any cause of damage to or destruction of the Building or Premises by fire or other casualty.

17. **Eminent Domain**:

17.1. If the whole of the Building or Premises is lawfully taken by condemnation or in any other manner for any public or quasi-public purpose, this Lease shall terminate as of the date of such taking, and Rent shall be prorated to such date. If less than the whole of the Building or

Premises is taken, this Lease shall be unaffected by such taking, providing that (i) LESSEE shall have the right to terminate this lease by notice to LESSOR given within ninety (90) days after the date of such taking if twenty-five percent (25%) or more of the Premises is taken and (ii) LESSOR shall have the right to terminate this Lease by notice to LESSEE given within ninety (90) days after the date of such taking, if twenty-five percent (25%) or more of the Building is taken and the remaining area is not reasonably sufficient for LESSOR to continue operation of its business. If either LESSOR or LESSEE so elects to terminate this Lease, the Lease shall terminate on the ninetieth (90th) day after either such notice. The Rent shall be prorated to the date of termination. If this Lease continues in force upon such partial taking, the Base Rent shall be equitably adjusted according to the remaining Rentable Area of the Premises or Building.

- 17.2. In the event of any taking, partial or whole, all of the proceeds of any award, Judgment or settlement payable by the condemning authority shall be the exclusive property of LESSOR, and LESSEE hereby assigns to LESSOR all of its right, title and interest in any award, Judgment or settlement from the condemning authority. LESSEE, however, shall have the right, to the extent that LESSOR's award is not reduced or prejudiced, to claim from the condemning authority (but not from LESSOR) such compensation as may be recoverable by LESSEE in its own right for relocation expenses and damage to LESSEE's personal property.
- 17.3. In the event of a partial taking of the Premises which does not result in a termination of this Lease, and subject to Section 26, LESSOR shall restore the remaining portion of the Premises as nearly as practicable to its condition prior to the condemnation or taking. LESSEE shall be responsible at its sole cost and expense, for the repair, restoration and replacement of any other leasehold improvements and LESSEE's Property.
- 18. **Limitations on Liability**: The parties will not waive and intend to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Neither party waives any right or defense to indemnification that may exist in law or equity.
- 19. **Lessee's Insurance**: LESSEE, at its expense, will maintain the following insurance coverage during the initial and any extended terms of this Lease: (i)Workers compensation in accordance with Nevada law; (ii) LESSEE is self-insured for liability insurance in accordance with the provisions of NRS Chapter 41; (iii) LESSEE is self-insured for fire and all risk property insurance, including building contents for up to \$500,000 per occurrence. LESSOR shall not be liable for injury or damage to the Premises or LESSEE's property by fire or other casualty so covered by this type of insurance, no matter how caused;
- 20. Waiver of Subrogation: LESSOR and LESSEE each hereby waive all rights of recovery against the other and against the officers, employees, agents and representatives of the other, on account of loss by or damage to the waiving party or its property or the property of others under its control, to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy which either may have in force at the time of the loss or damage. LESSEE shall, upon obtaining the policies of insurance through its self-funded program, or commercial insurance, give notice to its insurance carrier or Risk Management Officer that the foregoing mutual waiver of subrogation is contained in this Lease.

- 21. Subordination and Attornment: Upon written request of LESSOR or any first mortgagee or trustee under a first deed of trust, LESSEE shall, in writing, subordinate its rights under this Lease to the lien of any first mortgage or first deed of trust, and to all advances made or hereafter to be made there under. However, before signing any subordination agreement, LESSEE shall have the right to obtain from any lender requesting such subordination, a non-disturbance or other agreement in writing providing that, as long as LESSEE is not in default hereunder, this Lease shall remain in effect for the full Term. The holder of any security interest may, upon written notice to LESSEE, elect to have this Lease prior to its security interest regardless of the time of the granting or recording of such security interest. In the event of any foreclosure sale, transfer in lieu of foreclosure or termination of any lease in which LESSOR is LESSEE, LESSEE shall attorn to the purchaser, transferee or LESSOR as the case may be, and recognize that party as LESSOR under this Lease, provided such party acquired and accepts the Premises subject to this Lease.
- 22. **Estoppel Certificates**: Within fifteen (15) days after written request from LESSOR, LESSEE shall execute and deliver to LESSOR or LESSOR's designee, a written statement certifying (a) that this Lease is unmodified and in full force and effect, or is in full force and effect as modified and stating the modifications; (b) the amount of Base Rent and the date to which Base Rent and additional rent have been paid in advance; (c) the amount of any Security Deposit; and (d) that LESSOR is not in default hereunder or, if LESSOR is claimed to be in default, stating the nature of any claimed default. Any such statement may be relied upon by a purchaser, assignee or lender. LESSEE's failure to execute and deliver such statement within the time required shall be conclusive upon LESSEE that: (i) this Lease is in full force and effect and has not been modified except as represented by LESSOR; (ii) there are no uncured defaults in LESSOR's performance and that LESSEE has no right of offset, counterclaim or deduction against Rent; and (iii) not more than one month's Rent has been paid in advance.
- 23. Sale of Transfer of the Building: In the event of any sale or transfer of the Building and transfer or assignment of this Lease to another, LESSOR shall be and is hereby entirely freed and relieved of any and all liability and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises, Building, or Lease occurring after the consummation of such sale or transfer, providing the purchaser shall expressly assume all of the covenants and obligations of LESSOR under this Lease. If any Security Deposit or prepaid Rent has been paid by LESSEE, LESSOR shall transfer the Security Deposit or prepaid Rent to LESSOR's successor and, upon such transfer, LESSOR shall be relieved of any and all further liability with respect thereto.

24. **Default**:

- 24.1 <u>LESSEE's Default</u>. The occurrence of any one of the following events shall constitute a default and breach of this Lease by LESSEE:
 - a. If LESSEE abandons or vacates the Premises before the expiration or earlier termination of the Lease for more than thirty (30) days; or

- b. If LESSEE fails to pay any Rent or any other charges required to be paid by LESSEE under this Lease and such failure continues for ten (10) days after such payment is due and payable; or
- c. If LESSEE fails to promptly and fully perform any other covenant, condition or agreement contained in this Lease and such failure continues for ninety (90) days after written notice thereof from LESSOR to LESSEE; or
- d. If a Writ of Attachment or Execution is levied on this Lease or the Premises; or
- e. If LESSEE files a voluntary petition for relief or if a petition against LESSEE in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within forty-five (45) days thereafter, or if under the provisions of any law providing for reorganization or winding up of corporations, any court of competent jurisdiction assumes jurisdiction, custody or control of LESSEE or any substantial part of its property and such jurisdiction, custody or control remains in force unrelinquished, unstayed or unterminated for a period of forty-five (45) days; or
- f. If in any proceeding or action in which LESSEE is a party, a trustee, receiver, agent or custodian is appointed to take charge of the Premises (or has the authority to do so) for the purpose of enforcing a lien against the Premises.
- 24.2 <u>Remedies</u>. In the event of LESSEE's default hereunder, then in addition to any other rights or remedies LESSOR may have under any law, LESSOR shall have the right, at LESSOR's option, with ninety (90) days' written notice to terminate this Lease and LESSEE's right to possession of the Premises and re-enter the Premises and take possession thereof, and LESSEE shall have no further claim to the Premises under this Lease.
- 24.3 <u>No Waiver</u>. The waiver by either party of any breach of any term, covenant or condition of this Lease shall not be deemed a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition. Acceptance of Rent by LESSOR subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than the failure to pay the particular Rent so accepted, regardless of LESSOR's knowledge of any breach at the time of such acceptance of Rent. LESSOR shall not be deemed to have waived any term, covenant or condition unless LESSOR gives LESSEE written notice of such waiver.
- 24.4 <u>LESSOR's Default</u>. Subject to Section 26 and Section 30, if LESSOR fails to perform any covenant, condition or agreement contained in this Lease within sixty (60) days after receipt of written notice from LESSEE specifying such default, or if such default cannot reasonably be cured within ninety (60) days, if LESSOR fails to commence to cure within that sixty (60) day period, or thereafter shall fail to prosecute such cure with all reasonable diligence, LESSOR shall be liable to LESSEE for any damages sustained by LESSEE as a result of LESSOR's breach. If, after proper notice to LESSOR of default, LESSOR (or any first mortgagee

or first deed of trust beneficiary of LESSOR) fails to cure the default as provided herein, then LESSEE shall have the right to terminate the Lease.

- 25. **Fiscal Fund-Out Termination**. Notwithstanding any other provision, term or condition of this Lease, LESSOR, pursuant to Nevada Revised Statute 354.626, and LESSEE, pursuant to Article 9, Section 3 of the Nevada Constitution, may terminate this Lease in the event any funding authority fails to appropriate funds to enable the obligations of this Lease to be fulfilled. Such termination shall be effective thirty (30) days after receipt of written notice from a party to terminate pursuant to this Section 25. Neither party shall be considered in default of any provision, term or condition of this Lease by terminating pursuant to this Section 26.
- 26. **Notices**: All notices, approvals and demands permitted or required to be given under this Lease shall be in writing and deemed duly serviced or given if personally delivered or sent by certified or registered U.S. mail, postage prepaid and addressed as follows:

if to LESSOR:

University Medical Center of Southern Nevada 1800 West Charleston Boulevard Las Vegas, Nevada 89102 ATTN: Contracts Management

if to LESSEE:

University of Nevada, Las Vegas Medical School Barbara Atkins, Planning Dean 4505 S. Maryland Parkway, Box 3070 Las Vegas, NV 89154-3070

with copy to:

University of Nevada, Las Vegas Real Estate Department 4505 S. Maryland Parkway, Box 451027 Las Vegas, Nevada 89154-1027

University of Nevada, Las Vegas Purchasing Department 4505 S. Maryland Parkway, Box 451033 Las Vegas, Nevada 89154-1033

27. **Consent or Confirmation**: The parties hereby agree, that any provision herein requiring consent or confirmation of the LESSOR in writing or otherwise, may be given on behalf of LESSOR as follows: (a) in matters concerning additions, alterations, and improvements to the Premises that are nonstructural in nature, consent may be given by the Chief Executive Officer of University Medical Center of Southern Nevada on behalf of LESSOR; and (b) with regards to

consent and/or confirmation as required under Sections 6 and 9 consent or confirmation may be given by the Chief Executive Officer of University Medical Center of Southern Nevada. In all other matters, consent shall be given by the governing body for LESSOR.

- 28. **Quiet Enjoyment**: LESSEE, upon paying the Rent and performing all of its obligations under this Lease, shall peaceably and quietly enjoy the Premises, subject to the terms of this Lease and to any mortgage, lease or other agreement to which this Lease may be subordinate.
- 29. **Force Majeure**: Any prevention, delay or stoppage of work to be performed by LESSOR or LESSEE which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefore, acts of God, governmental restrictions or regulations or controls, judicial orders, enemy or hostile government actions, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform hereunder, shall excuse performance of the work by that party for a period equal to the duration of that prevention, delay or stoppage. Nothing in this Paragraph shall excuse or delay LESSEE's obligation to pay Rent or other charges under this Lease except as to Paragraph 16 above.
- 30. Curing LESSEE's Defaults: If LESSEE defaults in the performance of any of its obligations under this Lease, LESSOR may (but shall not be obligated to), without waiving such default, perform the same for the account at the expense of LESSEE. LESSEE shall pay LESSOR all reasonable costs of such performance promptly upon receipt of a bill therefore.
- 31. Exterior Building Signs: Except as provided for in Exhibit A, LESSEE shall not affix, paint, erect or inscribe any exterior sign, projection, awning, signal or advertisement of any kind to any part of the Premises or the Building, including, without limitation, the inside or outside of windows, or doors, without the written consent of LESSOR. In determining whether or not LESSEE may affix, paint, install, erect or inscribe any sign or advertisement, LESSOR will consider the professional image of the Premises, the infringement on other tenant's rights and space, the quality of the proposed workmanship, and the customary signage in the professional environment. LESSOR shall work cooperatively with LESSEE on signage design and not reasonably withhold approval of said signage.

LESSEE may, at its sole cost, affix new signs referencing the UNLV School of Medicine (the "New Signs"). The design and form of any New Signs must be approved by LESSOR and such approval shall not be unreasonably withheld. During the Term, all maintenance costs related to any New Signs will be shared equally by the Parties. The Dean of the UNLV School or medicine (or his or her designee) on behalf of LESSEE, and the Chief Executive Officer of UMC (or his or her designee) on behalf of LESSOR, are authorized to issue any approvals on behalf of the Parties required by this Section 31.

32. **Further Development**: LESSOR shall have the right, from time to time:

a. To make reasonable changes to the site plan for the Buildings, including, without limitation, additions to, subtractions from, rearrangements of, alterations of, modifications of or supplements to the building areas, lobbies, windows, stairways, air shafts, elevators, restrooms, walkways, airways, driveways, entrances, parking spaces, parking areas, loading and unloading

areas, ingress, egress, direction of traffic, decorative walls, landscaped areas and walkways and other Common Areas provided reasonable access to the Premises is maintained. Notwithstanding the forgoing, LESSOR may not: (i) decrease number of spaces in the parking areas reserved for LESSEE to less than the agreed upon 51 spaces; (ii) decrease the number of parking spaces for the Building by more than five percent (5%) from the number existing as of the Effective Date of this Lease and (iii) decrease the existing square footage in the common areas of the Building in total and on each floor by more than five percent (5%);

- b. To temporarily close or deny access to any part of the Common Areas for maintenance purposes or for safety reasons, so long as reasonable access to the Premises remains available:
- c. To designate other land and improvements outside the boundaries of the Premises to be a part of the Common Areas, provided that such other land and improvements have a reasonable and functional relationship to the Building;
- d. To add additional buildings and improvements on the Building and to make alterations thereof or additions thereto and to build additional stories on the Building;
- e. To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Building, or any portion thereof;
- f. To temporarily close a portion of Common Areas (other than the Premises and the Exclusive Parking Area), to such extent as may be legally sufficient to prevent a dedication thereof or the acquisition of any rights therein by any person or by the public; and
- g. To do and perform such other acts and make such other changes in, to, or with respect to the Common Areas and Building as LESSOR may, in the exercise of sound business judgment, deem to be appropriate, including additions thereto, and to convey portions of the Building (excluding the Premises) to others for the purpose of constructing thereon other buildings or improvements, including additions thereto and alterations thereof.

33. Operation and Use Of Common Areas.

- 33.1. LESSOR, at its sole cost and expense, shall at all times (i) operate and maintain the Common Areas in a manner consistent with the manner operated and maintained by LESSOR as of the Effective Date, and (ii) keep and maintain the Common Areas in good repair, operation, order and condition, including but not limited to keeping the Common Areas well lit, maintaining exterior lighting for such hours as LESSOR shall determine in its reasonable discretion, keeping all sidewalks swept and free from dust or obstructions, and maintaining all utilities and landscaping.
- 33.2. LESSOR will have the right (i) to establish, modify and enforce reasonable and uniform rules and regulations with respect to the Common Areas for the general benefit of LESSOR and all tenants of the Building; (ii) without abatement of Rents or other charges, to close such portions of said Common Areas on a temporary basis to such extent as may, in the

reasonable opinion of LESSOR, be necessary to prevent a dedication thereof or the accrual of any right to any person or to the public therein or for any other reason in the best interest of LESSOR and all tenants; (iii) without abatement of Rents or other charges, to close temporarily any or all portions of the Common Areas for repairs or refurbishing or to effect construction, repairs or changes within the Premises (provided reasonable access to the Premises is maintained); (iv) to move, remove, relocate and/or replace seats, trees, planters and other amenities; and (v) to do such other acts in and to said areas and improvements, as LESSOR, in the exercise of its reasonable judgment, shall deem to be advisable.

33.3. LESSEE and its assignees, employees, agents, customers and invitees shall have the non-exclusive right to use the Common Areas, subject to the Rules and Regulations (**Exhibit A**).

34. **Parking:**

- a. LESSEE shall have exclusive use of fifty one (51) parking spaces located at the Building throughout the entire Term. LESSOR shall provide signage identifying parking spaces for LESSEE's exclusive use and will assist with enforcement of LESSEE's exclusive use rights.
- b. Upon LESSEE's occupancy of Fifth Floor Premises, LESSOR shall provide additional parking to support LESSEE's academic medical education and research programs. LESSEE and LESSOR shall work collectively to identify the location and the number of parking spaces required to reasonably support LESSEE's additional parking needs.

36. **Miscellaneous**:

- 36.1 Accord and Satisfaction; Allocation of Payment. No payment by LESSEE or receipt by LESSOR of a lesser amount than the Rent provided for in this Lease shall be deemed to be other than on account of the earliest due Rent, nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and LESSOR may accept such check or payment without prejudice to LESSOR's right to recover the balance of the Rent or pursue any other remedy provided for in this Lease. In connection with the foregoing, LESSOR shall give notice of such application immediately.
- 36.2 <u>Captions, Articles and Paragraph Numbers</u>. The captions appearing within the body of this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope of meaning of this Lease. All references to Section numbers refer to Sections in this Lease.
- 36.3. <u>Changes Requested by Lender</u>. Neither LESSOR nor LESSEE shall unreasonably withhold its consent to changes or amendments to this Lease requested by the lender on LESSOR's interest, so long as these changes do not alter the basic business terms of this Lease or otherwise materially diminish any rights or materially increase any obligations of the party from whom consent to such change or amendment is requested. Said changes are subject to LESSOR'S

Board of Hospital Trustees' approval and to approval by the Board of Regents on behalf of LESSEE

- 36.4 <u>Choice of Law</u>. This Lease shall be governed by and interpreted in accordance with the laws of the State of Nevada, without regard to Nevada's conflict of law principals.
- 36.5 <u>Withholding of Consent</u>. Notwithstanding anything contained in this Lease to the contrary, the parties shall have no claim, and hereby waive the right to any claim against the other for money damages by reason of any refusal or withholding of consent otherwise required by this Lease. In such event, the parties' only remedies therefore shall be an action for specific performance, injunction or declaratory judgment to enforce any right to such consent. LESSOR's or LESSEE's consent to or approval of any act by LESSOR or LESSEE requiring LESSOR's or LESSEE's consent or approval shall not be deemed to waive or render unnecessary LESSOR's or LESSEE's consent to or approval of any subsequent act by LESSEE
- 36.6 <u>Counterparts</u>. This Lease may be executed in multiple counterparts, all of which constitute one and the same Lease.
- 36.7 <u>Prior Agreements</u>; <u>Amendments</u>. This Lease together with all exhibits, contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease, and supersedes any prior lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. Except as otherwise provided in this Lease, no provisions of this Lease may be amended or added to except by an agreement, in writing, signed by the parties or their respective successors in interest with the same formality attending the original.
- 36.8 <u>Recording</u>. LESSEE shall not record this Lease without the prior written consent of LESSOR, which consent shall not be unreasonably withheld. LESSEE, upon the request of LESSOR, shall execute and acknowledge a "short form" memorandum of this Lease for recording purposes.
- 36.9 <u>Severability</u>. A final determination by a Court of competent jurisdiction that any provision of this Lease is invalid shall not affect the validity of any other provision.
- 36.10 <u>Successors and Assigns</u>. This Lease shall apply to and bind the permitted successors and assigns of the parties as provided in this Lease.
 - 36.11 <u>Time of the Essence</u>. Time is of the essence of this Lease.
- 36.12 <u>Third Party Liability</u>. LESSOR and LESSEE, including any of the respective agents or employees, shall not be liable to third parties for any act or omission of the other party.
- 36.13 <u>Non-Discrimination</u>. LESSEE hereunder shall be incompliance with all federal and state laws prohibiting discrimination on the basis of age, race, color, religion, sex, sexual

orientation, national origin, gender identity or expression, disability, national origin, veteran status, or any other protected status.

36.14 <u>Authority</u>. The individuals signing this Lease on behalf of LESSOR and LESSEE have been duly authorized and empowered to execute this Lease, and by their signatures shall bind LESSOR and LESSEE to perform all the obligations set forth in this Lease.

[SIGNATURE PAGE TO FOLLOW]

The parties hereto have executed this Lease as of the dates as set forth below, the latter of which shall be the "Effective Date".

LESSOR:	LESSEE:
University Medical Center of Southern Nevada	Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada School of Medicine
	APPROVED
By: Mason VanHouweling Chief Executive Officer	By: Daniel J. Klaich Chancellor Nevada System of Higher Education
Date	Date
	RECOMMENDED
	By: Len Jessup President University of Nevada, Las Vegas
	Date
	By: Barbara Atkins Planning Dean University of Nevada, Las Vegas Medical School
	Date
	APPROVED AS TO LEGAL FORM
	By: Elda L. Sidhu General Counsel University of Nevada, Las Vegas Medical School

EXHIBIT A

RULES AND REGULATIONS

- I. LESSOR agrees to furnish LESSEE a reasonable limited number of Master keys and not more than one key per person occupying each office on the Premises and any additional or duplicate keys will be charge the same cost charged to LESSOR for the additional keys. If Master keys are lost LESSEE will be charged to rekey all locks and same number of replacement Master keys.
- II. LESSEE will refer all contractors, contractor's representatives and installation technicians, rendering any service on or to the Premises for LESSEE, to LESSOR for LESSOR's approval and supervision before performance of any contractual service. This provision shall apply to all work performed in the Building, including installation of telephones, telegraph, server, equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment or any other physical portion of the Building.
- III. LESSEE shall not occupy any part of the Building as sleeping or lodging quarters.
- IV. LESSEE shall not place, install or operate on Premises or in any part of the Building, any engine, stove or machinery, or conduct mechanical operations or cook thereon or therein, or place or use in or about Premises any explosives, gasoline, kerosene, oil, acids, caustics, or any other inflammable, explosive, or hazardous material without prior written consent of LESSOR. Nothing in this section shall prevent the keeping, use or storage of hazardous materials commonly used in a medical office as long as the keeping, use or storage is made or done in compliance with all applicable laws.
- V. LESSOR will not be responsible for lost or stolen personal property, equipment, money or jewelry from LESSEE's area or public rooms regardless of whether such loss occurs when area is locked against entry or not.
- VI. No fish, bird, fowl, dogs, animals or pets or any kind shall be brought into or kept in or about the Building, with the exception of service and law enforcement animals.
- VII. LESSOR will not permit entrance to LESSEE's offices by use of passkey controlled by LESSOR, to any person at any time without written permission by LESSEE, except employees, contractors, or service personnel directly supervised or employed by LESSOR.
- VIII. None of the entries, passages, doors, elevators, hallways or stairways shall be blocked or obstructed or any rubbish, litter, trash or material of any nature placed, emptied, or thrown into these areas, nor shall such areas be used at any time except for ingress or egress by LESSEE, LESSEE's agents, employees or invitees.

- IX. The water closets any other water fixtures shall not be used for any purpose other than those for which they were constructed. No person shall waste water by interfering with the faucets or otherwise.
- X. No person shall disturb the occupants of the Building by the use of any musical instruments, the making of raucous noises, or other unreasonable use.
- XI. Nothing shall be thrown out of the windows of the Building, or down the stairways or other passages.
- XII. LESSEE shall not store any materials, equipment, products, etc. outside the Premises.
- XIII. LESSEE shall not erect any sign or other insignia upon or in any part of the Building, or other portion of the Premises without prior written consent of the LESSOR which shall not be unreasonably withheld.
- XIV. LESSEE shall comply with all local and federal codes and ordinances related to the use and occupancy of the Premises.
- XV. LESSEE and its agents, employees and invitees shall observe and comply with the driving and parking signs and markers on the Project grounds and surrounding areas.
- XVI. Corridor and passage doors when not in use shall be kept closed.
- XVII. Directories will be placed by the LESSOR, at LESSOR's expense, in the Building and no other directories shall be permitted. If LESSEE requests electronic directories be placed in the interior of the building they will be at the sole expense of the LESSEE and shall then remain the property of the LESSOR at the termination of the Lease.
- XVIII. No signs, draperies, shutters, window coverings, decorations, hangings or obstructions of any type shall be placed on any skylights or on any doors or windows which are visible from outside the Premises without the prior written consent of the LESSOR which shall not be unreasonably withheld.
- XIX. The LESSOR reserves the right to rescind any of these rules and make such other and further rules and regulations as in the judgment of LESSOR shall from time to time be needed for safety, protection, care and cleanliness of the Building, the operation thereof, the preservation of good order therein, and the protection and comfort of its Lessees, their agents, and employees, including but not limited to, rules and regulations regarding hours of access to the Building, which rules when made and notice thereof given to a LESSEE shall be binding upon it in like manner as if originally herein prescribed.
- XX. There shall be no smoking in any part of the Building at any time.

EXHIBIT B

TENANT FINISH SPECIFICATIONS

UMC Tenant Finish Specifications 2040 Building:

Suspended Ceilings

Acoustical tile ceilings 24" x 48"/24" x 3/4" ceiling tile, Armstrong "Cortega, Second Look" #2767 angled tile or approved equal. The tiles will be supported by Armstrong 15/16" white exposed tee suspension grid and 15/16" wall mold.

Floor Covering

Building standard carpet shall be Shaw industries Patcraft PDQ2 collection broadloom.

Building Standard vinyl composition tile will be 12" x 12" x 1/8" squares. Mannington Progressions or approved equal.

Areas of floor may NOT be left as exposed concrete.

Resilient Base

Rubber base shall be straight resilient 4" high base at carpeted surfaces and coved resilient 4" high base at hard flooring finishes. Building Standard at VCT flooring will be Mannington Type TP rubber or approved equal.

Wall Finishes

Demising walls and interior walls will receive one prime coat and one finish coat of building standard eggshell wall paint.

Wall Assemblies

Standard Wall Assembly: 5/8" Type X Drywall 3-5/8" 20-.33 gauge studs 24oc 5/8" Type X drywall

Demising Wall Assembly: 5/8 Type X drywall 3-5/8" Type X Drywall, steel studs 16oc 31/2 "

Fiberglass Insulation, 5/8 Type drywall apply acoustical sealant at the intersection of the gypsum

Panel, floor system, and the leg of the steel runner, sealant should be applied at this location on

Both sides of the partition, Wall height to upper deck.

Window Coverings

Building Standard window coverings: Polarshades Alkenz Sunshadow Solar Screen Fabric, Series 4000 3%, Color: W003, White/Gray or equivalent, including a 25 year warranty for components and fabric.

Doors & Frames

Entry Door – single 3'-0"W x 7'-0"H X 1-3/4" Thick solid core wood door in standard frame with Schlage Cylindrical Lock AL Series JUP lever style finish 619 Satin Nickel. Door to be: Marshfield veneer face and edges, Rotary Cut Natural Birch, Color: Bombay. Frames to be knock down Timely frames-piece, Style #TA-23 1 ¼ clear anodized aluminum, fire-rated as required to satisfy code requirements. Frames will have 1 ½" face dimension and will be pre-punched to accept building standard hinges and building standard strike plate. All doors shall be pre-mortised or bored; package in plastic sleeve; palletized and banded.

Light Fixtures:

All LED fixtures shall comply with IES LM-79-08, IES LM-80-08 and IES TM-21-12 testing standards.

Building Standard 2' x 4' LED fixture

This fixture shall be a recessed mounted LED non air handling with high efficiency architectural lens. Columbia LTRE24-40MLG-RFA-EDU.4000K color temperature, 4,600 lumens with 0-10V Dimming and 5 year warranty.

Emergency Exit Signs: Quantum LED Engineering Grade thermoplastic housing with no battery backup. Housing color: white, red letters.

Telephone Outlets

All telephone outlet plates, communication outlet plates and all devices shall be or match Leviton Decora.

Color: White.

Sinks & Faucets

Building standard sinks and faucets shall be provided, by Tenant, for areas as directed by the Tenant. Building standard sinks and faucet to be Elkay Lustertone Series: Building single compartment sink - Elkay LRAD-2219 or ELUHAD-2115, ADA compliant, 18 gauge, stainless steel sink with Chicago 201-AGN8AE35-317AB faucet. Building standard double-compartment sink and faucet: Elkay LRAD-3321 or ELUHAD-3118, ADA compliant, 18gauge, stainless steel, "Lustertone", sink with Chicago 201-AGN8AE35-317AB faucet

EXHIBIT C

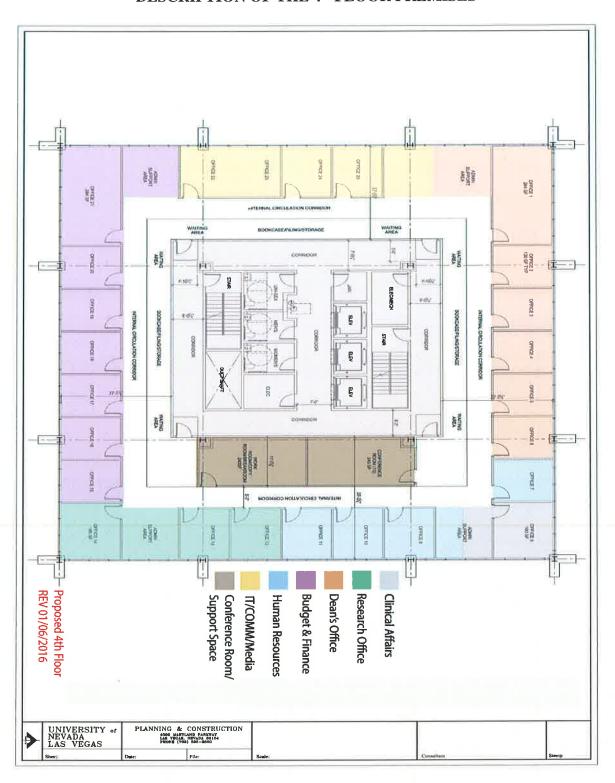
IMPROVEMENT SPECIFICATIONS

3rd, 4th, and 5th Floor Premises

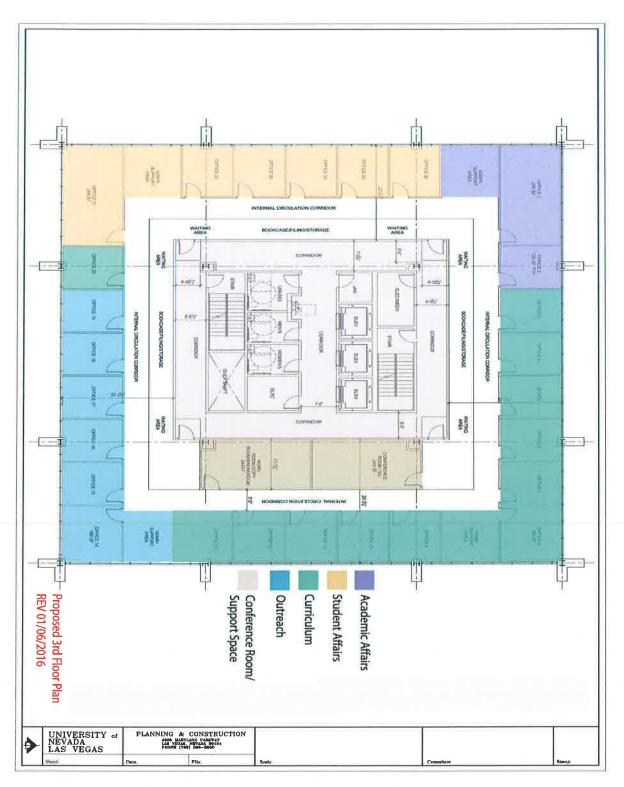
LESSOR, at its sole cost and expense, shall complete improvements to the Premises as outlined below. LESSEE shall present LESSOR a proposed floor plan (the "Plan") for the Original Premises and Expansion Premises and LESSOR shall, within a reasonable time frame, review and approve or deny the Plan. The improvements to the Premises set forth herein and in the Plan shall be complete on or before October 1, 2016, subject to Section 6.2 of the Lease. Any and all improvements to the Premises shall meet all applicable federal, state and local codes and regulations, including but not limited to the Americans with Disability Act ("ADA").

- 1. Construct new interior walls and limited case work.
- 2. Paint all drywall throughout the Premises with an opportunity to include limited accent colors.
- 3. Install either new carpet or tile with rubber base.
- 4. Install a Two foot (2') by Four foot (4') suspended ceiling with the opportunity for limited ceiling tile types.
- 5. Install wood veneer doors and appropriate door swings.
- 6. Install of new window treatments.
- 7. Where applicable, install glass lights and appropriate light switches.
- 8. Design and install the mechanical, electrical, and telecommunications systems.
- 9. Provide CAT 6 level cable wiring throughout Premises that meets UNLV Campus Wiring Specifications.

EXHIBIT D-1
DESCRIPTION OF THE 4th FLOOR PREMISES

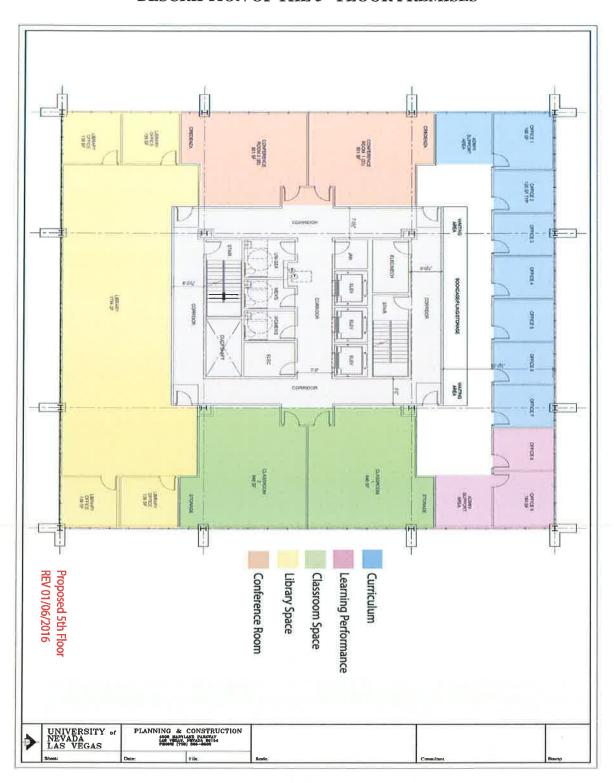


^{*} As of April 20, 2016 Plans Have Not been Finalized and Subject to Revision



^{*} As of April 20, 2016 Plans Have Not been Finalized and Subject to Revision

EXHIBIT D-3 DESCRIPTION OF THE $5^{\rm th}$ FLOOR PREMISES



^{*} As of April 20, 2016 Plans Have Not been Finalized and Subject to Revision

EXHIBIT E JANITORIAL SPECIFICATIONS

Cleaning Specifications for Office Areas

- Empty all waste containers and replace plastic liners in accordance with building's recycling program. Damp wipe waste containers. Remove waste paper and waste materials to the collection area of the building using carts. Place waste material in trash receptacles in accordance with building's recycling program.
- Dust with a microfiber cloth or mitt all horizontal surfaces that can be reached without a ladder, such as desks, file cabinets, binder bins, cubicles, windowsills, bookcases, ledges, trim, etc.
- Spot clean to remove dirt, finger marks, smudges, etc. from all doors, doorframes, switch plates, walls, glass areas adjacent to doors, floor to ceiling partition glass, push plates, handles, railings, etc.
- Clean, polish, and sanitize all drinking fountains and water coolers.
- Wet wipe counters and tabletops in coffee/kitchen areas.
- Spot clean all glass entrance doors and side panels to remove finger marks, smudges, etc., with a microfiber cloth.
- Dust or vacuum hard surface flooring to insure dust free floors.
- Vacuum all carpeted areas and rugs, moving light furniture.
- Turn off lights and secure space when work assignments are complete.

Project/Special Cleaning

- Spot clean all carpet as needed.
- Dust baseboards, chair rails, trim, louvers, moldings, and other "low-dust" areas.
- Damp wipe clean interior building metal, including doors, knobs, hinges, lock faceplates, door saddles, push plates, kick plates, etc. using a microfiber cloth dampened with general purpose cleaner once per week.
- Perform high dusting, including the following: Dust clean all vertical surfaces such as partition, ventilating louvers and vents, walls, trim, lighting fixtures, exposed pipes and ducts, ceiling vents, tops of cabinets, files, partitions, vending equipment, window frames, refrigerators, etc. not reached in routine cleaning.

Restrooms

- Empty and clean towel and sanitary disposal receptacles. Take waste material and refuse to designated area in the building using janitor carts. Replace liners in all receptacles with clear liners, as required. Wash and clean receptacles as needed.
- Refill toilet paper, paper towels, hand soap and sanitary products.
- Wash all sinks, counter tops, surfaces of toilets and urinals with approved disinfectant cleaning solution.
- Clean and polish mirrors and all chrome and other bright work, including shelves, flush-ometers, exposed piping, toilet seat and partition hinges, dispensers, and all other washroom fixtures using approved disinfectant cleaning solution.
- Spot clean partitions, tile walls, and doors with special attention to areas behind sinks, around urinals, and around entrance. Remove graffiti.

• Sweep and mop flooring with approved cleaning solution.

Project/Special Cleaning

- Machine scrub flooring as needed.
- Remove hard water stains from all fixtures by using appropriate cleaner after normal cleaning.
- Interior Window cleaning by special request.