



16255 Bay Vista Drive
727-820-8002

Clearwater, Florida 33760
Fax 727-820-8014

**UPDATED LETTER OF REPRESENTATIONS
RELATED TO CERTAIN AUCTION RATE SECURITIES**

July 10, 2008

Morgan Stanley & Co. Incorporated,
as broker-dealer
New York, New York

Raymond James & Associates, Inc.,
as broker-dealer
New York, New York

Ladies and Gentlemen:

We refer to our letter dated March 27, 2008 (the "Letter of Representations"), relating to our bid on the Pinellas County Health Facilities Authority (Florida) Health System Revenue Bonds, BayCare Health System Issue, Series 2006A-1 (the "Auction Bonds"). All capitalized words and terms used herein shall have the meanings ascribed to such words and terms in the Letter of Representations. We hereby reaffirm as of the date hereof (and as though made on the date hereof) all statements made in the Letter of Representations except that, for the purposes of this letter:

(1) BayCare has caused notice (the form of which is attached as Exhibit A hereto) (the "Notice") of its intent to Bid on the Auction Bonds for the upcoming Auction to be held on July 15, 2008 (the "Auction Date") to be distributed in accordance with Exhibit B of the Letter of Representations.

(2) BayCare has complied with paragraph (4) of the Letter of Representations with respect to the last Auction.

(3) BayCare covenants to provide the details of the Auction occurring on the Auction Date in the manner described in paragraphs (5) and (6) of the Letter of Representations within two business days following the Auction Date.

(4) BayCare hereby requests that the notice described in (1) above and the information described in (3) above be made available on a publicly accessible portion of each Broker-Dealer's website.

(5) You are directed to deem our delivery of the Notice to you as our irrevocable request to place our Bid for the Auction Bonds in accordance with the terms specified in the Notice.

(6) All references in the Letter of Representation to "Notice" and "Auction Date" shall include the Notice and Auction Date referred to in this letter.

BAYCARE HEALTH SYSTEM, INC.


By: 
Title: Executive Vice President and
Chief Financial Officer

EXHIBIT A
FORM OF NOTICE



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**Notice of BayCare Health System, Inc.'s Intended Participation
in Auction Process**

- Name of Conduit Borrower: BayCare Health System, Inc.
- Name of Issuer: Pinellas County Health Facilities Authority (Florida)
- Name of Bonds: Health System Revenue Bonds, BayCare Health System Issue, Series 2006A-1
- CUSIP No.: 72316MEM7 (2006A-1)
- Official Statement dated : April 4, 2006

Statement of Intent:

The Conduit Borrower intends to bid for the amount of Bonds specified below, at the interest rate set forth below, on the Auction Date set forth below.

After the establishment of the Auction Rate on the Auction Date, the Conduit Borrower intends to continue to submit bids in subsequent auctions. Thus, if following such Auction Date there remain any Bonds that have not been acquired by the Conduit Borrower pursuant to such auction, an Existing Owner will have the opportunity to submit a Sell Order at the next auction, and sell the Bonds held by such Existing Owner, in accordance with the same procedures currently applicable to the submission of Sell Orders by Existing Owners.

It should be noted that the interests of the Conduit Borrower are different from, and, in fact, may be contrary to, the interests of an investor because the Conduit Borrower is

seeking to establish the lowest interest rate on the Bonds, while an investor generally would seek the highest interest rate on the Bonds.

Conduit Borrower Representations:

The Conduit Borrower hereby represents that (a) the interest rate set forth below is not less than the interest rate reflected on the day prior to the Auction Date by the 7-Day SIFMA Municipal Swap Index, and (b) with respect to the Auction Date that is the subject of this notice, the Conduit Borrower will promptly give notice for such Auction Date of the same information as is outlined below for the immediately preceding Auction Date.

Capitalized Terms and Auction Procedures:

Capitalized terms used in this notice have the definitions set forth in the Official Statement, and the auction procedures are described in such document.

Information:

- Auction Date on which Conduit Borrower intends to bid: July 15, 2008 (2006A-1)
- Interest Rate being bid by the Conduit Borrower: 100% of the 7-Day SIFMA Municipal Swap Index effective on the day prior to the Auction Date, plus 70 basis points
- Amount of Bonds being bid for by the Conduit Borrower: 100%
- Information regarding immediately preceding Auction Date:
 - total dollar amount of Bonds for sale in the auction (i.e., Bonds for which Sell Orders were submitted) was \$0
 - the number of Bids received was 15, which aggregated \$80,700,000
 - the number of Bidders (other than the Conduit Borrower and the Broker-Dealers) was 14
 - with respect to Bids submitted by the Broker-Dealers, the respective number of Bids, interest rates on such Bids, and amount of Bids for each Broker-Dealer were as follows:

- Broker-Dealer [Morgan Stanley]:
 - ♣ number of Bids: 0
 - ♣ interest rates: N.A.
 - ♣ amount of Bids: 0

- Broker-Dealer [Raymond James]:
 - ♣ number of Bids: 0
 - ♣ interest rates: N.A.
 - ♣ amount of Bids: 0

- with respect to Bids submitted by the Conduit Borrower, the number of Bids, interest rates on such Bids, and amount of Bids were as follows:
 - ♣ number of Bids: 1
 - ♣ interest rates: 2.10%
 - ♣ amount of Bids: \$51,400,000

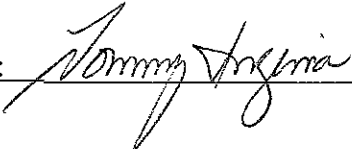
- Clearing Rate: 1.79%

- High Bid: 3.45%

- Low Bid: 1.79%

- Median Bid: 2.10%

BAYCARE HEALTH SYSTEM, INC.

By:  _____

Name: Tommy Inzina
Title: Executive Vice President and
Chief Financial Officer
Date: July 10, 2008