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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: May 27, 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 100 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 \$125,000
 - the number of Bids received was 16, which aggregated \$55,275,000
 - 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: 2
 - ♣ interest rates: 2.81%, 2.81%
 - ♣ amount of Bids: \$32,950,000, \$18,450,000

- Clearing Rate: 2.81%

- High Bid: 3.45%

- Low Bid: 2.50%

- Median Bid: 3.00%

BAYCARE HEALTH SYSTEM, INC.

By: 

Name: Tommy Inzina
Title: Executive Vice President and
Chief Financial Officer
Date: May 22, 2008