

**TO:** MSRB and Other Interested Parties

**FROM:** SANFORD, on behalf of itself and SANFORD HEALTH, SANFORD MEDICAL CENTER d/b/a Sanford USD Medical Center, SANFORD HEALTH NETWORK, SANFORD CLINIC, SANFORD HEALTH FOUNDATION, SANFORD NORTH, SANFORD MEDICAL CENTER FARGO, SANFORD CLINIC NORTH, SANFORD HEALTH NETWORK NORTH, SANFORD MEDICAL CENTER THIEF RIVER FALLS, SANFORD MEDICAL CENTER MAYVILLE, SANFORD HEALTH FOUNDATION NORTH, SANFORD HOME HEALTH and SANFORD HEALTH OF NORTHERN MINNESOTA (collectively, the “Members of the Sanford Obligated Group”)

**DATE:** July 13, 2012

**RE:** Voluntary Disclosure relating to the bonds (the “Bonds”) identified on *Exhibit A* hereto in connection with the affiliation of Sanford and Medcenter One Health Systems, a North Dakota nonprofit corporation, together with its affiliates and subsidiaries (collectively, “Medcenter”), headquartered in Bismarck, North Dakota.

**CUSIPS:** See *Exhibit A* hereto.

The purpose of this notice is to voluntarily disclose the affiliation of Sanford and Medcenter. Sanford and Medcenter were granted early termination of the waiting period under the Hart Scott Rodino Act by the FTC effective June 12, 2012. The governing boards of Sanford and Medcenter met and approved the affiliation effective July 3, 2012 (the date the affiliation was approved by the North Dakota Attorney General) by naming Sanford as the sole corporate member of Medcenter and appointing the Board of Trustees of Sanford as the Board of Trustees for Medcenter. Medcenter initially will not be a Member of the Sanford Obligated Group; however Sanford continually evaluates the status of its affiliates as Members of the Obligated Group and may consider the feasibility and desirability of adding Medcenter as a Member in the future.

Medcenter operates a 210-bed acute care hospital along with clinic, nursing and senior housing facilities with net patient and resident revenues of \$334 million, total assets of \$214 million and long term debt of \$31 million per Medcenter’s December 31, 2011 audited financial statements.

*This notice is being provided by Sanford to the MSRB, through its Electronic Municipal Market Access System, on a voluntary basis for information purposes only and should not be viewed as a formal notification to Bondholders, and nothing contained herein should be construed as a solicitation of offers to purchase any bonds, including, without limitation, the Bonds identified on Exhibit A hereto. The information set forth herein does not constitute an event requiring disclosure pursuant to Securities and Exchange Commission Rule 15c2-12.*

*This information is subject to change without notice. This notice only speaks as of its date and does not imply that there has been no change in any other information relating to the event described herein. Nothing contained in this notice is, or should be construed as, a*

*representation by Sanford that the information included in this notice or any previous filings constitutes all of the information that may be material to a current decision to invest in, hold or dispose of any of the Bonds listed on Exhibit A, or any other securities issued for the benefit of Sanford or the other Members of the Sanford Obligated Group.*

**EXHIBIT A**

\$52,000,000

SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS, SERIES 2004A  
(SIOUX VALLEY HOSPITALS AND HEALTH SYSTEM)

<u>CUSIP*</u>	<u>MATURITY DATE</u>
83755VHW7	11/01/2027
83755VHX5	11/01/2031
83755VHY3	11/01/2034

\$72,755,000

SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS, SERIES 2007  
(SANFORD HEALTH)

<u>CUSIP*</u>	<u>MATURITY DATE</u>
83755VLT9	11/01/2012
83755VLU6	11/01/2013
83755VLV4	11/01/2014
83755VLW2	11/01/2015
83755VLX0	11/01/2016
83755VLY8	11/01/2017
83755VLZ5	11/01/2018
83755VMA9	11/01/2019
83755VMB7	11/01/2020
83755VMC5	11/01/2021
83755VMD3	11/01/2027
83755VME1	11/01/2040
83755VMW1	11/01/2027

\$70,565,000  
 SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
 REVENUE BONDS, SERIES 2009  
 (SANFORD HEALTH)

<u>CUSIP*</u>	<u>MATURITY DATE</u>
83755VNQ3	11/01/2013
83755VNR1	11/01/2014
83755VNS9	11/01/2015
83755VNT7	11/01/2016
83755VNU4	11/01/2017
83755VNV2	11/01/2018
83755VNW0	11/01/2019
83755VNX8	11/01/2024
83755VNY6	11/01/2029
83755VNZ3	11/01/2040

\$132,660,000 CITY OF FARGO, NORTH DAKOTA  
 HEALTH SYSTEM REVENUE BONDS, SERIES 2011  
 (SANFORD)

<u>CUSIP*</u>	<u>MATURITY DATE</u>
307479BY0	11/01/2012
307479BZ7	11/01/2013
307479CA1	11/01/2014
307479CB9	11/01/2015
307479CC7	11/01/2016
307479CD5	11/01/2017
307479CE3	11/01/2018
307479CF0	11/01/2019
307479CG8	11/01/2020
307479CH6	11/01/2021
307479CJ2	11/01/2028
307479CK9	11/01/2031
307479CL7	11/01/2016
307479CM5	11/01/2017
307479CN3	11/01/2021

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number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.