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## Memorandum

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<b>To</b>	Bill Bilyeu Collin County Commissioners Court		
<b>From</b>	Scott Kortmeyer	<b>Date</b>	March 6, 2015
<b>Re</b>	Proposed Tarrant County Cultural Education Facilities Finance Corporation Hospital Revenue Refunding Bonds (Baylor Scott & White Health Project) Series 2015		

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Dear Mr. Bilyeu:

Per our prior correspondence, Baylor Scott & White Holdings ("**BSW Holdings**") is working with Tarrant County Cultural Education Facilities Finance Corporation to issue its Hospital Revenue Refunding Bonds (Baylor Scott & White Health Project) Series 2015 in multiple series (the "**Series 2015 Bonds**") in order to (i) finance and refinance health facilities of BSW Holdings and its affiliates, and (ii) refund multiple series of existing bonds (the "**Refunded Bonds**"). In order to issue the Series 2015 Bonds as tax-exempt bonds, the Internal Revenue Service requires a TEFRA approval from the "applicable elected representative" where projects that receive the Series 2015 Bonds proceeds are located after a public hearing following reasonable public notice.

BSW Holdings issued a TEFRA notice in the *Dallas Morning News*, *Fort Worth Star Telegram*, *Austin-American Statesman* and *Temple Daily Telegraph* on February 16, 2015 and held the TEFRA hearings on March 6, 2015, at which time there was no public objection to the issuance of the Series 2015 Bonds. BSW Holdings is requesting TEFRA approval from the Commissioners Court of Collin County, Texas, as an "applicable elected representative" in regards to Baylor Medical Center at McKinney ("**Baylor McKinney**"). A portion of the Refunded bonds were issued to finance the construction of the Baylor McKinney, which opened on July 6, 2012.

Please note that Commissions Court approval is solely for TEFRA purposes; the approval is not construed to be a representation or warranty that the Series 2015 Bonds are valid or that they will be paid timely, nor it is not a pledge of faith and credit by the County.

Please let me know if you have any questions or concerns, I looked for to seeing you at the Commissioner Court Meeting on March 16<sup>th</sup>.

SMK