

**SOUTH DAKOTA HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY**

MINUTES OF THE APRIL 3, 2013 SPECIAL MEETING

Pursuant to due notice, the South Dakota Health and Educational Facilities Authority met on Wednesday, April 3, 2013 at 11:00 a.m. CST (10:00 a.m. MST), via telephone conference call. Mr. Norbert Sebade, Chairman, instructed the Secretary to call the roll.

Present:

Mr. Dave Fleck
Mr. Gene Lebrun
Mr. Norbert Sebade
Mr. Dave Timpe
Mr. Mack Wyly

Absent:

Mr. Alan "Dick" Dempster
Mr. William Lynch

Other staff and representatives of the Authority and other parties present were:

Mr. Donald Templeton, Executive Director
Mr. Vance Goldammer, General Legal Counsel
Dustin Christopherson, Associate Director
Dan Bacastow, Jones Day
Bill Marlette – Sanford Health

The Chairman declared a quorum and called the meeting to order. The notice of the meeting dated March 21, 2013 was posted at the entrance of the South Dakota Health and Educational Facility Authority prior to the meeting (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the December 21, 2012 special meeting. Mr. Mack Wyly moved to approve the minutes as presented, seconded by Mr. Dave Fleck. All members present voted aye, motion carried.

Sanford Health New Remarketing Agent for Series 2001C, 2001D and 2004B Variable Rate Bonds

Mr. Templeton reviewed the outstanding bonds of Sanford Health. Mr. Bill Marlette explained that U.S. Bank was the holder of the Series 2001C, 2001D and 2004B bonds and that Sanford Health desired to hire U.S. Bank to be the remarketing agent for these bonds to replace Dougherty & Company.

Mr. Vance Goldammer reviewed the Resolution with the exhibits (*see Attachment #2*). Mr. Gene Lebrun moved to approve the resolution, Mr. Dave Timpe seconded, and upon roll call, the ayes were Fleck, Lebrun, Sebade, Timpe and Wyly; nays: none; abstain: none.

February 28, 2013 Financial Statements

The February 28, 2013 financial statements were reviewed in detail. Mr. Mack Wyly moved to approve the financial statements, Mr. Dave Fleck seconded, and upon roll call, the ayes were Fleck, Lebrun, Sebade, Timpe and Wyly; nays: none; abstain: none.

Adjournment

The Chairman stated there being no further business at this meeting, the meeting adjourned at 11:19 a.m.



SOUTH DAKOTA
HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY

Date: March 21, 2013

To: Members of the South Dakota Health and Educational Facilities Authority

From: Don A. Templeton, Executive Director

Re: Notice of Special meeting

You are hereby notified that the Chairman has set Wednesday April 3, 2013 as the meeting date for the special meeting of the South Dakota Health and Educational Facilities Authority to be held via telephone conference call at 11:00 a.m. CST (10:00 a.m. MST).

You may participate in the meeting by dialing **1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.**

The following members have indicated they will be available for the meeting:

Dick Dempster (if needed)	David Timpe	Mack Wyly
David Fleck	Norbert Sebade	Gene Lebrun

Attached is an agenda. Information on agenda items will be sent via Federal Express.

Cc: Vance Goldammer
Dan Bacastow

RESOLUTION appointing a new Remarketing Agent and authorizing and approving certain other matters with respect to certain Bonds of the Authority benefitting Sanford and its corporate affiliates.

WHEREAS, the South Dakota Health and Educational Facilities Authority (the “*Authority*”) has been created by the South Dakota Health and Educational Facilities Authority Act, as amended; and

WHEREAS, the Authority has previously issued its (i) \$30,000,000 Variable Rate Demand Revenue Bonds, Series 2001C (Sioux Valley Hospitals and Health System) (the “*Series 2001C Bonds*”) pursuant to the provisions of a Bond Trust Indenture dated as of May 1, 2001, as amended and restated as of May 1, 2001 (as amended and restated, the “*Series 2001C Bond Indenture*”), (ii) \$31,835,000 Variable Rate Demand Revenue Bonds, Series 2001D (Sioux Valley Hospitals and Health System) (the “*Series 2001D Bonds*”) pursuant to the provisions of a Bond Trust Indenture dated as of May 1, 2001 (the “*Series 2001D Bond Indenture*”) and (iii) \$18,000,000 Variable Rate Demand Revenue Bonds, Series 2004B (Sioux Valley Hospitals and Health System) (the “*Series 2004B Bonds*” and, together with the Series 2001C Bonds and the Series 2001D Bonds, the “*Bonds*”), pursuant to the provisions of a Bond Trust Indenture dated as of September 1, 2004 (the “*Series 2004 Bond Indenture*” and, together with the Series 2001C Bond Indenture and the Series 2001D Bond Indenture, the “*Bond Indentures*”), each between the Authority and The First National Bank in Sioux Falls, as bond trustee; and

WHEREAS, Dougherty and Company, LLC (the “*Prior Remarketing Agent*”) was appointed as the initial Remarketing Agent (as defined in each of the Bond Indentures) for the Bonds issued under each respective Bond Indenture; and

WHEREAS, the Prior Remarketing Agent is expected to resign as Remarketing Agent for each respective series of the Bonds; and

WHEREAS, Sanford, as Obligated Group Agent on behalf of itself and the other Members of the Obligated Group (as such terms are defined in each Bond Indenture), has requested that the Authority appoint, pursuant to Section 918 of each of the Bond Indentures, U.S. Bancorp Investments, Inc. (“*USBII*”) and U.S. Bank Municipal Securities Group, a division of U.S. Bank National Association (“*MSG*”), acting jointly, as the successor Remarketing Agent (the “*Successor Remarketing Agent*”) for each series of the Bonds; and

WHEREAS, Sanford has informed the Authority, and the Successor Remarketing Agent has represented and warrantied, that the Successor Remarketing Agent (i) has a capitalization of at least \$30,000,000, (ii) is authorized by law to perform all the duties contemplated by each Bond Indenture to be performed by the Remarketing Agent, (iii) has knowledge and experience in the remarketing of securities such as the Bonds and (iv) has a remarketing portfolio of at least \$100,000,000; and

WHEREAS, in connection with the appointment of the Successor Remarketing Agent, it is necessary to enter into a new Remarketing Agreement for each series of the Bonds (collectively, the “*Remarketing Agreements*”); and

WHEREAS, there are now before this Board of Directors the forms of the several Remarketing Agreements, each between Sanford, acting as Obligated Group Agent on behalf of itself and the other Members of the Obligated Group, and the Successor Remarketing Agent, providing for the remarketing of each series of Bonds, respectively;

NOW, THEREFORE, Be It Resolved by the South Dakota Health and Educational Facilities Authority as follows:

Section 1. Remarketing Agent. The Authority, at the direction of Sanford in its capacity of Obligated Group Agent, does hereby approve the replacement of the Prior

Remarketing Agent with USBII and MSG, acting jointly, as Remarketing Agent for each series of the Bonds and hereby appoints, pursuant to the request of Sanford, in its capacity as Obligated Group Agent, the Successor Remarketing Agent as Remarketing Agent for each series of the Bonds.

Section 2. Remarketing Agreements. The Authority does hereby authorize, at the direction of Sanford in its capacity as Obligated Group Agent, the execution and delivery of the Remarketing Agreements for each series of Bonds by Sanford, as Obligated Group Agent; such Remarketing Agreements to be in substantially the forms thereof now before this meeting as *Exhibits A, B and C*, respectively, with such changes therein as shall be approved by the officer or officers of Sanford executing the Remarketing Agreements, with such execution to constitute conclusive evidence of Sanford's approval of, and of the Authority's approval of, any changes in the Remarketing Agreements from the forms of Remarketing Agreement now before this meeting.

Section 3. Authorization and Ratification of Subsequent Acts. The Chairman, other members, Executive Director, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute, consent to or accept all such certificates and documents as may be necessary to carry out and comply with the provisions of these resolutions and the documents attached hereto as *Exhibits A, B and C*, respectively, and all of the acts and doings of the Chairman, other members, Executive Director, officers, agents and employees of the Authority which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Adopted this 3rd day of April, 2013.

HDW Draft No. 2: 3-14-13

\$30,000,000
South Dakota Health and Educational Facilities Authority
Variable Rate Demand Revenue Bonds, Series 2001C
(Sioux Valley Hospitals and Health System)

REMARKETING AGREEMENT

Dated as of April 1, 2013

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104

Ladies and Gentlemen:

This is to confirm the agreement between the undersigned, U.S. Bancorp Investments, Inc. (“USBII”) and U.S. Bank Municipal Securities Group (“MSG” and, together with USBII, the “Remarketing Agent”) and Sanford, a North Dakota nonprofit corporation (the “Obligated Group Agent”) acting as Obligated Group Agent on behalf of itself and the other Members of the Obligated Group. These parties agree that USBII and MSG are to act jointly as exclusive remarketing agent in connection with the offering and sale from time to time in the secondary market of \$30,000,000 aggregate principal amount of the South Dakota Health and Educational Facilities Authority Variable Rate Demand Revenue Bonds, Series 2001C (Sioux Valley Hospitals and Health System) (the “Bonds”) issued pursuant to the Amended and Restated Bond Trust Indenture dated as of May 1, 2001 (the “Bond Indenture”) between the South Dakota Health and Educational Facilities Authority (the “Issuer”) and The First National Bank in Sioux Falls, as bond trustee (the “Trustee”). The Bonds are payable from payments to be received by the Issuer pursuant to an Amended and Restated Loan Agreement, dated as of May 1, 2001 (the “Loan Agreement”), between the Issuer and the Hospital. All capitalized terms used herein and not defined herein shall have the meanings specified in the Bond Indenture or in the Credit Facility Agreement (as defined below). In addition, as used herein, “Rule G-34 Documents” shall mean: (i) the letter of credit, reimbursement agreement, standby bond purchase agreement, loan agreement, guaranty agreement or any other document establishing an obligation to provide credit and/or liquidity support with respect to the Bonds; (ii) the indenture, bond resolution, and any supplemental or series indenture(s) or resolution(s) or any other authorizing document under which the Bonds were issued; (iii) any amendments, extensions, renewals, replacements or terminations thereof; and (iv) any other document required to comply with Municipal Securities Rulemaking Board (“MSRB”) Rule G-34(c), as it may be amended from time to time; and, in each case where required to be delivered, such delivery shall be by electronic means in a word-searchable PDF file (or in such other form as the Remarketing Agent shall notify the Obligated Group in writing) labeled with the following information: (a) CUSIP number; (b) name of issuer;

(c) name of transaction; (d) name of document; and (e) whether the document is an execution version or a redacted version.

Payment of the purchase price of the Bonds is currently supported by a letter of credit (the "Credit Facility") issued by U.S. Bank National Association (the "Credit Facility Issuer") pursuant to a Reimbursement Agreement, as amended, dated as of May 1, 2006 (the "Credit Facility Agreement") by and between the Obligated Group and the Credit Facility Issuer.

1. Appointment of Remarketing Agent; Responsibilities of Remarketing Agent.

Subject to the terms and conditions herein contained, USBII and MSG acting jointly are hereby appointed, and USBII and MSG hereby accept such appointment and agree to jointly perform the duties and obligations required hereunder and under the Bond Indenture, as exclusive remarketing agent in connection with the determination of interest rates, the remarketing of tendered Bonds from time to time in the secondary market, and the performance and discharge of all other responsibilities of the Remarketing Agent under the Bond Indenture. The principal office of the Remarketing Agent shall be as set forth under Section 16 hereof.

It is understood and agreed that the Remarketing Agent's responsibilities hereunder and under the Bond Indenture will include: (i) exercising its best efforts in remarketing the Bonds, (ii) effecting and processing such purchases, (iii) billing and receiving payment of Bond purchases, (iv) transferring the proceeds from the secondary sale of the Bonds to the Tender Agent or the Trustee, as appropriate, (v) determining the Weekly Rate, as applicable, and (vi) performing such other related functions of the Remarketing Agent as provided in the Bond Indenture or reasonably requested by the Obligated Group and agreed to by the Remarketing Agent.

The obligations of the Remarketing Agent hereunder and under the Bond Indenture, with respect to the date on which the Bonds are to be remarketed pursuant to this Agreement, are also subject to the conditions set forth in Section 7 hereof. The Remarketing Agent may suspend remarketing Bonds as provided in Section 8 hereof.

2. The Bonds.

As more fully described in the Bond Indenture, the Bonds were issued, subject to the terms and conditions of the Bond Indenture, in the form of fully registered Bonds in the denominations, and having such tender, redemption, payment and other terms, as specified in the Bond Indenture.

3. Offering Materials.

Except for information contained therein describing the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the Obligated Group represents that the Official Statement relating to the Bonds dated June 20, 2001 (as from time to time supplemented or amended, together with any filings made by the Obligated Group from time to time with the MSRB, the "Official Statement") does not

contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make such statements therein, in light of the circumstances under which they were made, not misleading. The Obligated Group will provide the Remarketing Agent with the number of copies of the Official Statement and such other information associated with the Obligated Group, the Bonds and the security for the Bonds as the Remarketing Agent shall reasonably request from time to time. The Obligated Group consents to the use and distribution of the Official Statement and, subject to its review and approval, remarketing circulars and any amendments or supplements to any of the foregoing in connection with the remarketing of the Bonds. In addition, the Obligated Group has not failed to comply with its continuing disclosure obligations as set forth in Rule 15c2-12 of the Securities and Exchange Commission, as amended (the “Rule”) during the past five (5) years, and all continuing disclosure filings made by the Obligated Group pursuant to the Rule were true, accurate and complete as of their respective dates of filing.

4. Representation, Warranties, Covenants and Agreements of the Obligated Group.

The Obligated Group, by its execution hereof, represents and warrants to, and covenants and agrees with, the Remarketing Agent as follows:

- (a) it has the authority to take all actions required or permitted to be taken by it under, and to perform and observe the covenants and agreements on its part contained in, this Agreement, the Bond Indenture, the Loan Agreement, the Credit Facility Agreement, the Credit Facility and any other instrument or agreement relating thereto (collectively, the “Bond Documents”);
- (b) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date for: (i) the execution, delivery and performance of the Bond Documents that have been executed in connection with the transactions contemplated hereby and by the Official Statement; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (c) the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been duly executed and delivered by it and constitute its legal, valid and binding obligations, enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or equitable principles relating to or limiting creditors’ rights generally;
- (d) the execution and delivery of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement, compliance with the terms, conditions or provisions thereof, and consummation of the transactions herein and therein contemplated do

not and will not violate any law, regulation, order, writ, injunction or decree of any court or governmental body or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Obligated Group pursuant to, any mortgage, resolution, agreement or instrument to which the Obligated Group is a party or by which it or any of its properties is bound other than those provided for in or contemplated by the Master Indenture or the Bond Indenture;

- (e) all authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of, any governmental body, agency or other instrumentality or court required in connection with the execution, delivery and performance by the Obligated Group of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been obtained, given or taken and are in full force and effect; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (f) other than as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the knowledge of the Obligated Group, threatened against or affecting it wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition or solvency of the Obligated Group or the ability of the Obligated Group to perform its obligations under the Bond Documents;
- (g) except for information contained therein describing the Issuer, the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the information contained in the Official Statement was correct in all material respects as of its date and did not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; since the date as of which information is given in the Official Statement, except as otherwise stated therein, there has been no material adverse change in the financial position or results of operations of the Obligated Group; and
- (h) the Obligated Group will cooperate with the Remarketing Agent in obtaining the qualification of the Bonds for offering and sale under the laws of such jurisdictions as the Remarketing Agent shall designate; provided that the Obligated Group shall not be required to incur any expense, consent to service of process in any jurisdiction or qualify to do business in any jurisdiction where it is not now so subject.

5. Representations and Warranties of the Remarketing Agent.

- (a) USBII hereby represents and warrants that: (i) it is a registered broker-dealer and a member in good standing of the Financial Industry Regulatory Authority; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of USBII enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (b) MSG hereby represents and warrants that: (i) it is organized and regulated by, and in good standing with, the Office of the Comptroller of the Currency; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of MSG enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (c) USBII and MSG, acting jointly as Remarketing Agent, further represent and warrant that they have a capitalization of at least \$30,000,000, are authorized by law to perform all the duties contemplated by the Bond Indenture to be performed by the Remarketing Agent, have knowledge and experience in the remarketing of securities such as the Bonds and a remarketing portfolio of at least \$100,000,000.

6. Certain Agreements of the Obligated Group.

- (a) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of any of the events specified in Rule 15c2-12(b)(5)(C).
- (b) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of: (i) any event which, with notice or the passage of time or both, would constitute an Event of Default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement; and (ii) any Event of Default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement.
- (c) During the term of this Agreement, if, at any time, any event or condition known to the Obligated Group relating to or affecting the Obligated Group, the Bonds,

the security for the Bonds, the Bond Indenture, the Loan Agreement, the Credit Facility, the Credit Facility Agreement, or the documents or transactions contemplated thereby, shall occur which, in the reasonable judgment of the Obligated Group or the Remarketing Agent, might affect the accuracy, correctness or completeness of any statement of a material fact contained in the Official Statement, as it shall have been supplemented or amended from time to time pursuant to this Section, and result in the Official Statement, as so supplemented or amended, containing any untrue, incorrect or misleading statement of a material fact or omitting to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then: (i) the Obligated Group (as to events or conditions relating to itself and otherwise of which it becomes aware) shall promptly notify the Remarketing Agent of the circumstances and details of such event; (ii) if, in the opinion of Remarketing Agent, such event or condition requires the preparation and publication of an amendment or supplement to the Official Statement, the Obligated Group, at its expense, shall promptly prepare or cause to be prepared an appropriate amendment or supplement thereto, in a form and manner approved by the Remarketing Agent, so that the statements in the Official Statement, as so amended or supplemented, will not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (iii) the Obligated Group shall take all necessary action to approve such supplement or amendment.

- (d) To assist the Remarketing Agent in complying with its obligations under MSRB Rule G-34(c), the Obligated Group shall provide the following to the Remarketing Agent:

(i) on the effective date of this Remarketing Agreement, a copy of each executed and currently effective Rule G-34 Document;

(ii) no later than ten Business Days prior to the proposed date of any amendment, extension or renewal, replacement or termination of any of the then current Rule G-34 Documents, written notice that such document is proposed to be amended, extended, renewed, replaced or terminated, as the case may be, and the expected date of execution and delivery of such amendment, extension, renewal, replacement or termination, as the case may be;

(iii) within one Business Day after the execution and delivery of any amendment, extension, renewal, replacement or termination, as the case may be, of any of the then current Rule G-34 Documents a copy thereof; and

(iv) no later than three Business Days after receiving a request from the Remarketing Agent for any Rule G-34 Document, a copy thereof.

- (e) In each instance that Rule G-34 Documents are delivered to the Remarketing Agent pursuant to this Section 6, the Obligated Group shall provide: (1) a clean final execution copy of each relevant document; and (2) in any such document where any redactions are made, (x) a redacted final execution copy of document and (y) a file containing a list showing all redactions that have been made to such document.
- (f) If the Obligated Group determines that any information in the Rule G-34 Documents is confidential or proprietary, the Obligated Group shall discuss such information and the potential redaction thereof with the Remarketing Agent and its counsel to ensure compliance with Rule G-34(c).
- (g) In the event that the Obligated Group does not provide the Remarketing Agent with a copy of a document described in subsection (d) above, the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such times as specified by the MSRB and in the SHORT System Users Manual.
- (h) Except with respect to information specifically designated as confidential by the Obligated Group Agent, the Obligated Group will hold harmless the Remarketing Agent with respect to: any confidential or proprietary information that is: (i) identified and/or redacted by the Remarketing Agent in the Rule G-34 Documents; and (ii) made public when the Remarketing Agent files the Rule G-34 Documents with the SHORT System.
- (i) If there are any additional regulatory requirements, amendments or modifications to the securities laws affecting the Remarketing Agent's obligations hereunder, the Obligated Group shall take all steps reasonably requested by the Remarketing Agent or its counsel necessary to comply with such additional requirements.
- (j) The Obligated Group shall reimburse the Remarketing Agent for any costs incurred in connection with compliance with Rule G-34 including, but not limited to, fees charged by Trustees or other parties supplying missing documents.

7. Conditions to Remarketing Agent's Obligations.

The obligations of the Remarketing Agent under this Agreement have been undertaken in reliance upon, and shall be subject to, the due performance of the obligations and agreements hereunder to be performed by the Obligated Group and to the accuracy of and compliance with the representations, warranties, covenants and agreements of the Obligated Group contained herein, in each case on and as of the date of delivery of this Agreement and on and as of each date on which Bonds are to be remarketed pursuant to this Agreement. The obligations of the Remarketing Agent hereunder with respect to each date on which Bonds are subject to optional or mandatory tender are subject, in the discretion of the Remarketing Agent, to the following further conditions that: (i) the Bond Indenture, the Loan Agreement, the Credit Facility, the Credit Facility Agreement and all other documents and agreements referenced in the Bond Indenture or the Official

Statement shall be in full force and effect and shall not have been amended, modified or supplemented in any way which would materially and adversely affect the Bonds, except as may have been agreed to in writing by the Remarketing Agent; (ii) there shall not have occurred an event of default or an event, which, with the passage of time or the giving of notice or both, would constitute an event of default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement, or a repudiation or failure to fund a properly presented draw on the Credit Facility by the Credit Facility Issuer; and (iii) there shall be in full force and effect additional resolutions, agreements, certificates and opinions which shall be reasonably satisfactory in form and substance to Bond Counsel.

8. Removal and Termination of Remarketing Agent; Suspension of Remarketing.

The Remarketing Agent may be removed at any time upon three days notice by an instrument of the Obligated Group filed with the Remarketing Agent, the Trustee, the Credit Facility Issuer and the Paying Agent. The Remarketing Agent may resign at any time upon thirty days notice by providing written notice to the Obligated Group, the Trustee and the Paying Agent. Following removal of or resignation by the Remarketing Agent, the provisions of Sections 10, 11 and 12 will continue in effect as to transactions prior to the date of termination, and each party will pay the other any amounts owing at the time of termination.

The Remarketing Agent will suspend its remarketing efforts upon the receipt of notice of the occurrence of an Event of Default under the Credit Facility Agreement which will result in the suspension or termination of the obligations of the Credit Facility Issuer to advance funds under the Credit Facility or as otherwise required by the Bond Indenture, which suspension will continue for so long as such event of default shall continue (the Remarketing Agent being under no obligation to determine when such event of default shall cease).

The Remarketing Agent may suspend remarketing the Bonds with immediate effect upon the occurrence of any of the following events, which suspension will continue as long as such situation exists:

- (a) legislation shall be adopted, or a decision by a court established under Article III of the Constitution of the United States or the United States Tax Court shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Obligated Group (or by any similar bodies) or causing interest received on the Bonds not to be excluded from gross income for purposes of federal income taxation; or
- (b) legislation shall be adopted, or a decision by a court of the United States shall be rendered, or stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental

agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Bonds or the issuance of the Credit Facility, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Indenture shall be required to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “1939 Act”), or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby, without registration under the Securities Act or qualification under the 1939 Act, as amended; or

- (c) any information shall have become known, which, in the Remarketing Agent’s sole judgment, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, or causes the Official Statement to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (d) except as provided in clauses (a) and (b) of this Section 8, any legislation, resolution, ordinance, rule or regulation shall be introduced in, or be enacted by, any federal governmental body, department or agency of the United States or the State of South Dakota, or a decision by any court of competent jurisdiction within the United States or the State of South Dakota shall be rendered, which, in the Remarketing Agent’s reasonable opinion, materially adversely affects the marketability of the Bonds; or
- (e) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or
- (f) any governmental authority shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force; or
- (g) a general banking moratorium shall have been established by federal, South Dakota or New York authorities; or
- (h) any downgrade suspension or withdrawal of a rating assigned to the Bonds by a national rating service; or
- (i) a war involving the United States shall have been declared, or any existing conflict involving the armed forces of the United States shall have escalated, or any other national or international emergency relating to the effective operation of government or the financial community shall have occurred; or

- (j) a material disruption in commercial banking or securities settlement or clearance services; or
- (k) a material adverse change in the affairs of the Credit Facility Issuer or the Obligated Group; or
- (l) the bankruptcy or default of any other issuer of or obligor on obligations of the general character of the Bonds; or
- (m) the occurrence of any of the events referred to in Section 6(b) hereof.

9. Dealing in Bonds by Remarketing Agent.

The Remarketing Agent, in its individual capacity, either as principal or agent, at its option may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of any Bond may be entitled to take with the like effect as if it did not act in any capacity hereunder. Such purchases or sales are not required to be at par. Nothing herein shall prohibit the Remarketing Agent, in its individual capacity, either as principal or agent, from engaging in or having an interest in any financial or other transaction with the Obligated Group, and the Remarketing Agent may act as depository, trustee or agent for any committee or body of Bondholders or other obligations of the Obligated Group as freely as if it did not act in any capacity hereunder. The Remarketing Agent may sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others.

10. Payment of Fees and Expenses.

- (a) While the Bonds accrue interest at a Weekly Rate, the Obligated Group shall pay the Remarketing Agent directly, as compensation for its services hereunder, a fee equal to 8.00 basis points (0.0800%) per annum of the weighted average principal amount of the Bonds outstanding during each three-month period, or such other amount as may be agreed upon from time to time by the Obligated Group and the Remarketing Agent, payable quarterly in arrears on each January 1, April 1, July 1, and October 1, commencing July 1, 2013. The Remarketing Agent will not be entitled to compensation for any period after conversion of the interest rate on the Bonds to a Long Mode or Fixed Mode or following termination of this Agreement (whichever is earlier) except for a pro rata portion of the fee in respect of the quarter in which such conversion or termination occurs. The parties anticipate that separate fee arrangements will be made for any remarketing of Bonds accruing interest at a Long Mode or Fixed Mode (if remarketed by the Remarketing Agent).
- (b) The Obligated Group shall pay to the Remarketing Agent on the date hereof a one-time upfront fee of \$7,000.

11. Indemnity and Contribution.

- (a) To the extent permitted by law, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and each person who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, from and against any and all losses, claims, damages or liabilities, caused by: (i) the failure to register any security under the Securities Act of 1933, as amended, or to qualify any indenture under the Trust Indenture Act of 1939, as amended in connection with the remarketing of the Bonds; or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or any amendment thereof or supplement thereto, or caused by the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information furnished under the headings "Underwriting" or "Remarketing Agent" as the case may be, in the Official Statement as amended or supplemented.
- (b) In case any action shall be brought against the Remarketing Agent or any person controlling the Remarketing Agent, in respect of which indemnity may be sought against the Obligated Group, the Remarketing Agent, as a condition to the above indemnity, shall promptly notify the Obligated Group in writing, and the Obligated Group shall assume the defense thereof, including the employment of counsel and payment of all expenses. The Remarketing Agent or any such controlling person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Remarketing Agent or controlling person, as the case may be, unless (i) the employment of such counsel has been specifically authorized by the Obligated Group in writing prior to the employment of such counsel; or (ii) the named parties to any such action (including any impleaded parties) including both the Remarketing Agent or such controlling person and the Obligated Group, and the Remarketing Agent, or such controlling person, as the case may be, shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Obligated Group and that joint representation may be inappropriate under professional standards, in which case the Obligated Group shall not have the right to assume the defense of such action on behalf of the Remarketing Agent or such controlling person, as the case may be, it being understood, however, that the Obligated Group shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one law firm for the Remarketing Agent (including controlling persons), and any such firm shall be designated in writing by the Remarketing Agent. The Obligated Group shall not be liable for any settlement of any such action effected without its written consent, but if settled with the prior written consent of the Obligated Group, or if

there be a final judgment for the plaintiff in any such action, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and any such controlling person from and against any loss or liability by reason of such settlement or judgment.

- (c) If the indemnification provided for in this Section 11 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then the indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, from the remarketing of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (b) above, then the indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Obligated Group, on the one hand, and the Remarketing Agent, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, shall be deemed to be in the same proportion as the total net proceeds from the remarketing (before deducting expenses) bear to the total commission received by the Remarketing Agent. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Obligated Group, on the one hand, or the Remarketing Agent, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Obligated Group and the Remarketing Agent agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (c). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (c) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (c), the Remarketing Agent shall be responsible for that portion represented by the percentage that the Remarketing Agent's commission with respect to such remarketing bears to the aggregate principal amount of such Bonds and the Obligated Group is responsible for the balance. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

- (d) To the extent permitted by law, the Remarketing Agent agrees to indemnify and hold harmless the Obligated Group, its officers, employees and agents, from and against any and all losses, claims, damages or liabilities caused by the Remarketing Agent's gross negligence or willful misconduct.
- (e) The indemnity and contribution provisions of this Remarketing Agreement shall not supersede any other indemnity in any other agreement or arising otherwise by law.

12. Remarketing Agent's Liabilities.

The Remarketing Agent shall incur no liability to the Obligated Group, or any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Bond Indenture except for its gross negligence or willful misconduct. The obligation of the Remarketing Agent to remarket bonds hereunder shall be on a best efforts basis. The Remarketing Agent will not be liable to the Obligated Group for the failure of any person to whom the Remarketing Agent has sold a Bond to pay for such Bond or to deliver any document in respect of the sale. It is understood and agreed that the Remarketing Agent shall not be obligated to advance its own funds to purchase, or to effect the purchase of, any Bonds.

13. Intention of Parties.

It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

14. Term.

Unless previously terminated, this Agreement shall remain in full force and effect until payment in full of the Bonds or until the interest rate mode of the Bonds has been converted to the Long Rate or the Fixed Rate. All of the representations, warranties and agreements of the Obligated Group and the Remarketing Agent contained in this Agreement shall remain operative and in full force and effect, regardless of: (i) any investigation made by or on behalf of the Remarketing Agent or the Obligated Group, (ii) delivery of and any payment for any Bonds hereunder; or (iii) termination or cancellation of this Agreement.

15. No Advisory or Fiduciary Role.

The Obligated Group acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Obligated Group and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Obligated Group; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Obligated Group with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether

the Remarketing Agent has provided other services or is currently providing other services to the Obligated Group on other matters); (iii) the only obligations the Remarketing Agent has to the Obligated Group with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Obligated Group has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

16. Miscellaneous.

- (a) Except as otherwise specifically provided in this Agreement, all notices and formal communications under this Agreement shall be in writing and mailed, telegraphed, telecopied or delivered to:

USBII and MSG:

U.S. Bank
461 Fifth Avenue, 10th Floor
New York, New York 10017

Attention Mr. Thomas Gallo
Tel: (877) 403-6519
Fax: (877) 663-1027
Email: thomas.gallo@usbank.com

The Obligated Group Agent:

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104
Attention: Treasurer

The Remarketing Agent and Obligated Group may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

- (b) The obligations of the respective parties hereto may not be assigned or delegated to any other person without the consent of the other parties hereto; provided, however, that the Remarketing Agent may assign its rights and obligations hereunder to an affiliate of the Remarketing Agent qualified to assume and perform such rights and obligations, or to an entity succeeding to the business of the Remarketing Agent without the consent of the other parties hereto. This Agreement will inure to the benefit of and be binding upon the Obligated Group and the Remarketing Agent and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Remarketing Agent within the meaning of the Securities Act.

- (c) Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part this Agreement and will not be used in the interpretation of any provision of this Agreement.
- (d) If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provisions inoperative or unenforceable to any extent whatsoever.
- (e) This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties.
- (f) This Agreement shall only be amended, supplemented or modified in a writing signed by a duly authorized representative of the parties hereto.
- (g) The Remarketing Agent may record telephone communications with the Obligated Group, the Trustee, or the Tender Agent, or all of them.
- (h) This Agreement shall not be deemed or construed to be modified, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the parties hereto.
- (i) Failure of any party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by any other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.
- (j) The parties agree that all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby shall be brought in a New York State Court or United States District Court, in each case, in the County of New York and, in connection with any such action or proceeding, submit to the jurisdiction of, and venue in, such County. Each party to this Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in this paragraph. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices herein. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

- (k) Each party to this agreement hereby expressly waives to the extent permitted by law, any right it may have to trial by jury in any legal proceeding arising out of or relating to the Bond Indenture, the Loan Agreement, this Agreement or the transactions contemplated hereby or thereby (whether founded in contract or tort or otherwise). Each party hereto acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this paragraph.
- (l) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.
- (m) This Agreement will be governed by and construed in accordance with the laws of New York.

Very truly yours,

U.S. BANCORP INVESTMENTS, INC.,
as Remarketing Agent

By: _____
Name:
Title:

U.S. BANK MUNICIPAL SECURITIES GROUP,
A DIVISION OF U.S. BANK NATIONAL
ASSOCIATION,
as Remarketing Agent

By: _____
Name:
Title:

[Signature Page to Remarketing Agreement - 2001C Bonds]

Accepted and agreed to as of the date first above written:

SANFORD, as Obligated Group Agent on behalf of
itself and the other Members of the Obligated
Group

By: _____
Name: Bill Marlette
Title: Treasurer

[Signature Page to Remarketing Agreement - 2001C Bonds]

HDW Draft No. 1: 3-14-13

\$31,835,000
South Dakota Health and Educational Facilities Authority
Variable Rate Demand Revenue Bonds, Series 2001D
(Sioux Valley Hospitals and Health System)

REMARKETING AGREEMENT

Dated as of April 1, 2013

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104

Ladies and Gentlemen:

This is to confirm the agreement between the undersigned, U.S. Bancorp Investments, Inc. (“USBII”) and U.S. Bank Municipal Securities Group (“MSG” and, together with USBII, the “Remarketing Agent”) and Sanford, a North Dakota nonprofit corporation (the “Obligated Group Agent”) acting as Obligated Group Agent on behalf of itself and the other Members of the Obligated Group. These parties agree that USBII and MSG are to act jointly as exclusive remarketing agent in connection with the offering and sale from time to time in the secondary market of \$31,835,000 aggregate principal amount of the South Dakota Health and Educational Facilities Authority Variable Rate Demand Revenue Bonds, Series 2001D (Sioux Valley Hospitals and Health System) (the “Bonds”) issued pursuant to the Bond Trust Indenture dated as of May 1, 2001 (the “Bond Indenture”) between the South Dakota Health and Educational Facilities Authority (the “Issuer”) and The First National Bank in Sioux Falls, as bond trustee (the “Trustee”). The Bonds are payable from payments to be received by the Issuer pursuant to a Loan Agreement, dated as of May 1, 2001 (the “Loan Agreement”), between the Issuer and the Hospital. All capitalized terms used herein and not defined herein shall have the meanings specified in the Bond Indenture or in the Credit Facility Agreement (as defined below). In addition, as used herein, “Rule G-34 Documents” shall mean: (i) the letter of credit, reimbursement agreement, standby bond purchase agreement, loan agreement, guaranty agreement or any other document establishing an obligation to provide credit and/or liquidity support with respect to the Bonds; (ii) the indenture, bond resolution, and any supplemental or series indenture(s) or resolution(s) or any other authorizing document under which the Bonds were issued; (iii) any amendments, extensions, renewals, replacements or terminations thereof; and (iv) any other document required to comply with Municipal Securities Rulemaking Board (“MSRB”) Rule G-34(c), as it may be amended from time to time; and, in each case where required to be delivered, such delivery shall be by electronic means in a word-searchable PDF file (or in such other form as the Remarketing Agent shall notify the Obligated Group in writing) labeled with the following information: (a) CUSIP number; (b) name of issuer; (c) name of

transaction; (d) name of document; and (e) whether the document is an execution version or a redacted version.

Payment of the purchase price of the Bonds is currently supported by a letter of credit (the “Credit Facility”) issued by U.S. Bank National Association (the “Credit Facility Issuer”) pursuant to a [Reimbursement Agreement, as amended, dated as of May 1, 2006] (the “Credit Facility Agreement”) by and between the Obligated Group and the Credit Facility Issuer.

1. Appointment of Remarketing Agent; Responsibilities of Remarketing Agent.

Subject to the terms and conditions herein contained, USBII and MSG acting jointly are hereby appointed, and USBII and MSG hereby accept such appointment and agree to jointly perform the duties and obligations required hereunder and under the Bond Indenture, as exclusive remarketing agent in connection with the determination of interest rates, the remarketing of tendered Bonds from time to time in the secondary market, and the performance and discharge of all other responsibilities of the Remarketing Agent under the Bond Indenture. The principal office of the Remarketing Agent shall be as set forth under Section 16 hereof.

It is understood and agreed that the Remarketing Agent’s responsibilities hereunder and under the Bond Indenture will include: (i) exercising its best efforts in remarketing the Bonds, (ii) effecting and processing such purchases, (iii) billing and receiving payment of Bond purchases, (iv) transferring the proceeds from the secondary sale of the Bonds to the Tender Agent or the Trustee, as appropriate, (v) determining the Weekly Rate, as applicable, and (vi) performing such other related functions of the Remarketing Agent as provided in the Bond Indenture or reasonably requested by the Obligated Group and agreed to by the Remarketing Agent.

The obligations of the Remarketing Agent hereunder and under the Bond Indenture, with respect to the date on which the Bonds are to be remarketed pursuant to this Agreement, are also subject to the conditions set forth in Section 7 hereof. The Remarketing Agent may suspend remarketing Bonds as provided in Section 8 hereof.

2. The Bonds.

As more fully described in the Bond Indenture, the Bonds were issued, subject to the terms and conditions of the Bond Indenture, in the form of fully registered Bonds in the denominations, and having such tender, redemption, payment and other terms, as specified in the Bond Indenture.

3. Offering Materials.

Except for information contained therein describing the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the Obligated Group represents that the Official Statement relating to the Bonds dated June 26, 2001 (as from time to time supplemented or amended, together with any filings made by the Obligated Group from time to time with the MSRB, the “Official Statement”) does not

contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make such statements therein, in light of the circumstances under which they were made, not misleading. The Obligated Group will provide the Remarketing Agent with the number of copies of the Official Statement and such other information associated with the Obligated Group, the Bonds and the security for the Bonds as the Remarketing Agent shall reasonably request from time to time. The Obligated Group consents to the use and distribution of the Official Statement and, subject to its review and approval, remarketing circulars and any amendments or supplements to any of the foregoing in connection with the remarketing of the Bonds. In addition, the Obligated Group has not failed to comply with its continuing disclosure obligations as set forth in Rule 15c2-12 of the Securities and Exchange Commission, as amended (the “Rule”) during the past five (5) years, and all continuing disclosure filings made by the Obligated Group pursuant to the Rule were true, accurate and complete as of their respective dates of filing.

4. Representation, Warranties, Covenants and Agreements of the Obligated Group.

The Obligated Group, by its execution hereof, represents and warrants to, and covenants and agrees with, the Remarketing Agent as follows:

- (a) it has the authority to take all actions required or permitted to be taken by it under, and to perform and observe the covenants and agreements on its part contained in, this Agreement, the Bond Indenture, the Loan Agreement, the Credit Facility Agreement, the Credit Facility and any other instrument or agreement relating thereto (collectively, the “Bond Documents”);
- (b) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date for: (i) the execution, delivery and performance of the Bond Documents that have been executed in connection with the transactions contemplated hereby and by the Official Statement; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (c) the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been duly executed and delivered by it and constitute its legal, valid and binding obligations, enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or equitable principles relating to or limiting creditors’ rights generally;
- (d) the execution and delivery of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement, compliance with the terms, conditions or provisions thereof, and consummation of the transactions herein and therein contemplated do

not and will not violate any law, regulation, order, writ, injunction or decree of any court or governmental body or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Obligated Group pursuant to, any mortgage, resolution, agreement or instrument to which the Obligated Group is a party or by which it or any of its properties is bound other than those provided for in or contemplated by the Master Indenture or the Bond Indenture;

- (e) all authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of, any governmental body, agency or other instrumentality or court required in connection with the execution, delivery and performance by the Obligated Group of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been obtained, given or taken and are in full force and effect; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (f) other than as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the knowledge of the Obligated Group, threatened against or affecting it wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition or solvency of the Obligated Group or the ability of the Obligated Group to perform its obligations under the Bond Documents;
- (g) except for information contained therein describing the Issuer, the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the information contained in the Official Statement was correct in all material respects as of its date and did not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; since the date as of which information is given in the Official Statement, except as otherwise stated therein, there has been no material adverse change in the financial position or results of operations of the Obligated Group; and
- (h) the Obligated Group will cooperate with the Remarketing Agent in obtaining the qualification of the Bonds for offering and sale under the laws of such jurisdictions as the Remarketing Agent shall designate; provided that the Obligated Group shall not be required to incur any expense, consent to service of process in any jurisdiction or qualify to do business in any jurisdiction where it is not now so subject.

5. Representations and Warranties of the Remarketing Agent.

- (a) USBII hereby represents and warrants that: (i) it is a registered broker-dealer and a member in good standing of the Financial Industry Regulatory Authority; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of USBII enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (b) MSG hereby represents and warrants that: (i) it is organized and regulated by, and in good standing with, the Office of the Comptroller of the Currency; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of MSG enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (c) USBII and MSG, acting jointly as Remarketing Agent, further represent and warrant that they have a capitalization of at least \$30,000,000, are authorized by law to perform all the duties contemplated by the Bond Indenture to be performed by the Remarketing Agent, have knowledge and experience in the remarketing of securities such as the Bonds and a remarketing portfolio of at least \$100,000,000.

6. Certain Agreements of the Obligated Group.

- (a) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of any of the events specified in Rule 15c2-12(b)(5)(C).
- (b) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of: (i) any event which, with notice or the passage of time or both, would constitute an Event of Default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement; and (ii) any Event of Default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement.
- (c) During the term of this Agreement, if, at any time, any event or condition known to the Obligated Group relating to or affecting the Obligated Group, the Bonds,

the security for the Bonds, the Bond Indenture, the Loan Agreement, the Credit Facility, the Credit Facility Agreement, or the documents or transactions contemplated thereby, shall occur which, in the reasonable judgment of the Obligated Group or the Remarketing Agent, might affect the accuracy, correctness or completeness of any statement of a material fact contained in the Official Statement, as it shall have been supplemented or amended from time to time pursuant to this Section, and result in the Official Statement, as so supplemented or amended, containing any untrue, incorrect or misleading statement of a material fact or omitting to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then: (i) the Obligated Group (as to events or conditions relating to itself and otherwise of which it becomes aware) shall promptly notify the Remarketing Agent of the circumstances and details of such event; (ii) if, in the opinion of Remarketing Agent, such event or condition requires the preparation and publication of an amendment or supplement to the Official Statement, the Obligated Group, at its expense, shall promptly prepare or cause to be prepared an appropriate amendment or supplement thereto, in a form and manner approved by the Remarketing Agent, so that the statements in the Official Statement, as so amended or supplemented, will not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (iii) the Obligated Group shall take all necessary action to approve such supplement or amendment.

- (d) To assist the Remarketing Agent in complying with its obligations under MSRB Rule G-34(c), the Obligated Group shall provide the following to the Remarketing Agent:
- (i) on the effective date of this Remarketing Agreement, a copy of each executed and currently effective Rule G-34 Document;
 - (ii) no later than ten Business Days prior to the proposed date of any amendment, extension or renewal, replacement or termination of any of the then current Rule G-34 Documents, written notice that such document is proposed to be amended, extended, renewed, replaced or terminated, as the case may be, and the expected date of execution and delivery of such amendment, extension, renewal, replacement or termination, as the case may be;
 - (iii) within one Business Day after the execution and delivery of any amendment, extension, renewal, replacement or termination, as the case may be, of any of the then current Rule G-34 Documents a copy thereof; and
 - (iv) no later than three Business Days after receiving a request from the Remarketing Agent for any Rule G-34 Document, a copy thereof.

- (e) In each instance that Rule G-34 Documents are delivered to the Remarketing Agent pursuant to this Section 6, the Obligated Group shall provide: (1) a clean final execution copy of each relevant document; and (2) in any such document where any redactions are made, (x) a redacted final execution copy of document and (y) a file containing a list showing all redactions that have been made to such document.
- (f) If the Obligated Group determines that any information in the Rule G-34 Documents is confidential or proprietary, the Obligated Group shall discuss such information and the potential redaction thereof with the Remarketing Agent and its counsel to ensure compliance with Rule G-34(c).
- (g) In the event that the Obligated Group does not provide the Remarketing Agent with a copy of a document described in subsection (d) above, the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such times as specified by the MSRB and in the SHORT System Users Manual.
- (h) Except with respect to information specifically designated as confidential by the Obligated Group Agent, the Obligated Group will hold harmless the Remarketing Agent with respect to: any confidential or proprietary information that is: (i) identified and/or redacted by the Remarketing Agent in the Rule G-34 Documents; and (ii) made public when the Remarketing Agent files the Rule G-34 Documents with the SHORT System.
- (i) If there are any additional regulatory requirements, amendments or modifications to the securities laws affecting the Remarketing Agent's obligations hereunder, the Obligated Group shall take all steps reasonably requested by the Remarketing Agent or its counsel necessary to comply with such additional requirements.
- (j) The Obligated Group shall reimburse the Remarketing Agent for any costs incurred in connection with compliance with Rule G-34 including, but not limited to, fees charged by Trustees or other parties supplying missing documents.

7. Conditions to Remarketing Agent's Obligations.

The obligations of the Remarketing Agent under this Agreement have been undertaken in reliance upon, and shall be subject to, the due performance of the obligations and agreements hereunder to be performed by the Obligated Group and to the accuracy of and compliance with the representations, warranties, covenants and agreements of the Obligated Group contained herein, in each case on and as of the date of delivery of this Agreement and on and as of each date on which Bonds are to be remarketed pursuant to this Agreement. The obligations of the Remarketing Agent hereunder with respect to each date on which Bonds are subject to optional or mandatory tender are subject, in the discretion of the Remarketing Agent, to the following further conditions that: (i) the Bond Indenture, the Loan Agreement, the Credit Facility, the Credit Facility Agreement and all other documents and agreements referenced in the Bond Indenture or the Official

Statement shall be in full force and effect and shall not have been amended, modified or supplemented in any way which would materially and adversely affect the Bonds, except as may have been agreed to in writing by the Remarketing Agent; (ii) there shall not have occurred an event of default or an event, which, with the passage of time or the giving of notice or both, would constitute an event of default under the Bond Indenture, the Loan Agreement, or the Credit Facility Agreement, or a repudiation or failure to fund a properly presented draw on the Credit Facility by the Credit Facility Issuer; and (iii) there shall be in full force and effect additional resolutions, agreements, certificates and opinions which shall be reasonably satisfactory in form and substance to Bond Counsel.

8. Removal and Termination of Remarketing Agent; Suspension of Remarketing.

The Remarketing Agent may be removed at any time upon three days notice by an instrument of the Obligated Group filed with the Remarketing Agent, the Trustee, the Credit Facility Issuer and the Paying Agent. The Remarketing Agent may resign at any time upon thirty days notice by providing written notice to the Obligated Group, the Trustee and the Paying Agent. Following removal of or resignation by the Remarketing Agent, the provisions of Sections 10, 11 and 12 will continue in effect as to transactions prior to the date of termination, and each party will pay the other any amounts owing at the time of termination.

The Remarketing Agent will suspend its remarketing efforts upon the receipt of notice of the occurrence of an Event of Default under the Credit Facility Agreement which will result in the suspension or termination of the obligations of the Credit Facility Issuer to advance funds under the Credit Facility or as otherwise required by the Bond Indenture, which suspension will continue for so long as such event of default shall continue (the Remarketing Agent being under no obligation to determine when such event of default shall cease).

The Remarketing Agent may suspend remarketing the Bonds with immediate effect upon the occurrence of any of the following events, which suspension will continue as long as such situation exists:

- (a) legislation shall be adopted, or a decision by a court established under Article III of the Constitution of the United States or the United States Tax Court shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Obligated Group (or by any similar bodies) or causing interest received on the Bonds not to be excluded from gross income for purposes of federal income taxation; or
- (b) legislation shall be adopted, or a decision by a court of the United States shall be rendered, or stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental

agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Bonds or the issuance of the Credit Facility, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Indenture shall be required to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "1939 Act"), or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby, without registration under the Securities Act or qualification under the 1939 Act, as amended; or

- (c) any information shall have become known, which, in the Remarketing Agent's sole judgment, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, or causes the Official Statement to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (d) except as provided in clauses (a) and (b) of this Section 8, any legislation, resolution, ordinance, rule or regulation shall be introduced in, or be enacted by, any federal governmental body, department or agency of the United States or the State of South Dakota, or a decision by any court of competent jurisdiction within the United States or the State of South Dakota shall be rendered, which, in the Remarketing Agent's reasonable opinion, materially adversely affects the marketability of the Bonds; or
- (e) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or
- (f) any governmental authority shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force; or
- (g) a general banking moratorium shall have been established by federal, South Dakota or New York authorities; or
- (h) any downgrade suspension or withdrawal of a rating assigned to the Bonds by a national rating service; or
- (i) a war involving the United States shall have been declared, or any existing conflict involving the armed forces of the United States shall have escalated, or any other national or international emergency relating to the effective operation of government or the financial community shall have occurred; or

- (j) a material disruption in commercial banking or securities settlement or clearance services; or
- (k) a material adverse change in the affairs of the Credit Facility Issuer or the Obligated Group; or
- (l) the bankruptcy or default of any other issuer of or obligor on obligations of the general character of the Bonds; or
- (m) the occurrence of any of the events referred to in Section 6(b) hereof.

9. Dealing in Bonds by Remarketing Agent.

The Remarketing Agent, in its individual capacity, either as principal or agent, at its option may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of any Bond may be entitled to take with the like effect as if it did not act in any capacity hereunder. Such purchases or sales are not required to be at par. Nothing herein shall prohibit the Remarketing Agent, in its individual capacity, either as principal or agent, from engaging in or having an interest in any financial or other transaction with the Obligated Group, and the Remarketing Agent may act as depository, trustee or agent for any committee or body of Bondholders or other obligations of the Obligated Group as freely as if it did not act in any capacity hereunder. The Remarketing Agent may sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others.

10. Payment of Fees and Expenses.

- (a) While the Bonds accrue interest at a Weekly Rate, the Obligated Group shall pay the Remarketing Agent directly, as compensation for its services hereunder, a fee equal to 8.00 basis points (0.0800%) per annum of the weighted average principal amount of the Bonds outstanding during each three-month period, or such other amount as may be agreed upon from time to time by the Obligated Group and the Remarketing Agent, payable quarterly in arrears on each January 1, April 1, July 1, and October 1, commencing July 1, 2013. The Remarketing Agent will not be entitled to compensation for any period after conversion of the interest rate on the Bonds to a Long Mode or Fixed Mode or following termination of this Agreement (whichever is earlier) except for a pro rata portion of the fee in respect of the quarter in which such conversion or termination occurs. The parties anticipate that separate fee arrangements will be made for any remarketing of Bonds accruing interest at a Long Mode or Fixed Mode (if remarketed by the Remarketing Agent).
- (b) The Obligated Group shall pay to the Remarketing Agent on the date hereof a one-time upfront fee of \$7,000.

11. Indemnity and Contribution.

- (a) To the extent permitted by law, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and each person who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, from and against any and all losses, claims, damages or liabilities, caused by: (i) the failure to register any security under the Securities Act of 1933, as amended, or to qualify any indenture under the Trust Indenture Act of 1939, as amended in connection with the remarketing of the Bonds; or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or any amendment thereof or supplement thereto, or caused by the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information furnished under the headings "Underwriting" or "Remarketing Agent" as the case may be, in the Official Statement as amended or supplemented.
- (b) In case any action shall be brought against the Remarketing Agent or any person controlling the Remarketing Agent, in respect of which indemnity may be sought against the Obligated Group, the Remarketing Agent, as a condition to the above indemnity, shall promptly notify the Obligated Group in writing, and the Obligated Group shall assume the defense thereof, including the employment of counsel and payment of all expenses. The Remarketing Agent or any such controlling person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Remarketing Agent or controlling person, as the case may be, unless (i) the employment of such counsel has been specifically authorized by the Obligated Group in writing prior to the employment of such counsel; or (ii) the named parties to any such action (including any impleaded parties) including both the Remarketing Agent or such controlling person and the Obligated Group, and the Remarketing Agent, or such controlling person, as the case may be, shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Obligated Group and that joint representation may be inappropriate under professional standards, in which case the Obligated Group shall not have the right to assume the defense of such action on behalf of the Remarketing Agent or such controlling person, as the case may be, it being understood, however, that the Obligated Group shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one law firm for the Remarketing Agent (including controlling persons), and any such firm shall be designated in writing by the Remarketing Agent. The Obligated Group shall not be liable for any settlement of any such action effected without its written consent, but if settled with the prior written consent of the Obligated Group, or if

there be a final judgment for the plaintiff in any such action, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and any such controlling person from and against any loss or liability by reason of such settlement or judgment.

- (c) If the indemnification provided for in this Section 11 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then the indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, from the remarketing of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (b) above, then the indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Obligated Group, on the one hand, and the Remarketing Agent, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, shall be deemed to be in the same proportion as the total net proceeds from the remarketing (before deducting expenses) bear to the total commission received by the Remarketing Agent. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Obligated Group, on the one hand, or the Remarketing Agent, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Obligated Group and the Remarketing Agent agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (c). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (c) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (c), the Remarketing Agent shall be responsible for that portion represented by the percentage that the Remarketing Agent's commission with respect to such remarketing bears to the aggregate principal amount of such Bonds and the Obligated Group is responsible for the balance. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

- (d) To the extent permitted by law, the Remarketing Agent agrees to indemnify and hold harmless the Obligated Group, its officers, employees and agents, from and against any and all losses, claims, damages or liabilities caused by the Remarketing Agent's gross negligence or willful misconduct.
- (e) The indemnity and contribution provisions of this Remarketing Agreement shall not supersede any other indemnity in any other agreement or arising otherwise by law.

12. Remarketing Agent's Liabilities.

The Remarketing Agent shall incur no liability to the Obligated Group, or any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Bond Indenture except for its gross negligence or willful misconduct. The obligation of the Remarketing Agent to remarket bonds hereunder shall be on a best efforts basis. The Remarketing Agent will not be liable to the Obligated Group for the failure of any person to whom the Remarketing Agent has sold a Bond to pay for such Bond or to deliver any document in respect of the sale. It is understood and agreed that the Remarketing Agent shall not be obligated to advance its own funds to purchase, or to effect the purchase of, any Bonds.

13. Intention of Parties.

It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

14. Term.

Unless previously terminated, this Agreement shall remain in full force and effect until payment in full of the Bonds or until the interest rate mode of the Bonds has been converted to the Long Rate or the Fixed Rate. All of the representations, warranties and agreements of the Obligated Group and the Remarketing Agent contained in this Agreement shall remain operative and in full force and effect, regardless of: (i) any investigation made by or on behalf of the Remarketing Agent or the Obligated Group, (ii) delivery of and any payment for any Bonds hereunder; or (iii) termination or cancellation of this Agreement.

15. No Advisory or Fiduciary Role.

The Obligated Group acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Obligated Group and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Obligated Group; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Obligated Group with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether

the Remarketing Agent has provided other services or is currently providing other services to the Obligated Group on other matters); (iii) the only obligations the Remarketing Agent has to the Obligated Group with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Obligated Group has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

16. Miscellaneous.

- (a) Except as otherwise specifically provided in this Agreement, all notices and formal communications under this Agreement shall be in writing and mailed, telegraphed, telecopied or delivered to:

USBII and MSG:

U.S. Bank
461 Fifth Avenue, 10th Floor
New York, New York 10017

Attention Mr. Thomas Gallo
Tel: (877) 403-6519
Fax: (877) 663-1027
Email: thomas.gallo@usbank.com

The Obligated Group Agent:

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104
Attention: Treasurer

The Remarketing Agent and Obligated Group may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

- (b) The obligations of the respective parties hereto may not be assigned or delegated to any other person without the consent of the other parties hereto; provided, however, that the Remarketing Agent may assign its rights and obligations hereunder to an affiliate of the Remarketing Agent qualified to assume and perform such rights and obligations, or to an entity succeeding to the business of the Remarketing Agent without the consent of the other parties hereto. This Agreement will inure to the benefit of and be binding upon the Obligated Group and the Remarketing Agent and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Remarketing Agent within the meaning of the Securities Act.

- (c) Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part this Agreement and will not be used in the interpretation of any provision of this Agreement.
- (d) If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provisions inoperative or unenforceable to any extent whatsoever.
- (e) This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties.
- (f) This Agreement shall only be amended, supplemented or modified in a writing signed by a duly authorized representative of the parties hereto.
- (g) The Remarketing Agent may record telephone communications with the Obligated Group, the Trustee, or the Tender Agent, or all of them.
- (h) This Agreement shall not be deemed or construed to be modified, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the parties hereto.
- (i) Failure of any party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by any other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.
- (j) The parties agree that all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby shall be brought in a New York State Court or United States District Court, in each case, in the County of New York and, in connection with any such action or proceeding, submit to the jurisdiction of, and venue in, such County. Each party to this Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in this paragraph. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices herein. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

- (k) Each party to this agreement hereby expressly waives to the extent permitted by law, any right it may have to trial by jury in any legal proceeding arising out of or relating to the Bond Indenture, the Loan Agreement, this Agreement or the transactions contemplated hereby or thereby (whether founded in contract or tort or otherwise). Each party hereto acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this paragraph.
- (l) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.
- (m) This Agreement will be governed by and construed in accordance with the laws of New York.

Very truly yours,

U.S. BANCORP INVESTMENTS, INC.,
as Remarketing Agent

By: _____
Name:
Title:

U.S. BANK MUNICIPAL SECURITIES GROUP,
A DIVISION OF U.S. BANK NATIONAL
ASSOCIATION,
as Remarketing Agent

By: _____
Name:
Title:

[Signature Page to Remarketing Agreement - 2001D Bonds]

Accepted and agreed to as of the date first above written:

SANFORD, as Obligated Group Agent on behalf of
itself and the other Members of the Obligated
Group

By: _____
Name: Bill Marlette
Title: Treasurer

[Signature Page to Remarketing Agreement - 2001D Bonds]

HDW Draft No. 1: 3-14-13

\$18,000,000
South Dakota Health and Educational Facilities Authority
Variable Rate Demand Revenue Bonds, Series 2004B
(Sioux Valley Hospitals and Health System)

REMARKETING AGREEMENT

Dated as of April 1, 2013

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104

Ladies and Gentlemen:

This is to confirm the agreement between the undersigned, U.S. Bancorp Investments, Inc. (“USBII”) and U.S. Bank Municipal Securities Group (“MSG” and, together with USBII, the “Remarketing Agent”) and Sanford, a North Dakota nonprofit corporation (the “Obligated Group Agent”) acting as Obligated Group Agent on behalf of itself and the other Members of the Obligated Group. These parties agree that USBII and MSG are to act jointly as exclusive remarketing agent in connection with the offering and sale from time to time in the secondary market of \$18,000,000 aggregate principal amount of the South Dakota Health and Educational Facilities Authority Variable Rate Demand Revenue Bonds, Series 2004B (Sioux Valley Hospitals and Health System) (the “Bonds”) issued pursuant to the Bond Trust Indenture dated as of September 1, 2004 (the “Bond Indenture”) between the South Dakota Health and Educational Facilities Authority (the “Issuer”) and The First National Bank in Sioux Falls, as bond trustee (the “Trustee”). The Bonds are payable from payments to be received by the Issuer pursuant to a Loan Agreement, dated as of September 1, 2004 (the “Hospital Loan Agreement”), between the Issuer and the Hospital and a Loan Agreement, dated as of September 1, 2004 (the “Regional Services Loan Agreement” and, together with the Hospital Loan Agreement, the “Loan Agreements”), between the Issuer and Sioux Valley Regional Health Services, a related entity whose successor is a Member of the Obligated Group. All capitalized terms used herein and not defined herein shall have the meanings specified in the Bond Indenture or in the Credit Facility Agreement (as defined below). In addition, as used herein, “Rule G-34 Documents” shall mean: (i) the letter of credit, reimbursement agreement, standby bond purchase agreement, loan agreement, guaranty agreement or any other document establishing an obligation to provide credit and/or liquidity support with respect to the Bonds; (ii) the indenture, bond resolution, and any supplemental or series indenture(s) or resolution(s) or any other authorizing document under which the Bonds were issued; (iii) any amendments, extensions, renewals, replacements or terminations thereof; and (iv) any other document required to comply with Municipal Securities Rulemaking Board (“MSRB”) Rule G-34(c), as it may be amended from time to time; and, in

each case where required to be delivered, such delivery shall be by electronic means in a word-searchable PDF file (or in such other form as the Remarketing Agent shall notify the Obligated Group in writing) labeled with the following information: (a) CUSIP number; (b) name of issuer; (c) name of transaction; (d) name of document; and (e) whether the document is an execution version or a redacted version.

Payment of the purchase price of the Bonds is currently supported by a letter of credit (the “Credit Facility”) issued by U.S. Bank National Association (the “Credit Facility Issuer”) pursuant to a [Reimbursement Agreement, as amended, dated as of May 1, 2006] (the “Credit Facility Agreement”) by and between the Obligated Group and the Credit Facility Issuer.

1. Appointment of Remarketing Agent; Responsibilities of Remarketing Agent.

Subject to the terms and conditions herein contained, USBII and MSG acting jointly are hereby appointed, and USBII and MSG hereby accept such appointment and agree to jointly perform the duties and obligations required hereunder and under the Bond Indenture, as exclusive remarketing agent in connection with the determination of interest rates, the remarketing of tendered Bonds from time to time in the secondary market, and the performance and discharge of all other responsibilities of the Remarketing Agent under the Bond Indenture. The principal office of the Remarketing Agent shall be as set forth under Section 16 hereof.

It is understood and agreed that the Remarketing Agent’s responsibilities hereunder and under the Bond Indenture will include: (i) exercising its best efforts in remarketing the Bonds, (ii) effecting and processing such purchases, (iii) billing and receiving payment of Bond purchases, (iv) transferring the proceeds from the secondary sale of the Bonds to the Tender Agent or the Trustee, as appropriate, (v) determining the Weekly Rate, as applicable, and (vi) performing such other related functions of the Remarketing Agent as provided in the Bond Indenture or reasonably requested by the Obligated Group and agreed to by the Remarketing Agent.

The obligations of the Remarketing Agent hereunder and under the Bond Indenture, with respect to the date on which the Bonds are to be remarketed pursuant to this Agreement, are also subject to the conditions set forth in Section 7 hereof. The Remarketing Agent may suspend remarketing Bonds as provided in Section 8 hereof.

2. The Bonds.

As more fully described in the Bond Indenture, the Bonds were issued, subject to the terms and conditions of the Bond Indenture, in the form of fully registered Bonds in the denominations, and having such tender, redemption, payment and other terms, as specified in the Bond Indenture.

3. Offering Materials.

Except for information contained therein describing the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the Obligated

Group represents that the Official Statement relating to the Bonds dated September 14, 2004 (as from time to time supplemented or amended, together with any filings made by the Obligated Group from time to time with the MSRB, the “Official Statement”) does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make such statements therein, in light of the circumstances under which they were made, not misleading. The Obligated Group will provide the Remarketing Agent with the number of copies of the Official Statement and such other information associated with the Obligated Group, the Bonds and the security for the Bonds as the Remarketing Agent shall reasonably request from time to time. The Obligated Group consents to the use and distribution of the Official Statement and, subject to its review and approval, remarketing circulars and any amendments or supplements to any of the foregoing in connection with the remarketing of the Bonds. In addition, the Obligated Group has not failed to comply with its continuing disclosure obligations as set forth in Rule 15c2-12 of the Securities and Exchange Commission, as amended (the “Rule”) during the past five (5) years, and all continuing disclosure filings made by the Obligated Group pursuant to the Rule were true, accurate and complete as of their respective dates of filing.

4. Representation, Warranties, Covenants and Agreements of the Obligated Group.

The Obligated Group, by its execution hereof, represents and warrants to, and covenants and agrees with, the Remarketing Agent as follows:

- (a) it has the authority to take all actions required or permitted to be taken by it under, and to perform and observe the covenants and agreements on its part contained in, this Agreement, the Bond Indenture, the Loan Agreements, the Credit Facility Agreement, the Credit Facility and any other instrument or agreement relating thereto (collectively, the “Bond Documents”);
- (b) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date for: (i) the execution, delivery and performance of the Bond Documents that have been executed in connection with the transactions contemplated hereby and by the Official Statement; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (c) the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been duly executed and delivered by it and constitute its legal, valid and binding obligations, enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or equitable principles relating to or limiting creditors’ rights generally;

- (d) the execution and delivery of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement, compliance with the terms, conditions or provisions thereof, and consummation of the transactions herein and therein contemplated do not and will not violate any law, regulation, order, writ, injunction or decree of any court or governmental body or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Obligated Group pursuant to, any mortgage, resolution, agreement or instrument to which the Obligated Group is a party or by which it or any of its properties is bound other than those provided for in or contemplated by the Master Indenture or the Bond Indenture;
- (e) all authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of, any governmental body, agency or other instrumentality or court required in connection with the execution, delivery and performance by the Obligated Group of the Bond Documents that have been executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement have been obtained, given or taken and are in full force and effect; provided, that no representation is made with respect to compliance with the securities or Blue Sky laws of the various states of the United States;
- (f) other than as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the knowledge of the Obligated Group, threatened against or affecting it wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition or solvency of the Obligated Group or the ability of the Obligated Group to perform its obligations under the Bond Documents;
- (g) except for information contained therein describing the Issuer, the Credit Facility Issuer, the Remarketing Agent, this Agreement, the Credit Facility Agreement, the Credit Facility or the DTC book-entry system, if any, as to which no representation is made, the information contained in the Official Statement was correct in all material respects as of its date and did not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; since the date as of which information is given in the Official Statement, except as otherwise stated therein, there has been no material adverse change in the financial position or results of operations of the Obligated Group; and
- (h) the Obligated Group will cooperate with the Remarketing Agent in obtaining the qualification of the Bonds for offering and sale under the laws of such jurisdictions as the Remarketing Agent shall designate; provided that the Obligated Group shall not be required to incur any expense, consent to service of

process in any jurisdiction or qualify to do business in any jurisdiction where it is not now so subject.

5. Representations and Warranties of the Remarketing Agent.

- (a) USBII hereby represents and warrants that: (i) it is a registered broker-dealer and a member in good standing of the Financial Industry Regulatory Authority; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of USBII enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (b) MSG hereby represents and warrants that: (i) it is organized and regulated by, and in good standing with, the Office of the Comptroller of the Currency; (ii) it has the requisite power to execute, deliver and perform this Agreement; (iii) it has duly authorized the execution, delivery and performance of this Agreement; (iv) when executed and delivered by the parties hereto, this Agreement will constitute the legal, valid and binding obligation of MSG enforceable in accordance with its terms, except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and remedies generally or by general principles of equity (regardless of whether considered in a proceeding in equity or at law).
- (c) USBII and MSG, acting jointly as Remarketing Agent, further represent and warrant that they have a capitalization of at least \$30,000,000, are authorized by law to perform all the duties contemplated by the Bond Indenture to be performed by the Remarketing Agent, have knowledge and experience in the remarketing of securities such as the Bonds and a remarketing portfolio of at least \$100,000,000.

6. Certain Agreements of the Obligated Group.

- (a) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of any of the events specified in Rule 15c2-12(b)(5)(C).
- (b) During the term of this Remarketing Agreement, the Obligated Group agrees to promptly notify the Remarketing Agent by telephone or electronic mail (which shall be promptly confirmed in writing) of the occurrence of: (i) any event which, with notice or the passage of time or both, would constitute an Event of Default under the Bond Indenture, the Loan Agreements, or the Credit Facility Agreement; and (ii) any Event of Default under the Bond Indenture, the Loan Agreements, or the Credit Facility Agreement.

- (c) During the term of this Agreement, if, at any time, any event or condition known to the Obligated Group relating to or affecting the Obligated Group, the Bonds, the security for the Bonds, the Bond Indenture, the Loan Agreements, the Credit Facility, the Credit Facility Agreement, or the documents or transactions contemplated thereby, shall occur which, in the reasonable judgment of the Obligated Group or the Remarketing Agent, might affect the accuracy, correctness or completeness of any statement of a material fact contained in the Official Statement, as it shall have been supplemented or amended from time to time pursuant to this Section, and result in the Official Statement, as so supplemented or amended, containing any untrue, incorrect or misleading statement of a material fact or omitting to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then: (i) the Obligated Group (as to events or conditions relating to itself and otherwise of which it becomes aware) shall promptly notify the Remarketing Agent of the circumstances and details of such event; (ii) if, in the opinion of Remarketing Agent, such event or condition requires the preparation and publication of an amendment or supplement to the Official Statement, the Obligated Group, at its expense, shall promptly prepare or cause to be prepared an appropriate amendment or supplement thereto, in a form and manner approved by the Remarketing Agent, so that the statements in the Official Statement, as so amended or supplemented, will not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (iii) the Obligated Group shall take all necessary action to approve such supplement or amendment.
- (d) To assist the Remarketing Agent in complying with its obligations under MSRB Rule G-34(c), the Obligated Group shall provide the following to the Remarketing Agent:
- (i) on the effective date of this Remarketing Agreement, a copy of each executed and currently effective Rule G-34 Document;
 - (ii) no later than ten Business Days prior to the proposed date of any amendment, extension or renewal, replacement or termination of any of the then current Rule G-34 Documents, written notice that such document is proposed to be amended, extended, renewed, replaced or terminated, as the case may be, and the expected date of execution and delivery of such amendment, extension, renewal, replacement or termination, as the case may be;
 - (iii) within one Business Day after the execution and delivery of any amendment, extension, renewal, replacement or termination, as the case may be, of any of the then current Rule G-34 Documents a copy thereof; and

- (iv) no later than three Business Days after receiving a request from the Remarketing Agent for any Rule G-34 Document, a copy thereof.
- (e) In each instance that Rule G-34 Documents are delivered to the Remarketing Agent pursuant to this Section 6, the Obligated Group shall provide: (1) a clean final execution copy of each relevant document; and (2) in any such document where any redactions are made, (x) a redacted final execution copy of document and (y) a file containing a list showing all redactions that have been made to such document.
- (f) If the Obligated Group determines that any information in the Rule G-34 Documents is confidential or proprietary, the Obligated Group shall discuss such information and the potential redaction thereof with the Remarketing Agent and its counsel to ensure compliance with Rule G-34(c).
- (g) In the event that the Obligated Group does not provide the Remarketing Agent with a copy of a document described in subsection (d) above, the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such times as specified by the MSRB and in the SHORT System Users Manual.
- (h) Except with respect to information specifically designated as confidential by the Obligated Group Agent, the Obligated Group will hold harmless the Remarketing Agent with respect to: any confidential or proprietary information that is: (i) identified and/or redacted by the Remarketing Agent in the Rule G-34 Documents; and (ii) made public when the Remarketing Agent files the Rule G-34 Documents with the SHORT System.
- (i) If there are any additional regulatory requirements, amendments or modifications to the securities laws affecting the Remarketing Agent's obligations hereunder, the Obligated Group shall take all steps reasonably requested by the Remarketing Agent or its counsel necessary to comply with such additional requirements.
- (j) The Obligated Group shall reimburse the Remarketing Agent for any costs incurred in connection with compliance with Rule G-34 including, but not limited to, fees charged by Trustees or other parties supplying missing documents.

7. Conditions to Remarketing Agent's Obligations.

The obligations of the Remarketing Agent under this Agreement have been undertaken in reliance upon, and shall be subject to, the due performance of the obligations and agreements hereunder to be performed by the Obligated Group and to the accuracy of and compliance with the representations, warranties, covenants and agreements of the Obligated Group contained herein, in each case on and as of the date of delivery of this Agreement and on and as of each date on which Bonds are to be remarketed pursuant to this Agreement. The obligations of the Remarketing Agent hereunder with respect to each date on which Bonds are subject to optional or mandatory tender are subject, in the discretion of the Remarketing Agent, to the following further conditions that: (i) the Bond

Indenture, the Loan Agreements, the Credit Facility, the Credit Facility Agreement and all other documents and agreements referenced in the Bond Indenture or the Official Statement shall be in full force and effect and shall not have been amended, modified or supplemented in any way which would materially and adversely affect the Bonds, except as may have been agreed to in writing by the Remarketing Agent; (ii) there shall not have occurred an event of default or an event, which, with the passage of time or the giving of notice or both, would constitute an event of default under the Bond Indenture, the Loan Agreements, or the Credit Facility Agreement, or a repudiation or failure to fund a properly presented draw on the Credit Facility by the Credit Facility Issuer; and (iii) there shall be in full force and effect additional resolutions, agreements, certificates and opinions which shall be reasonably satisfactory in form and substance to Bond Counsel.

8. Removal and Termination of Remarketing Agent; Suspension of Remarketing.

The Remarketing Agent may be removed at any time upon three days notice by an instrument of the Obligated Group filed with the Remarketing Agent, the Trustee, the Credit Facility Issuer and the Paying Agent. The Remarketing Agent may resign at any time upon thirty days notice by providing written notice to the Obligated Group, the Trustee and the Paying Agent. Following removal of or resignation by the Remarketing Agent, the provisions of Sections 10, 11 and 12 will continue in effect as to transactions prior to the date of termination, and each party will pay the other any amounts owing at the time of termination.

The Remarketing Agent will suspend its remarketing efforts upon the receipt of notice of the occurrence of an Event of Default under the Credit Facility Agreement which will result in the suspension or termination of the obligations of the Credit Facility Issuer to advance funds under the Credit Facility or as otherwise required by the Bond Indenture, which suspension will continue for so long as such event of default shall continue (the Remarketing Agent being under no obligation to determine when such event of default shall cease).

The Remarketing Agent may suspend remarketing the Bonds with immediate effect upon the occurrence of any of the following events, which suspension will continue as long as such situation exists:

- (a) legislation shall be adopted, or a decision by a court established under Article III of the Constitution of the United States or the United States Tax Court shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Obligated Group (or by any similar bodies) or causing interest received on the Bonds not to be excluded from gross income for purposes of federal income taxation; or

- (b) legislation shall be adopted, or a decision by a court of the United States shall be rendered, or stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Bonds or the issuance of the Credit Facility, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Indenture shall be required to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “1939 Act”), or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby, without registration under the Securities Act or qualification under the 1939 Act, as amended; or
- (c) any information shall have become known, which, in the Remarketing Agent’s sole judgment, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, or causes the Official Statement to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (d) except as provided in clauses (a) and (b) of this Section 8, any legislation, resolution, ordinance, rule or regulation shall be introduced in, or be enacted by, any federal governmental body, department or agency of the United States or the State of South Dakota, or a decision by any court of competent jurisdiction within the United States or the State of South Dakota shall be rendered, which, in the Remarketing Agent’s reasonable opinion, materially adversely affects the marketability of the Bonds; or
- (e) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or
- (f) any governmental authority shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force; or
- (g) a general banking moratorium shall have been established by federal, South Dakota or New York authorities; or
- (h) any downgrade suspension or withdrawal of a rating assigned to the Bonds by a national rating service; or
- (i) a war involving the United States shall have been declared, or any existing conflict involving the armed forces of the United States shall have escalated, or

any other national or international emergency relating to the effective operation of government or the financial community shall have occurred; or

- (j) a material disruption in commercial banking or securities settlement or clearance services; or
- (k) a material adverse change in the affairs of the Credit Facility Issuer or the Obligated Group; or
- (l) the bankruptcy or default of any other issuer of or obligor on obligations of the general character of the Bonds; or
- (m) the occurrence of any of the events referred to in Section 6(b) hereof.

9. Dealing in Bonds by Remarketing Agent.

The Remarketing Agent, in its individual capacity, either as principal or agent, at its option may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any owner of any Bond may be entitled to take with the like effect as if it did not act in any capacity hereunder. Such purchases or sales are not required to be at par. Nothing herein shall prohibit the Remarketing Agent, in its individual capacity, either as principal or agent, from engaging in or having an interest in any financial or other transaction with the Obligated Group, and the Remarketing Agent may act as depository, trustee or agent for any committee or body of Bondholders or other obligations of the Obligated Group as freely as if it did not act in any capacity hereunder. The Remarketing Agent may sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others.

10. Payment of Fees and Expenses.

- (a) While the Bonds accrue interest at a Weekly Rate, the Obligated Group shall pay the Remarketing Agent directly, as compensation for its services hereunder, a fee equal to 8.00 basis points (0.0800%) per annum of the weighted average principal amount of the Bonds outstanding during each three-month period, or such other amount as may be agreed upon from time to time by the Obligated Group and the Remarketing Agent, payable quarterly in arrears on each January 1, April 1, July 1, and October 1, commencing July 1, 2013. The Remarketing Agent will not be entitled to compensation for any period after conversion of the interest rate on the Bonds to a Long Mode or Fixed Mode or following termination of this Agreement (whichever is earlier) except for a pro rata portion of the fee in respect of the quarter in which such conversion or termination occurs. The parties anticipate that separate fee arrangements will be made for any remarketing of Bonds accruing interest at a Long Mode or Fixed Mode (if remarketed by the Remarketing Agent).
- (b) The Obligated Group shall pay to the Remarketing Agent on the date hereof a one-time upfront fee of \$7,000.

11. Indemnity and Contribution.

- (a) To the extent permitted by law, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and each person who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, from and against any and all losses, claims, damages or liabilities, caused by: (i) the failure to register any security under the Securities Act of 1933, as amended, or to qualify any indenture under the Trust Indenture Act of 1939, as amended in connection with the remarketing of the Bonds; or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or any amendment thereof or supplement thereto, or caused by the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information furnished under the headings "Underwriting" or "Remarketing Agent" as the case may be, in the Official Statement as amended or supplemented.
- (b) In case any action shall be brought against the Remarketing Agent or any person controlling the Remarketing Agent, in respect of which indemnity may be sought against the Obligated Group, the Remarketing Agent, as a condition to the above indemnity, shall promptly notify the Obligated Group in writing, and the Obligated Group shall assume the defense thereof, including the employment of counsel and payment of all expenses. The Remarketing Agent or any such controlling person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Remarketing Agent or controlling person, as the case may be, unless (i) the employment of such counsel has been specifically authorized by the Obligated Group in writing prior to the employment of such counsel; or (ii) the named parties to any such action (including any impleaded parties) including both the Remarketing Agent or such controlling person and the Obligated Group, and the Remarketing Agent, or such controlling person, as the case may be, shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Obligated Group and that joint representation may be inappropriate under professional standards, in which case the Obligated Group shall not have the right to assume the defense of such action on behalf of the Remarketing Agent or such controlling person, as the case may be, it being understood, however, that the Obligated Group shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one law firm for the Remarketing Agent (including controlling persons), and any such firm shall be designated in writing by the Remarketing Agent. The Obligated Group shall not be liable for any settlement of any such action effected without its written consent, but if settled with the prior written consent of the Obligated Group, or if

there be a final judgment for the plaintiff in any such action, the Obligated Group agrees to indemnify and hold harmless the Remarketing Agent and any such controlling person from and against any loss or liability by reason of such settlement or judgment.

- (c) If the indemnification provided for in this Section 11 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then the indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, from the remarketing of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (b) above, then the indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Obligated Group, on the one hand, and the Remarketing Agent, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Obligated Group, on the one hand, and the Remarketing Agent, on the other, shall be deemed to be in the same proportion as the total net proceeds from the remarketing (before deducting expenses) bear to the total commission received by the Remarketing Agent. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Obligated Group, on the one hand, or the Remarketing Agent, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Obligated Group and the Remarketing Agent agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (c). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (c) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (c), the Remarketing Agent shall be responsible for that portion represented by the percentage that the Remarketing Agent's commission with respect to such remarketing bears to the aggregate principal amount of such Bonds and the Obligated Group is responsible for the balance. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

- (d) To the extent permitted by law, the Remarketing Agent agrees to indemnify and hold harmless the Obligated Group, its officers, employees and agents, from and against any and all losses, claims, damages or liabilities caused by the Remarketing Agent's gross negligence or willful misconduct.
- (e) The indemnity and contribution provisions of this Remarketing Agreement shall not supersede any other indemnity in any other agreement or arising otherwise by law.

12. Remarketing Agent's Liabilities.

The Remarketing Agent shall incur no liability to the Obligated Group, or any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Bond Indenture except for its gross negligence or willful misconduct. The obligation of the Remarketing Agent to remarket bonds hereunder shall be on a best efforts basis. The Remarketing Agent will not be liable to the Obligated Group for the failure of any person to whom the Remarketing Agent has sold a Bond to pay for such Bond or to deliver any document in respect of the sale. It is understood and agreed that the Remarketing Agent shall not be obligated to advance its own funds to purchase, or to effect the purchase of, any Bonds.

13. Intention of Parties.

It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

14. Term.

Unless previously terminated, this Agreement shall remain in full force and effect until payment in full of the Bonds or until the interest rate mode of the Bonds has been converted to the Long Rate or the Fixed Rate. All of the representations, warranties and agreements of the Obligated Group and the Remarketing Agent contained in this Agreement shall remain operative and in full force and effect, regardless of: (i) any investigation made by or on behalf of the Remarketing Agent or the Obligated Group, (ii) delivery of and any payment for any Bonds hereunder; or (iii) termination or cancellation of this Agreement.

15. No Advisory or Fiduciary Role.

The Obligated Group acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Obligated Group and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Obligated Group; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Obligated Group with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether

the Remarketing Agent has provided other services or is currently providing other services to the Obligated Group on other matters); (iii) the only obligations the Remarketing Agent has to the Obligated Group with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Obligated Group has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

16. Miscellaneous.

- (a) Except as otherwise specifically provided in this Agreement, all notices and formal communications under this Agreement shall be in writing and mailed, telegraphed, telecopied or delivered to:

USBII and MSG:

U.S. Bank
461 Fifth Avenue, 10th Floor
New York, New York 10017

Attention Mr. Thomas Gallo
Tel: (877) 403-6519
Fax: (877) 663-1027
Email: thomas.gallo@usbank.com

The Obligated Group Agent:

Sanford
2301 East 60th Street North
Sioux Falls, South Dakota 57104
Attention: Treasurer

The Remarketing Agent and Obligated Group may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

- (b) The obligations of the respective parties hereto may not be assigned or delegated to any other person without the consent of the other parties hereto; provided, however, that the Remarketing Agent may assign its rights and obligations hereunder to an affiliate of the Remarketing Agent qualified to assume and perform such rights and obligations, or to an entity succeeding to the business of the Remarketing Agent without the consent of the other parties hereto. This Agreement will inure to the benefit of and be binding upon the Obligated Group and the Remarketing Agent and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Remarketing Agent within the meaning of the Securities Act.

- (c) Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part this Agreement and will not be used in the interpretation of any provision of this Agreement.
- (d) If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provisions inoperative or unenforceable to any extent whatsoever.
- (e) This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties.
- (f) This Agreement shall only be amended, supplemented or modified in a writing signed by a duly authorized representative of the parties hereto.
- (g) The Remarketing Agent may record telephone communications with the Obligated Group, the Trustee, or the Tender Agent, or all of them.
- (h) This Agreement shall not be deemed or construed to be modified, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the parties hereto.
- (i) Failure of any party to this Agreement to exercise any right or remedy hereunder in the event of a breach of this Agreement by any other party shall not constitute a waiver of any such right or remedy with respect to any subsequent breach.
- (j) The parties agree that all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby shall be brought in a New York State Court or United States District Court, in each case, in the County of New York and, in connection with any such action or proceeding, submit to the jurisdiction of, and venue in, such County. Each party to this Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in this paragraph. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices herein. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

- (k) Each party to this agreement hereby expressly waives to the extent permitted by law, any right it may have to trial by jury in any legal proceeding arising out of or relating to the Bond Indenture, the Loan Agreements, this Agreement or the transactions contemplated hereby or thereby (whether founded in contract or tort or otherwise). Each party hereto acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this paragraph.
- (l) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.
- (m) This Agreement will be governed by and construed in accordance with the laws of New York.

Very truly yours,

U.S. BANCORP INVESTMENTS, INC.,
as Remarketing Agent

By: _____
Name:
Title:

U.S. BANK MUNICIPAL SECURITIES GROUP,
A DIVISION OF U.S. BANK NATIONAL
ASSOCIATION,
as Remarketing Agent

By: _____
Name:
Title:

[Signature Page to Remarketing Agreement - 2004B Bonds]

Accepted and agreed to as of the date first above written:

SANFORD, as Obligated Group Agent on behalf of
itself and the other Members of the Obligated
Group

By: _____
Name: Bill Marlette
Title: Treasurer

[Signature Page to Remarketing Agreement - 2004B Bonds]