

DOUGHERTY & COMPANY LLC

July 1, 2019

Don Templeton
Executive Director
SDHEFA
330 South Poplar, Suite 102
Pierre, SD 57501

Dear Don:

The South Dakota Health and Educational Facilities Authority, SD (the "Authority") is aware of the "Municipal Advisor Rule" of the Securities and Exchange Commission (effective July 1, 2014) and that the State of South Dakota (the "State") wishes to engage Dougherty & Company LLC as their underwriter for upcoming issues in 2019 and 2020 and will want to rely on Dougherty & Company LLC to accompany the State of South Dakota and present to Moody's, Standard and Poor's, and Fitch in the Fall of 2019.

While the State wishes to engage Dougherty & Company LLC ("Dougherty") as the underwriter for the Rating Agency visits, this engagement letter is preliminary in nature. It is nonbinding and may be terminated by either the State or Dougherty & Company LLC. Furthermore, this engagement letter does not restrict the State from entering into the proposed or any other municipal securities transaction with any other underwriters or selecting an underwriting syndicate that does not include Dougherty & Company LLC.

Sincerely,



Tobin J. Morris
DOUGHERTY & COMPANY LLC

RECEIPT ACKNOWLEDGED BY THE SOUTH DAKOTA HEALTH & EDUCATIONAL FACILITIES AUTHORITY, SD

Name: Don Templeton
Title: Executive Director
Date: 7-1-19