

Event Notice Dated March 31, 2008

Issuer/Obligated Person: Sisters of Mercy Health System (the “Corporation”)

Issues to which this Event Notice relates:

\$108,900,000 outstanding aggregate principal amount of Health and Educational facilities Authority of the State of Missouri, Health Facilities Revenue Bonds (Sisters of Mercy Health System), Series 2004A, B, C (Short-Term Adjustable Rate Securities (STARSSM)) (the “Bonds”)

CUSIP Numbers:
Series 2004A: 60635R K71
Series 2004B: 60635R K89
Series 2004C: 60635R K97

Event Reported: Most Recent Auction Results

Bonds Purchased by the Corporation in Auctions

In the auction for the Series 2004C Bonds on March 28, 2008 the Corporation purchased \$15,375,000 principal amount of the Series 2004C Bonds.

The Corporation did not bid for its Series 2004A Bonds in the auction on March 26, 2008, and did not bid for its Series 2004B Bonds in the auction on March 27, 2008.

As previously reported, the Corporation intends to bid for its Bonds in all future auctions, including the auctions scheduled for April 2, April 3 and April 4, 2008, until further notice is given by the Corporation.

Most Recent Auction Results

The Corporation has posted all auction results on the Sisters of Mercy web site at www.mercy.net under “Bond Auction Update” and will post all future auction results to the web site as soon as practicable after each auction.

The following tables reflect the most recent auction results for the Series 2004A Bonds on March 26, 2008, the Series 2004B Bonds on March 27, 2008, and the Series 2004C Bonds on March 28, 2008. The Maximum Rate on the Bonds, while in the Auction Rate mode, is 12% per annum.

Series 2004A Bonds – March 26, 2008 Auction Results

Amount of Bonds Available for Sale in the Auction	\$8,650,000
Number of Bids Received	13
Amount of Bids Received	\$28,050,000
Number of Bids Received other than from Issuer, the Corporation or Broker	13
Amount of Bids Received other than from Issuer, the Corporation or Broker	\$28,050,000
Number of Bids by Broker in the Auction	0
Amount of Bids by Broker in the Auction	\$0
Interest Rate Bid by Broker in the Auction	N/A
Number of Bids by the Corporation in the Auction	0
Amount of Bids by the Corporation in the Auction	\$0
Interest Rate Bid by the Corporation in the Auction	N/A
Clearing Rate	7.970%
Low Bid	5.000%
High Bid	10.000%
Median Bid	7.000%

Additional Bidding Information – Series 2004A Bonds:

Broker Name	Bid Rate (%)	E/P*	Principal Amount Bid
Wachovia Securities, LLC	5.00	P	\$ 50,000
Wachovia Securities, LLC	6.00	P	125,000
Bear Stern & Co., Inc.	6.40	E	475,000
Bear Stern & Co., Inc.	6.80	P	1,000,000
Bear Stern & Co., Inc.	6.95	P	1,000,000
Bear Stern & Co., Inc.	6.99	E	2,500,000
Bear Stern & Co., Inc.	7.00	P	2,000,000
Bear Stern & Co., Inc.	7.00	P	500,000
Bear Stern & Co., Inc.	7.40	P	300,000
Bear Stern & Co., Inc.	7.97	P	15,000,000
Bear Stern & Co., Inc.	9.00	E	100,000
Bear Stern & Co., Inc.	9.85	E	4,900,000
Bear Stern & Co., Inc.	10.00	P	100,000

* Existing or Potential

Series 2004B Bonds – March 27, 2008 Auction Results

Amount of Bonds Available for Sale in the Auction	\$8,175,000
Number of Bids Received	13
Amount of Bids Received	\$38,075,000
Number of Bids Received other than from Issuer, the Institutions or Broker	11
Amount of Bids Received other than from Issuer, the Corporation or Broker	\$13,075,000
Number of Bids by Broker in the Auction	2
Amount of Bids by Broker in the Auction	\$25,000,000
Interest Rate Bid by Broker in the Auction	9.00 and 10.00%
Number of Bids by the Corporation in the Auction	0
Amount of Bids by the Corporation in the Auction	\$0
Interest Rate Bid by the Corporation in the Auction	N/A
Clearing Rate	6.250%
Low Bid	4.950%
High Bid	10.000%
Median Bid	6.450%

Additional Bidding Information – Series 2004B Bonds:

Broker Name	Bid Rate (%)	E/P*	Principal Amount Bid
Wachovia Securities, LLC	4.95	P	\$ 50,000
Bear Stearns & Co., Inc.	5.00	E	4,575,000
Wachovia Securities, LLC	5.00	P	400,000
Wachovia Securities, LLC	6.00	P	100,000
Wachovia Securities, LLC	6.00	P	100,000
Bear Stearns & Co., Inc.	6.25	E	3,400,000
Bear Stearns & Co., Inc.	6.45	P	400,000
Wachovia Securities, LLC	6.50	P	1,000,000
Bear Stearns & Co., Inc.	7.00	P	2,500,000
Bear Stearns & Co., Inc.	7.30	P	300,000
Bear Stearns & Co., Inc.	9.00	P	5,000,000
Bear Stearns & Co., Inc.	9.00	P	250,000
Bear Stearns & Co., Inc.	10.00	P	20,000,000

* Existing or Potential

Series 2004C Bonds – March 28, 2008 Auction Results

Amount of Bonds Available for Sale in the Auction	\$15,475,000
Number of Bids Received	19
Amount of Bids Received	\$112,100,000
Number of Bids Received other than from Issuer, the Corporation or Broker	16
Amount of Bids Received other than from Issuer, the Corporation or Broker	\$28,200,000
Number of Bids by Broker in the Auction	2
Amount of Bids by Broker in the Auction	\$40,000,000
Interest Rate Bid by Broker in the Auction	11.00 and 12.00%
Number of Bids by the Corporation in the Auction	1
Amount of Bids by the Corporation in the Auction	\$43,900,000
Interest Rate Bid by the Corporation in the Auction	2.710%
Clearing Rate	2.710%
Low Bid	1.500%
High Bid	12.000%
Median Bid	7.200%

Additional Bidding Information – Series 2004C Bonds:

Broker Name	Bid Rate (%)	E/P*	Principal Amount Bid
Wachovia Securities, LLC	1.50	P	\$100,000
Bear Stearns & Co., Inc.	2.71	P	43,900,000
Wachovia Securities, LLC	3.95	P	25,000
Wachovia Securities, LLC	4.95	E	75,000
Wachovia Securities, LLC	4.95	E	25,000
Bear Stearns & Co., Inc.	5.99	E	2,000,000
Bear Stearns & Co., Inc.	5.99	P	1,000,000
Bear Stearns & Co., Inc.	6.999	E	3,000,000
Wachovia Securities, LLC	7.00	P	25,000
Bear Stearns & Co., Inc.	7.20	P	150,000
Wachovia Securities, LLC	7.50	P	25,000
Wachovia Securities, LLC	7.90	E	1,000,000
Wachovia Securities, LLC	7.90	P	2,000,000
Bear Stearns & Co., Inc.	8.49	E	3,000,000
Bear Stearns & Co., Inc.	8.97	E	3,775,000
Bear Stearns & Co., Inc.	8.99	E	2,000,000
Bear Stearns & Co., Inc.	9.97	P	10,000,000
Bear Stearns & Co., Inc.	11.00	P	20,000,000
Bear Stearns & Co., Inc.	12.00	P	20,000,000

* Existing or Potential

The information contained in this Event Notice has been submitted by the Corporation to report certain information with respect to the Bonds. Nothing contained in this Event Notice is, or should be construed as, a representation by the Corporation that the information included in this Event Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Corporation.

For additional information, contact:

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SISTERS OF MERCY HEALTH SYSTEM