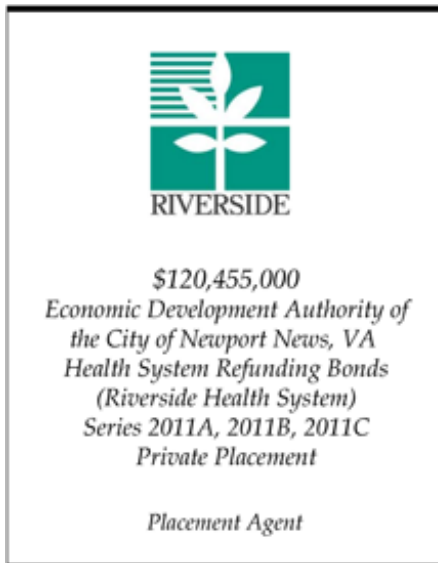


**CAIN BROTHERS IS PLEASED TO ANNOUNCE:**



## **Cain Brothers Served as Placement Agent of \$120,445,000 Fixed and Variable Rate Bonds for Riverside Health System**

Riverside Health System ("RHS"), a Newport News, Virginia based integrated health system has historically provided self-liquidity for its variable rate Series 1997 and Series 2004 bonds. Together these two series of bonds represented the majority of RHS's senior long term debt. Liquidity for both series was provided by cash and investments held by RHS since the date of each series' issuance. Self-liquidity, however, subjected RHS to investment restrictions on its cash and investments stipulated by rating agencies. In order to remove these restrictions, RHS opted to restructure its debt portfolio, replacing its rated variable rate bonds with unrated bonds

purchased directly by commercial banks. The financing removed investment restrictions, allowing RHS greater latitude in investment decisions, while maintaining RHS's existing capital structure.

During the refinancing process, RHS also chose to refinance its fixed rate Series 1998 bonds with unrated bonds purchased directly by commercial banks. This allowed RHS to significantly lower its fixed rate cost of capital while maintaining the existing proportion of fixed and variable rate debt in its capital structure.

**If you would like more information about this transaction or Cain Brothers, please contact:**

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Cain Brothers is an investment banking firm that focuses exclusively on the health care industry. Our clients include investor-owned and tax-exempt providers, insurers and payors, health care information technology and medical technology companies, and private equity and venture capital financial sponsors. The firm, which is celebrating its 30th year, has one of the largest teams of experienced health care bankers and capital markets professionals on Wall Street. Operating out of offices across the country, Cain Brothers provides capital raising, M&A, real estate, and strategic and financial advisory solutions for its clients.

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