Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2008

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from_____to_____

Commission File Number 1-11239

HCA INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**75-2497104**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
One Park Plaza **Nashville, Tennessee**	**37203**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, Including Area Code: **(615) 344-9551**

Securities Registered Pursuant to Section 12(b) of the Act: None

Securities Registered Pursuant to Section 12(g) of the Act: Common Stock, $0.01 Par Value

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o No ☑

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No ☑

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer ☑ (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☑

As of February 25, 2009, there were approximately 94,371,400 shares of Registrant's common stock outstanding. There is not a market for the Registrant's common stock; therefore, the aggregate market value of the Registrant's common stock held by non-affiliates is not calculable.

DOCUMENTS INCORPORATED BY REFERENCE

None.

INDEX

		Page Reference
	PART I	
Item 1.	Business	3
Item 1A.	Risk Factors	22
Item 1B.	Unresolved Staff Comments	32
Item 2.	Properties	33
Item 3.	Legal Proceedings	33
Item 4.	Submission of Matters to a Vote of Security Holders	34
	PART II	
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	35
Item 6.	Selected Financial Data	36
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	38
Item 7A.	Quantitative and Qualitative Disclosures about Market Risk	57
Item 8.	Financial Statements and Supplementary Data	57
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	57
Item 9A.	Controls and Procedures	57
Item 9B.	Other Information	59
	PART III	
Item 10.	Directors, Executive Officers and Corporate Governance	60
Item 11.	Executive Compensation	64
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	94
Item 13.	Certain Relationships and Related Transactions, and Director Independence	96
Item 14.	Principal Accountant Fees and Services	100
	PART IV	
Item 15.	Exhibits and Financial Statement Schedules	101
	Signatures	107

EX-4.8C
EX-4.10
EX-4.11
EX-4.12B
EX-10.17
EX-10.24
EX-10.25
EX-10.28B
EX-10.29F
EX-10.29G
EX-21
EX-23
EX-31.1
EX-31.2
EX-32

PART I

Item 1. *Business*

General

HCA Inc. is one of the leading health care services companies in the United States. At December 31, 2008, we operated 166 hospitals, comprised of 160 general, acute care hospitals; five psychiatric hospitals; and one rehabilitation hospital. The 166 hospital total includes eight hospitals (seven general, acute care hospitals and one rehabilitation hospital) owned by joint ventures in which an affiliate of HCA is a partner, and these joint ventures are accounted for using the equity method. In addition, we operated 105 freestanding surgery centers, eight of which are owned by joint ventures in which an affiliate of HCA is a partner, and these joint ventures are accounted for using the equity method. Our facilities are located in 20 states and England. The terms "Company," "HCA," "we," "our" or "us," as used herein, refer to HCA Inc. and its affiliates unless otherwise stated or indicated by context. The term "affiliates" means direct and indirect subsidiaries of HCA Inc. and partnerships and joint ventures in which such subsidiaries are partners. The terms "facilities" or "hospitals" refer to entities owned and operated by affiliates of HCA and the term "employees" refers to employees of affiliates of HCA.

Our primary objective is to provide a comprehensive array of quality health care services in the most cost-effective manner possible. Our general, acute care hospitals typically provide a full range of services to accommodate such medical specialties as internal medicine, general surgery, cardiology, oncology, neurosurgery, orthopedics and obstetrics, as well as diagnostic and emergency services. Outpatient and ancillary health care services are provided by our general, acute care hospitals, freestanding surgery centers, diagnostic centers and rehabilitation facilities. Our psychiatric hospitals provide a full range of mental health care services through inpatient, partial hospitalization and outpatient settings.

The Company was incorporated in Nevada in January 1990 and reincorporated in Delaware in September 1993. Our principal executive offices are located at One Park Plaza, Nashville, Tennessee 37203, and our telephone number is (615) 344-9551.

On November 17, 2006, HCA Inc. completed its merger (the "Merger") with Hercules Acquisition Corporation, pursuant to which the Company was acquired by Hercules Holding II, LLC ("Hercules Holding"), a Delaware limited liability company owned by a private investor group comprised of affiliates of Bain Capital Partners ("Bain"), Kohlberg Kravis Roberts & Co. ("KKR"), Merrill Lynch Global Private Equity ("MLGPE") (each a "Sponsor") and affiliates of HCA founder, Dr. Thomas F. Frist Jr., (the "Frist Entities," and together with the Sponsors, the "Investors"), and by members of management and certain other investors. The Merger, the financing transactions related to the Merger and other related transactions are collectively referred to in this annual report as the "Recapitalization." The Merger was accounted for as a recapitalization in our financial statements, with no adjustments to the historical basis of our assets and liabilities. As a result of the Recapitalization, our outstanding capital stock is owned by the Investors, certain members of management and key employees and certain other investors. On April 29, 2008, we registered our common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended, thus subjecting us to the reporting requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended. Our common stock is not traded on a national securities exchange.

Available Information

We file certain reports with the Securities and Exchange Commission ("the SEC"), including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. We are an electronic filer, and the SEC maintains an Internet site at http://www.sec.gov that contains the reports and other information we file electronically. Our website address is www.hcahealthcare.com. Please note that our website address is provided as an inactive textual reference only. We make available free of charge, through our website, our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and all amendments to those reports filed or furnished pursuant to Section 13(a) of the Exchange Act as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. The

information provided on our website is not part of this report, and is therefore not incorporated by reference unless such information is specifically referenced elsewhere in this report.

Our Code of Conduct is available free of charge upon request to our Corporate Secretary, HCA Inc., One Park Plaza, Nashville, Tennessee 37203.

Business Strategy

We are committed to providing the communities we serve high quality, cost-effective health care while complying fully with our ethics policy, governmental regulations and guidelines and industry standards. As a part of this strategy, management focuses on the following principal elements:

- maintain our dedication to the care and improvement of human life;
- maintain our commitment to ethics and compliance;
- leverage our leading local market positions;
- expand our presence in key markets;
- continue to leverage our scale;
- continue to develop enduring physician relationships; and
- become the health care employer of choice.

Health Care Facilities

We currently own, manage or operate hospitals; freestanding surgery centers; diagnostic and imaging centers; radiation and oncology therapy centers; comprehensive rehabilitation and physical therapy centers; and various other facilities.

At December 31, 2008, we owned and operated 153 general, acute care hospitals with 38,014 licensed beds, and an additional seven general, acute care hospitals with 2,267 licensed beds are operated through joint ventures, which are accounted for using the equity method. Most of our general, acute care hospitals provide medical and surgical services, including inpatient care, intensive care, cardiac care, diagnostic services and emergency services. The general, acute care hospitals also provide outpatient services such as outpatient surgery, laboratory, radiology, respiratory therapy, cardiology and physical therapy. Each hospital has an organized medical staff and a local board of trustees or governing board, made up of members of the local community.

Our hospitals do not typically engage in extensive medical research and education programs. However, some of our hospitals are affiliated with medical schools and may participate in the clinical rotation of medical interns and residents and other education programs.

At December 31, 2008, we operated five psychiatric hospitals with 490 licensed beds. Our psychiatric hospitals provide therapeutic programs including child, adolescent and adult psychiatric care, adult and adolescent alcohol and drug abuse treatment and counseling.

We also operate outpatient health care facilities which include freestanding surgery centers, diagnostic and imaging centers, comprehensive outpatient rehabilitation and physical therapy centers, outpatient radiation and oncology therapy centers and various other facilities. These outpatient services are an integral component of our strategy to develop comprehensive health care networks in select communities. A majority of our surgery centers are operated through partnerships or limited liability companies, with majority ownership of each partnership or limited liability company typically held by a general partner or subsidiary that is an affiliate of HCA.

Certain of our affiliates provide a variety of management services to our health care facilities, including patient safety programs; ethics and compliance programs; national supply contracts; equipment purchasing and leasing contracts; accounting, financial and clinical systems; governmental reimbursement assistance; construction planning and coordination; information technology systems and solutions; legal counsel; human resources services; and internal audit services.

Sources of Revenue

Hospital revenues depend upon inpatient occupancy levels, the medical and ancillary services ordered by physicians and provided to patients, the volume of outpatient procedures and the charges or payment rates for such services. Charges and reimbursement rates for inpatient services vary significantly depending on the type of payer, the type of service (e.g., medical/surgical, intensive care or psychiatric) and the geographic location of the hospital. Inpatient occupancy levels fluctuate for various reasons, many of which are beyond our control.

We receive payment for patient services from the federal government under the Medicare program, state governments under their respective Medicaid or similar programs, managed care plans, private insurers and directly from patients. The approximate percentages of our revenues from such sources were as follows:

	Year Ended December 31,		
	2008	2007	2006
Medicare	23%	24%	25%
Managed Medicare	6	5	5
Medicaid	5	5	5
Managed Medicaid	3	3	3
Managed care and other insurers	53	54	54
Uninsured	10	9	8
Total	100%	100%	100%

Medicare is a federal program that provides certain hospital and medical insurance benefits to persons age 65 and over, some disabled persons, persons with end-stage renal disease and persons with Lou Gehrig's Disease. Medicaid is a federal-state program, administered by the states, which provides hospital and medical benefits to qualifying individuals who are unable to afford health care. All of our general, acute care hospitals located in the United States are certified as health care services providers for persons covered under Medicare and Medicaid programs. Amounts received under Medicare and Medicaid programs are generally significantly less than established hospital gross charges for the services provided.

Our hospitals generally offer discounts from established charges to certain group purchasers of health care services, including private insurance companies, employers, HMOs, PPOs and other managed care plans. These discount programs generally limit our ability to increase revenues in response to increasing costs. See Item 1, "Business — Competition." Patients are generally not responsible for the total difference between established hospital gross charges and amounts reimbursed for such services under Medicare, Medicaid, HMOs or PPOs and other managed care plans, but are responsible to the extent of any exclusions, deductibles or coinsurance features of their coverage. The amount of such exclusions, deductibles and coinsurance continues to increase. Collection of amounts due from individuals is typically more difficult than from governmental or third-party payers. We provide discounts to uninsured patients who do not qualify for Medicaid or charity care under our charity care policy. These discounts are similar to those provided to many local managed care plans. In implementing the discount policy, we attempt to qualify uninsured patients for Medicaid, other federal or state assistance or charity care under our charity care policy. If an uninsured patient does not qualify for these programs, the uninsured discount is applied.

Medicare

Inpatient Acute Care

Under the Medicare program, we receive reimbursement under a prospective payment system ("PPS") for general, acute care hospital inpatient services. Under the hospital inpatient PPS, fixed payment amounts per inpatient discharge are established based on the patient's assigned Medicare severity-diagnosis related group ("MS-DRG"). Effective October 1, 2007, the Centers for Medicare and Medicaid Services ("CMS") began a two-year transition to full implementation of MS-DRGs to replace the previously used Medicare diagnosis related groups ("DRGs") in an effort to better recognize severity of illness in Medicare payment rates. This change represents a refinement to the existing DRG system. MS-DRGs classify treatments for illnesses according to the estimated

intensity of hospital resources necessary to furnish care for each principal diagnosis. MS-DRG weights represent the average resources for a given MS-DRG relative to the average resources for all MS-DRGs. MS-DRG payments are adjusted for area wage differentials. Hospitals, other than those defined as "new," receive PPS reimbursement for inpatient capital costs based on MS-DRG weights multiplied by a geographically adjusted federal rate. When the cost to treat certain patients falls well outside the normal distribution, providers typically receive additional "outlier" payments.

MS-DRG rates are updated and MS-DRG weights are recalibrated each federal fiscal year (which begins October 1). The index used to update the MS-DRG rates (the "market basket") gives consideration to the inflation experienced by hospitals and entities outside the health care industry in purchasing goods and services. In federal fiscal year 2008, the MS-DRG rate was increased by the full market basket of 3.3%. For the federal fiscal year 2009, CMS set the MS-DRG rate increase at full market basket of 3.6%.

In August 2006, CMS changed the methodology used to recalibrate the DRG weights from charge-based weights to cost relative weights under a three-year transition period beginning in federal fiscal year 2007. The adoption of the cost relative weights is not anticipated to have a material financial impact on us. Beginning October 1, 2008, MS-DRG weights are calculated using 100% cost relative weights.

Effective October 1, 2007, CMS imposed a documentation and coding adjustment to account for changes in payments under the new MS-DRG system that are not related to changes in case mix. Through legislative refinement, the documentation and coding adjustments for federal fiscal years 2008 and 2009 are reductions to the base payment rate of 0.6% and 0.9%, respectively, for a cumulative reduction of 1.5%. However, Congress has given CMS the ability to determine retrospectively whether the documentation and coding adjustment levels for federal fiscal years 2008 and 2009 were adequate to account for changes in payments not related to changes in case mix. If the levels are found to have been inadequate, CMS can impose an adjustment to payments for federal fiscal years 2010, 2011 and 2012.

Further realignments in the MS-DRG system could also reduce the payments we receive for certain specialties, including cardiology and orthopedics. CMS has focused on payment levels for such specialties in recent years in part because of the proliferation of specialty hospitals. Changes in the payments received for specialty services could have an adverse effect on our revenues.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 ("MMA") provided for DRG rate increases for certain federal fiscal years at full market basket if data for 10 patient care quality indicators were submitted to the Secretary of the Department of Health and Human Services ("HHS"). The Deficit Reduction Act of 2005 ("DRA 2005") expanded and provided for the future expansion of the number of quality measures that must be reported to receive a full market basket update. CMS has published final rules that expand to 44 the number of quality measures that hospitals are required to report, beginning with discharges occurring in calendar year 2009, in order to qualify for the full market basket update to the inpatient prospective payment system in federal fiscal year 2010. Failure to submit the required quality indicators will result in a two percentage point reduction to the market basket update. All of our hospitals paid under Medicare inpatient MS-DRG PPS are participating in the quality initiative by the Secretary of HHS by submitting the requested quality data. While we will endeavor to comply with all data submission requirements as additional requirements continue to be added, our submissions may not be deemed timely or sufficient to entitle us to the full market basket adjustment for all of our hospitals.

As part of CMS's goal of transforming Medicare from a passive payer to an active purchaser of quality goods and services, beginning October 1, 2007, CMS requires hospitals to submit information on general acute care inpatient Medicare claims specifying whether diagnoses were present on admission ("POA"). For discharges occurring after October 1, 2008, Medicare no longer assigns an inpatient hospital discharge to a higher paying MS-DRG if a selected hospital-acquired condition ("HAC") was not POA. In this situation, the case would be paid as though the secondary diagnosis was not present. Currently, there are ten categories of conditions on the list of HACs. On January 15, 2009, CMS announced three National Coverage Determinations ("NCDs") that prohibit Medicare reimbursement for erroneous surgical procedures performed on an inpatient or outpatient basis. These three erroneous surgical procedures are in addition to the HACs designated in CMS regulations. These changes are not expected to have a material effect on our revenues or cash flows.

Historically, the Medicare program has set aside 5.10% of Medicare inpatient payments to pay for outlier cases. CMS estimates that outlier payments accounted for 4.64% and 4.65% of total operating DRG payments for federal fiscal years 2007 and 2006, respectively. For federal fiscal year 2008, CMS established an outlier threshold of $22,185, which resulted in outlier payments estimated by CMS to be 4.70% of total operating DRG payments. For federal fiscal year 2009, CMS has established an outlier threshold of $20,045. We do not anticipate that the change to the outlier threshold for federal fiscal year 2009 will have a material impact on our revenues.

Outpatient

CMS reimburses hospital outpatient services (and certain Medicare Part B services furnished to hospital inpatients who have no Part A coverage) on a PPS basis. CMS continues to use fee schedules to pay for physical, occupational and speech therapies, durable medical equipment, clinical diagnostic laboratory services and nonimplantable orthotics and prosthetics, freestanding surgery centers services and services provided by independent diagnostic testing facilities.

Hospital outpatient services paid under PPS are classified into groups called ambulatory payment classifications (“APCs”). Services for each APC are similar clinically and in terms of the resources they require. A payment rate is established for each APC. Depending on the services provided, a hospital may be paid for more than one APC for a patient visit. The APC payment rates were updated for calendar years 2008 and 2007 by market baskets of 3.30% and 3.40%, respectively. On November 18, 2008 CMS published a final rule that updated payment rates for calendar year 2009 by the full market basket of 3.60%. CMS continues to require that hospitals submit quality data relating to outpatient care to receive the full market basket increase under the outpatient PPS in calendar year 2010. CMS requires that data on eleven quality measures be submitted in calendar year 2009 for the payment determination in calendar year 2010. Hospitals that fail to submit such data will receive the market basket update minus two percentage points for the outpatient PPS.

Rehabilitation

CMS reimburses inpatient rehabilitation facilities (“IRFs”) on a PPS basis. Under IRF PPS, patients are classified into case mix groups based upon impairment, age, comorbidities (additional diseases or disorders from which the patient suffers) and functional capability. IRFs are paid a predetermined amount per discharge that reflects the patient’s case mix group and is adjusted for area wage levels, low-income patients, rural areas and high-cost outliers. For federal fiscal years 2008 and 2007, CMS updated the PPS rate for rehabilitation hospitals and units by market baskets of 3.2% and 3.3%, respectively. However, CMS also applied a reduction to the standard payment amount of 2.6% for federal fiscal year 2007 to account for coding changes that do not reflect real changes in case mix. The Medicare, Medicaid and State Children’s Health Insurance Program (“SCHIP”) Reauthorization Act of 2007 eliminated the market basket update as of April 1, 2008 and continues the zero update through federal fiscal year 2009. As of December 31, 2008, we had one rehabilitation hospital, which is operated through a joint venture, and 47 hospital rehabilitation units.

On May 7, 2004, CMS published a final rule to change the criteria for being classified as an IRF, commonly known as the “75% rule.” If a facility fails to meet the 75% rule or other criteria to be classified as an IRF, it may be paid under the acute care hospital inpatient or outpatient PPS, which generally provide for lower payment amounts. Pursuant to the final 75% rule, a specified percentage of a facility’s inpatients over a given year must be treated for at least one of 13 conditions. The final rule provided for a transition period during which the percentage threshold would increase, starting at a 50% compliance threshold and culminating at a 75% threshold, for cost reporting periods beginning on or after July 1, 2007. Since then, several adjustments have been made to the transition period. The passage of the Medicare, Medicaid and SCHIP Reauthorization Act of 2007 set the compliance threshold at 60% for cost reporting periods beginning on or after July 1, 2006. Implementation of the 75% rule has reduced our IRF admissions and can be expected to continue to restrict the treatment of patients whose medical conditions do not meet any of the 13 approved conditions.

Psychiatric

Inpatient hospital services furnished in psychiatric hospitals and psychiatric units of general, acute care hospitals and critical access hospitals are reimbursed under a prospective payment system ("IPF PPS"), a per diem payment, with adjustments to account for certain patient and facility characteristics. IPF PPS contains an "outlier" policy for extraordinarily costly cases and an adjustment to a facility's base payment if it maintains a full-service emergency department. CMS has established the IPF PPS payment rate in a manner intended to be budget neutral and has adopted a July 1 update cycle. The rehabilitation, psychiatric and long-term care ("RPL") market basket update is used to update the IPF PPS. The annual RPL market basket update for rate year 2009 is 3.2%. As of December 31, 2008, we had five psychiatric hospitals and 31 hospital psychiatric units.

Ambulatory Surgery Centers

CMS reimburses ambulatory surgery centers ("ASCs") using a predetermined fee schedule. Effective January 1, 2007, as a result of DRA 2005, reimbursements for ASC overhead costs were limited to no more than the overhead costs paid to hospital outpatient departments under the Medicare hospital outpatient PPS for the same procedure. On August 2, 2007, CMS issued final regulations that changed payments for procedures performed in an ASC. Effective January 1, 2008, ASC payment groups increased from nine clinically disparate payment groups to an extensive list of covered surgical procedures among the APCs used under the outpatient PPS for these surgical services. CMS estimates that the rates for procedures performed in an ASC setting equal 65% of the corresponding rates paid for the same procedures performed in an outpatient hospital setting. Moreover, if CMS determines that a procedure is commonly performed in a physician's office, the ASC reimbursement for that procedure is limited to the reimbursement allowable under the Medicare Part B Physician Fee Schedule, with limited exceptions. In addition, all surgical procedures, other than those that pose a significant safety risk or generally require an overnight stay, are payable as ASC procedures. This rule expands the number of procedures that Medicare will pay for if performed in an ASC. Because the new payment system has a significant impact on payments for certain procedures, the final rule establishes a four-year transition period for implementing the required payment rates. This change may result in more Medicare procedures that are now performed in hospitals being moved to ASCs, reducing surgical volume in our hospitals. Also, more Medicare procedures that are now performed in ASCs may be moved to physicians' offices. Commercial third-party payers may adopt similar policies.

Other

Under PPS, the payment rates are adjusted for the area differences in wage levels by a factor ("wage index") reflecting the relative wage level in the geographic area compared to the national average wage level. Beginning in federal fiscal year 2007, CMS adjusted 100% of the wage index factor for occupational mix. The redistributive impact of wage index changes, while slightly negative in the aggregate, is not anticipated to have a material financial impact for 2009.

The Medicare program reimburses 70% of bad debts related to deductibles and coinsurance for patients with Medicare coverage, after the provider has made a reasonable effort to collect these amounts. On March 30, 2006, the United States District Court for the Western District of Michigan entered a final order in *Battle Creek Health System v. Thompson*, which provided that reasonable collection efforts have not been satisfied as long as the Medicare accounts remained with an external collection agency. On appeal, the United States Court of Appeals for the Sixth Circuit upheld the lower court's decision. We incur substantial amounts of Medicare bad debts every year that could be subject to the *Battle Creek* decision. We utilize extensive in-house and external collection efforts for our accounts receivable, including deductible and coinsurance amounts owed by patients with Medicare coverage. We utilize a secondary collection agency after in-house and primary collection agency efforts have been unsuccessful. During 2007, we modified our accounts receivable collection processes to provide us with reasonable collection results and comply with CMS's interpretation of reasonable collection efforts. Possible future changes in judicial and administrative interpretations of law and regulations governing Medicare could disrupt our collections processes, increase our costs or otherwise adversely affect our business and results of operations.

As required by the MMA, CMS is implementing contractor reform whereby CMS has competitively bid the Medicare fiscal intermediary and Medicare carrier functions to 15 Medicare Administrative Contractors ("MACs"). Hospital companies have the option to work with the selected MAC in the jurisdiction where a given hospital is located or, in the case of chain providers, to use the MAC in the jurisdiction where the hospital company's home office is located. For chain providers, either all hospitals in the chain must choose to stay with the MAC chosen for their locality or all hospitals must opt to use the home office MAC. HCA has chosen to use the MACs assigned to the localities in which our hospitals are located. Recently, CMS has completed the process of awarding contracts on all 15 MAC jurisdictions. Individual MAC jurisdictions are in varying phases of transition. For the transition periods and for a potentially unforeseen period thereafter, all of these changes could impact claims processing functions and the resulting cash flow; however, we are unable to predict the impact at this time.

The MMA established the Recovery Audit Contractor ("RAC") three-year demonstration program to conduct post-payment reviews to detect and correct improper payments in the fee-for-service Medicare program. Beginning in 2005, CMS contracted with three different RACs to conduct these reviews in California, Florida and New York. The program was expanded in August 2007 to include Arizona, Massachusetts and South Carolina. Each RAC had discretion over the types of reviews and record requests it would conduct within the states for which it was responsible as long as it followed the CMS-defined Statement of Work. HCA had 46 hospitals located in the demonstration areas, and 44 of these hospitals had a review performed. The Tax Relief and Health Care Act of 2006 made the RAC program permanent and mandated its nationwide expansion by 2010. CMS has awarded contracts to four RACs that will implement the permanent RAC program on a nationwide basis. The final impact of the demonstration program and the permanent, nationwide program cannot be quantified at this time.

Managed Medicare

Managed Medicare plans relate to situations where a private company contracts with CMS to provide members with Medicare Part A, Part B and Part D benefits. Managed Medicare plans can be structured as HMOs, PPOs, or private fee-for-service plans. The Medicare program allows beneficiaries to choose enrollment in certain managed Medicare plans. In 2003 changes to federal law increased reimbursement to managed Medicare plans and limited, to some extent, the financial risk to the companies offering the plans. Following these changes, the number of beneficiaries choosing to receive their Medicare benefits through such plans has increased. However, the Medicare Improvements for Patients and Providers Act of 2008 reduced payments to managed Medicare plans, and CMS has recently proposed additional cuts in payments to managed Medicare plans. Future changes may result in reduced premium payments to managed Medicare plans and may lead to decreased enrollment in such plans.

Medicaid

Medicaid programs are funded jointly by the federal government and the states and are administered by states under approved plans. Most state Medicaid program payments are made under a PPS or are based on negotiated payment levels with individual hospitals. Medicaid reimbursement is often less than a hospital's cost of services. The federal government and many states are currently considering altering the level of Medicaid funding (including upper payment limits) or program eligibility that could adversely affect future levels of Medicaid reimbursement received by our hospitals. As permitted by law, certain states in which we operate have adopted broad-based provider taxes to fund their Medicaid programs.

Since many states must operate with balanced budgets and since the Medicaid program is often the state's largest program, states can be expected to adopt or consider adopting legislation designed to reduce their Medicaid expenditures. DRA 2005 includes Medicaid cuts of approximately $4.8 billion over five years. A congressional committee has estimated that additional proposed legislative and regulatory changes, if implemented, would reduce federal Medicaid funding by an additional $49.7 billion over five years. The implementation of many of these proposed changes is subject to a statutorily mandated moratorium scheduled to expire in July 2009. States have also adopted, or are considering, legislation designed to reduce coverage and program eligibility, enroll Medicaid recipients in managed care programs and/or impose additional taxes on hospitals to help finance or expand the states' Medicaid systems. Future legislation or other changes in the administration or interpretation of government health programs could have a material, adverse effect on our financial position and results of operations.

Managed Medicaid

Managed Medicaid programs enable states to contract with one or more entities for patient enrollment, care management and claims adjudication. The states usually do not relinquish program responsibilities for financing, eligibility criteria and core benefit plan design. We generally contract directly with one of the designated entities, usually a managed care organization. The provisions of these programs are state-specific.

Enrollment in managed Medicaid plans has increased in recent years, as state governments seek to control the cost of Medicaid programs. However, general economic conditions in the states in which we operate may require reductions in premium payments to these plans and may reduce enrollment in these plans.

TRICARE

In December 2008, the Department of Defense implemented a prospective payment system for hospital outpatient services furnished to TRICARE beneficiaries similar to that utilized for services furnished to Medicare beneficiaries. Because the Medicare outpatient prospective payment system APC rates have historically been below TRICARE rates, the adoption of this payment methodology for TRICARE beneficiaries will reduce our reimbursement. This change in TRICARE will have a material impact on our revenues from this program; however, TRICARE outpatient services do not represent a significant portion of our patient volumes. The TRICARE outpatient payment rule has been reopened for comment and the effective date delayed until May 1, 2009. Further modification to the new outpatient system may be made.

Annual Cost Reports

All hospitals participating in the Medicare, Medicaid and TRICARE programs, whether paid on a reasonable cost basis or under a PPS, are required to meet certain financial reporting requirements. Federal and, where applicable, state regulations require the submission of annual cost reports covering the revenues, costs and expenses associated with the services provided by each hospital to Medicare beneficiaries and Medicaid recipients.

Annual cost reports required under the Medicare and Medicaid programs are subject to routine audits, which may result in adjustments to the amounts ultimately determined to be due to us under these reimbursement programs. These audits often require several years to reach the final determination of amounts due to or from us under these programs. Providers also have rights of appeal, and it is common to contest issues raised in audits of cost reports.

Managed Care and Other Discounted Plans

Most of our hospitals offer discounts from established charges to certain large group purchasers of health care services, including managed care plans and private insurance companies. Admissions reimbursed by commercial managed care and other insurers were 35%, 37% and 36% of our total admissions for the years ended December 31, 2008, 2007 and 2006, respectively. Managed care contracts are typically negotiated for terms between one and three years. While we generally received annual average yield increases of 6% to 7% from managed care payers during 2008, there can be no assurance that we will continue to receive increases in the future.

Hospital Utilization

We believe that the most important factors relating to the overall utilization of a hospital are the quality and market position of the hospital and the number and quality of physicians and other health care professionals providing patient care within the facility. Generally, we believe the ability of a hospital to be a market leader is determined by its breadth of services, level of technology, emphasis on quality of care and convenience for patients and physicians. Other factors that impact utilization include the growth in local population, local economic conditions and market penetration of managed care programs.

The following table sets forth certain operating statistics for our health care facilities. Health care facility operations are subject to certain seasonal fluctuations, including decreases in patient utilization during holiday periods and increases in the cold weather months. The data set forth in this table includes only those facilities that are consolidated for financial reporting purposes.

	Years Ended December 31,				
	2008	2007	2006	2005	2004
Number of hospitals at end of period (a)	158	161	166	175	182
Number of freestanding outpatient surgery centers at end of period (b)	97	99	98	87	84
Number of licensed beds at end of period (c)	38,504	38,405	39,354	41,265	41,852
Weighted average licensed beds (d)	38,422	39,065	40,653	41,902	41,997
Admissions (e)	1,541,800	1,552,700	1,610,100	1,647,800	1,659,200
Equivalent admissions (f)	2,363,600	2,352,400	2,416,700	2,476,600	2,454,000
Average length of stay (days) (g)	4.9	4.9	4.9	4.9	5.0
Average daily census (h)	20,795	21,049	21,688	22,225	22,493
Occupancy rate (i)	54%	54%	53%	53%	54%
Emergency room visits (j)	5,246,400	5,116,100	5,213,500	5,415,200	5,219,500
Outpatient surgeries (k)	797,400	804,900	820,900	836,600	834,800
Inpatient surgeries (l)	493,100	516,500	533,100	541,400	541,000

(a) Excludes eight facilities in 2008 and 2007 and seven facilities in 2006, 2005 and 2004 that are not consolidated (accounted for using the equity method) for financial reporting purposes.

(b) Excludes eight facilities in 2008, nine facilities in 2007 and 2006, seven facilities in 2005 and eight facilities in 2004 that are not consolidated (accounted for using the equity method) for financial reporting purposes.

(c) Licensed beds are those beds for which a facility has been granted approval to operate from the applicable state licensing agency.

(d) Weighted average licensed beds represents the average number of licensed beds, weighted based on periods owned.

(e) Represents the total number of patients admitted to our hospitals and is used by management and certain investors as a general measure of inpatient volume.

(f) Equivalent admissions are used by management and certain investors as a general measure of combined inpatient and outpatient volume. Equivalent admissions are computed by multiplying admissions (inpatient volume) by the sum of gross inpatient revenue and gross outpatient revenue and then dividing the resulting amount by gross inpatient revenue. The equivalent admissions computation “equates” outpatient revenue to the volume measure (admissions) used to measure inpatient volume, resulting in a general measure of combined inpatient and outpatient volume.

(g) Represents the average number of days admitted patients stay in our hospitals.

(h) Represents the average number of patients in our hospital beds each day.

(i) Represents the percentage of hospital licensed beds occupied by patients. Both average daily census and occupancy rate provide measures of the utilization of inpatient rooms.

(j) Represents the number of patients treated in our emergency rooms.

(k) Represents the number of surgeries performed on patients who were not admitted to our hospitals. Pain management and endoscopy procedures are not included in outpatient surgeries.

(l) Represents the number of surgeries performed on patients who have been admitted to our hospitals. Pain management and endoscopy procedures are not included in inpatient surgeries.

Competition

Generally, other hospitals in the local communities served by most of our hospitals provide services similar to those offered by our hospitals. Additionally, in recent years the number of freestanding surgery centers and diagnostic centers (including facilities owned by physicians) in the geographic areas in which we operate has increased significantly. As a result, most of our hospitals operate in a highly competitive environment. In some cases, competing hospitals are more established than our hospitals. Some competing hospitals are owned by tax-supported government agencies and many others are owned by not-for-profit entities that may be supported by endowments, charitable contributions and/or tax revenues, and are exempt from sales, property and income taxes. Such exemptions and support are not available to our hospitals. In certain localities there are large teaching hospitals that provide highly specialized facilities, equipment and services which may not be available at most of our hospitals. We are facing increasing competition from physician-owned specialty hospitals and both our own and unaffiliated freestanding surgery centers for market share in high margin services.

Psychiatric hospitals frequently attract patients from areas outside their immediate locale and, therefore, our psychiatric hospitals compete with both local and regional hospitals, including the psychiatric units of general, acute care hospitals.

Our strategies are designed to ensure our hospitals are competitive. We believe our hospitals compete within local communities on the basis of many factors, including the quality of care; ability to attract and retain quality physicians, skilled clinical personnel and other health care professionals; location; breadth of services; technology offered and prices charged. We have increased our focus on operating outpatient services with improved accessibility and more convenient service for patients, and increased predictability and efficiency for physicians.

Two of the most significant factors to the competitive position of a hospital are the number and quality of physicians affiliated with the hospital. Although physicians may at any time terminate their affiliation with a hospital we operate, our hospitals seek to retain physicians with varied specialties on the hospitals' medical staffs and to attract other qualified physicians. We believe that physicians refer patients to a hospital on the basis of the quality and scope of services it renders to patients and physicians, the quality of physicians on the medical staff, the location of the hospital and the quality of the hospital's facilities, equipment and employees. Accordingly, we strive to maintain and provide quality facilities, equipment, employees and services for physicians and patients.

Another major factor in the competitive position of a hospital is our ability to negotiate service contracts with purchasers of group health care services. Managed care plans attempt to direct and control the use of hospital services and obtain discounts from hospitals' established gross charges. In addition, employers and traditional health insurers continue to attempt to contain costs through negotiations with hospitals for managed care programs and discounts from established gross charges. Generally, hospitals compete for service contracts with group health care services purchasers on the basis of price, market reputation, geographic location, quality and range of services, quality of the medical staff and convenience. Our future success will depend, in part, on our ability to retain and renew our managed care contracts and enter into new managed care contracts on favorable terms. Other health care providers may impact our ability to enter into managed care contracts or negotiate increases in our reimbursement and other favorable terms and conditions. For example, some of our competitors may negotiate exclusivity provisions with managed care plans or otherwise restrict the ability of managed care companies to contract with us. The trend toward consolidation among non-government payers tends to increase their bargaining power over fee structures. The importance of obtaining contracts with managed care organizations varies from community to community, depending on the market strength of such organizations.

State certificate of need ("CON") laws, which place limitations on a hospital's ability to expand hospital services and facilities, make capital expenditures and otherwise make changes in operations, may also have the effect of restricting competition. Before issuing a CON, these states consider the need for additional or expanded health care facilities or services. We currently operate health care facilities in a number of states with CON laws. In those states which have no CON laws or which set relatively high levels of expenditures before they become reviewable by state authorities, competition in the form of new services, facilities and capital spending is more prevalent. See Item 1, "Business — Regulation and Other Factors."

We and the health care industry as a whole face the challenge of continuing to provide quality patient care while dealing with rising costs and strong competition for patients. Changes in medical technology, existing and future legislation, regulations and interpretations, and managed care contracting for provider services by private and government payers remain ongoing challenges.

Admissions and average lengths of stay continue to be negatively affected by payer-required preadmission authorization, utilization review and payer pressure to maximize outpatient and alternative health care delivery services for less acutely ill patients. Increased competition, admission constraints and payer pressures are expected to continue. To meet these challenges, we intend to expand our facilities or acquire or construct new facilities where appropriate, to better enable the provision of a comprehensive array of outpatient services, offer discounts to private payer groups, upgrade facilities and equipment, and offer new or expanded programs and services.

Regulation and Other Factors

Licensure, Certification and Accreditation

Health care facility construction and operation are subject to numerous federal, state and local regulations relating to the adequacy of medical care, equipment, personnel, operating policies and procedures, maintenance of adequate records, fire prevention, rate-setting and compliance with building codes and environmental protection laws. Facilities are subject to periodic inspection by governmental and other authorities to assure continued compliance with the various standards necessary for licensing and accreditation. We believe that our health care facilities are properly licensed under applicable state laws. All of our general, acute care hospitals are certified for participation in the Medicare and Medicaid programs and are accredited by The Joint Commission. If any facility were to lose its Joint Commission accreditation or otherwise lose its certification under the Medicare and Medicaid programs, the facility would be unable to receive reimbursement from the Medicare and Medicaid programs. Management believes our facilities are in substantial compliance with current applicable federal, state, local and independent review body regulations and standards. The requirements for licensure, certification and accreditation are subject to change and, in order to remain qualified, it may become necessary for us to make changes in our facilities, equipment, personnel and services. The requirements for licensure also may include notification or approval in the event of the transfer or change of ownership. Failure to obtain the necessary state approval in these circumstances can result in the inability to complete an acquisition or change of ownership.

Certificates of Need

In some states where we operate hospitals and other health care facilities, the construction or expansion of health care facilities, the acquisition of existing facilities, the transfer or change of ownership and the addition of new beds or services may be subject to review by and prior approval of state regulatory agencies under a CON program. Such laws generally require the reviewing state agency to determine the public need for additional or expanded health care facilities and services. Failure to obtain necessary state approval can result in the inability to expand facilities, complete an acquisition or change ownership.

State Rate Review

Some states have adopted legislation mandating rate or budget review for hospitals or have adopted taxes on hospital revenues, assessments or licensure fees to fund indigent health care within the state. In the aggregate, indigent tax provisions have not materially, adversely affected our results of operations. Although we do not currently operate facilities in states that mandate rate or budget reviews, we cannot predict whether we will operate in such states in the future, or whether the states in which we currently operate may adopt legislation mandating such reviews.

Utilization Review

Federal law contains numerous provisions designed to ensure that services rendered by hospitals to Medicare and Medicaid patients meet professionally recognized standards, are medically necessary and that claims for reimbursement are properly filed. These provisions include a requirement that a sampling of admissions of

Medicare and Medicaid patients must be reviewed by quality improvement organizations to assess the appropriateness of Medicare and Medicaid patient admissions and discharges, the quality of care provided, the validity of DRG classifications and the appropriateness of cases of extraordinary length of stay or cost. Quality improvement organizations may deny payment for services provided, may assess fines and also have the authority to recommend to HHS that a provider, which is in substantial noncompliance with the appropriate standards, be excluded from participating in the Medicare program. Most nongovernmental managed care organizations also require utilization review.

Federal Health Care Program Regulations

Participation in any federal health care program, including the Medicare and Medicaid programs, is heavily regulated by statute and regulation. If a hospital fails to substantially comply with the numerous conditions of participation in the Medicare and Medicaid programs or performs certain prohibited acts, the hospital's participation in the federal health care programs may be terminated, or civil or criminal penalties may be imposed under certain provisions of the Social Security Act, or both.

Anti-kickback Statute

A section of the Social Security Act known as the "Anti-kickback Statute" prohibits providers and others from directly or indirectly soliciting, receiving, offering or paying any remuneration with the intent of generating referrals or orders for services or items covered by a federal health care program. Courts have interpreted this statute broadly. Violations of the Anti-kickback Statute may be punished by a criminal fine of up to $25,000 for each violation or imprisonment, civil money penalties of up to $50,000 per violation and damages of up to three times the total amount of the remuneration and/or exclusion from participation in federal health care programs, including Medicare and Medicaid. Courts have held that there is a violation of the Anti-kickback Statute if just one purpose of the remuneration is to generate referrals, even if there are other lawful purposes.

The Office of Inspector General at HHS ("OIG"), among other regulatory agencies, is responsible for identifying and eliminating fraud, abuse and waste. The OIG carries out this mission through a nationwide program of audits, investigations and inspections. As one means of providing guidance to health care providers, the OIG issues "Special Fraud Alerts." These alerts do not have the force of law, but identify features of arrangements or transactions that may indicate that the arrangements or transactions violate the Anti-kickback Statute or other federal health care laws. The OIG has identified several incentive arrangements that constitute suspect practices, including: (a) payment of any incentive by a hospital each time a physician refers a patient to the hospital, (b) the use of free or significantly discounted office space or equipment in facilities usually located close to the hospital, (c) provision of free or significantly discounted billing, nursing or other staff services, (d) free training for a physician's office staff in areas such as management techniques and laboratory techniques, (e) guarantees which provide that, if the physician's income fails to reach a predetermined level, the hospital will pay any portion of the remainder, (f) low-interest or interest-free loans, or loans which may be forgiven if a physician refers patients to the hospital, (g) payment of the costs of a physician's travel and expenses for conferences, (h) coverage on the hospital's group health insurance plans at an inappropriately low cost to the physician, (i) payment for services (which may include consultations at the hospital) which require few, if any, substantive duties by the physician, (j) purchasing goods or services from physicians at prices in excess of their fair market value, and (k) rental of space in physician offices, at other than fair market value terms, by persons or entities to which physicians refer. The OIG has encouraged persons having information about hospitals who offer the above types of incentives to physicians to report such information to the OIG.

The OIG also issues Special Advisory Bulletins as a means of providing guidance to health care providers. These bulletins, along with the Special Fraud Alerts, have focused on certain arrangements that could be subject to heightened scrutiny by government enforcement authorities, including: (a) contractual joint venture arrangements and other joint venture arrangements between those in a position to refer business, such as physicians, and those providing items or services for which Medicare or Medicaid pays, and (b) certain "gainsharing" arrangements, i.e., the practice of giving physicians a share of any reduction in a hospital's costs for patient care attributable in part to the physician's efforts.

In addition to issuing Special Fraud Alerts and Special Advisory Bulletins, the OIG issues compliance program guidance for certain types of health care providers. In January 2005, the OIG published Supplemental Compliance Guidance for Hospitals, supplementing its 1998 guidance for the hospital industry. In the supplemental guidance, the OIG identifies a number of risk areas under federal fraud and abuse statutes and regulations. These areas of risk include compensation arrangements with physicians, recruitment arrangements with physicians and joint venture relationships with physicians.

As authorized by Congress, the OIG has published safe harbor regulations that outline categories of activities that are deemed protected from prosecution under the Anti-kickback Statute. Currently, there are statutory exceptions and safe harbors for various activities, including the following: investment interests, space rental, equipment rental, practitioner recruitment, personnel services and management contracts, sale of practice, referral services, warranties, discounts, employees, group purchasing organizations, waiver of beneficiary coinsurance and deductible amounts, managed care arrangements, obstetrical malpractice insurance subsidies, investments in group practices, freestanding surgery centers, ambulance replenishing, and referral agreements for specialty services. The fact that conduct or a business arrangement does not fall within a safe harbor, or that it is identified in a fraud alert or advisory bulletin or as a risk area in the Supplemental Compliance Guidelines for Hospitals, does not automatically render the conduct or business arrangement illegal under the Anti-kickback Statute. However, such conduct and business arrangements may lead to increased scrutiny by government enforcement authorities.

We have a variety of financial relationships with physicians and others who either refer or influence the referral of patients to our hospitals and other health care facilities, including employment contracts, leases and professional service agreements. We also have similar relationships with physicians and facilities to which patients are referred from our facilities. In addition, we provide financial incentives, including minimum revenue guarantees, to recruit physicians into the communities served by our hospitals. While we endeavor to comply with the applicable safe harbors, certain of our current arrangements, including joint ventures and financial relationships with physicians and other referral sources and persons and entities to which we refer patients, do not qualify for safe harbor protection.

Although the Company believes that its arrangements with physicians and other referral sources have been structured to comply with current law and available interpretations, there can be no assurance that regulatory authorities enforcing these laws will determine these financial arrangements do not violate the Anti-kickback Statute or other applicable laws. An adverse determination could subject the Company to liabilities under the Social Security Act, including criminal penalties, civil monetary penalties and exclusion from participation in Medicare, Medicaid or other federal health care programs.

Stark Law

The Social Security Act also includes a provision commonly known as the “Stark Law.” This law effectively prohibits physicians from referring Medicare and Medicaid patients to entities with which they or any of their immediate family members have a financial relationship, if these entities provide certain “designated health services” that are reimbursable by Medicare, including inpatient and outpatient hospital services, clinical laboratory services and radiology services. The Stark Law also prevents the entity from billing a federal health program for any items or services that result from a prohibited referral and requires the entity to refund amounts received for items or services provided pursuant to the prohibited referral. Sanctions for violating the Stark Law include denial of payment, civil monetary penalties of up to $15,000 per prohibited service provided, and exclusion from the Medicare and Medicaid programs. The statute also provides for a penalty of up to $100,000 for a circumvention scheme. There are exceptions to the self-referral prohibition for many of the customary financial arrangements between physicians and providers, including employment contracts, leases and recruitment agreements. There is also an exception for a physician’s ownership interest in an entire hospital, as opposed to an ownership interest in a hospital department. Unlike safe harbors under the Anti-kickback Statute with which compliance is voluntary, an arrangement must comply with every requirement of a Stark Law exception or the arrangement is in violation of the Stark Law.

CMS has issued three phases of final regulations implementing the Stark Law, as well as final regulations in the 2009 Inpatient Prospective Payment System (“IPPS”) final rule. Phases I, II and III became effective in January

2002, July 2004 and December 2007, respectively. Some portions of the 2009 IPPS Stark regulations became effective October 1, 2008, and other portions become effective October 1, 2009. While these regulations help clarify the requirements of the exceptions to the Stark Law, it is unclear how the government will interpret many of these exceptions for enforcement purposes. The recent changes to the regulations implementing the Stark Law further restrict the types of arrangements that facilities and physicians may enter, including additional restrictions on certain leases, percentage compensation arrangements, and agreements under which a hospital purchases services "under arrangements." We may be required to restructure or unwind some of our arrangements because of these changes. Because many of these laws and their implementing regulations are relatively new, we do not always have the benefit of significant regulatory or judicial interpretation of these laws and regulations. We attempt to structure our relationships to meet an exception to the Stark Law, but the regulations implementing the exceptions are detailed and complex, and we cannot assure that every relationship complies fully with the Stark Law.

In 2003, Congress passed legislation that modified the hospital ownership exception to the Stark Law by creating an 18-month moratorium on allowing physicians to own interests in new specialty hospitals. The moratorium was extended by regulatory and legislative action and expired on August 8, 2006. At the conclusion of the moratorium, HHS announced that it will require hospitals to disclose certain financial arrangements with physicians. On September 14, 2007, CMS published an information collection request called the Disclosure of Financial Relationships Report ("DFRR"). HHS will initially select 400 hospitals that will be required to report the financial arrangements with physicians as required in the DFRR. Those hospitals are comprised of 290 hospitals that failed to respond to a previous voluntary CMS questionnaire about investments and compensation relationships and 110 additional hospitals. The DFRR and its supporting documentation are currently under review by the Office of Management and Budget and have not yet been released. CMS has indicated that responding hospitals will have a limited amount of time to compile a significant amount of information relating to their financial relationships with physicians. A hospital may be subject to substantial penalties if it is unable to assemble and report this information within the required time frame or if any applicable government agency determines that the submission is inaccurate or incomplete. Depending on the final format of the DFRR, responding hospitals may be subject to substantial penalties as a result of enforcement actions brought by government agencies and whistleblowers acting pursuant to the FCA and similar state laws, based on such allegations as failure to respond within required deadlines, that the response is inaccurate or contains incomplete information, or that the response indicates a potential violation of the Stark Law or other requirements.

Similar State Laws

Many states in which we operate also have laws similar to the Anti-kickback Statute that prohibit payments to physicians for patient referrals and laws similar to the Stark Law that prohibit certain self-referrals. The scope of these state laws is broad, since they can often apply regardless of the source of payment for care, and little precedent exists for their interpretation or enforcement. These statutes typically provide for criminal and civil penalties, as well as loss of facility licensure.

Other Fraud and Abuse Provisions

The Health Insurance Portability and Accountability Act of 1996 ("HIPAA") broadened the scope of certain fraud and abuse laws by adding several criminal provisions for health care fraud offenses that apply to all health benefit programs. The Social Security Act also imposes criminal and civil penalties for making false claims and statements to Medicare and Medicaid. False claims include, but are not limited to, billing for services not rendered or for misrepresenting actual services rendered in order to obtain higher reimbursement, billing for unnecessary goods and services, and cost report fraud. Federal enforcement officials have the ability to exclude from Medicare and Medicaid any investors, officers and managing employees associated with business entities that have committed health care fraud, even if the officer or managing employee had no knowledge of the fraud. Criminal and civil penalties may be imposed for a number of other prohibited activities, including failure to return known overpayments, certain gainsharing arrangements, billing Medicare amounts that are substantially in excess of a provider's usual charges, offering remuneration to influence a Medicare or Medicaid beneficiary's selection of a health care provider, contracting with an individual or entity known to be excluded from a federal health care program, making or accepting a payment to induce a physician to reduce or limit services, and soliciting or

receiving any remuneration in return for referring an individual for an item or service payable by a federal healthcare program. Like the Anti-kickback Statute, these provisions are very broad. To avoid liability, providers must, among other things, carefully and accurately code claims for reimbursement, as well as accurately prepare cost reports.

Some of these provisions, including the federal Civil Monetary Penalty Law, require a lower burden of proof than other fraud and abuse laws, including the Anti-kickback Statute. Civil monetary penalties that may be imposed under the federal Civil Monetary Penalty Law range from $10,000 to $50,000 per act, and in some cases may result in penalties of up to three times the remuneration offered, paid, solicited or received. In addition, a violator may be subject to exclusion from federal and state healthcare programs. Federal and state governments increasingly use the federal Civil Monetary Penalty Law, especially where they believe they cannot meet the higher burden of proof requirements under the Anti-kickback Statute. Further, individuals can receive up to $1,000 for providing information on Medicare fraud and abuse that leads to the recovery of at least $100 of Medicare funds under the Medicare Integrity Program.

The Federal False Claims Act and Similar State Laws

The *qui tam*, or whistleblower, provisions of the federal False Claims Act ("FCA") allow private individuals to bring actions on behalf of the government alleging that the defendant has defrauded the federal government. Further, the government may use the FCA to prosecute Medicare and other government program fraud in areas such as coding errors, billing for services not provided and submitting false cost reports. When a private party brings a *qui tam* action under the FCA, the defendant often will not be made aware of the lawsuit until the government commences its own investigation or makes a determination whether it will intervene. When a defendant is determined by a court of law to be liable under the FCA, the defendant may be required to pay three times the actual damages sustained by the government, plus mandatory civil penalties of between $5,500 and $11,000 for each separate false claim. There are many potential bases for liability under the FCA. Liability often arises when an entity knowingly submits a false claim for reimbursement to the federal government. The FCA defines the term "knowingly" broadly. Though simple negligence will not give rise to liability under the FCA, submitting a claim with reckless disregard to its truth or falsity constitutes a "knowing" submission under the FCA and, therefore, will qualify for liability.

In some cases, whistleblowers and the federal government have taken the position, and some courts have held, that providers who allegedly have violated other statutes, such as the Anti-kickback Statute and the Stark Law, have thereby submitted false claims under the FCA. Every entity that receives at least $5 million annually in Medicaid payments must have written policies for all employees, contractors or agents, providing detailed information about false claims, false statements and whistleblower protections under certain federal laws, including the FCA, and similar state laws. In addition, federal law provides an incentive to states to enact false claims laws that are comparable to the FCA. A number of states in which we operate have adopted their own false claims provisions as well as their own whistleblower provisions under which a private party may file a civil lawsuit in state court.

HIPAA Administrative Simplification and Privacy and Security Requirements

The Administrative Simplification Provisions of HIPAA require the use of uniform electronic data transmission standards for certain health care claims and payment transactions submitted or received electronically. These provisions are intended to encourage electronic commerce in the health care industry. HHS has issued regulations implementing the HIPAA Administrative Simplification Provisions and compliance with these regulations is mandatory for our facilities. In January 2009, CMS published a final rule regarding updated standard code sets for certain diagnoses and procedures known as ICD-10 code sets and related changes to the formats used for certain electronic transactions. While use of the ICD-10 code sets is not mandatory until October 1, 2013, we will be modifying our payment systems and processes to prepare for the implementation. In addition, HIPAA requires that each provider use a National Provider Identifier. While use of the ICD-10 code sets will require significant administrative changes, we believe that the cost of compliance with these regulations has not had and is not expected to have a material, adverse effect on our business, financial position or results of operations.

The privacy and security regulations promulgated pursuant to HIPAA extensively regulate the use and disclosure of individually identifiable health information and require covered entities, including health plans, to implement administrative, physical and technical safeguards to protect the security of such information. Recently, the American Recovery and Reinvestment Act of 2009 ("ARRA") broadened the scope of the HIPAA privacy and security regulations. Among other things, the ARRA provides that HHS must issue regulations requiring covered entities to report certain security breaches to individuals affected by the breach and, in some cases, to HHS or to the public via a website. This reporting obligation will apply broadly to breaches involving unsecured protected health information and will become effective 30 days from the date HHS issues these regulations. In addition, the ARRA extends the application of certain provisions of the security and privacy regulations to business associates (entities that handle identifiable health information on behalf of covered entities) and subjects business associates to civil and criminal penalties for violation of the regulations. We enforce a HIPAA compliance plan, which we believe complies with HIPAA privacy and security requirements and under which a HIPAA compliance group monitors our compliance. The privacy regulations and security regulations have and will continue to impose significant costs on our facilities in order to comply with these standards.

Violations of the HIPAA privacy and security regulations may result in civil and criminal penalties, and the ARRA has strengthened the enforcement provisions of HIPAA, which may result in increased enforcement activity. Under the ARRA, HHS is required to conduct periodic compliance audits of covered entities and their business associates. The ARRA broadens the applicability of the criminal penalty provisions to employees of covered entities and requires HHS to impose penalties for violations resulting from willful neglect. The ARRA also significantly increases the amount of the civil penalties, with penalties of up to $50,000 per violation for a maximum civil penalty of $1,500,000 in a calendar year for violations of the same requirement. In addition, the ARRA authorizes state attorneys general to bring civil actions seeking either injunction or damages in response to violations of HIPAA privacy and security regulations that threaten the privacy of state residents.

We remain subject to any state laws that relate to privacy or the reporting of security breaches that are more restrictive than the regulations issued under HIPAA and the requirements of the ARRA. For example, various state laws and regulations may require us to notify affected individuals in the event of a data breach involving certain individually identifiable health or financial information. In addition, the Federal Trade Commission issued a final rule in October 2007 requiring financial institutions and creditors, which may include health providers and health plans, to implement written identity theft prevention programs to detect, prevent, and mitigate identity theft in connection with certain accounts. The compliance date for this rule has been postponed until May 1, 2009.

EMTALA

All of our hospitals are subject to the Emergency Medical Treatment and Active Labor Act ("EMTALA"). This federal law requires any hospital participating in the Medicare program to conduct an appropriate medical screening examination of every individual who presents to the hospital's emergency room for treatment and, if the individual is suffering from an emergency medical condition, to either stabilize the condition or make an appropriate transfer of the individual to a facility able to handle the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of an individual's ability to pay for treatment. There are severe penalties under EMTALA if a hospital fails to screen or appropriately stabilize or transfer an individual or if the hospital delays appropriate treatment in order to first inquire about the individual's ability to pay. Penalties for violations of EMTALA include civil monetary penalties and exclusion from participation in the Medicare program. In addition, an injured individual, the individual's family or a medical facility that suffers a financial loss as a direct result of a hospital's violation of the law can bring a civil suit against the hospital.

The government broadly interprets EMTALA to cover situations in which individuals do not actually present to a hospital's emergency room, but present for emergency examination or treatment to the hospital's campus, generally, or to a hospital-based clinic that treats emergency medical conditions or are transported in a hospital-owned ambulance, subject to certain exceptions. EMTALA does not generally apply to individuals admitted for inpatient services. The government also has expressed its intent to investigate and enforce EMTALA violations actively in the future. We believe our hospitals operate in substantial compliance with EMTALA.

Corporate Practice of Medicine/Fee Splitting

Some of the states in which we operate have laws prohibiting corporations and other entities from employing physicians, practicing medicine for a profit and making certain direct and indirect payments or fee-splitting arrangements between health care providers designed to induce or encourage the referral of patients to, or the recommendation of, particular providers for medical products and services. Possible sanctions for violation of these restrictions include loss of license and civil and criminal penalties. In addition, agreements between the corporation and the physician may be considered void and unenforceable. These statutes vary from state to state, are often vague and have seldom been interpreted by the courts or regulatory agencies.

Health Care Industry Investigations

Significant media and public attention has focused in recent years on the hospital industry. This media and public attention, changes in government personnel or other factors may lead to increased scrutiny of the health care industry. While we are currently not aware of any material investigations of the Company under federal or state health care laws or regulations, it is possible that governmental entities could initiate investigations or litigation in the future at facilities we operate and that such matters could result in significant penalties, as well as adverse publicity. It is also possible that our executives and managers could be included in governmental investigations or litigation or named as defendants in private litigation.

Our substantial Medicare, Medicaid and other governmental billings result in heightened scrutiny of our operations. We continue to monitor all aspects of our business and have developed a comprehensive ethics and compliance program that is designed to meet or exceed applicable federal guidelines and industry standards. Because the law in this area is complex and constantly evolving, governmental investigations or litigation may result in interpretations that are inconsistent with our or industry practices.

In public statements surrounding current investigations, governmental authorities have taken positions on a number of issues, including some for which little official interpretation previously has been available, that appear to be inconsistent with practices that have been common within the industry and that previously have not been challenged in this manner. In some instances, government investigations that have in the past been conducted under the civil provisions of federal law may now be conducted as criminal investigations.

Both federal and state government agencies have increased their focus on and coordination of civil and criminal enforcement efforts in the health care area. The OIG and the Department of Justice have, from time to time, established national enforcement initiatives, targeting all hospital providers, that focus on specific billing practices or other suspected areas of abuse. In addition, governmental agencies and their agents, such as the Medicare Administrative Contractors, fiscal intermediaries and carriers, may conduct audits of our health care operations. Private payers may conduct similar post-payment audits, and we also perform internal audits and monitoring.

In addition to national enforcement initiatives, federal and state investigations relate to a wide variety of routine health care operations such as: cost reporting and billing practices, including for Medicare outliers; financial arrangements with referral sources; physician recruitment activities; physician joint ventures; and hospital charges and collection practices for self-pay patients. We engage in many of these routine health care operations and other activities that could be the subject of governmental investigations or inquiries. For example, we have significant Medicare and Medicaid billings, numerous financial arrangements with physicians who are referral sources to our hospitals, and joint venture arrangements involving physician investors. Certain of our individual facilities have received, and other facilities may receive, government inquiries from federal and state agencies. Any additional investigations of the Company, our executives or managers could result in significant liabilities or penalties to us, as well as adverse publicity.

Commencing in 1997, we became aware we were the subject of governmental investigations and litigation relating to our business practices. As part of the investigations, the United States intervened in a number of *qui tam* actions brought by private parties. The investigations related to, among other things, DRG coding, outpatient laboratory billing, home health issues, physician relations, cost report and wound care issues. The investigations were concluded through a series of agreements executed in 2000 and 2003 with the Criminal Division of the Department of Justice, the Civil Division of the Department of Justice, various U.S. Attorneys' offices, CMS, a

negotiating team representing states with claims against us, and others. In January 2001, we entered into an eight year Corporate Integrity Agreement ("CIA") with the Office of Inspector General of the Department of Health and Human Services, which expired January 24, 2009. Violation or breach of the CIA or other violation of federal or state laws relating to Medicare, Medicaid or similar programs, could subject us to substantial monetary fines, civil and criminal penalties and/or exclusion from participation in the Medicare and Medicaid programs and other federal and state health care programs. Alleged violations may be pursued by the government or through private qui tam actions. Sanctions imposed against us as a result of such actions could have a material, adverse effect on our results of operations and financial position.

Health Care Reform

Health care is one of the largest industries in the United States and continues to attract much legislative interest and public attention. In recent years, various legislative proposals regarding health care reform have been introduced or proposed in Congress. We anticipate that national health care reform will be a focus at the federal level in the near term. Several states are also considering health care reform measures. This focus on health care reform may increase the likelihood of significant changes affecting the health care industry. Possible future changes in the Medicare, Medicaid, and other state programs, including Medicaid supplemental payments pursuant to upper payment limit programs, may impact reimbursements to health care providers and insurers. In addition, many states have enacted, or are considering enacting, measures designed to reduce their Medicaid expenditures and change private health care insurance. States have also adopted, or are considering, legislation designed to reduce coverage and program eligibility, enroll Medicaid recipients in managed care programs and/or impose additional taxes on hospitals to help finance or expand states' Medicaid systems. Some states, including the states in which we operate, have applied for and have been granted federal waivers from current Medicaid regulations to allow them to serve some or all of their Medicaid participants through managed care providers. Hospital operating margins have been, and may continue to be, under significant pressure because of deterioration in pricing flexibility and payer mix, and growth in operating expenses in excess of the increase in PPS payments under the Medicare program.

General Economic and Demographic Factors

Recently, the United States economy has weakened significantly. Tightening credit markets, depressed consumer spending and higher unemployment rates continue to pressure many industries. During economic downturns, governmental entities often experience budgetary constraints as a result of increased costs and lower than expected tax collections. These budgetary constraints may result in decreased spending for health and human service programs, including Medicare, Medicaid and similar programs, which represent significant payer sources for our hospitals. Other risks we face from general economic weakness include potential declines in the population covered under managed care agreements, patient decisions to postpone or cancel elective and non-emergent health care procedures, potential increases in the uninsured and underinsured populations and further difficulties in our collecting patient copayment and deductible receivables.

The health care industry is impacted by the overall United States financial pressures. The federal deficit, the growing magnitude of Medicare expenditures and the aging of the United States population will continue to place pressure on federal health care programs.

Compliance Program and Corporate Integrity Agreement

We maintain a comprehensive ethics and compliance program that is designed to meet or exceed applicable federal guidelines and industry standards. The program is intended to monitor and raise awareness of various regulatory issues among employees and to emphasize the importance of complying with governmental laws and regulations. As part of the ethics and compliance program, we provide annual ethics and compliance training to our employees and encourage all employees to report any violations to their supervisor, an ethics and compliance officer or a toll-free telephone ethics line.

Until January 24, 2009, we operated under a CIA, which was structured to assure the federal government of our overall federal health care program compliance and specifically covered DRG coding, outpatient PPS billing and physician relations. We underwent major training efforts to ensure that our employees learned and applied the

policies and procedures implemented under the CIA and our ethics and compliance program. The CIA had the effect of increasing the amount of information we provided to the federal government regarding our health care practices and our compliance with federal regulations. Under the CIA, we had numerous affirmative obligations, including the requirement to report potential violations of applicable federal health care laws and regulations. Pursuant to this obligation, we reported a number of potential violations of the Stark Law, the Anti-kickback Statute, EMTALA, HIPAA and other laws, most of which we consider to be nonviolations or technical violations. We will submit our final report pursuant to the CIA by April 30, 2009. These reports could result in greater scrutiny by regulatory authorities. The government could determine that our reporting and/or our resolution of reported issues was inadequate. A determination that we breached the CIA and/or a finding of violations of applicable health care laws or regulations could subject us to repayment requirements, substantial monetary penalties, civil penalties, exclusion from participation in the Medicare and Medicaid and other federal and state health care programs and, for violations of certain laws and regulations, criminal penalties. Though the CIA expired on January 24, 2009, we maintain our ethics and compliance program in substantially the same form. However, the audit plans in the CIA have been modified and the reportable events process will be converted to an internal reporting process.

Antitrust Laws

The federal government and most states have enacted antitrust laws that prohibit certain types of conduct deemed to be anti-competitive. These laws prohibit price fixing, concerted refusal to deal, market monopolization, price discrimination, tying arrangements, acquisitions of competitors and other practices that have, or may have, an adverse effect on competition. Violations of federal or state antitrust laws can result in various sanctions, including criminal and civil penalties. Antitrust enforcement in the health care industry is currently a priority of the Federal Trade Commission. We believe we are in compliance with such federal and state laws, but future review of our practices by courts or regulatory authorities could result in a determination that could adversely affect our operations.

Environmental Matters

We are subject to various federal, state and local statutes and ordinances regulating the discharge of materials into the environment. Management does not believe that we will be required to expend any material amounts in order to comply with these laws and regulations or that compliance will materially affect our capital expenditures, results of operations or financial condition.

Insurance

As typical in the health care industry, we are subject to claims and legal actions by patients in the ordinary course of business. Subject to a $5 million per occurrence self-insured retention, our facilities are insured by our wholly-owned insurance subsidiary for losses up to $50 million per occurrence. The insurance subsidiary has obtained reinsurance for professional liability risks generally above a retention level of $15 million per occurrence. We also maintain professional liability insurance with unrelated commercial carriers for losses in excess of amounts insured by our insurance subsidiary.

We purchase, from unrelated insurance companies, coverage for directors and officers liability and property loss in amounts that we believe are adequate. The directors and officers liability coverage includes a $25 million corporate deductible for the periods prior to the Merger and a $1 million corporate deductible subsequent to the Merger. In addition, we will continue to purchase coverage for our directors and officers on an ongoing basis. The property coverage includes varying deductibles depending on the cause of the property damage. These deductibles range from $500,000 per claim up to 5% of the affected property values for certain flood and wind and earthquake related incidents.

Employees and Medical Staffs

At December 31, 2008 we had approximately 191,000 employees, including approximately 51,000 part-time employees. References herein to “employees” refer to employees of affiliates of HCA. We are subject to various state and federal laws that regulate wages, hours, benefits and other terms and conditions relating to employment. Employees at 21 of our hospitals were represented by various labor unions at December 31, 2008 and 2007. We

consider our employee relations to be satisfactory. Our hospitals, as well as others, have experienced some recent union organizational activity. We had elections at two hospitals in California and one in Missouri during 2007 and no elections during 2008. We expect to have one election in Missouri in 2009 as hospital employees have filed a decertification petition with the National Labor Relations Board. We do not expect such efforts to materially affect our future operations. Our hospitals, like most hospitals, have experienced labor costs rising faster than the general inflation rate. In some markets, nurse and medical support personnel availability has become a significant operating issue to health care providers. To address this challenge, we have implemented several initiatives to improve retention, recruiting, compensation programs and productivity.

Our hospitals are staffed by licensed physicians, who generally are not employees of our hospitals. However, some physicians provide services in our hospitals under contracts which generally describe a term of service, provide and establish the duties and obligations of such physicians, require the maintenance of certain performance criteria and fix compensation for such services. Any licensed physician may apply to be accepted to the medical staff of any of our hospitals, but the hospital's medical staff and the appropriate governing board of the hospital, in accordance with established credentialing criteria, must approve acceptance to the staff. Members of the medical staffs of our hospitals often also serve on the medical staffs of other hospitals and may terminate their affiliation with one of our hospitals at any time.

We may be required to continue to enhance wages and benefits to recruit and retain nurses and other medical support personnel or to hire more expensive temporary or contract personnel. We also depend on the available labor pool of semi-skilled and unskilled employees in each of the markets in which we operate. As the competition increases to hire more people from labor pools that are not growing at a rate sufficient to meet demand, our labor costs could increase. Certain proposed changes in federal labor laws, including the Employee Free Choice Act, may increase the likelihood of employee unionization attempts. To the extent that a significant portion of our employee base unionizes, our costs could increase materially. In addition, union-mandated or state-mandated nurse-staffing ratios could significantly affect labor costs, and have an adverse impact on revenues if we are unable to meet the required ratios and are required to limit patient admissions as a result. The states in which we operate could adopt mandatory nurse-staffing ratios or could reduce mandatory nurse-staffing ratios already in place.

Item 1A. ***Risk Factors***

Risk Factors

If any of the events discussed in the following risk factors were to occur, our business, financial position, results of operations, cash flows or prospects could be materially, adversely affected. Additional risks and uncertainties not presently known, or currently deemed immaterial, may also constrain our business and operations.

Our Substantial Leverage Could Adversely Affect Our Ability To Raise Additional Capital To Fund Our Operations, Limit Our Ability To React To Changes In The Economy Or Our Industry, Expose Us To Interest Rate Risk To The Extent Of Our Variable Rate Debt And Prevent Us From Meeting Our Obligations.

Since completing the Recapitalization, we are highly leveraged. As of December 31, 2008, our total indebtedness was $26.989 billion. Our high degree of leverage could have important consequences, including:

- increasing our vulnerability to downturns or adverse changes in general economic, industry or competitive conditions and adverse changes in government regulations;
- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;
- exposing us to the risk of increased interest rates as certain of our unhedged borrowings are at variable rates of interest;
- limiting our ability to make strategic acquisitions or causing us to make nonstrategic divestitures;

- limiting our ability to obtain additional financing for working capital, capital expenditures, product or service line development, debt service requirements, acquisitions and general corporate or other purposes; and
- limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors who are less highly leveraged.

We and our subsidiaries have the ability to incur additional indebtedness in the future, subject to the restrictions contained in our senior secured credit facilities and the indentures governing our outstanding notes. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify.

We May Not Be Able To Generate Sufficient Cash To Service All Of Our Indebtedness And May Not Be Able To Refinance Our Indebtedness On Favorable Terms. If We Are Unable To Do So, We May Be Forced To Take Other Actions To Satisfy Our Obligations Under Our Indebtedness, Which May Not Be Successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot assure you that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness.

As of December 31, 2008, our substantial indebtedness included $14.052 billion of indebtedness under our senior secured credit facilities that matures in 2012 and 2013, $5.700 billion of second lien notes maturing in 2014 and 2016 and $6.831 billion of unsecured senior notes and debentures that mature on various dates from 2009 to 2095 (including $5.442 billion maturing through 2016). Because a significant portion of our indebtedness matures in the next few years, we may find it necessary or prudent to refinance that indebtedness with longer-maturity debt at a higher interest rate. In February 2009, for example, we issued $310 million of 9$^{7}/_{8}$% Senior Secured Notes due in 2017. We used the net proceeds of that offering to prepay term loans under our senior secured credit facilities, which currently bear interest at a lower floating rate. Our ability to refinance our indebtedness on favorable terms, or at all, is directly affected by the current global economic and financial crisis. In addition, our ability to incur secured indebtedness (which may enable us to achieve better pricing than the incurrence of unsecured indebtedness) depends in part on the value of our assets, which depends, in turn, on the strength of our cash flows and results of operations and on economic and market conditions and other factors.

If our cash flows and capital resources are insufficient to fund our debt service obligations or we are unable to refinance our indebtedness, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. If our operating results and available cash are insufficient to meet our debt service obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions, or the proceeds from the dispositions may not be adequate to meet any debt service obligations then due.

Our Debt Agreements Contain Restrictions That Limit Our Flexibility In Operating Our Business.

Our senior secured credit facilities and the indentures governing our outstanding notes contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and certain of our subsidiaries' ability to, among other things:

- incur additional indebtedness or issue certain preferred shares;
- pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;
- make certain investments;
- sell or transfer assets;

- create liens;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and
- enter into certain transactions with our affiliates.

Under our asset-based revolving credit facility, when (and for as long as) the combined availability under our asset-based revolving credit facility and our senior secured revolving credit facility is less than a specified amount, for a certain period of time, or if a payment or bankruptcy event of default has occurred and is continuing, funds deposited into any of our depository accounts will be transferred on a daily basis into a blocked account with the administrative agent and applied to prepay loans under the asset-based revolving credit facility and to cash collateralize letters of credit issued thereunder.

Under our senior secured credit facilities we are required to satisfy and maintain specified financial ratios. Our ability to meet those financial ratios can be affected by events beyond our control, and there can be no assurance that we will continue to meet those ratios. A breach of any of these covenants could result in a default under both of our senior secured credit facilities. Upon the occurrence of an event of default under our senior secured credit facilities, our lenders could elect to declare all amounts outstanding under our senior secured credit facilities to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders under our senior secured credit facilities could proceed against the collateral granted to them to secure each such indebtedness. We have pledged a significant portion of our assets as collateral under our senior secured credit facilities and our existing senior secured notes. If any of the lenders under our senior secured credit facilities accelerate the repayment of borrowings, there can be no assurance that we will have sufficient assets to repay our senior secured credit facilities and our outstanding notes.

Our Hospitals Face Competition For Patients From Other Hospitals And Health Care Providers.

The health care business is highly competitive, and competition among hospitals and other health care providers for patients has intensified in recent years. Generally, other hospitals in the local communities served by most of our hospitals provide services similar to those offered by our hospitals. In addition, CMS publicizes on a website performance data related to quality measures and data on patient satisfaction surveys that hospitals submit in connection with their Medicare reimbursement. Federal law provides for the future expansion of the number of quality measures that must be reported. Additional quality measures and future trends toward clinical transparency may have an unanticipated impact on our competitive position and patient volumes. If any of our hospitals achieve poor results (or results that are lower than our competitors) on these quality measures or on patient satisfaction surveys, patient volumes could decline.

In addition, the number of freestanding specialty hospitals, surgery centers and diagnostic and imaging centers in the geographic areas in which we operate has increased significantly. As a result, most of our hospitals operate in a highly competitive environment. Some of the facilities that compete with our hospitals are owned by governmental agencies or not-for-profit corporations supported by endowments, charitable contributions and/or tax revenues and can finance capital expenditures and operations on a tax-exempt basis. Our hospitals are facing increasing competition from physician-owned specialty hospitals and from both our own and unaffiliated freestanding surgery centers for market share in high margin services and for quality physicians and personnel. If ambulatory surgery centers are better able to compete in this environment than our hospitals, our hospitals may experience a decline in patient volume, and we may experience a decrease in margin, even if those patients use our ambulatory surgery centers. In states that do not require prior regulatory approval, known as a certificate of need (“CON”), for the purchase, construction or expansion of health care facilities or services, competing health care providers face low barriers to entry and expansion. Further, if our competitors are better able to attract patients, recruit physicians, expand services or obtain favorable managed care contracts at their facilities than our hospitals and ambulatory surgery centers, we may experience an overall decline in patient volume. See Item 1, “Business — Competition.”

The Growth Of Uninsured And Patient Due Accounts And A Deterioration In The Collectibility Of These Accounts Could Adversely Affect Our Results Of Operations.

The primary collection risks of our accounts receivable relate to the uninsured patient accounts and patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. The provision for doubtful accounts relates primarily to amounts due directly from patients.

The amount of the provision for doubtful accounts is based upon management's assessment of historical writeoffs and expected net collections, business and economic conditions, trends in federal and state governmental and private employer health care coverage, the rate of growth in uninsured patient admissions and other collection indicators. Due to a number of factors, including the recent economic downturn and increase in unemployment, we believe that our facilities may experience growth in bad debts and charity care. At December 31, 2008, our allowance for doubtful accounts represented approximately 93% of the $5.838 billion patient due accounts receivable balance. For the year ended December 31, 2008, the provision for doubtful accounts increased to 12.0% of revenues compared to 11.7% of revenues in 2007.

A continuation of the trends that have resulted in an increasing proportion of accounts receivable being comprised of uninsured accounts and a deterioration in the collectibility of these accounts will adversely affect our collection of accounts receivable, cash flows and results of operations.

Changes In Governmental And Judicial Interpretations May Negatively Impact Our Ability To Obtain Reimbursement Of Medicare Bad Debts

The Medicare program reimburses 70% of bad debts related to deductibles and coinsurance for patients with Medicare coverage, after the provider has made a reasonable effort to collect those amounts. We utilize extensive in-house and external collection efforts for our accounts receivable, including deductible and coinsurance amounts owed by patients with Medicare coverage. We use a secondary collection agency after in-house and primary collection agency efforts have been unsuccessful. A recent court case upheld CMS's interpretation that reasonable collection efforts have not been satisfied as long as the Medicare accounts remain with an external collection agency. We incur substantial amounts of Medicare bad debts every year that could be subject to this decision. During 2007, we modified our accounts receivable collection processes to provide reasonable collection results and comply with CMS's interpretation of reasonable collection efforts. Possible future changes in judicial and administrative interpretations of law and regulations governing Medicare could disrupt our collections processes, increase our costs or otherwise adversely affect our business and results of operations.

Changes In Governmental Programs May Reduce Our Revenues.

A significant portion of our patient volumes is derived from government health care programs, principally Medicare and Medicaid, which are highly regulated and subject to frequent and substantial changes. We derived approximately 59% of our admissions from the Medicare and Medicaid programs in 2008. In recent years, legislative and regulatory changes have resulted in limitations on and, in some cases, reductions in levels of payments to health care providers for certain services under these government programs. National health care reform is a focus at the federal level, and we anticipate that it will remain a focus in the near term. Several states are also considering health care reform measures. This focus on health care reform may increase the likelihood of significant changes affecting government health care programs. Possible future changes in the Medicare, Medicaid, and other state programs, may reduce reimbursements to health care providers and insurers and may also increase our operating costs, which could reduce our profitability.

CMS issued final regulations effective January 1, 2008 that increased ASC payment groups from nine clinically disparate payment groups to an extensive list of covered surgical procedures among the APCs used under the outpatient PPS for these surgical services. CMS estimates that the payment rates for procedures performed in an ASC setting equal 65% of the corresponding rates paid for the same procedures performed in an outpatient hospital setting. The final regulation establishes a four-year transition period for implementing the revised payment rates. This regulation significantly expands the number of procedures that Medicare reimburses if performed in an ASC and limits ASC reimbursement for procedures commonly performed in physicians' offices. More Medicare

procedures that are now performed in hospitals, such as ours, may be moved to ASCs, reducing surgical volume in our hospitals. Also, more Medicare procedures that are now performed in ASCs, such as ours, may be moved to physicians' offices. Commercial third-party payers may adopt similar policies.

On August 22, 2007, CMS issued a final rule for federal fiscal year 2008 for hospital inpatient PPS. This rule adopts a two-year implementation of MS-DRGs, a Medicare severity-adjusted diagnosis related group system. This change represents a refinement to the existing Medicare DRG system. Realignments in the DRG system could impact the margins we receive for certain services. For federal fiscal year 2009, CMS has provided a 3.6% market basket update for hospitals that submit certain quality patient care indicators and a 1.6% update for hospitals that do not submit this data. While we will endeavor to comply with all quality data submission requirements, our submissions may not be deemed timely or sufficient to entitle us to the full market basket adjustment for all of our hospitals. Medicare payments to hospitals in fiscal years 2009 and 2008 have been reduced to eliminate what CMS estimates will be the effect of coding or classifications changes as a result of hospitals implementing the MS-DRG system. CMS may retrospectively determine if the adjustment levels for federal fiscal years 2009 and 2008 were adequate and may impose an adjustment in future years if CMS finds that the adjustment was inadequate. Additionally, Medicare payments to hospitals are subject to a number of other adjustments, and the actual impact on payments to specific hospitals may vary. In some cases, commercial third-party payers and other payers such as some state Medicaid programs rely on all or portions of the Medicare DRG system to determine payment rates. The change from traditional Medicare DRGs to MS-DRGs could adversely impact those payment rates if any other payers adopt MS-DRGs.

Since most states must operate with balanced budgets and since the Medicaid program is often the state's largest program, states can be expected to adopt or consider adopting legislation designed to reduce their Medicaid expenditures. The current economic downturn has increased the budgetary pressures on most states, and these budgetary pressures have resulted and likely will continue to result in decreased spending for Medicaid programs in many states. Further, many states have also adopted, or are considering, legislation designed to reduce coverage and program eligibility, enroll Medicaid recipients in managed care programs and/or impose additional taxes on hospitals to help finance or expand the states' Medicaid systems.

Recently, the Department of Defense implemented a prospective payment system for hospital outpatient services furnished to TRICARE beneficiaries similar to that utilized for services furnished to Medicare beneficiaries. Because the Medicare outpatient prospective payment system APC rates have historically been below TRICARE rates, the adoption of this payment methodology for TRICARE beneficiaries will reduce our reimbursement. This change in TRICARE will have a material impact on our revenues from this program; however, TRICARE outpatient services do not represent a significant portion of our patient volumes. The TRICARE outpatient payment rule has been reopened for comment and the effective date delayed until May 1, 2009. Further modification to the new outpatient payment system may be made.

Changes in laws or regulations regarding government health programs or other changes in the administration of government health programs could have a material, adverse effect on our financial position and results of operations.

If We Are Unable To Retain And Negotiate Favorable Contracts With Nongovernment Payers, Including Managed Care Plans, Our Revenues May Be Reduced.

Our ability to obtain favorable contracts with nongovernment payers, including health maintenance organizations, preferred provider organizations and other managed care plans significantly affects the revenues and operating results of our facilities. Revenues derived from these entities and other insurers accounted for 53% and 54% of our patient revenues for the years ended December 31, 2008 and 2007, respectively. Nongovernment payers, including managed care payers, continue to demand discounted fee structures, and the trend toward consolidation among nongovernment payers tends to increase their bargaining power over fee structures. Our future success will depend, in part, on our ability to retain and renew our managed care contracts and enter into new managed care contracts on terms favorable to us. Other health care providers may impact our ability to enter into managed care contracts or negotiate increases in our reimbursement and other favorable terms and conditions. For example, some of our competitors may negotiate exclusivity provisions with managed care plans or otherwise restrict the ability of

managed care companies to contract with us. If we are unable to retain and negotiate favorable contracts with managed care plans or experience reductions in payment increases or amounts received from nongovernment payers, our revenues may be reduced.

Our Performance Depends On Our Ability To Recruit And Retain Quality Physicians.

Physicians generally direct the majority of hospital admissions, and the success of our hospitals depends, therefore, in part on the number and quality of the physicians on the medical staffs of our hospitals, the admitting practices of those physicians and maintaining good relations with those physicians. Physicians are often not employees of the hospitals at which they practice and, in many of the markets that we serve, most physicians have admitting privileges at other hospitals in addition to our hospitals. Such physicians may terminate their affiliation with our hospitals at any time. If we are unable to provide adequate support personnel or technologically advanced equipment and hospital facilities that meet the needs of those physicians, they may be discouraged from referring patients to our facilities, admissions may decrease and our operating performance may decline.

Our Hospitals Face Competition For Staffing, Which May Increase Labor Costs And Reduce Profitability.

Our operations are dependent on the efforts, abilities and experience of our management and medical support personnel, such as nurses, pharmacists and lab technicians, as well as our physicians. We compete with other health care providers in recruiting and retaining qualified management and support personnel responsible for the daily operations of each of our hospitals, including nurses and other nonphysician health care professionals. In some markets, the availability of nurses and other medical support personnel has become a significant operating issue to health care providers. We may be required to continue to enhance wages and benefits to recruit and retain nurses and other medical support personnel or to hire more expensive temporary or contract personnel. We also depend on the available labor pool of semi-skilled and unskilled employees in each of the markets in which we operate. As the competition increases to hire more people from labor pools that are not growing at a rate sufficient to meet demand, our labor costs could increase. Certain proposed changes in federal labor laws, including the Employee Free Choice Act, may increase the likelihood of employee unionization attempts. To the extent that a significant portion of our employee base unionizes, our costs could increase materially. In addition, union-mandated or state-mandated nurse-staffing ratios could significantly affect labor costs and have an adverse impact on revenue if we are unable to meet the required ratios and are required to limit admissions as a result. If our labor costs increase, we may not be able to raise rates to offset these increased costs. Because a significant percentage of our revenues consists of fixed, prospective payments, our ability to pass along increased labor costs is constrained. Our failure to recruit and retain qualified management, nurses and other medical support personnel, or to control labor costs, could have a material, adverse effect on our results of operations.

If We Fail To Comply With Extensive Laws And Government Regulations, We Could Suffer Penalties Or Be Required To Make Significant Changes To Our Operations.

The health care industry is required to comply with extensive and complex laws and regulations at the federal, state and local government levels relating to, among other things:

- billing for services;
- relationships with physicians and other referral sources;
- adequacy of medical care;
- quality of medical equipment and services;
- qualifications of medical and support personnel;
- confidentiality, maintenance and security issues associated with health-related information and medical records;
- the screening, stabilization and transfer of individuals who have emergency medical conditions;
- licensure and certification;

- hospital rate or budget review;
- operating policies and procedures; and
- addition of facilities and services.

Among these laws are the federal Anti-kickback Statute, the federal physician self-referral law (commonly called the Stark Law) and the federal FCA and similar state laws. We have a variety of financial relationships with physicians and others who either refer or influence the referral of patients to our hospitals and other health care facilities, and these laws govern those relationships. The OIG has enacted safe harbor regulations that outline practices that are deemed protected from prosecution under the Anti-kickback Statute. While we endeavor to comply with the applicable safe harbors, certain of our current arrangements, including joint ventures and financial relationships with physicians and other referral sources and persons and entities to which we refer patients, do not qualify for safe harbor protection. Failure to qualify for a safe harbor does not mean that the arrangement necessarily violates the Anti-kickback Statute but may subject the arrangement to greater scrutiny; however, we cannot offer assurance that practices outside of a safe harbor will not be found to violate the Anti-kickback Statute. Allegations of violations of the Anti-kickback Statute may be brought under the federal Civil Monetary Penalty Law, which requires a lower burden of proof than other fraud and abuse laws, including the Anti-kickback Statute.

Our financial relationships with referring physicians and their immediate family members must comply with the Stark Law by meeting an exception. We attempt to structure our relationships to meet an exception to the Stark Law, but the regulations implementing the exceptions are detailed and complex, and we cannot assure that every relationship complies fully with the Stark Law. Unlike the Anti-kickback Statute, failure to meet an exception under the Stark Law results in a violation of the Stark Law, even if such violation is technical in nature.

Additionally, if we violate the Anti-kickback Statute or Stark Law, or if we improperly bill for our services, we may be found to violate the FCA, either under a suit brought by the government or by a private person under a *qui tam*, or "whistleblower," suit.

If we fail to comply with the Anti-kickback Statute, the Stark Law, the FCA or other applicable laws and regulations, we could be subjected to liabilities, including civil penalties (including the loss of our licenses to operate one or more facilities), exclusion of one or more facilities from participation in the Medicare, Medicaid and other federal and state health care programs and, for violations of certain laws and regulations, criminal penalties. See "Regulation."

CMS is proceeding with a proposal to collect information from 400 hospitals regarding their ownership, investment and compensation arrangements with physicians. Called the Disclosure of Financial Relationships Report or "DFRR," CMS intends to use this data to monitor compliance with the Stark Law, and CMS may share this information with other government agencies. Many of these agencies have not previously analyzed this information and have the authority to bring enforcement actions against hospitals filing such reports.

Because many of these laws and their implementing regulations are relatively new, we do not always have the benefit of significant regulatory or judicial interpretation of these laws and regulations. In the future, different interpretations or enforcement of these laws and regulations could subject our current or past practices to allegations of impropriety or illegality or could require us to make changes in our facilities, equipment, personnel, services, capital expenditure programs and operating expenses. A determination that we have violated these laws, or the public announcement that we are being investigated for possible violations of these laws, could have a material, adverse effect on our business, financial condition, results of operations or prospects, and our business reputation could suffer significantly. In addition, other legislation or regulations at the federal or state level may be adopted that adversely affect our business.

We Have Been The Subject Of Governmental Investigations, Claims And Litigation, And We Could Be The Subject Of Additional Investigations In The Future.

Commencing in 1997, we became aware that we were the subject of governmental investigations and litigation relating to our business practices. The investigations were concluded through a series of agreements executed in 2000 and 2003. In January 2001, we entered into an eight-year CIA with the OIG, which expired January 24, 2009.

Under the CIA, we had numerous affirmative obligations, including the requirement to report potential violations of applicable federal health care laws and regulations. Pursuant to these obligations, we reported a number of potential violations of the Stark Law, the Anti-kickback Statute, the EMTALA and other laws, most of which we consider to be nonviolations or technical violations. We will submit our final report pursuant to the CIA by April 30, 2009. The government could determine that our reporting and/or our resolution of reported issues was inadequate. If we are found to have violated the CIA or any applicable health care laws or regulations, we could be subject to repayment requirements, substantial monetary fines, civil penalties, exclusion from participation in the Medicare and Medicaid and other federal and state health care programs, and, for violations of certain laws and regulations, criminal penalties. Any such sanctions or expenses could have a material, adverse effect on our financial position, results of operations or liquidity.

Health care companies are subject to numerous investigations by various governmental agencies. Further, under the federal FCA, private parties have the right to bring *qui tam*, or "whistleblower," suits against companies that submit false claims for payments to the government. Some states have adopted similar state whistleblower and false claims provisions. Certain of our individual facilities have received, and other facilities may receive, government inquiries from federal and state agencies. Depending on whether the underlying conduct in these or future inquiries or investigations could be considered systemic, their resolution could have a material, adverse effect on our financial position, results of operations and liquidity.

Governmental agencies and their agents, such as the Medicare Administrative Contractors, fiscal intermediaries and carriers, as well as the OIG, conduct audits of our health care operations. Private payers may conduct similar post-payment audits, and we also perform internal audits and monitoring. Depending on the nature of the conduct found in such audits and whether the underlying conduct could be considered systemic, the resolution of these audits could have a material, adverse effect on our financial position, results of operations and liquidity.

The MMA established the RAC three-year demonstration program to conduct post-payment reviews to detect and correct improper payments in the fee-for-service Medicare program. Beginning in 2005, CMS contracted with three different RACs to conduct these reviews in California, Florida and New York. The program was expanded in August 2007 to include Arizona, Massachusetts and South Carolina. We had 46 hospitals located in the demonstration areas and 44 of these hospitals actually had a review performed. The Tax Relief and Health Care Act of 2006 made the RAC program permanent and mandated its nationwide expansion by 2010. Should we be found out of compliance, depending on the nature of the findings, our business, our financial position and our results of operations could be negatively impacted.

Controls Designed To Reduce Inpatient Services May Reduce Our Revenues.

Controls imposed by Medicare, managed Medicare, Medicaid, managed Medicaid and commercial third-party payers designed to reduce admissions and lengths of stay, commonly referred to as "utilization review," have affected and are expected to continue to affect our facilities. Utilization review entails the review of the admission and course of treatment of a patient by health plans. Inpatient utilization, average lengths of stay and occupancy rates continue to be negatively affected by payer-required preadmission authorization and utilization review and by payer pressure to maximize outpatient and alternative health care delivery services for less acutely ill patients. Efforts to impose more stringent cost controls are expected to continue. Although we are unable to predict the effect these changes will have on our operations, significant limits on the scope of services reimbursed and on reimbursement rates and fees could have a material, adverse effect on our business, financial position and results of operations.

Our Overall Business Results May Suffer From The Recent Economic Downturn.

Recently, the United States economy has weakened significantly. Tightening credit markets, depressed consumer spending and higher unemployment rates continue to pressure many industries. During economic downturns, governmental entities often experience budgetary constraints as a result of increased costs and lower than expected tax collections. These budgetary constraints may result in decreased spending for health and human service programs, including Medicare, Medicaid and similar programs, which represent significant payer sources for our hospitals. Other risks we face from general economic weakness include potential declines in the population

covered under managed care agreements, patient decisions to postpone or cancel elective and non-emergent healthcare procedures, potential increases in the uninsured and underinsured populations and further difficulties in our collecting patient copayment and deductible receivables.

The Industry Trend Towards Value-Based Purchasing May Negatively Impact Our Revenues.

There is a trend in the health care industry toward value-based purchasing of health care services. These value-based purchasing programs include both public reporting of quality data and preventable adverse events tied to the quality and efficiency of care provided by facilities. Governmental programs including Medicare and Medicaid require hospitals to report certain quality data to receive full reimbursement updates. In addition Medicare does not reimburse for care related to certain preventable adverse events (also called “never events”). Many large commercial payers currently require hospitals to report quality data, and several commercial payers do not reimburse hospitals for certain preventable adverse events. Further, we have implemented a policy pursuant to which we do not bill patients or third-party payers for fees or expenses incurred due to certain preventable adverse events. We expect value-based purchasing programs, including programs that condition reimbursement on patient outcome measures, to become more common and to involve a higher percentage of reimbursement amounts. We are unable at this time to predict how this trend will affect our results of operations, but it could negatively impact our revenues.

Our Operations Could Be Impaired By A Failure Of Our Information Systems.

Any system failure that causes an interruption in service or availability of our systems could adversely affect operations or delay the collection of revenues. Even though we have implemented network security measures, our servers are vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering. The occurrence of any of these events could result in interruptions, delays, the loss or corruption of data, or cessations in the availability of systems, all of which could have a material, adverse effect on our financial position and results of operations and harm our business reputation.

The performance of our sophisticated information technology and systems is critical to our business operations. In addition to our shared services initiatives, our information systems are essential to a number of critical areas of our operations, including:

- accounting and financial reporting;
- billing and collecting accounts;
- coding and compliance;
- clinical systems;
- medical records and document storage;
- inventory management;
- negotiating, pricing and administering managed care contracts and supply contracts; and
- monitoring quality of care and collecting data on quality measures necessary for full Medicare payment updates.

State Efforts To Regulate The Construction Or Expansion Of Health Care Facilities Could Impair Our Ability To Operate And Expand Our Operations.

Some states, particularly in the eastern part of the country, require health care providers to obtain prior approval, known as a CON, for the purchase, construction or expansion of health care facilities, to make certain capital expenditures or to make changes in services or bed capacity. In giving approval, these states consider the need for additional or expanded health care facilities or services. We currently operate health care facilities in a number of states with CON laws. The failure to obtain any requested CON could impair our ability to operate or expand operations. Any such failure could, in turn, adversely affect our ability to attract patients to our facilities and grow our revenues, which would have an adverse effect on our results of operations.

Our Facilities Are Heavily Concentrated In Florida And Texas, Which Makes Us Sensitive To Regulatory, Economic, Environmental And Competitive Conditions And Changes In Those States.

We operated 166 hospitals at December 31, 2008, and 72 of those hospitals are located in Florida and Texas. Our Florida and Texas facilities' combined revenues represented approximately 51% of our consolidated revenues for the year ended December 31, 2008. This concentration makes us particularly sensitive to regulatory, economic, environmental and competitive conditions and changes in those states. Any material change in the current payment programs or regulatory, economic, environmental or competitive conditions in those states could have a disproportionate effect on our overall business results.

In addition, our hospitals in Florida and Texas and other areas across the Gulf Coast are located in hurricane-prone areas. In the recent past, hurricanes have had a disruptive effect on the operations of our hospitals in Florida, Texas and other coastal states, and the patient populations in those states. Our business activities could be harmed by a particularly active hurricane season or even a single storm, and the property insurance we obtain may not be adequate to cover losses from future hurricanes or other natural disasters.

We May Be Subject To Liabilities From Claims By The IRS.

We are currently contesting before the Appeals Division of the Internal Revenue Service (the "IRS") certain claimed deficiencies and adjustments proposed by the IRS in connection with its examination of the 2003 and 2004 federal income tax returns for HCA and 17 affiliates that are treated as partnerships for federal income tax purposes ("affiliated partnerships"). The disputed items include the timing of recognition of certain patient service revenues and our method for calculating the tax allowance for doubtful accounts.

Eight taxable periods of HCA and its predecessors ended in 1995 through 2002 and the 2002 taxable year of 13 affiliated partnerships, for which the primary remaining issue is the computation of the tax allowance for doubtful accounts, are pending before the IRS Examination Division or the United States Tax Court as of December 31, 2008. The IRS began an audit of the 2005 and 2006 federal income tax returns for HCA and seven affiliated partnerships during 2008.

We May Be Subject To Liabilities From Claims Brought Against Our Facilities.

We are subject to litigation relating to our business practices, including claims and legal actions by patients and others in the ordinary course of business alleging malpractice, product liability or other legal theories. See Item 3, "Legal Proceedings." Many of these actions involve large claims and significant defense costs. We insure a portion of our professional liability risks through a wholly-owned subsidiary. Management believes our reserves for self-insured retentions and insurance coverage are sufficient to cover insured claims arising out of the operation of our facilities. Our wholly-owned insurance subsidiary has entered into certain reinsurance contracts, and the obligations covered by the reinsurance contracts are included in its reserves for professional liability risks, as the subsidiary remains liable to the extent that the reinsurers do not meet their obligations under the reinsurance contracts. If payments for claims exceed actuarially determined estimates, are not covered by insurance or reinsurers, if any, fail to meet their obligations, our results of operations and financial position could be adversely affected.

We Are Exposed To Market Risks Related To Changes In The Market Values Of Securities And Interest Rate Changes.

We are exposed to market risk related to changes in market values of securities. The investments in debt and equity securities of our wholly-owned insurance subsidiary were $1.614 billion and $8 million, respectively, at December 31, 2008. These investments are carried at fair value, with changes in unrealized gains and losses being recorded as adjustments to other comprehensive income. At December 31, 2008, we had a net unrealized loss of $48 million on the insurance subsidiary's investment securities.

We are exposed to market risk related to market illiquidity. Liquidity of the investments in debt and equity securities of our wholly-owned insurance subsidiary could be impaired by the inability to access the capital markets. Should the wholly-owned insurance subsidiary require significant amounts of cash in excess of normal cash requirements to pay claims and other expenses on short notice, we may have difficulty selling these investments in a

timely manner or be forced to sell them at a price less than what we might otherwise have been able to in a normal market environment. At December 31, 2008, our wholly-owned insurance subsidiary, had invested $536 million ($573 million par value) in municipal, tax-exempt student loan auction rate securities which were classified as long-term investments. The auction rate securities ("ARS") are publicly issued securities with long-term stated maturities for which the interest rates are reset through a Dutch auction every seven to 35 days. With the liquidity issues experienced in global credit and capital markets, the ARS held by our wholly-owned insurance subsidiary have experienced multiple failed auctions, beginning on February 11, 2008, as the amount of securities submitted for sale exceeded the amount of purchase orders. There is a very limited market for the ARS at this time. We do not currently intend to attempt to sell the ARS as the liquidity needs of our insurance subsidiary are expected to be met by other investments in its investment portfolio. If uncertainties in the credit and capital markets continue or there are ratings downgrades on the ARS held by our insurance subsidiary, we may be required to recognize other-than-temporary impairments on these long-term investments in future periods.

We are also exposed to market risk related to changes in interest rates and periodically enter into interest rate swap agreements to manage our exposure to these fluctuations. Our interest rate swap agreements involve the exchange of fixed and variable rate interest payments between two parties, based on common notional principal amounts and maturity dates. The net interest payments based on the notional amounts in these agreements generally match the timing of the cash flows of the related liabilities. The notional amounts of the swap agreements represent balances used to calculate the exchange of cash flows and are not assets or liabilities of HCA. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosures About Market Risk."

Since The Recapitalization, The Investors Control Us And May Have Conflicts Of Interest With Us In The Future.

As of December 31, 2008, the Investors and certain other investors indirectly own 97.3% of our capital stock due to the Recapitalization. As a result, the Investors have control over our decisions to enter into any significant corporate transaction and have the ability to prevent any transaction that requires the approval of shareholders. For example, the Investors could cause us to make acquisitions that increase the amount of our indebtedness or sell assets.

Additionally, the Sponsors are in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us. One or more of the Sponsors may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. So long as investment funds associated with or designated by the Sponsors continue to indirectly own a significant amount of the outstanding shares of our common stock, even if such amount is less than 50%, the Sponsors will continue to be able to strongly influence or effectively control our decisions.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

The following table lists, by state, the number of hospitals (general, acute care, psychiatric and rehabilitation) directly or indirectly owned and operated by us as of December 31, 2008:

State	Hospitals	Beds
Alaska	1	250
California	5	1,511
Colorado	7	2,257
Florida	38	9,673
Georgia	11	1,925
Idaho	2	481
Indiana	1	278
Kansas	4	1,286
Kentucky	2	384
Louisiana	10	1,625
Mississippi	1	130
Missouri	6	1,055
Nevada	3	1,075
New Hampshire	2	295
Oklahoma	2	793
South Carolina	3	740
Tennessee	13	2,287
Texas	34	10,191
Utah	6	968
Virginia	9	2,963
International		
England	6	704
	166	40,871

In addition to the hospitals listed in the above table, we directly or indirectly operate 105 freestanding surgery centers. We also operate medical office buildings in conjunction with some of our hospitals. These office buildings are primarily occupied by physicians who practice at our hospitals. Under our senior secured cash flow credit facility entered into in connection with the Recapitalization, 14 of our general, acute care hospitals were mortgaged as collateral.

We maintain our headquarters in approximately 1,209,000 square feet of space in the Nashville, Tennessee area. In addition to the headquarters in Nashville, we maintain regional service centers related to our shared services initiatives. These service centers are located in markets in which we operate hospitals.

We believe our headquarters, hospitals and other facilities are suitable for their respective uses and are, in general, adequate for our present needs. Our properties are subject to various federal, state and local statutes and ordinances regulating their operation. Management does not believe that compliance with such statutes and ordinances will materially affect our financial position or results of operations.

Item 3. ***Legal Proceedings***

We operate in a highly regulated and litigious industry. As a result, various lawsuits, claims and legal and regulatory proceedings have been and can be expected to be instituted or asserted against us. The resolution of any such lawsuits, claims or legal and regulatory proceedings could have a material, adverse effect on our results of operations or financial position in a given period.

Government Investigations, Claims and Litigation

In January 2001, we entered into an eight-year CIA with the OIG which expired on January 24, 2009. Violation or breach of the CIA, or violation of federal or state laws relating to Medicare, Medicaid or similar programs, could subject us to substantial monetary fines, civil and criminal penalties and/or exclusion from participation in the Medicare and Medicaid programs. Alleged violations may be pursued by the government or through private *qui tam* actions. Sanctions imposed against us as a result of such actions could have a material, adverse effect on our results of operations or financial position.

ERISA Litigation

On November 22, 2005, Brenda Thurman, a former employee of an HCA affiliate, filed a complaint in the United States District Court for the Middle District of Tennessee on behalf of herself, the HCA Savings and Retirement Program (the "Plan"), and a class of participants in the Plan who held an interest in our common stock, against our Chairman and Chief Executive Officer, President and Chief Operating Officer, Executive Vice President and Chief Financial Officer, and other unnamed individuals. The lawsuit, filed under sections 502(a)(2) and 502(a)(3) of the Employee Retirement Income Security Act ("ERISA"), 29 U.S.C. §§ 1132(a)(2) and (3), alleges that defendants breached their fiduciary duties owed to the Plan and to plan participants and seeks monetary damages and injunctions and other relief.

On January 13, 2006, the court signed an order staying all proceedings and discovery in this matter, pending resolution of a motion to dismiss the consolidated amended complaint in a related federal securities class action against HCA. On January 18, 2006, the magistrate judge signed an order (1) consolidating Thurman's cause of action with all other future actions making the same claims and arising out of the same operative facts, (2) appointing Thurman as lead plaintiff, and (3) appointing Thurman's attorneys as lead counsel and liaison counsel in the case. We have reached an agreement in principle to settle this suit, subject to final court approval.

Merger Litigation in State Court

On October 23, 2006, the Foundation for Seacoast Health (the "Foundation") filed a lawsuit against us and one of our affiliates, HCA Health Services of New Hampshire, Inc., in the Superior Court of Rockingham County, New Hampshire. Among other things, the complaint seeks to enforce certain provisions of an asset purchase agreement between the parties, including a purported right of first refusal to purchase a New Hampshire hospital, that allegedly were triggered by the Merger and other prior events. The Foundation initially sought to enjoin the Merger. However, the parties reached an agreement that allowed the Merger to proceed, while preserving the plaintiff's opportunity to litigate whether the Merger triggered the right of first refusal to purchase the hospital and, if so, at what price the hospital could be repurchased. On May 25, 2007, the court granted HCA's motion for summary judgment disposing of the Foundation's central claims. The Foundation filed an appeal from the final judgment. On July 15, 2008, the New Hampshire Supreme Court held that the Merger did not trigger the right of first refusal. The Court remanded to the lower court the claim that the right of first refusal had been triggered by certain intra-corporate transactions in 1999. The Court did not determine the merits of that claim, and we will continue to defend the claim vigorously.

General Liability and Other Claims

On April 10, 2006, a class action complaint was filed against us in the District Court of Kansas alleging, among other matters, nurse understaffing at all of our hospitals, certain consumer protection act violations, negligence and unjust enrichment. The complaint is seeking, among other relief, declaratory relief and monetary damages, including disgorgement of profits of $12.250 billion. A motion to dismiss this action was granted on July 27, 2006, but the plaintiffs appealed this dismissal. While the appeal was pending, the Kansas Supreme Court for the first time construed the Kansas Consumer Protection Act to apply to the provision of medical services. Based on that new ruling, the 10th Circuit reversed the district court's dismissal and remanded the action for further consideration by the trial court. We will continue to defend this claim vigorously.

We are a party to certain proceedings relating to claims for income taxes and related interest in the United States Tax Court. For a description of those proceedings, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Pending IRS Disputes" and Note 6 to our consolidated financial statements.

We are also subject to claims and suits arising in the ordinary course of business, including claims for personal injuries or for wrongful restriction of, or interference with, physicians' staff privileges. In certain of these actions the claimants have asked for punitive damages against us, which may not be covered by insurance. In the opinion of management, the ultimate resolution of these pending claims and legal proceedings will not have a material, adverse effect on our results of operations or financial position.

Item 4. ***Submission of Matters to a Vote of Security Holders***

No matters were submitted to a vote of security holders during the fourth quarter of 2008.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Our outstanding common stock is privately held, and there is no established public trading market for our common stock. As of February 25, 2009, there were 631 holders of our common stock. See Item 7, "Management's Discussion and Analysis of Financial condition and Results of Operations — Liquidity and Capital Resources — Financing Activities" for a description of the restrictions on our ability to pay dividends. We did not pay any dividends in 2007 or 2008.

During the quarter ended December 31, 2008, HCA issued 431,216 shares of common stock in connection with the cashless exercise of stock options for aggregate consideration of $5,498,004 resulting in 217,732 net settled shares. The shares were issued without registration in reliance on the exemptions afforded by Section 4(2) of the Securities Act of 1933, as amended, and Rule 701 promulgated thereunder.

On April 29, 2008, we registered our common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended.

The following table provides certain information with respect to our repurchase of common stock from October 1, 2008 through December 31, 2008.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under Publicly Announced Plans or Programs
October 1, 2008 through October 31, 2008	—	$ —	—	$ —
November 1, 2008 through November 30, 2008	6,111	$ 55.86	—	—
December 1, 2008 through December 31, 2008	26,121	$ 55.86	—	—
Total for Fourth Quarter 2008	32,232	$ 55.86	—	$ —

During the fourth quarter of 2008, we purchased 32,232 shares pursuant to the terms of the Management Stockholders Agreement and/or separation agreements and stock purchase agreements between former employees and the Company.

Item 6. ***Selected Financial Data***

HCA INC.
SELECTED FINANCIAL DATA
AS OF AND FOR THE YEARS ENDED DECEMBER 31
(Dollars in millions)

	2008	2007	2006	2005	2004
Summary of Operations:					
Revenues	**$ 28,374**	$ 26,858	$ 25,477	$ 24,455	$ 23,502
Salaries and benefits	**11,440**	10,714	10,409	9,928	9,419
Supplies	**4,620**	4,395	4,322	4,126	3,901
Other operating expenses	**4,554**	4,241	4,056	4,034	3,769
Provision for doubtful accounts	**3,409**	3,130	2,660	2,358	2,669
Equity in earnings of affiliates	**(223)**	(206)	(197)	(221)	(194)
Gains on investments	**—**	(8)	(243)	(53)	(56)
Depreciation and amortization	**1,416**	1,426	1,391	1,374	1,250
Interest expense	**2,021**	2,215	955	655	563
Gains on sales of facilities	**(97)**	(471)	(205)	(78)	—
Impairment of long-lived assets	**64**	24	24	—	12
Transaction costs	**—**	—	442	—	—
	27,204	25,460	23,614	22,123	21,333
Income before minority interests and income taxes	**1,170**	1,398	1,863	2,332	2,169
Minority interests in earnings of consolidated entities	**229**	208	201	178	168
Income before income taxes	**941**	1,190	1,662	2,154	2,001
Provision for income taxes	**268**	316	626	730	755
Net income	**$ 673**	$ 874	$ 1,036	$ 1,424	$ 1,246
Financial Position:					
Assets	**$ 24,280**	$ 24,025	$ 23,675	$ 22,225	$ 21,840
Working capital	**2,391**	2,356	2,502	1,320	1,509
Long-term debt, including amounts due within one year	**26,989**	27,308	28,408	10,475	10,530
Minority interests in equity of consolidated entities	**995**	938	907	828	809
Equity securities with contingent redemption rights	**155**	164	125	—	—
Stockholders' (deficit) equity	**(10,255)**	(10,538)	(11,374)	4,863	4,407
Cash Flow Data:					
Cash provided by operating activities	**$ 1,797**	$ 1,396	$ 1,845	$ 2,971	$ 2,954
Cash used in investing activities	**(1,467)**	(479)	(1,307)	(1,681)	(1,688)
Cash used in financing activities	**(258)**	(1,158)	(240)	(1,212)	(1,347)

	2008	2007	2006	2005	2004
Operating Data:					
Number of hospitals at end of period(a)	**158**	161	166	175	182
Number of freestanding outpatient surgical centers at end of period(b)	**97**	99	98	87	84
Number of licensed beds at end of period(c)	**38,504**	38,405	39,354	41,265	41,852
Weighted average licensed beds(d)	**38,422**	39,065	40,653	41,902	41,997
Admissions(e)	**1,541,800**	1,552,700	1,610,100	1,647,800	1,659,200
Equivalent admissions(f)	**2,363,600**	2,352,400	2,416,700	2,476,600	2,454,000
Average length of stay (days)(g)	**4.9**	4.9	4.9	4.9	5.0
Average daily census(h)	**20,795**	21,049	21,688	22,225	22,493
Occupancy(i)	**54%**	54%	53%	53%	54%
Emergency room visits(j)	**5,246,400**	5,116,100	5,213,500	5,415,200	5,219,500
Outpatient surgeries(k)	**797,400**	804,900	820,900	836,600	834,800
Inpatient surgeries(l)	**493,100**	516,500	533,100	541,400	541,000
Days revenues in accounts receivable(m)	**49**	53	53	50	48
Gross patient revenues(n)	**$ 102,843**	$ 92,429	$ 84,913	$ 78,662	$ 71,279
Outpatient revenues as a % of patient revenues(o)	**37%**	37%	36%	36%	37%

(a) Excludes eight facilities in 2008 and 2007 and seven facilities in 2006, 2005 and 2004 that are not consolidated (accounted for using the equity method) for financial reporting purposes.

(b) Excludes eight facilities in 2008, nine facilities in 2007 and 2006, seven facilities in 2005 and eight facilities in 2004 that are not consolidated (accounted for using the equity method) for financial reporting purposes.

(c) Licensed beds are those beds for which a facility has been granted approval to operate from the applicable state licensing agency.

(d) Weighted average licensed beds represents the average number of licensed beds, weighted based on periods owned.

(e) Represents the total number of patients admitted to our hospitals and is used by management and certain investors as a general measure of inpatient volume.

(f) Equivalent admissions are used by management and certain investors as a general measure of combined inpatient and outpatient volume. Equivalent admissions are computed by multiplying admissions (inpatient volume) by the sum of gross inpatient revenue and gross outpatient revenue and then dividing the resulting amount by gross inpatient revenue. The equivalent admissions computation "equates" outpatient revenue to the volume measure (admissions) used to measure inpatient volume, resulting in a general measure of combined inpatient and outpatient volume.

(g) Represents the average number of days admitted patients stay in our hospitals.

(h) Represents the average number of patients in our hospital beds each day.

(i) Represents the percentage of hospital licensed beds occupied by patients. Both average daily census and occupancy rate provide measures of the utilization of inpatient rooms.

(j) Represents the number of patients treated in our emergency rooms.

(k) Represents the number of surgeries performed on patients who were not admitted to our hospitals. Pain management and endoscopy procedures are not included in outpatient surgeries.

(l) Represents the number of surgeries performed on patients who have been admitted to our hospitals. Pain management and endoscopy procedures are not included in inpatient surgeries.

(m) Revenues per day is calculated by dividing the revenues for the period by the days in the period. Days revenues in accounts receivable is then calculated as accounts receivable, net of the allowance for doubtful accounts, at the end of the period divided by revenues per day.

(n) Gross patient revenues are based upon our standard charge listing. Gross charges/revenues typically do not reflect what our hospital facilities are paid. Gross charges/revenues are reduced by contractual adjustments, discounts and charity care to determine reported revenues.

(o) Represents the percentage of patient revenues related to patients who are not admitted to our hospitals.

HCA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The selected financial data and the accompanying consolidated financial statements present certain information with respect to the financial position, results of operations and cash flows of HCA Inc. which should be read in conjunction with the following discussion and analysis. The terms "HCA," "Company," "we," "our," or "us," as used herein, refer to HCA Inc. and our affiliates unless otherwise stated or indicated by context. The term "affiliates" means direct and indirect subsidiaries of HCA Inc. and partnerships and joint ventures in which such subsidiaries are partners.

Forward-Looking Statements

This annual report on Form 10-K includes certain disclosures which contain "forward-looking statements." Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words like "may," "believe," "will," "expect," "project," "estimate," "anticipate," "plan," "initiative" or "continue." These forward-looking statements are based on our current plans and expectations and are subject to a number of known and unknown uncertainties and risks, many of which are beyond our control, that could significantly affect current plans and expectations and our future financial position and results of operations. These factors include, but are not limited to, (1) the ability to recognize the benefits of the Recapitalization, (2) the impact of the substantial indebtedness incurred to finance the Recapitalization and the ability to refinance such indebtedness on acceptable terms, (3) increases, particularly in the current economic downturn, in the amount and risk of collectibility of uninsured accounts and deductibles and copayment amounts for insured accounts, (4) the ability to achieve operating and financial targets, and attain expected levels of patient volumes and control the costs of providing services, (5) possible changes in the Medicare, Medicaid and other state programs, including Medicaid supplemental payments pursuant to upper payment limit ("UPL") programs, that may impact reimbursements to health care providers and insurers, (6) the highly competitive nature of the health care business, (7) changes in revenue mix, including potential declines in the population covered under managed care agreements due to the current economic downturn and the ability to enter into and renew managed care provider agreements on acceptable terms, (8) the efforts of insurers, health care providers and others to contain health care costs, (9) the outcome of our continuing efforts to monitor, maintain and comply with appropriate laws, regulations, policies and procedures, (10) changes in federal, state or local laws or regulations affecting the health care industry, (11) increases in wages and the ability to attract and retain qualified management and personnel, including affiliated physicians, nurses and medical and technical support personnel, (12) the possible enactment of federal or state health care reform, (13) the availability and terms of capital to fund the expansion of our business and improvements to our existing facilities, (14) changes in accounting practices, (15) changes in general economic conditions nationally and regionally in our markets, (16) future divestitures which may result in charges, (17) changes in business strategy or development plans, (18) delays in receiving payments for services provided, (19) the outcome of pending and any future tax audits, appeals and litigation associated with our tax positions, (20) potential liabilities and other claims that may be asserted against us, and (21) other risk factors described in this annual report on Form 10-K. As a consequence, current plans, anticipated actions and future financial position and results of operations may differ from those expressed in any forward-looking statements made by or on behalf of HCA. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this report.

2008 Operations Summary

Net income totaled $673 million for the year ended December 31, 2008 compared to $874 million for the year ended December 31, 2007. The 2008 results include gains on sales of facilities of $97 million and impairments of long-lived assets of $64 million. The 2007 results include gains on investments of $8 million, gains on sales of facilities of $471 million and an impairment of long-lived assets of $24 million.

2008 Operations Summary (Continued)

Revenues increased 5.6% on a consolidated basis and 7.0% on a same facility basis for the year ended December 31, 2008 compared to the year ended December 31, 2007. The consolidated revenues increase can be attributed to the combined impact of a 5.2% increase in revenue per equivalent admission and a 0.5% increase in equivalent admissions. The same facility revenues increase resulted from a 5.1% increase in same facility revenue per equivalent admission and a 1.9% increase in same facility equivalent admissions.

During the year ended December 31, 2008, consolidated admissions declined 0.7% and same facility admissions increased 0.9% compared to the year ended December 31, 2007. Inpatient surgical volumes declined 4.5% on a consolidated basis and declined 0.5% on a same facility basis during the year ended December 31, 2008, compared to the year ended December 31, 2007. Outpatient surgical volumes declined 0.9% on a consolidated basis and declined 0.2% on a same facility basis during the year ended December 31, 2008, compared to the year ended December 31, 2007.

For the year ended December 31, 2008, the provision for doubtful accounts increased to 12.0% of revenues from 11.7% of revenues for the year ended December 31, 2007. Same facility uninsured admissions increased 1.7% and same facility uninsured emergency room visits increased 4.5% for the year ended December 31, 2008 compared to the year ended December 31, 2007.

Interest expense totaled $2.021 billion for the year ended December 31, 2008 compared to $2.215 billion for the year ended December 31, 2007. The $194 million decrease in interest expense for 2008 was due to reductions in both the average debt balance and average interest rate during 2008.

Business Strategy

We are committed to providing the communities we serve high quality, cost-effective health care while complying fully with our ethics policy, governmental regulations and guidelines and industry standards. As a part of this strategy, management focuses on the following principal elements:

Maintain Our Dedication to the Care and Improvement of Human Life. Our business is built on putting patients first and providing high quality health care services in the communities we serve. Our dedicated professionals oversee our Quality Review System, which measures clinical outcomes, satisfaction and regulatory compliance to improve hospital quality and performance. We are implementing hospitalist programs in some facilities, evidence-based medicine programs and infection reduction initiatives. In addition, we continue to implement advanced health information technology to improve the quality and convenience of services to our communities. We are using our advanced electronic medication administration record, which uses bar coding technology to ensure that each patient receives the right medication, to build toward a fully electronic health record that will provide convenient access, electronic order entry and decision support for physicians. These technologies improve patient safety, quality and efficiency.

Maintain Our Commitment to Ethics and Compliance. We are committed to a corporate culture highlighted by the following values — compassion, honesty, integrity, fairness, loyalty, respect and kindness. Our comprehensive ethics and compliance program reinforces our dedication to these values.

Leverage Our Leading Local Market Positions. We strive to maintain and enhance the leading positions that we enjoy in the majority of our markets. We believe that the broad geographic presence of our facilities across a range of markets, in combination with the breadth and quality of services provided by our facilities, increases our attractiveness to patients and large employers and positions us to negotiate more favorable terms from commercial payers and increase the number of payers with whom we contract. We also intend to strategically enhance our outpatient presence in our communities to attract more patients to our facilities.

Business Strategy (Continued)

Expand Our Presence in Key Markets. We seek to grow our business in key markets, focusing on large, high growth urban and suburban communities, primarily in the southern and western regions of the United States. We seek to strategically invest in new and expanded services at our existing hospitals and surgery centers to increase our revenues at those facilities and provide the benefits of medical technology advances to our communities. We intend to continue to expand high volume and high margin specialty services, such as cardiology and orthopedic services, and increase the capacity, scope and convenience of our outpatient facilities. To complement this intrinsic growth, we intend to continue to opportunistically develop and acquire new hospitals and outpatient facilities.

Continue to Leverage Our Scale. We will continue to obtain price efficiencies through our group purchasing organization and build on the cost savings and efficiencies in billing, collection and other processes we have achieved through our regional service centers. We are increasingly taking advantage of our national scale by contracting for services on a multistate basis. We will expand our successful shared services model for additional clinical and support functions, such as physician credentialing, medical transcription and electronic medical recordkeeping, across multiple markets.

Continue to Develop Enduring Physician Relationships. We depend on the quality and dedication of the physicians who serve at our facilities, and we recruit both primary care physicians and specialists to meet community needs. We often assist recruited physicians with establishing and building a practice or joining an existing practice in compliance with regulatory standards. We intend to improve both service levels and revenues in our markets by:

- expanding the number of high quality specialty services, such as cardiology, orthopedics, oncology and neonatology;
- continuing to use joint ventures with physicians to further develop our outpatient business, particularly through ambulatory surgery centers and outpatient diagnostic centers;
- developing medical office buildings to provide convenient facilities for physicians to locate their practices and serve their patients; and
- continuing our focus on improving hospital quality and performance and implementing advanced technologies in our facilities to attract physicians to our facilities.

Become the Health Care Employer of Choice. We will continue to use a number of industry-leading practices to help ensure our hospitals are a health care employer of choice in their respective communities. Our staffing initiatives for both care providers and hospital management provide strategies for recruitment, compensation and productivity to increase employee retention and operating efficiency at our hospitals. For example, we maintain an internal contract nursing agency to supply our hospitals with high quality staffing at a lower cost than external agencies. In addition, we have developed several proprietary training and career development programs for our physicians and hospital administrators, including an executive development program designed to train the next generation of hospital leadership. We believe our continued investment in the training and retention of employees improves the quality of care, enhances operational efficiency and fosters employee loyalty.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses. Our estimates are based on historical experience and various other assumptions we believe are reasonable under the circumstances. We evaluate our estimates on an ongoing basis and make changes to the estimates and related disclosures as experience develops or new information becomes known. Actual results may differ from these estimates.

Critical Accounting Policies and Estimates (Continued)

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenues

Revenues are recorded during the period the health care services are provided, based upon the estimated amounts due from payers. Estimates of contractual allowances under managed care health plans are based upon the payment terms specified in the related contractual agreements. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The estimated reimbursement amounts are made on a payer-specific basis and are recorded based on the best information available regarding management's interpretation of the applicable laws, regulations and contract terms. Management continually reviews the contractual estimation process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals. We have invested significant resources to refine and improve our computerized billing systems and the information system data used to make contractual allowance estimates. We have developed standardized calculation processes and related training programs to improve the utility of our patient accounting systems.

The Emergency Medical Treatment and Active Labor Act ("EMTALA") requires any hospital participating in the Medicare program to conduct an appropriate medical screening examination of every person who presents to the hospital's emergency room for treatment and, if the individual is suffering from an emergency medical condition, to either stabilize the condition or make an appropriate transfer of the individual to a facility able to handle the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of an individual's ability to pay for treatment. Federal and state laws and regulations, including but not limited to EMTALA, require, and our commitment to providing quality patient care encourages, the provision of services to patients who are financially unable to pay for the health care services they receive.

We do not pursue collection of amounts related to patients who meet our guidelines to qualify as charity care; therefore, they are not reported in revenues. Patients treated at our hospitals for nonelective care, who have income at or below 200% of the federal poverty level, are eligible for charity care. The federal poverty level is established by the federal government and is based on income and family size. We provide discounts from our gross charges to uninsured patients who do not qualify for Medicaid or charity care. These discounts are similar to those provided to many local managed care plans.

Due to the complexities involved in the classification and documentation of health care services authorized and provided, the estimation of revenues earned and the related reimbursement are often subject to interpretations that could result in payments that are different from our estimates. A hypothetical 1% change in net receivables that are subject to contractual discounts at December 31, 2008 would result in an impact on pretax earnings of approximately $34 million.

Provision for Doubtful Accounts and the Allowance for Doubtful Accounts

The collection of outstanding receivables from Medicare, managed care payers, other third-party payers and patients is our primary source of cash and is critical to our operating performance. The primary collection risks relate to uninsured patient accounts, including patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. The provision for doubtful accounts and the allowance for doubtful accounts relate primarily to amounts due directly from patients. An estimated allowance for doubtful accounts is recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed. Prior to 2007, we considered the return of an account from the

Critical Accounting Policies and Estimates (Continued)

Provision for Doubtful Accounts and the Allowance for Doubtful Accounts (Continued)

primary external collection agency to be the culmination of our reasonable collection efforts and the timing basis for writing off the account balance. During 2007, we modified our collection policies to establish a review of all accounts against certain standard collection criteria, upon completion of our internal collection efforts. Accounts determined to possess positive collectibility attributes are forwarded to a secondary external collection agency and the other accounts are written off. The accounts that are not collected by the secondary external collection agency are written off when they are returned to us by the collection agency (usually within 18 months). Our collection policy change results in a delay in writing off the accounts forwarded to the secondary external collection agency compared to our previous policy, and during 2007 and 2008, we incurred increases in both our gross accounts receivable and the allowance for doubtful accounts due to this delay in recording writeoffs. Writeoffs are based upon specific identification and the writeoff process requires a writeoff adjustment entry to the patient accounting system. We do not pursue collection of amounts related to patients that meet our guidelines to qualify as charity care. Charity care is not reported in revenues and does not have an impact on the provision for doubtful accounts.

The amount of the provision for doubtful accounts is based upon management's assessment of historical writeoffs and expected net collections, business and economic conditions, trends in federal, state, and private employer health care coverage and other collection indicators. Management relies on the results of detailed reviews of historical writeoffs and recoveries at facilities that represent a majority of our revenues and accounts receivable (the "hindsight analysis") as a primary source of information in estimating the collectibility of our accounts receivable. We perform the hindsight analysis quarterly, utilizing rolling twelve-months accounts receivable collection and writeoff data. At December 31, 2008, the allowance for doubtful accounts represented approximately 93% of the $5.838 billion patient due accounts receivable balance, including accounts, net of the related estimated contractual discounts, related to patients for which eligibility for Medicaid assistance or charity was being evaluated ("pending Medicaid accounts"). At December 31, 2007, the allowance for doubtful accounts represented approximately 89% of the $4.825 billion patient due accounts receivable balance, including pending Medicaid accounts, net of the related estimated contractual discounts. Days revenues in accounts receivable were 49 days, 53 days and 53 days at December 31, 2008, 2007 and 2006, respectively. Management expects a continuation of the challenges related to the collection of the patient due accounts. Adverse changes in the percentage of our patients having adequate health care coverage, general economic conditions, patient accounting service center operations, payer mix, or trends in federal, state, and private employer health care coverage could affect the collection of accounts receivable, cash flows and results of operations.

Critical Accounting Policies and Estimates (Continued)

Provision for Doubtful Accounts and the Allowance for Doubtful Accounts (Continued)

The approximate breakdown of accounts receivable by payer classification as of December 31, 2008 and 2007 is set forth in the following table:

	% of Accounts Receivable		
	Under 91 Days	91—180 Days	Over 180 Days
Accounts receivable aging at December 31, 2008:			
Medicare and Medicaid	10%	1%	2%
Managed care and other insurers	17	4	3
Uninsured	21	9	33
Total	48%	14%	38%
Accounts receivable aging at December 31, 2007:			
Medicare and Medicaid	11%	1%	2%
Managed care and other insurers	19	4	4
Uninsured	20	11	28
Total	50%	16%	34%

Professional Liability Claims

We, along with virtually all health care providers, operate in an environment with professional liability risks. Since January 1, 2007, our facilities are insured by our wholly-owned insurance subsidiary for losses up to $50 million per occurrence, subject to a $5 million per occurrence self-insured retention. Prior to 2007, our facilities' coverage with our insurance subsidiary was not subject to the $5 million self-insured retention and a substantial portion of our professional liability risks was insured through our wholly-owned insurance subsidiary. Reserves for professional liability risks were $1.387 billion and $1.513 billion at December 31, 2008 and 2007, respectively. The current portion of these reserves, $279 million and $280 million at December 31, 2008 and 2007, respectively, is included in "other accrued expenses." Obligations covered by reinsurance contracts are included in the reserves for professional liability risks, as the insurance subsidiary remains liable to the extent reinsurers do not meet their obligations. Reserves for professional liability risks (net of $57 million and $44 million receivable under reinsurance contracts at December 31, 2008 and 2007, respectively) were $1.330 billion and $1.469 billion at December 31, 2008 and 2007, respectively. Reserves and provisions for professional liability risks are based upon actuarially determined estimates. The estimated reserve ranges, net of amounts receivable under reinsurance contracts, were $1.102 billion to $1.332 billion at December 31, 2008 and $1.224 billion to $1.471 billion at December 31, 2007. Reserves for professional liability risks represent the estimated ultimate cost of all reported and unreported losses incurred through the respective consolidated balance sheet dates. The reserves are estimated using individual case-basis valuations and actuarial analyses. Those estimates are subject to the effects of trends in loss severity and frequency. The estimates are continually reviewed and adjustments are recorded as experience develops or new information becomes known. Changes to the estimated reserve amounts are included in current operating results. Provisions for losses related to professional liability risks were $175 million, $163 million and $217 million for the years ended December 31, 2008, 2007 and 2006, respectively.

The reserves for professional liability risks cover approximately 2,800 and 2,600 individual claims at December 31, 2008 and 2007, respectively, and estimates for unreported potential claims. The time period required to resolve these claims can vary depending upon the jurisdiction and whether the claim is settled or litigated. The estimation of the timing of payments beyond a year can vary significantly. Due to the considerable variability that is

Critical Accounting Policies and Estimates (Continued)

inherent in such estimates, there can be no assurance that the ultimate liability will not exceed management's estimates.

Income Taxes

We calculate our provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized by identifying the temporary differences that arise from the recognition of items in different periods for tax and accounting purposes. Deferred tax assets generally represent the tax effects of amounts expensed in our income statement for which tax deductions will be claimed in future periods.

Although we believe that we have properly reported taxable income and paid taxes in accordance with applicable laws, federal, state or international taxing authorities may challenge our tax positions upon audit. We account for uncertain tax positions in accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes." Accordingly, we report a liability for unrecognized tax benefits from uncertain tax positions taken or expected to be taken in our income tax return. Final audit results may vary from our estimates.

Results of Operations

Revenue/Volume Trends

Our revenues depend upon inpatient occupancy levels, the ancillary services and therapy programs ordered by physicians and provided to patients, the volume of outpatient procedures and the charge and negotiated payment rates for such services. Gross charges typically do not reflect what our facilities are actually paid. Our facilities have entered into agreements with third-party payers, including government programs and managed care health plans, under which the facilities are paid based upon the cost of providing services, predetermined rates per diagnosis, fixed per diem rates or discounts from gross charges. We do not pursue collection of amounts related to patients who meet our guidelines to qualify for charity care; therefore, they are not reported in revenues. We provide discounts to uninsured patients who do not qualify for Medicaid or charity care that are similar to the discounts provided to many local managed care plans.

Revenues increased 5.6% to $28.374 billion for the year ended December 31, 2008 from $26.858 billion for the year ended December 31, 2007 and increased 5.4% for the year ended December 31, 2007 from $25.477 billion for the year ended December 31, 2006. The increase in revenues in 2008 can be primarily attributed to the combined impact of a 5.2% increase in revenue per equivalent admission and a 0.5% increase in equivalent admissions compared to the prior year. The increase in revenues in 2007 can be primarily attributed to an 8.3% increase in revenue per equivalent admission, offsetting a 2.7% decline in equivalent admissions compared to 2006.

Admissions declined 0.7% in 2008 compared to 2007 and declined 3.6% in 2007 compared to 2006. Inpatient surgeries declined 4.5% and outpatient surgeries declined 0.9% during 2008 compared to 2007. Inpatient surgeries declined 3.1% and outpatient surgeries declined 2.0% during 2007 compared to 2006. Emergency room visits increased 2.5% during 2008 compared to 2007 and declined 1.9% during 2007 compared to 2006.

Same facility revenues increased 7.0% for the year ended December 31, 2008 compared to the year ended December 31, 2007 and increased 7.4% for the year ended December 31, 2007 compared to the year ended December 31, 2006. The 7.0% increase for 2008 can be primarily attributed to the combined impact of a 5.1% increase in same facility revenue per equivalent admission and a 1.9% increase in same facility equivalent admissions. The 7.4% increase for 2007 can be primarily attributed to an 8.1% increase in same facility revenue per equivalent admission, offsetting a 0.7% decline in equivalent admissions.

Same facility admissions increased 0.9% in 2008 compared to 2007 and declined 1.3% in 2007 compared to 2006. Same facility inpatient surgeries declined 0.5% and same facility outpatient surgeries declined 0.2% during

Results of Operations (Continued)

Revenue/Volume Trends (Continued)

2008 compared to 2007. Same facility inpatient surgeries declined 1.0% and same facility outpatient surgeries declined 1.1% during 2007 compared to 2006. Same facility emergency room visits increased 3.6% during 2008 compared to 2007 and increased 0.7% during 2007 compared to 2006.

Same facility uninsured emergency room visits increased 4.5% and same facility uninsured admissions increased 1.7% during 2008 compared to 2007. Same facility uninsured emergency room visits increased 7.3% and same facility uninsured admissions increased 9.4% during 2007 compared to 2006. Management believes same facility uninsured emergency room visits and same facility uninsured admissions could continue to increase during 2009 if the adverse general economic and unemployment trends continue.

Admissions related to Medicare, managed Medicare, Medicaid, managed Medicaid, managed care and other insurers and the uninsured for the years ended December 31, 2008, 2007 and 2006 are set forth below.

	Years Ended December 31,		
	2008	2007	2006
Medicare	**35%**	35%	37%
Managed Medicare	**9**	7	6
Medicaid	**8**	8	9
Managed Medicaid	**7**	7	6
Managed care and other insurers	**35**	37	36
Uninsured	**6**	6	6
	100%	100%	100%

Several factors negatively affected patient volumes in 2008 and 2007. More stringent enforcement of case management guidelines led to certain patient services being classified as outpatient observation visits instead of one-day admissions. Unit closures and changes in Medicare admission guidelines led to reductions in rehabilitation and skilled nursing admissions. Cardiac admissions have been affected by competition from physician-owned heart hospitals.

The approximate percentages of our inpatient revenues related to Medicare, managed Medicare, Medicaid, managed Medicaid, managed care plans and other insurers and the uninsured for the years ended December 31, 2008, 2007 and 2006 are set forth below.

	Years Ended December 31,		
	2008	2007	2006
Medicare	**31%**	32%	34%
Managed Medicare	**8**	7	6
Medicaid	**7**	7	6
Managed Medicaid	**4**	4	3
Managed care and other insurers	**44**	44	46
Uninsured	**6**	6	5
	100%	100%	100%

At December 31, 2008, we owned and operated 38 hospitals and 33 surgery centers in the state of Florida. Our Florida facilities' revenues totaled $7.099 billion and $6.732 billion for the years ended December 31, 2008 and 2007, respectively. At December 31, 2008, we owned and operated 34 hospitals and 23 surgery centers in the state of

Results of Operations (Continued)

Revenue/Volume Trends (Continued)

Texas. Our Texas facilities' revenues totaled $7.351 billion and $6.911 billion for the years ended December 31, 2008 and 2007, respectively. During 2008 and 2007, 55% of our admissions and 51% of our revenues were generated by our Florida and Texas facilities. Uninsured admissions in Florida and Texas represented 63% and 62% of our uninsured admissions during 2008 and 2007, respectively.

We provided $1.747 billion, $1.530 billion and $1.296 billion of charity care (amounts are based upon our gross charges) during the years ended December 31, 2008, 2007 and 2006, respectively. We provide discounts to uninsured patients who do not qualify for Medicaid or charity care. These discounts are similar to those provided to many local managed care plans and totaled $1.853 billion, $1.474 billion and $1.095 billion for the years ended December 31, 2008, 2007 and 2006, respectively.

We receive a significant portion of our revenues from government health programs, principally Medicare and Medicaid, which are highly regulated and subject to frequent and substantial changes. We have increased the indigent care services we provide in several communities in the state of Texas, in affiliation with other hospitals. The state of Texas has been involved in the effort to increase the indigent care provided by private hospitals. As a result of this additional indigent care provided by private hospitals, public hospital districts or counties in Texas have available funds that were previously devoted to indigent care. The public hospital districts or counties are under no contractual or legal obligation to provide such indigent care. The public hospital districts or counties have elected to transfer some portion of these newly available funds to the state's Medicaid program. Such action is at the sole discretion of the public hospital districts or counties. It is anticipated that these contributions to the state will be matched with federal Medicaid funds. The state then may make supplemental payments to hospitals in the state for Medicaid services rendered. Hospitals receiving Medicaid supplemental payments may include those that are providing additional indigent care services. Such payments must be within the federal UPL established by federal regulation.

During 2007, based upon a review of certain expenditures claimed for federal Medicaid matching funds by the state of Texas, the Centers for Medicare and Medicaid Services ("CMS") deferred a portion of claimed amounts. CMS completed its review of the claimed expenditures and released the previously deferred amounts during 2008. Our Texas Medicaid revenues included $262 million and $232 million during 2008 and 2007, respectively, of Medicaid supplemental payments pursuant to UPL programs. We expect to continue to recognize net benefits related to the Texas Medicaid supplemental payment program based upon the routine incurrence of indigent care expenditures and expected processing of Medicaid supplemental payments.

Results of Operations (Continued)

Operating Results Summary

The following are comparative summaries of operating results for the years ended December 31, 2008, 2007 and 2006 (dollars in millions):

	2008		2007		2006	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Revenues	$ 28,374	100.0	$ 26,858	100.0	$ 25,477	100.0
Salaries and benefits	11,440	40.3	10,714	39.9	10,409	40.9
Supplies	4,620	16.3	4,395	16.4	4,322	17.0
Other operating expenses	4,554	16.1	4,241	15.7	4,056	16.0
Provision for doubtful accounts	3,409	12.0	3,130	11.7	2,660	10.4
Equity in earnings of affiliates	(223)	(0.8)	(206)	(0.8)	(197)	(0.8)
Gains on investments	—	—	(8)	—	(243)	(1.0)
Depreciation and amortization	1,416	5.0	1,426	5.4	1,391	5.5
Interest expense	2,021	7.1	2,215	8.2	955	3.7
Gains on sales of facilities	(97)	(0.3)	(471)	(1.8)	(205)	(0.8)
Impairment of long-lived assets	64	0.2	24	0.1	24	0.1
Transaction costs	—	—	—	—	442	1.7
	27,204	95.9	25,460	94.8	23,614	92.7
Income before minority interests and income taxes	1,170	4.1	1,398	5.2	1,863	7.3
Minority interests in earnings of consolidated entities	229	0.8	208	0.8	201	0.8
Income before income taxes	941	3.3	1,190	4.4	1,662	6.5
Provision for income taxes	268	0.9	316	1.1	626	2.4
Net income	$ 673	2.4	$ 874	3.3	$ 1,036	4.1
% changes from prior year:						
Revenues	5.6%		5.4%		4.2%	
Income before income taxes	(20.9)		(28.4)		(22.9)	
Net income	(23.0)		(15.7)		(27.2)	
Admissions(a)	(0.7)		(3.6)		(2.3)	
Equivalent admissions(b)	0.5		(2.7)		(2.4)	
Revenue per equivalent admission	5.2		8.3		6.8	
Same facility % changes from prior year(c):						
Revenues	7.0		7.4		6.2	
Admissions(a)	0.9		(1.3)		0.2	
Equivalent admissions(b)	1.9		(0.7)		—	
Revenue per equivalent admission	5.1		8.1		6.2	

(a) Represents the total number of patients admitted to our hospitals and is used by management and certain investors as a general measure of inpatient volume.

(b) Equivalent admissions are used by management and certain investors as a general measure of combined inpatient and outpatient volume. Equivalent admissions are computed by multiplying admissions (inpatient volume) by the sum of gross inpatient revenue and gross outpatient revenue and then dividing the resulting amount by gross inpatient revenue. The equivalent admissions computation "equates" outpatient revenue to the volume measure (admissions) used to measure inpatient volume, resulting in a general measure of combined inpatient and outpatient volume.

(c) Same facility information excludes the operations of hospitals and their related facilities that were either acquired, divested or removed from service during the current and prior year.

Results of Operations (Continued)

Years Ended December 31, 2008 and 2007

Net income totaled $673 million for the year ended December 31, 2008 compared to $874 million for the year ended December 31, 2007. Financial results for 2008 include gains on sales of facilities of $97 million and asset impairment charges of $64 million. Financial results for 2007 include gains on sales of facilities of $471 million and an asset impairment charge of $24 million.

Revenues increased 5.6% to $28.374 billion for 2008 from $26.858 billion for 2007. The increase in revenues was due primarily to the combined impact of a 5.2% increase in revenue per equivalent admission and a 0.5% increase in equivalent admissions compared to 2007. Same facility revenues increased 7.0% due primarily to the combined impact of a 5.1% increase in same facility revenue per equivalent admission and a 1.9% increase in same facility equivalent admissions compared to 2007.

During 2008, same facility admissions increased 0.9%, compared to 2007. Inpatient surgical volumes declined 4.5% on a consolidated basis and same facility inpatient surgeries declined 0.5% during 2008 compared to 2007. Outpatient surgical volumes declined 0.9% on a consolidated basis and same facility outpatient surgeries declined 0.2% during 2008 compared to 2007.

Salaries and benefits, as a percentage of revenues, were 40.3% in 2008 and 39.9% in 2007. Salaries and benefits per equivalent admission increased 6.3% in 2008 compared to 2007. Same facility labor rate increases averaged 5.1% for 2008 compared to 2007.

Supplies, as a percentage of revenues, were 16.3% in 2008 and 16.4% in 2007. Supply costs per equivalent admission increased 4.5% in 2008 compared to 2007. Same facility supply costs increased 8.0% for medical devices, 2.8% for pharmacy supplies, 18.7% for blood products and 6.6% for general medical and surgical items in 2008 compared to 2007.

Other operating expenses, as a percentage of revenues, increased to 16.1% in 2008 from 15.7% in 2007. Other operating expenses are primarily comprised of contract services, professional fees, repairs and maintenance, rents and leases, utilities, insurance (including professional liability insurance) and nonincome taxes. Increases in professional fees paid to hospitalists, emergency room physicians and anesthesiologists represented 20 basis points of the 2008 increase in other operating expenses. Other operating expenses include $143 million and $187 million of indigent care costs in certain Texas markets during 2008 and 2007, respectively. Provisions for losses related to professional liability risks were $175 million and $163 million for 2008 and 2007, respectively.

Provision for doubtful accounts, as a percentage of revenues, increased to 12.0% for 2008 from 11.7% in 2007. The provision for doubtful accounts and the allowance for doubtful accounts relate primarily to uninsured amounts due directly from patients. The increase in the provision for doubtful accounts, as a percentage of revenues, can be attributed to an increasing amount of patient financial responsibility under certain managed care plans and same facility increases in uninsured emergency room visits of 4.5% and uninsured admissions of 1.7% in 2008 compared to 2007. At December 31, 2008, our allowance for doubtful accounts represented approximately 93% of the $5.838 billion total patient due accounts receivable balance, including accounts, net of estimated contractual discounts, related to patients for which eligibility for Medicaid coverage was being evaluated.

Equity in earnings of affiliates increased from $206 million for 2007 to $223 million for 2008. Equity in earnings of affiliates relates primarily to our Denver, Colorado market joint venture.

No net gains on investments were recognized during 2008 and net gains on investments for 2007 of $8 million relate to sales of investment securities by our wholly-owned insurance subsidiary. Net unrealized losses on investment securities were $48 million at December 31, 2008, representing a $69 million decline from a net unrealized gain position of $21 million at December 31, 2007.

Results of Operations (Continued)

Years Ended December 31, 2008 and 2007 (Continued)

Depreciation and amortization decreased, as a percentage of revenue, to 5.0% in 2008 from 5.4% in 2007. Depreciation expense was $1.412 billion for 2008 and $1.421 billion for 2007.

Interest expense decreased to $2.021 billion for 2008 from $2.215 billion for 2007. The decrease in interest expense was due to reductions in both the average debt balance and the average effective interest rate on long-term debt. Our average debt balance was $27.211 billion for 2008 compared to $27.732 billion for 2007. The average interest rate for our long-term debt decreased from 7.6% at December 31, 2007 to 6.9% at December 31, 2008.

Gains on sales of facilities were $97 million for 2008 and included $81 million of net gains on the sales of two hospital facilities and $16 million of net gains on sales of real estate and other health care entity investments. Gains on sales of facilities were $471 million for 2007 and included a $312 million gain on the sale of our two Switzerland hospitals, a $131 million gain on the sale of a facility in Florida and $28 million of net gains on sales of real estate and other health care entity investments.

Minority interests in earnings of consolidated entities increased from $208 million for 2007 to $229 million for 2008. The increase relates primarily to our Austin, Texas market partnership and our group purchasing organization.

The effective tax rate was 28.5% for 2008 and 26.6% for 2007. Primarily as a result of reaching a settlement with the IRS Appeals Division and the revision of the amount of a proposed IRS adjustment related to prior taxable periods, we reduced our provision for income taxes by $69 million in 2008. Our 2007 provision for income taxes was reduced by $85 million, principally based on receiving new information related to tax positions taken in a prior taxable year, and by an additional $39 million to adjust 2006 state tax accruals to the amounts reported on completed tax returns and based upon an analysis of the Recapitalization costs. Excluding the effect of these adjustments, the effective tax rates for 2008 and 2007 would have been 35.8% and 37.0%, respectively.

Years Ended December 31, 2007 and 2006

Net income totaled $874 million for the year ended December 31, 2007 compared to $1.036 billion for the year ended December 31, 2006. Financial results for 2007 include gains on sales of facilities of $471 million, gains on investments of $8 million and an asset impairment charge of $24 million. Financial results for 2006 include gains on sales of facilities of $205 million, gains on investments of $243 million, expenses related to the Recapitalization of $442 million and an asset impairment charge of $24 million.

Revenues increased 5.4% to $26.858 billion for 2007 from $25.477 billion for 2006. The increase in revenues was due primarily to an 8.3% increase in revenue per equivalent admission, offsetting a 2.7% decline in equivalent admissions compared to the prior year. Same facility revenues increased 7.4% due to an 8.1% increase in same facility revenue per equivalent admission, offsetting a 0.7% decline in same facility equivalent admissions compared to the prior year.

During 2007, same facility admissions declined 1.3% compared to 2006. Inpatient surgical volumes declined 3.1% on a consolidated basis and same facility inpatient surgeries declined 1.0% during 2007 compared to 2006. Outpatient surgical volumes declined 2.0% on a consolidated basis and same facility outpatient surgeries declined 1.1% during 2007 compared to 2006.

Salaries and benefits, as a percentage of revenues, were 39.9% in 2007 and 40.9% in 2006. Salaries and benefits per equivalent admission increased 5.8% in 2007 compared to 2006. Labor rate increases averaged 5.0% for 2007 compared to 2006.

Supplies, as a percentage of revenues, were 16.4% in 2007 and 17.0% in 2006. Supply costs per equivalent admission increased 4.5% in 2007 compared to 2006. Same facility supply costs increased 6.4% for medical

Results of Operations (Continued)

Years Ended December 31, 2007 and 2006 (Continued)

devices, primarily for orthopedic supplies, 13.1% for blood products, and 5.6% for general medical and surgical items.

Other operating expenses, as a percentage of revenues, decreased to 15.7% in 2007 from 16.0% in 2006. Other operating expenses are primarily comprised of contract services, professional fees, repairs and maintenance, rents and leases, utilities, insurance (including professional liability insurance) and nonincome taxes. Other operating expenses include $187 million and $11 million of indigent care costs in certain Texas markets during 2007 and 2006, respectively. Provisions for losses related to professional liability risks were $163 million and $217 million for 2007 and 2006, respectively. The reduction in the provision for professional liability risks reflects the recognition by our actuaries of improving frequency and severity claim trends at our facilities.

Provision for doubtful accounts, as a percentage of revenues, increased to 11.7% for 2007 from 10.4% in 2006. The provision for doubtful accounts and the allowance for doubtful accounts relate primarily to uninsured amounts due directly from patients. The increase in the provision for doubtful accounts, as a percentage of revenues, can be attributed to an increasing amount of patient financial responsibility under certain managed care plans and same facility increases in uninsured emergency room visits of 7.3% and uninsured admissions of 9.4% in 2007 compared to 2006. At December 31, 2007, our allowance for doubtful accounts represented approximately 89% of the $4.825 billion total patient due accounts receivable balance, including accounts, net of estimated contractual discounts, related to patients for which eligibility for Medicaid coverage was being evaluated.

Equity in earnings of affiliates increased from $197 million for 2006 to $206 million for 2007. Equity in earnings of affiliates relates primarily to our Denver, Colorado market joint venture.

Gains on investments for 2007 and 2006 of $8 million and $243 million, respectively, relate to sales of investment securities by our wholly-owned insurance subsidiary. The decrease in realized gains for 2007 was primarily due to the decision to liquidate our equity investment portfolio and reinvest in debt and interest-bearing investments during the fourth quarter of 2006. Net unrealized gains on investment securities declined from $25 million at December 31, 2006 to $21 million at December 31, 2007.

Depreciation and amortization decreased, as a percentage of revenues, to 5.4% in 2007 from 5.5% in 2006. Purchases of property and equipment of $1.444 billion during 2007 were generally equivalent to depreciation expense for 2007 of $1.421 billion.

Interest expense increased to $2.215 billion for 2007 from $955 million for 2006. The increase in interest expense is primarily due to the increased debt related to the Recapitalization. Our average debt balance was $27.732 billion for 2007 compared to $13.811 billion for 2006. The average interest rate for our long-term debt decreased from 7.9% at December 31, 2006 to 7.6% at December 31, 2007.

Gains on sales of facilities were $471 million for 2007 and included a $312 million gain on the sale of our two Switzerland hospitals and a $131 million gain on the sale of a facility in Florida. Gains on sales of facilities were $205 million for 2006 and included a $92 million gain on the sale of four hospitals in West Virginia and Virginia and a $93 million gain on the sale of two hospitals in Florida.

Minority interests in earnings of consolidated entities increased from $201 million for 2006 to $208 million for 2007. The increase relates primarily to the operations of surgery centers and other outpatient services entities.

The effective tax rate was 26.6% for 2007 and 37.6% for 2006. Based on new information received in 2007 related primarily to tax positions taken in prior taxable periods, we reduced our provision for income taxes by $85 million, and by an additional $39 million to adjust 2006 state tax accruals to the amounts reported on completed

Results of Operations (Continued)

Years Ended December 31, 2007 and 2006 (Continued)

tax returns and based upon an analysis of the Recapitalization costs. Excluding the effect of these adjustments, the effective tax rate for 2007 would have been 37.0%.

Liquidity and Capital Resources

Our primary cash requirements are paying our operating expenses, servicing of our debt, capital expenditures on our existing properties and acquisitions of hospitals and other health care entities. Our primary cash sources are cash flow from operating activities, issuances of debt and equity securities and dispositions of hospitals and other health care entities.

Cash provided by operating activities totaled $1.797 billion in 2008 compared to $1.396 billion in 2007 and $1.845 billion in 2006. Working capital totaled $2.391 billion at December 31, 2008 and $2.356 billion at December 31, 2007. The $401 million increase in cash provided by operating activities for 2008, compared to 2007, relates primarily to changes in working capital items. The changes in accounts receivable (net of the provision for doubtful accounts), inventories and other assets, and accounts payable and accrued expenses contributed $42 million to cash provided by operating activities for 2008 while changes in these items decreased cash provided by operating activities by $485 million for 2007. The $449 million decrease in cash provided by operating activities for 2007, compared to 2006, relates primarily to the combined impact of a $604 million increase in net cash payments for interest and income taxes and a $205 million increase from changes in working capital items. The net impact of the cash payments for interest and income taxes was an increase in cash payments of $111 million for 2008 compared to 2007 and an increase of $604 million for 2007 compared to 2006.

Cash used in investing activities was $1.467 billion, $479 million and $1.307 billion in 2008, 2007 and 2006, respectively. Excluding acquisitions, capital expenditures were $1.600 billion in 2008, $1.444 billion in 2007 and $1.865 billion in 2006. We expended $85 million, $32 million and $112 million for acquisitions of hospitals and health care entities during 2008, 2007 and 2006, respectively. Expenditures for acquisitions in all three years were generally comprised of outpatient and ancillary services entities and were funded by a combination of cash flows from operations and the issuance or incurrence of debt. Planned capital expenditures are expected to approximate $1.5 billion in 2009. At December 31, 2008, there were projects under construction which had an estimated additional cost to complete and equip over the next five years of $1.450 billion. We expect to finance capital expenditures with internally generated and borrowed funds.

During 2008, we received cash proceeds of $143 million from dispositions of two hospitals, and $50 million from sales of other health care entities and real estate investments. During 2007, we sold three hospitals for cash proceeds of $661 million, and we also received cash proceeds of $106 million related primarily to the sales of real estate investments. The sales of nine hospitals were completed during 2006 for cash proceeds of $560 million, and we also received cash proceeds of $91 million on the sales of real estate investments and our equity investment in a hospital joint venture.

Cash used in financing activities totaled $258 million in 2008, $1.158 billion in 2007 and $240 million in 2006. During 2008 and 2007, we used cash proceeds from sales of facilities and available cash provided by operations to make net debt repayments of $260 million and $1.270 billion, respectively. The Recapitalization included the issuance of $19.964 billion of long-term debt, the receipt of $3.782 billion of equity contributions, the repurchase of $20.364 billion of common stock, the payment of $745 million for Recapitalization related fees and expenses, and the retirement of $3.182 billion of existing long-term debt. We may in the future repurchase portions of our debt securities, subject to certain limitations, from time to time in either the open market or through privately negotiated transactions, in accordance with applicable SEC and other legal requirements. The timing, prices, and sizes of purchases depend upon prevailing trading prices, general economic and market conditions, and other factors,

Liquidity and Capital Resources (Continued)

including applicable securities laws. Funds for the repurchase of debt securities have, and are expected to, come primarily from cash generated from operations and borrowed funds.

In addition to cash flows from operations, available sources of capital include amounts available under our senior secured credit facilities ($1.858 billion as of December 31, 2008 and $2.038 billion as of February 28, 2009) and anticipated access to public and private debt markets.

Investments of our professional liability insurance subsidiary, to maintain statutory equity and pay claims incurred prior to 2007, totaled $1.622 billion and $1.899 billion at December 31, 2008 and 2007, respectively. The insurance subsidiary maintained reserves for professional liability risk of $816 million and $1.165 billion at December 31, 2008 and 2007, respectively. Our facilities are insured by our wholly-owned insurance subsidiary for losses up to $50 million per occurrence; however, since January 2007, this coverage is subject to a $5 million per occurrence self-insured retention. Claims payments, net of reinsurance recoveries, during the next twelve months are expected to approximate $250 million. We estimate that approximately $50 million of the expected net claim payments during the next twelve months will relate to claims incurred subsequent to 2006.

Financing Activities

Due to the Recapitalization, we are a highly leveraged company with significant debt service requirements. Our debt totaled $26.989 billion and $27.308 billion at December 31, 2008 and 2007, respectively. Our interest expense was $2.021 billion for 2008 and $2.215 billion for 2007.

In connection with the Recapitalization, we entered into (i) a $2.000 billion senior secured asset-based revolving credit facility with a borrowing base of 85% of eligible accounts receivable, subject to customary reserves and eligibility criteria (fully utilized at December 31, 2008) (the "ABL credit facility") and (ii) a senior secured credit agreement (the "cash flow credit facility" and, together with the ABL credit facility, the "senior secured credit facilities"), consisting of a $2.000 billion revolving credit facility ($1.858 billion available at December 31, 2008 after giving effect to certain outstanding letters of credit), a $2.750 billion term loan A ($2.525 billion outstanding at December 31, 2008), a $8.800 billion term loan B ($8.624 billion outstanding at December 31, 2008) and a €1.000 billion European term loan (€611 million, or $853 million, outstanding at December 31, 2008).

Also in connection with the Recapitalization, we issued $4.200 billion of senior secured notes (comprised of $1.000 billion of 9 1/8% notes due 2014 and $3.200 billion of 9 1/4% notes due 2016) and $1.500 billion of 9 5/8% cash/10 3/8% in-kind senior secured toggle notes (which allow us, at our option, to pay interest in-kind during the first five years) due 2016, which are subject to certain standard covenants. In November 2008, we elected to make an interest payment for the interest period ending in May 2009 by paying in-kind instead of paying interest in cash.

The senior secured credit facilities and senior secured notes are fully and unconditionally guaranteed by substantially all existing and future, direct and indirect, wholly-owned material domestic subsidiaries that are "Unrestricted Subsidiaries" under our Indenture dated as of December 16, 1993 (except for certain special purpose subsidiaries that only guarantee and pledge their assets under our ABL credit facility). In addition, borrowings under the European term loan are guaranteed by all material, wholly-owned European subsidiaries.

Management believes that cash flows from operations, amounts available under our senior secured credit facilities and our anticipated access to public and private debt markets will be sufficient to meet expected liquidity needs during the next twelve months.

Contractual Obligations and Off-Balance Sheet Arrangements

As of December 31, 2008, maturities of contractual obligations and other commercial commitments are presented in the table below (dollars in millions):

	Payments Due by Period				
Contractual Obligations(a)	**Total**	**Current**	**2-3 Years**	**4-5 Years**	**After 5 Years**
Long-term debt including interest, excluding the senior secured credit facilities(b)	$ 22,500	$ 1,175	$ 3,291	$ 3,842	$ 14,192
Loans outstanding under the senior secured credit facilities, including interest(b)	17,337	1,157	2,492	13,688	—
Operating leases(c)	1,255	225	352	224	454
Purchase and other obligations(c)	36	30	6	—	—
Total contractual obligations	$ 41,128	$ 2,587	$ 6,141	$ 17,754	$ 14,646

	Commitment Expiration by Period				
Other Commercial Commitments Not Recorded on the Consolidated Balance Sheet	**Total**	**Current**	**2-3 Years**	**4-5 Years**	**After 5 Years**
Surety bonds(d)	$ 141	$ 134	$ 7	$ —	$ —
Letters of credit(e)	92	12	—	50	30
Physician commitments(f)	39	16	23	—	—
Guarantees(g)	2	—	—	—	2
Total commercial commitments	$ 274	$ 162	$ 30	$ 50	$ 32

(a) We have not included obligations to pay estimated professional liability claims ($1.387 billion at December 31, 2008) in this table. The estimated professional liability claims, which have occurred prior to 2007, are expected to be funded by the designated investment securities that are restricted for this purpose ($1.622 billion at December 31, 2008). We also have not included obligations related to unrecognized tax benefits of $625 million at December 31, 2008, as we cannot reasonably estimate the timing or amounts of additional cash payments, if any, at this time.

(b) Estimates of interest payments assumes that interest rates, borrowing spreads and foreign currency exchange rates at December 31, 2008, remain constant during the period presented.

(c) Future operating lease obligations and purchase obligations are not recorded in our consolidated balance sheet.

(d) Amounts relate primarily to instances in which we have agreed to indemnify various commercial insurers who have provided surety bonds to cover damages for malpractice cases which were awarded to plaintiffs by the courts. These cases are currently under appeal and the bonds will not be released by the courts until the cases are closed.

(e) Amounts relate primarily to instances in which we have letters of credit outstanding with insurance companies that issued workers compensation insurance policies to us in prior years. The letters of credit serve as security to the insurance companies for payment obligations we retained.

(f) In consideration for physicians relocating to the communities in which our hospitals are located and agreeing to engage in private practice for the benefit of the respective communities, we make advances to physicians, normally over a period of one year, to assist in establishing the physicians' practices. The actual amount of these commitments to be advanced often depends upon the financial results of the physicians' private practices during the recruitment agreement payment period. The physician commitments reflected were based on our maximum exposure on effective agreements at December 31, 2008.

(g) We have entered into guarantee agreements related to certain leases.

Market Risk

We are exposed to market risk related to changes in market values of securities. The investments in debt and equity securities of our wholly-owned insurance subsidiary were $1.614 billion and $8 million, respectively, at December 31, 2008. These investments are carried at fair value, with changes in unrealized gains and losses being recorded as adjustments to other comprehensive income. At December 31, 2008, we had a net unrealized loss of $48 million on the insurance subsidiary's investment securities.

We are exposed to market risk related to market illiquidity. Liquidity of the investments in debt and equity securities of our wholly-owned insurance subsidiary could be impaired by the inability to access the capital markets. Should the wholly-owned insurance subsidiary require significant amounts of cash in excess of normal cash requirements to pay claims and other expenses on short notice, we may have difficulty selling these investments in a timely manner or be forced to sell them at a price less than what we might otherwise have been able to in a normal market environment. At December 31, 2008, our wholly-owned insurance subsidiary had invested $536 million ($573 million par value) in municipal, tax-exempt student loan auction rate securities which were classified as long-term investments. The auction rate securities ("ARS") are publicly issued securities with long-term stated maturities for which the interest rates are reset through a Dutch auction every seven to 35 days. With the liquidity issues experienced in global credit and capital markets, the ARS held by our wholly-owned insurance subsidiary have experienced multiple failed auctions, beginning on February 11, 2008, as the amount of securities submitted for sale exceeded the amount of purchase orders. There is a very limited market for the ARS at this time. We do not currently intend to attempt to sell the ARS as the liquidity needs of our insurance subsidiary are expected to be met by other investments in its investment portfolio. These securities continue to accrue and pay interest semi-annually based on the failed auction maximum rate formulas stated in their respective Official Statements. During the failed auction period beginning February 11, 2008 and ending December 31, 2008, certain issuers of our ARS have redeemed $93 million of our securities at par value. If uncertainties in the credit and capital markets continue or there are ratings downgrades on the ARS held by our insurance subsidiary, we may be required to recognize other-than-temporary impairments on these long-term investments in future periods.

We are also exposed to market risk related to changes in interest rates and we periodically enter into interest rate swap agreements to manage our exposure to these fluctuations. Our interest rate swap agreements involve the exchange of fixed and variable rate interest payments between two parties, based on common notional principal amounts and maturity dates. The notional amounts of the swap agreements represent balances used to calculate the exchange of cash flows and are not our assets or liabilities. Our credit risk related to these agreements is considered low because the swap agreements are with creditworthy financial institutions. The interest payments under these agreements are settled on a net basis. These derivatives have been recognized in the financial statements at their respective fair values. Changes in the fair value of these derivatives are included in other comprehensive income.

With respect to our interest-bearing liabilities, approximately $5.055 billion of long-term debt at December 31, 2008 is subject to variable rates of interest, while the remaining balance in long-term debt of $21.934 billion at December 31, 2008 is subject to fixed rates of interest. Both the general level of interest rates and, for the senior secured credit facilities, our leverage affect our variable interest rates. Our variable rate debt is comprised primarily of amounts outstanding under the senior secured credit facilities. Borrowings under the senior secured credit facilities bear interest at a rate equal to an applicable margin plus, at our option, either (a) a base rate determined by reference to the higher of (1) the federal funds rate plus ½ of 1% and (2) the prime rate of Bank of America or (b) a LIBOR rate for the currency of such borrowing for the relevant interest period. The applicable margin for borrowings under the senior secured credit facilities, with the exception of term loan B where the margin is static, may be reduced subject to attaining certain leverage ratios. The average rate for our long-term debt decreased from 7.6% at December 31, 2007 to 6.9% at December 31, 2008. On February 16, 2007, we amended the cash flow credit facility to reduce the applicable margins with respect to the term borrowings thereunder. On June 20, 2007, we amended the ABL credit facility to reduce the applicable margin with respect to borrowings thereunder.

Market Risk (Continued)

The estimated fair value of our total long-term debt was $20.225 billion at December 31, 2008. The estimates of fair value are based upon the quoted market prices for the same or similar issues of long-term debt with the same maturities. Based on a hypothetical 1% increase in interest rates, the potential annualized reduction to future pretax earnings would be approximately $51 million. To mitigate the impact of fluctuations in interest rates, we generally target a portion of our debt portfolio to be maintained at fixed rates.

Our international operations and the European term loan expose us to market risks associated with foreign currencies. In order to mitigate the currency exposure related to debt service obligations through December 31, 2011 under the European term loan, we have entered into cross currency swap agreements. A cross currency swap is an agreement between two parties to exchange a stream of principal and interest payments in one currency for a stream of principal and interest payments in another currency over a specified period.

Financial Instruments

Derivative financial instruments are employed to manage risks, including foreign currency and interest rate exposures, and are not used for trading or speculative purposes. We recognize derivative instruments, such as interest rate swap agreements and foreign exchange contracts, in the consolidated balance sheets at fair value. Changes in the fair value of derivatives are recognized periodically either in earnings or in stockholders' equity, as a component of other comprehensive income, depending on whether the derivative financial instrument qualifies for hedge accounting, and if so, whether it qualifies as a fair value hedge or a cash flow hedge. Gains and losses on derivatives designated as cash flow hedges, to the extent they are effective, are recorded in other comprehensive income, and subsequently reclassified to earnings to offset the impact of the hedged items when they occur. Changes in the fair value of derivatives not qualifying as hedges, and for any portion of a hedge that is ineffective, are reported in earnings.

The net interest paid or received on interest rate swaps is recognized as interest expense. Gains and losses resulting from the early termination of interest rate swap agreements are deferred and amortized as adjustments to expense over the remaining period of the debt originally covered by the terminated swap.

Effects of Inflation and Changing Prices

Various federal, state and local laws have been enacted that, in certain cases, limit our ability to increase prices. Revenues for general, acute care hospital services rendered to Medicare patients are established under the federal government's prospective payment system. Total fee-for-service Medicare revenues approximated 23% in 2008, 24% in 2007 and 25% in 2006 of our total patient revenues.

Management believes that hospital industry operating margins have been, and may continue to be, under significant pressure because of changes in payer mix and growth in operating expenses in excess of the increase in prospective payments under the Medicare program. In addition, as a result of increasing regulatory and competitive pressures, our ability to maintain operating margins through price increases to non-Medicare patients is limited.

IRS Disputes

We are currently contesting before the Appeals Division of the Internal Revenue Service (the "IRS") certain claimed deficiencies and adjustments proposed by the IRS in connection with its examinations of the 2003 and 2004 federal income returns for HCA and 17 affiliates that are treated as partnerships for federal income tax purposes ("affiliated partnerships"). The disputed items include the timing of recognition of certain patient service revenues and our method for calculating the tax allowance for doubtful accounts.

IRS Disputes (Continued)

Eight taxable periods of HCA and its predecessors ended in 1995 through 2002 and the 2002 taxable year of 13 affiliated partnerships, for which the primary remaining issue is the computation of the tax allowance for doubtful accounts, are pending before the IRS Examination Division or the United States Tax Court as of December 31, 2008. The IRS began an audit of the 2005 and 2006 federal income tax returns for HCA and seven affiliated partnerships during 2008.

Management believes that HCA, its predecessors and affiliates properly reported taxable income and paid taxes in accordance with applicable laws and agreements established with the IRS and that final resolution of these disputes will not have a material, adverse effect on our results of operations or financial position. However, if payments due upon final resolution of these issues exceed our recorded estimates, such resolutions could have a material, adverse effect on our results of operations or financial position.

Item 7A. ***Quantitative and Qualitative Disclosures about Market Risk***

The information called for by this item is provided under the caption "Market Risk" under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Item 8. ***Financial Statements and Supplementary Data***

Information with respect to this Item is contained in our consolidated financial statements indicated in the Index to Consolidated Financial Statements on Page F-1 of this annual report on Form 10-K.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

1. Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this annual report.

2. Internal Control Over Financial Reporting

(a) Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining effective internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an assessment of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment under the framework in Internal Control — Integrated Framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2008.

Ernst & Young, LLP, the independent registered public accounting firm that audited our consolidated financial statements included in this Form 10-K, has issued a report on our internal control over financial reporting, which is included herein.

(b) Attestation Report of the Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
HCA Inc.

We have audited HCA Inc.'s internal control over financial reporting as of December 31, 2008, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). HCA Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, HCA Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of HCA Inc. as of December 31, 2008 and 2007, and the related consolidated statements of income, stockholders' (deficit) equity and cash flows for each of the three years in the period ended December 31, 2008, and our report dated March 3, 2009 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Nashville, Tennessee
March 3, 2009

Item 9B. ***Other Information***

On March 2, 2009, we amended our $13.550 billion and €1.000 billion senior secured cash flow credit facility, dated as of November 17, 2006, as amended February 16, 2007 (the "cash flow credit facility"), to allow for one or more future issuances of additional secured notes, which may include notes that are secured on a *pari passu* basis or on a junior basis with the obligations under the cash flow credit facility, so long as (1) such notes do not require any scheduled payment or redemption prior to the scheduled term loan B final maturity date as currently in effect and (2) the proceeds from any such issuance are used within three business days of receipt to prepay term loans under the cash flow credit facility in accordance with the terms of the cash flow credit facility. The U.S. security documents related to the cash flow credit facility were also amended and restated, or in the case of the U.S. mortgages, will be amended and restated, in connection with the amendment in order to give effect to the security interests granted to holders of such additional secured notes.

On March 2, 2009, we amended our $2.000 billion senior secured asset-based revolving credit facility, dated as of November 17, 2006, as amended and restated as of June 20, 2007 (the "ABL credit facility"), to allow for one or more future issuances of additional secured notes or loans, which may include notes or loans that are secured on a pari passu basis or on a junior basis with the obligations under the cash flow credit facility, so long as the proceeds from any such issuance are used to prepay term loans under the cash flow credit facility within three business days of the receipt thereof. The amendment to the ABL credit facility also altered the excess facility availability requirement to include a separate minimum facility availability requirement applicable to the ABL credit facility, and increased the applicable LIBOR and ABR margins for all borrowings under the ABL credit facility by 0.25% each.

On February 19, 2009, we issued $310 million of $9^{7}/_{8}$% Senior Secured Notes due in 2017, which are subject to certain standard covenants.

See also Item 13, "Certain Relationships and Related Transactions" for a description of certain relationships between the Administrative Agent under the cash flow credit facility and the ABL credit facility, and our company.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

As of February 25, 2009, our directors were as follows:

Name	Age	Director Since	Position(s)
Jack O. Bovender, Jr.	63	1999	Chairman of the Board
Christopher J. Birosak	54	2006	Director
George A. Bitar	44	2006	Director
Richard M. Bracken	56	2002	President, Chief Executive Officer and Director
John P. Connaughton	43	2006	Director
Kenneth W. Freeman	58	2009	Director
Thomas F. Frist III	41	2006	Director
William R. Frist	39	2009	Director
Christopher R. Gordon	36	2006	Director
Michael W. Michelson	57	2006	Director
James C. Momtazee	37	2006	Director
Stephen G. Pagliuca	54	2006	Director
Nathan C. Thorne	55	2006	Director

As of February 25, 2009, our executive officers (other than Messrs. Bovender and Bracken who are listed above) were as follows:

Name	Age	Position(s)
R. Milton Johnson	52	Executive Vice President and Chief Financial Officer
David G. Anderson	61	Senior Vice President — Finance and Treasurer
Victor L. Campbell	62	Senior Vice President
V. Carl George	64	Senior Vice President — Development
Charles J. Hall	55	President — Eastern Group
Samuel N. Hazen	48	President — Western Group
A. Bruce Moore, Jr.	49	President — Outpatient Services Group
Jonathan B. Perlin, M.D.	48	President — Clinical Services Group and Chief Medical Officer
W. Paul Rutledge	54	President — Central Group
Joseph N. Steakley	54	Senior Vice President — Internal Audit Services
John M. Steele	53	Senior Vice President — Human Resources
Donald W. Stinnett	52	Senior Vice President and Controller
Beverly B. Wallace	58	President — Shared Services Group
Robert A. Waterman	55	Senior Vice President and General Counsel
Noel Brown Williams	53	Senior Vice President and Chief Information Officer
Alan R. Yuspeh	59	Senior Vice President and Chief Ethics and Compliance Officer

Our Board of Directors consists of thirteen directors, who are each managers of Hercules Holding. The Amended and Restated Limited Liability Company Agreement of Hercules Holding requires that the members of Hercules Holding take all necessary action to ensure that the persons who serve as managers of Hercules Holding also serve on the Board of Directors of HCA. See Item 13, “Certain Relationships and Related Transactions.” In addition, Messrs. Bovender’s and Bracken’s employment agreements provide that they will continue to serve as

members of our Board of Directors so long as they remain officers of HCA, with Mr. Bovender to serve as the Chairman through December 15, 2009. Because of these requirements, together with Hercules Holding's ownership of 97.3% of our outstanding common stock, we do not currently have a policy or procedures with respect to shareholder recommendations for nominees to the Board of Directors.

Jack O. Bovender, Jr. has served as our Chairman since January 2002. Mr. Bovender served as Chairman and Chief Executive Officer of the Company from January 2002 to January 2009 and President and Chief Executive Officer of the Company from January 2001 to December 2001. From August 1997 to January 2001, Mr. Bovender served as President and Chief Operating Officer of the Company. From April 1994 to August 1997, he was retired. Prior to his retirement, Mr. Bovender served as Chief Operating Officer of HCA-Hospital Corporation of America from 1992 until 1994. Prior to 1992, Mr. Bovender held several senior level positions with HCA-Hospital Corporation of America.

Christopher J. Birosak is a Managing Director in the Merrill Lynch Global Private Equity Division which he joined in 2004. Prior to joining the Global Private Equity Division, Mr. Birosak worked in various capacities in the Merrill Lynch Leveraged Finance Group with particular emphasis on leveraged buyouts and mergers and acquisitions related financings. Mr. Birosak also serves on the board of directors of the Atrium Companies, Inc. and NPC International. Mr. Birosak joined Merrill Lynch in 1994.

George A. Bitar has been a Managing Director in the Merrill Lynch Global Private Equity Division where he serves as Co-Head of the North America Region, and a Managing Director in Merrill Lynch Global Private Equity, Inc., the Manager of ML Global Private Equity Fund, L.P., a proprietary private equity fund since 1999. Mr. Bitar serves on the Board of Hertz Global Holdings, Inc., The Hertz Corporation, Advantage Sales and Marketing, Inc. and Aeolus Re Ltd.

Richard M. Bracken was appointed as our President and Chief Executive Officer in January 2009 and has served as a Director of the Company since 2002. Mr. Bracken was appointed Chief Operating Officer in July 2001 and served as President and Chief Operating Officer from January 2002 to January 2009. Mr. Bracken served as President — Western Group of the Company from August 1997 until July 2001. From January 1995 to August 1997, Mr. Bracken served as President of the Pacific Division of the Company. Prior to 1995, Mr. Bracken served in various hospital Chief Executive Officer and Administrator positions with HCA-Hospital Corporation of America.

John P. Connaughton has been a Managing Director of Bain Capital Partners, LLC since 1997 and a member of the firm since 1989. Prior to joining Bain Capital, Mr. Connaughton was a consultant at Bain & Company, Inc., where he worked in the health care, consumer products and business services industries. Mr. Connaughton currently serves as a director of Clear Channel Communications, Inc., M/C Communications (PriMed), CRC Health Group, Warner Chilcott, Ltd., Sungard Data Systems, Warner Music Group, AMC Theatres, Quintiles Transnational Corp. and The Boston Celtics.

Kenneth W. Freeman has been a member of the general partner of Kohlberg Kravis & Co. L.P. since 2007 and joined the firm as Managing Director in May 2005. From May 2004 to December 2004, Mr. Freeman was Chairman of Quest Diagnostics Incorporated, and from January 1996 to May 2004, he served as Chairman and Chief Executive Officer of Quest Diagnostics Incorporated. From May 1995 to December 1996, Mr. Freeman was President and Chief Executive Officer of Corning Clinical Laboratories, the predecessor company to Quest Diagnostics. Prior to that, he served in various general management and financial roles with Corning Incorporated. Mr. Freeman currently serves as a director of Accellent, Inc. and Masonite Corporation.

Thomas F. Frist III is a principal of Frist Capital LLC, a private investment vehicle for Mr. Frist and certain related persons and has held such position since 1998. Mr. Frist is also a general partner at Frisco Partners, another Frist family investment vehicle. Mr. Frist is the brother of William R. Frist, who also serves as a director.

William R. Frist is a principal of Frist Capital LLC, a private investment vehicle for Mr. Frist and certain related persons and has held such position since 2003. Mr. Frist is also a general partner at Frisco Partners, another Frist family investment vehicle. Mr. Frist is the brother of Thomas F. Frist, III, who also serves as a director.

Christopher R. Gordon is a Managing Director of Bain Capital Partners, LLC and joined the firm in 1997. Prior to joining Bain Capital, Mr. Gordon was a consultant at Bain & Company. Mr. Gordon currently serves as a director of Accellent, Inc. and CRC Health Corporation.

Michael W. Michelson has been a member of the limited liability company which serves as the general partner of Kohlberg Kravis Roberts & Co. L.P. since 1996. Prior to that, he was a general partner of Kohlberg Kravis Roberts & Co. L.P. Mr. Michelson is also a director of Biomet, Inc. and Jazz Pharmaceuticals, Inc.

James C. Momtazee has been a member of the limited liability company which serves as the general partner of Kohlberg Kravis Roberts & Co. L.P. since 2009. From 1996 to 2009, he was an executive of Kohlberg Kravis Roberts & Co. L.P. From 1994 to 1996, Mr. Momtazee was with Donaldson, Lufkin & Jenrette in its investment banking department. Mr. Momtazee is also a director of Accellent, Inc. and Jazz Pharmaceuticals, Inc.

Stephen G. Pagliuca is a Managing Director of Bain Capital Partners, LLC. Mr. Pagliuca is also a Managing Partner and an Owner of the Boston Celtics Basketball franchise. Mr. Pagliuca joined Bain & Company in 1982 and founded the Information Partners private equity fund for Bain Capital in 1989. He also worked as a senior accountant and international tax specialist for Peat Marwick Mitchell & Company in the Netherlands. Mr. Pagliuca currently serves as a director of Burger King Holdings Inc., Gartner, Inc., Warner Chilcott, Ltd., Quintiles Transnational Corp. and M/C Communications.

Nathan C. Thorne has been a Senior Vice President of Merrill Lynch & Co., Inc., a subsidiary of Bank of America Corporation since February 2006, and President of Merrill Lynch Global Private Equity since 2002. Mr. Thorne joined Merrill Lynch in 1984.

R. Milton Johnson has served as Executive Vice President and Chief Financial Officer of the Company since July 2004. Mr. Johnson served as Senior Vice President and Controller of the Company from July 1999 until July 2004. Mr. Johnson served as Vice President and Controller of the Company from November 1998 to July 1999. Prior to that time, Mr. Johnson served as Vice President — Tax of the Company from April 1995 to October 1998. Prior to that time, Mr. Johnson served as Director of Tax for Healthtrust from September 1987 to April 1995.

David G. Anderson has served as Senior Vice President — Finance and Treasurer of the Company since July 1999. Mr. Anderson served as Vice President — Finance of the Company from September 1993 to July 1999 and was elected to the additional position of Treasurer in November 1996. From March 1993 until September 1993, Mr. Anderson served as Vice President — Finance and Treasurer of Galen Health Care, Inc. From July 1988 to March 1993, Mr. Anderson served as Vice President — Finance and Treasurer of Humana Inc.

Victor L. Campbell has served as Senior Vice President of the Company since February 1994. Prior to that time, Mr. Campbell served as HCA-Hospital Corporation of America's Vice President for Investor, Corporate and Government Relations. Mr. Campbell joined HCA-Hospital Corporation of America in 1972. Mr. Campbell serves on the Board of the Nashville Health Care Council, as a member of the American Hospital Association's President's Forum, and on the Board and Executive Committee of the Federation of American Hospitals.

V. Carl George has served as Senior Vice President — Development of the Company since July 1999. Mr. George served as Vice President — Development of the Company from April 1995 to July 1999. From September 1987 to April 1995, Mr. George served as Director of Development for Healthtrust. Prior to working for Healthtrust, Mr. George served with HCA-Hospital Corporation of America in various positions.

Charles J. Hall was appointed President — Eastern Group of the Company in October 2006. Prior to that time, Mr. Hall had served as President — North Florida Division since April 2003. Mr. Hall had previously served the Company as President of the East Florida Division from January 1999 until April 2003, as a Market President in the East Florida Division from January 1998 until December 1998, as President of the South Florida Division from February 1996 until December 1997, and as President of the Southwest Florida Division from October 1994 until February 1996, and in various other capacities since 1987.

Samuel N. Hazen was appointed President — Western Group of the Company in July 2001. Mr. Hazen served as Chief Financial Officer — Western Group of the Company from August 1995 to July 2001. Mr. Hazen served as Chief Financial Officer — North Texas Division of the Company from February 1994 to July 1995. Prior to that

time, Mr. Hazen served in various hospital and regional Chief Financial Officer positions with Humana Inc. and Galen Health Care, Inc.

A. Bruce Moore, Jr. was appointed President — Outpatient Services Group in January 2006. Mr. Moore had served as Senior Vice President and as Chief Operating Officer — Outpatient Services Group since July 2004 and as Senior Vice President — Operations Administration from July 1999 until July 2004. Mr. Moore served as Vice President — Operations Administration of the Company from September 1997 to July 1999, as Vice President — Benefits from October 1996 to September 1997, and as Vice President — Compensation from March 1995 until October 1996.

Dr. Jonathan B. Perlin was appointed President — Clinical Services Group and Chief Medical Officer in November 2007. Dr. Perlin had served as Chief Medical Officer and Senior Vice President — Quality of the Company from August 2006 to November 2007. Prior to joining the Company, Dr. Perlin served as Under Secretary for Health in the U.S. Department of Veterans Affairs since April 2004. Dr. Perlin joined the Veterans Health Administration in November 1999 where he served in various capacities, including as Deputy Under Secretary for Health from July 2002 to April 2004, and as Chief Quality and Performance Officer from November 1999 to September 2002.

W. Paul Rutledge was appointed as President — Central Group in October 2005. Mr. Rutledge had served as President of the MidAmerica Division since January 2001. He served as President of TriStar Health System from June 1996 to January 2001 and served as President of Centennial Medical Center from May 1993 to June 1996. He has served in leadership capacities with HCA for more than 25 years, working with hospitals in the Southeast.

Joseph N. Steakley has served as Senior Vice President — Internal Audit Services of the Company since July 1999. Mr. Steakley served as Vice President — Internal Audit Services from November 1997 to July 1999. From October 1989 until October 1997, Mr. Steakley was a partner with Ernst & Young LLP. Mr. Steakley is a member of the board of directors of J. Alexander's Corporation, where he serves on the compensation committee and as chairman of the audit committee.

John M. Steele has served as Senior Vice President — Human Resources of the Company since November 2003. Mr. Steele served as Vice President — Compensation and Recruitment of the Company from November 1997 to October 2003. From March 1995 to November 1997, Mr. Steele served as Assistant Vice President — Recruitment.

Donald W. Stinnett was appointed Senior Vice President and Controller in December 2008. Mr. Stinnett served as Chief Financial Officer — Eastern Group from October 2005 to December 2008 and Chief Financial Officer of the Far West Division from July 1999 to October 2005. Mr. Stinnett served as Chief Financial Officer and Vice President of Finance of Franciscan Health System of the Ohio Valley from 1995 until 1999, and served in various capacities with Franciscan Health System of Cincinnati and Providence Hospital in Cincinnati prior to that time.

Beverly B. Wallace was appointed President — Shared Services Group in March 2006. From January 2003 until March 2006, Ms. Wallace served as President — Financial Services Group. Ms. Wallace served as Senior Vice President — Revenue Cycle Operations Management of the Company from July 1999 to January 2003. Ms. Wallace served as Vice President — Managed Care of the Company from July 1998 to July 1999. From 1997 to 1998, Ms. Wallace served as President — Homecare Division of the Company. From 1996 to 1997, Ms. Wallace served as Chief Financial Officer — Nashville Division of the Company. From 1994 to 1996, Ms. Wallace served as Chief Financial Officer — Mid-America Division of the Company.

Robert A. Waterman has served as Senior Vice President and General Counsel of the Company since November 1997. Mr. Waterman served as a partner in the law firm of Latham & Watkins from September 1993 to October 1997; he was also Chair of the firm's healthcare group during 1997.

Noel Brown Williams has served as Senior Vice President and Chief Information Officer of the Company since October 1997. From October 1996 to September 1997, Ms. Williams served as Chief Information Officer for American Service Group/Prison Health Services, Inc. From September 1995 to September 1996, Ms. Williams worked as an independent consultant. From June 1993 to June 1995, Ms. Williams served as Vice President,

Information Services for HCA Information Services. From February 1979 to June 1993, she held various positions with HCA-Hospital Corporation of America Information Services.

Alan R. Yuspeh has served as Senior Vice President and Chief Ethics and Compliance Officer of the Company since May 2007. From October 1997 to May 2007, Mr. Yuspeh served as Senior Vice President — Ethics, Compliance and Corporate Responsibility of the Company. From September 1991 until October 1997, Mr. Yuspeh was a partner with the law firm of Howrey & Simon. As a part of his law practice, Mr. Yuspeh served from 1987 to 1997 as Coordinator of the Defense Industry Initiative on Business Ethics and Conduct.

Audit Committee Financial Expert

Our Audit and Compliance Committee is composed of Christopher J. Birosak, Thomas F. Frist III, Christopher R. Gordon and James C. Momtazee. In light of our status as a closely held company and the absence of a public listing or trading market for our common stock, our Board has not designated any member of the Audit and Compliance Committee as an "audit committee financial expert." Though not formally considered by our Board given that our securities are not traded on any national securities exchange, based upon the listing standards of the New York Stock Exchange (the "NYSE"), the national securities exchange upon which our common stock was listed prior to the Merger, we do not believe that any of Messrs. Birosak, Frist, Gordon or Momtazee would be considered independent because of their relationships with certain affiliates of the funds and other entities which hold significant interests in Hercules Holding, which owns 97.3% of our outstanding common stock, and other relationships with us. See Item 13, "Certain Relationships and Related Transactions."

Code of Ethics

We have a Code of Conduct which is applicable to all our directors, officers and employees (the "Code of Conduct"). The Code of Conduct is available on the Ethics and Compliance and Corporate Governance pages of our website at www.hcahealthcare.com. To the extent required pursuant to applicable SEC regulations, we intend to post amendments to or waivers from our Code of Conduct (to the extent applicable to our chief executive officer, principal financial officer or principal accounting officer) at this location on our website or report the same on a Current Report on Form 8-K. Our Code of Conduct is available free of charge upon request to our Corporate Secretary, HCA Inc., One Park Plaza, Nashville, TN 37203.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors, executive officers and greater than ten-percent shareholders to file initial reports of ownership and reports of changes in ownership of any of our securities with the SEC and us. We believe that during the 2008 fiscal year, all of our directors, executive officers and greater than ten-percent shareholders complied with the requirements of Section 16(a). This belief is based on our review of forms filed or written notice that no reports were required.

Item 11. *Executive Compensation*

Compensation Discussion and Analysis

The Compensation Committee (the "Committee") of the Board of Directors is generally charged with the oversight of our executive compensation and rewards programs. The Committee is currently composed of John P. Connaughton, Michael W. Michelson and George A. Bitar. In 2008, the Committee also included Thomas F. Frist, Jr., M.D., and determinations with respect to 2008 compensation were made by such Committee. Responsibilities of the Committee include the review and approval of the following items:

- Executive compensation strategy and philosophy;
- Compensation arrangements for executive management;
- Design and administration of the annual cash-based Senior Officer Performance Excellence Program ("PEP");
- Design and administration of our equity incentive plans;

- Executive benefits and perquisites (including the HCA Restoration Plan and the Supplemental Executive Retirement Plan); and
- Any other executive compensation or benefits related items deemed appropriate by the Committee.

In addition, the Committee considers the proper alignment of executive pay policies with Company values and strategy by overseeing employee compensation policies, corporate performance measurement and assessment, and Chief Executive Officer performance assessment. The Committee may retain the services of independent outside consultants, as it deems appropriate, to assist in the strategic review of programs and arrangements relating to executive compensation and performance.

The following executive compensation discussion and analysis describes the principles underlying our executive compensation policies and decisions as well as the material elements of compensation for our named executive officers. Our named executive officers for 2008 were:

- Jack O. Bovender, Jr., Chairman of the Board and Chief Executive Officer;
- Richard M. Bracken, President and Chief Operating Officer;
- R. Milton Johnson, Executive Vice President and Chief Financial Officer;
- Samuel N. Hazen, President — Western Group; and
- Beverly B. Wallace, President — Shared Services Group.

Effective December 31, 2008, Mr. Bovender retired as Chief Executive Officer but retained the role of Chairman of the Board, and effective January 1, 2009, Mr. Bracken was appointed to serve as Chief Executive Officer and President of the Company.

As discussed in more detail below, the material elements and structure of the named executive officers' compensation program for 2008 was negotiated and determined in connection with the Merger.

Compensation Philosophy and Objectives

The core philosophy of our executive compensation program is to support the Company's primary objective of providing the highest quality health care to our patients while enhancing the long term value of the Company to our shareholders. Specifically, the Committee believes the most effective executive compensation program (for all executives, including named executive officers):

- Reinforces HCA's strategic initiatives;
- Aligns the economic interests of our executives with those of our shareholders; and
- Encourages attraction and long term retention of key contributors.

The Committee is committed to a strong, positive link between our objectives and our compensation and benefits practices.

Our compensation philosophy also allows for flexibility in establishing executive compensation based on an evaluation of information prepared by management or other advisors and other subjective and objective considerations deemed appropriate by the Committee. The Committee will also consider the recommendations of our Chief Executive Officer. This flexibility is important to ensure our compensation programs are competitive and that our compensation decisions appropriately reflect the unique contributions and characteristics of our executives.

Compensation Structure and Benchmarking

Our compensation program is heavily weighted towards performance-based compensation, reflecting our philosophy of increasing the long-term value of the Company and supporting strategic imperatives. Total direct compensation and other benefits consist of the following elements:

Total Direct Compensation	• Base Salary • Annual Cash-Based Incentives (offered through our PEP) • Long-Term Equity Incentives (in the form of Stock Options)
Other Benefits	• Retirement Plans • Limited Perquisites and Other Personal Benefits • Severance Benefits

The Committee does not support rigid adherence to benchmarks or compensatory formulas and strives to make compensation decisions which effectively support our compensation objectives and reflect the unique attributes of the Company and each executive. Our general practice, however, with respect to pay positioning, is that executive base salaries and annual incentive (PEP) target values should generally position total annual cash compensation between the median and 75th percentile of similarly-sized general industry companies. We utilize the general industry as our primary source for competitive pay levels because HCA is significantly larger than its industry peers. See the discussion of benchmarking below for further information. The named executive officers' pay fell within the range noted above for jobs with equivalent market comparisons.

The cash compensation mix between salary and PEP is currently more weighted towards salary rather than PEP than competitive practice among our general industry peers would suggest. Over time, we intend to continue moving towards a mix of cash compensation that will place a greater emphasis on annual performance-based compensation.

Although we look at competitive long-term equity incentive award values in similarly-sized general industry companies when assessing the competitiveness of our compensation programs, we did not base our 2007 stock option grants on these levels since equity is structured differently in closely held companies than in publicly-traded companies. As is typical in similar situations, the Investors wanted to share a certain percentage of the equity with executives shortly after the consummation of the Merger and establish performance objectives and incentives up front in lieu of annual grants to ensure our executives' long-term economic interests would be aligned with those of the Investors. This pool of equity was then further allocated based on the executives' anticipated impact on, and potential for, driving Company strategy and performance. The resulting total direct pay mix is heavily weighted towards performance-based pay (PEP plus stock options) rather than fixed pay, which the Committee believes reflects the compensation philosophy and objectives discussed above. No additional long term equity incentives were granted to the named executive officers in 2008.

Compensation Process

While our 2008 named executive officer compensation was largely determined at the time of the Merger, the Committee ensures that executives' pay levels are generally consistent with the compensation strategy described above, in part, by conducting annual assessments of competitive executive compensation. Management (but no named executive officer), in collaboration with the Committee's independent consultant, Semler Brossy Consulting Group, LLC, collects and presents compensation data from similarly-sized general industry companies, based to the extent possible on comparable position matches and compensation components. The following nationally recognized survey sources were utilized in anticipation of establishing 2008 executive compensation:

Survey	Revenue Scope (Median Revenue)	Number of Companies in Sample
Towers Perrin Executive Compensation Database	Greater than $20B ($35.0B)	58
Hewitt Total Compensation Measurement	$10B - $25B ($15.0B)	68
Hewitt Total Compensation Measurement	Greater than $25B ($46.5B)	36

These particular revenue scopes were selected because they were the closest approximations to HCA's revenue size. Each survey that provided an appropriate position match and sufficient sample size to be used in the compensation review was weighted equally. For this purpose, the two Hewitt survey cuts were considered as one survey, and we used a weighted average of the two surveys (65% for the $10B — $25B cut and 35% for the Greater than $25B).

Data was also collected from health care providers within our industry including Community Health Systems, Inc., Health Management Associates, Inc., Kindred Healthcare, Inc., LifePoint Hospitals, Inc., Tenet Healthcare Corporation and Universal Health Services, Inc. These health care providers are used only as a secondary point of reference for industry practices since we are significantly larger than these companies. The data from this analysis did not affect named executive officer pay level decisions in 2008. Semler Brossy also performed a competitive pay analysis specific for the Chairman of the Board, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer to be utilized in setting 2009 compensation for Mr. Bovender, Mr. Bracken and Mr. Johnson. A custom proxy analysis was utilized, covering 150 selected companies in the S&P 500 (excluding the financial services sector). The following cuts of this database were used for market comparisons: (i) companies with $15 billion to $35 billion in revenues (52 companies) and (ii) companies in the broader health care sector (21 companies).

Consistent with our flexible compensation philosophy, the Committee is not required to approve compensation precisely reflecting the results of these surveys, and may also consider, among other factors (typically not reflected in these surveys): the requirements of the applicable employment agreements, the executive's individual performance during the year, his or her projected role and responsibilities for the coming year, his or her actual and potential impact on the successful execution of Company strategy, recommendations from our chief executive officer and compensation consultants, an officer's prior compensation, experience, and professional status, internal pay equity considerations, and employment market conditions and compensation practices within our peer group. The weighting of these and other relevant factors is determined on a case-by-case basis for each executive upon consideration of the relevant facts and circumstances.

Employment Agreements

In connection with the Merger, we entered into employment agreements with each of our named executive officers and certain other members of senior management to help ensure the retention of those executives critical to the future success of the Company. Among other things, these agreements set the executives' compensation terms, their rights upon a termination of employment, and restrictive covenants around non-competition, non-solicitation, and confidentiality. These terms and conditions are further explained in the remaining portion of this Compensation Discussion and Analysis and under "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements."

In light of Mr. Bovender's retirement from the position of Chief Executive Officer, effective December 31, 2008, and continuing service to the Company as executive Chairman until December 15, 2009, the Company entered into an Amended and Restated Employment Agreement with Mr. Bovender, effective December 31, 2008. The material amendments to Mr. Bovender's prior employment agreement as set forth in the Amended and Restated Employment Agreement are described below under "Mr. Bovender's Severance Benefits" and under "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements."

The Company also amended Mr. Bracken's employment agreement, effective January 1, 2009, to reflect his appointment to the position of Chief Executive Officer and President.

Elements of Compensation

Base Salary

Base salaries are intended to provide reasonable and competitive fixed compensation for regular job duties. The threshold base salaries for our executives are set forth in their employment agreements. We did not increase named executive officer base salaries in 2008, other than an approximate 5.3% increase in Mr. Johnson's base salary

in order to better align his salary with market for his position as Chief Financial Officer based on general industry surveys. In light of Mr. Bovender's retirement from the position of Chief Executive Officer and continuing role as Chairman and Mr. Bracken's assumption of the responsibilities of Chief Executive Officer and President, Mr. Bovender's base salary for 2009 was reduced to approximately $1.144 million for his Employment Term (as described further in "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements."), and Mr. Bracken's 2009 base salary was increased to $1.325 million. Similarly, taking into consideration the additional responsibilities being assumed by the position of Executive Vice President and Chief Financial Officer and relevant market comparables, Mr. Johnson's 2009 salary was set at $850,000, reflecting an increase of approximately 7.6%. In light of our goal of reducing the emphasis of base salary in our cash compensation mix, we do not intend to provide salary increases to any of our named executive officers in 2009, other than those described above.

Annual Incentive Compensation: PEP

The PEP is intended to reward named executive officers for annual financial performance, with the goals of providing high quality health care for our patients and increasing shareholder value. Each named executive officer in the Company's 2008-2009 Senior Officer Performance Excellence Program ("2008-2009 PEP") was assigned a 2008 annual award target expressed as a percentage of salary ranging from 66% to 126% (see individual targets in table below). In light of our goal to further emphasize performance-based pay, we increased the named executive officers' PEP target opportunities by approximately 6% for 2008 in lieu of salary increases (with the exception of Mr. Johnson's 2008 salary increase). These targets are intended to provide a meaningful incentive for executives to achieve or exceed performance goals.

The 2008-2009 PEP was designed to provide 100% of the target award for target performance, 50% of the target award for a minimum acceptable (threshold) level of performance, and a maximum of 200% of the target award for maximum performance, while no payments are made for performance below threshold levels. The Committee believes this payout curve is consistent with competitive practice. More importantly, it promotes and rewards continuous growth as performance goals have consistently been set at increasingly higher levels each year. Actual awards under the PEP are generally determined using the following two steps:

1. The executive's conduct must reflect our Mission and Values by upholding our Code of Conduct and following our compliance policies and procedures. This step is critical to reinforcing our commitment to integrity and the delivery of high quality health care. In the event the Committee determines the participant's conduct during the fiscal year is not in compliance with the first step, he or she will not be eligible for an incentive award.

2. The actual award amount is determined based upon Company performance. In 2008, the PEP for all named executive officers, other than Mr. Hazen, incorporated one Company financial performance measure, EBITDA, defined in the 2008-2009 PEP as earnings before interest, taxes, depreciation, amortization, minority interest expense, gains or losses on sales of facilities, gains or losses on extinguishment of debt, asset or investment impairment charges, restructuring charges, and any other significant nonrecurring non-cash gains or charges (but excluding any expenses for share-based compensation under Statement of Financial Accounting Standards No. 123(R), "Share-Based Payment" ("SFAS 123(R)") with respect to any awards granted under the 2008-2009 PEP) ("EBITDA"). The Company EBITDA target for 2008 was $4.720 billion ($4.714 billion after adjustment) for the named executive officers. Mr. Hazen's 2008 PEP, as the Western Group President, was based 50% on Company EBITDA and 50% on Western Group EBITDA (with a Western Group EBITDA target for 2008 of $2.328 billion) to ensure his accountability for his group's results. The Committee chose to base annual incentives on EBITDA for a number of reasons:

- It effectively measures overall Company performance;
- It is an important surrogate for cash flow, a critical metric related to paying down the Company's significant debt obligation;
- It is the key metric driving the valuation in the internal Company model, consistent with the valuation approach used by industry analysts; and
- It is consistent with the metric used for the vesting of the financial performance portion of our option grants.

These EBITDA targets should not be understood as management's predictions of future performance or other guidance and investors should not apply these in any other context. Our 2008 threshold and maximum goals were set at approximately +/- 3.6% of the target goal to reflect likely performance volatility. EBITDA targets were linked to the Company's short-term and long-term business objectives to ensure incentives are provided for appropriate annual growth and stretch performance.

Pursuant to the terms of the 2008-2009 PEP and the named executive officer employment agreements, the Committee exercised its ability to make adjustments to the Company's 2008 EBITDA performance target for dispositions of facilities occurring during the 2008 fiscal year. The adjustments to the target resulted in a decrease of approximately $6 million.

The Committee intends to set the named executive officers' 2009 target performance goals based on aggressive, yet realistic, expectations of Company performance ensuring successful execution of our plans in order to realize the most value from these awards. While we do not intend to disclose our 2009 PEP EBITDA target as an understanding of that target is not necessary for a fair understanding of the named executive officers' compensation for 2008 and could result in competitive harm and market confusion, we consistently set targets that require an increase in EBITDA year over year to promote continuous growth consistent with our business plan.

Upon review of the Company's 2008 financial performance, the Committee determined that Company EBITDA performance for the fiscal year ended December 31, 2008 fell below the target performance, but above threshold performance as set by the Compensation Committee; likewise, the EBITDA performance of the Western Group also exceeded threshold performance but was less than target performance. Accordingly, the 2008 PEP will be paid out as follows to the named executive officers (the actual 2008 PEP payout amounts are included in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table):

Named Executive Officer	2008 Target PEP (% of Salary)	2008 Actual PEP Award (% of Salary)
Jack O. Bovender, Jr. (Chairman and CEO)	126%	85.9%
Richard M. Bracken (President and COO)	96%	65.5%
R. Milton Johnson (Executive Vice President and CFO)	66%	45.0%
Samuel N. Hazen (President, Western Group)	66%	44.5%
Beverly B. Wallace (President, Shared Services Group)	66%	45.0%

In 2008, the 2008-2009 PEP was approved by the Committee. Therefore, the 2009 PEP program will work under the same plan as in 2008. Each named executive officer in the Company's 2008-2009 PEP was assigned a maximum 2009 annual award target expressed as a percentage of salary ranging from 72% to 132% which under the terms of the 2008-2009 PEP applies to the lesser of (a) the Named Executive Officer's 2009 base salary, or (b) 125% of the Named Executive Officer's 2008 base salary. The Committee has the discretion to reduce, but not increase, the 2009 Threshold, Target and Maximum percentages as set forth in the 2008-2009 PEP. Mr. Bovender's 2009 PEP target or Annual Bonus is set forth in his Amended and Restated Employment Agreement, effective December 31, 2008, as described in "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Mr. Bovender's Employment Agreement". The Committee set Mr. Bracken's 2009 target percentage at 130% of his 2009 base salary in connection with his appointment as Chief Executive Officer and President and amended the 2008-2009 PEP to set Mr. Johnson's 2009 target percentage at 80% of his 2009 base salary in light of the additional responsibilities assumed by the position of Executive Vice President and Chief Financial Officer. The Committee anticipates that the 2009 PEP target percentage will remain at 66% of base salary for Mr. Hazen and Ms. Wallace, respectively. The Committee also has the ability to supplement the financial metrics and weightings with additional measures other than EBITDA including: (a) operating income, profit or efficiencies; (b) return on equity, assets, capital, capital employed or investment; (c) after-tax operating income; (d) net income; (e) earnings or book value per share; (f) cash flow(s); (g) stock price or total shareholder return; (h) debt reduction; (i) strategic business objectives, consisting of one or more objectives based on meeting specified cost targets, business expansion goals and goals relating to acquisitions or divestitures; or (j) any combination thereof.

Long-Term Equity Incentive Awards: Options

In connection with the Merger, the Board of Directors approved and adopted the 2006 Stock Incentive Plan for Key Employees of HCA Inc. and its Affiliates (the "2006 Plan"). The purpose of the 2006 Plan is to:

- Promote our long term financial interests and growth by attracting and retaining management and other personnel and key service providers with the training, experience and abilities to enable them to make substantial contributions to the success of our business;
- Motivate management personnel by means of growth-related incentives to achieve long range goals; and
- Further the alignment of interests of participants with those of our shareholders through opportunities for increased stock or stock-based ownership in the Company.

In January 2007, pursuant to the terms of the named executive officers' respective employment agreements, the Committee approved long-term stock option grants to our named executive officers under the 2006 Plan consisting solely of a one-time, multi-year stock option grant in lieu of annual long-term equity incentive award grants ("New Options"). In addition to the New Options granted in 2007, the Company committed to grant the named executive officers 2x Time Options in their respective employment agreements, as described in more detail below under "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements." The Committee believes that stock options are the most effective long-term vehicle to directly align the interests of executives with those of our shareholders by motivating performance that results in the long-term appreciation of the Company's value, since they only provide value to the executive if the value of the Company increases. As is typical in leveraged buyout situations, the Committee determined that granting all of the stock options (except the 2x Time Options) up front rather than annually was appropriate to aid in retaining key leaders critical to the Company's success over the next several years and, coupled with the executives' significant personal investments in connection with the Merger, provide an equity incentive and stake in the Company that directly aligns the long-term economic interests of the executives with those of the Investors.

The New Options have a ten year term and are divided so that $^1/_3$ are time vested options, $^1/_3$ are EBITDA-based performance vested options and $^1/_3$ are performance options that vest based on investment return to the Sponsors, each as described below. The combination of time, performance and investor return based vesting of these awards is designed to compensate executives for long term commitment to the Company, while motivating sustained increases in our financial performance and helping ensure the Sponsors have received an appropriate return on their invested capital before executives receive significant value from these grants.

The time vested options are granted to aid in retention. Consistent with this goal, the time vested options granted in 2007 vest and become exercisable in equal increments of 20% on each of the first five anniversaries of the grant date. The time vested options have an exercise price equivalent to fair market value on the date of grant. Since our common stock is not currently traded on a national securities exchange, fair market value was determined reasonably and in good faith by the Board of Directors after consultation with the Chief Executive Officer and other advisors.

The EBITDA-based performance vested options are intended to motivate sustained improvement in long-term performance. Consistent with this goal, the EBITDA-based performance vested options granted in 2007 are eligible to vest and become exercisable in equal increments of 20% at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if certain annual EBITDA performance targets are achieved. These EBITDA performance targets were established at the time of the Merger and can be adjusted by the Board of Directors in consultation with the Chief Executive Officer as described below. We chose EBITDA (defined in the award agreements as earnings before interest, taxes, depreciation, amortization, minority interest expense, gains or losses on sales of facilities, gains or losses on extinguishment of debt, asset or investment impairment charges, restructuring charges, and any other significant nonrecurring non-cash gains or charges (but excluding any expenses for share-based compensation under SFAS 123(R) with respect to any awards granted under the 2006 Plan) as the performance metric since it is a key driver of our valuation and for other reasons as described above in the "Annual Incentive Compensation: PEP" section of this Compensation Discussion and Analysis. Due to the number of events that can occur within our industry in any given year that are beyond the control of management but may significantly impact our financial performance (e.g., health care regulations, industry-wide significant fluctuations in volume, etc.), we have

incorporated “catch-up” vesting provisions. The EBITDA-based performance vested options may vest and become exercisable on a “catch up” basis, such that, options that were eligible to vest but failed to vest due to our failure to achieve prior EBITDA targets will vest if at the end of any subsequent year or at the end of fiscal year 2012, the cumulative total EBITDA earned in all prior years exceeds the cumulative EBITDA target at the end of such fiscal year.

As discussed above, we do not intend to disclose the 2009-2011 EBITDA performance targets as they reflect competitive, sensitive information regarding our budget. However, we deliberately set our targets at increasingly higher levels. Thus, while designed to be attainable, target performance levels for these years require strong, improving performance and execution, which in our view, provides an incentive firmly aligned with shareholder interests.

As with the EBITDA targets under our 2008-2009 PEP, pursuant to the terms of the 2006 Plan and the Stock Option Agreements governing the 2007 grants, the Board of Directors, in consultation with our Chief Executive Officer, has the ability to adjust the established EBITDA targets for significant events, changes in accounting rules and other customary adjustment events. We believe these adjustments may be necessary in order to effectuate the intents and purposes of our compensation plans and to avoid unintended consequences that are inconsistent with these intents and purposes. The Board of Directors exercised its ability to make adjustments to the Company’s 2008-2011 EBITDA performance targets (including cumulative EBITDA targets) for facility dispositions and acquisitions and accounting changes occurring during the 2008 fiscal year.

The options that vest based on investment return to the Sponsors are intended to align the interests of executives with those of our principal shareholders to ensure shareholders receive their expected return on their investment before the executives can receive their gains on this portion of the option grant. These options vest and become exercisable with respect to 10% of the common stock subject to such options at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if the Investor Return (as defined below) is at least equal to two times the price paid to shareholders in the Merger (or $102.00), and with respect to an additional 10% at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if the Investor Return is at least equal to two-and-a-half times the price paid to shareholders in the Merger (or $127.50). “Investor Return” means, on any of the first five anniversaries of the closing date of the Merger, or any date thereafter, all cash proceeds actually received by affiliates of the Sponsors after the closing date in respect of their common stock, including the receipt of any cash dividends or other cash distributions (including the fair market value of any distribution of common stock by the Sponsors to their limited partners), determined on a fully diluted, per share basis. The Sponsor investment return options also may become vested and exercisable on a “catch up” basis if the relevant Investor Return is achieved at any time occurring prior to the expiration of such options.

Upon review of the Company’s 2008 financial performance, the Committee determined that the Company achieved the 2008 EBITDA performance target of $4.603 billion ($4.592 billion after adjustment) under the New Option awards; therefore, pursuant to the terms of the 2007 Stock Option Agreements, 20% of each named executive officer’s EBITDA-based performance vested options vested as of December 31, 2008. Further, 20% of each named executive officer’s time vested options vested on the second anniversary of their grant date, January 30, 2009. No portion of the options that vest based on Investor Return vested as of the end of the 2008 fiscal year; however, such options remain subject to the “catch up” vesting provisions described above.

For additional information concerning the options awarded in 2007, see the Grants of Plan-Based Awards Table.

As discussed above, except in the cases of promotions or new hires, the Committee does not intend to award additional stock options to our named executive officers (other than the 2x Time Options the Company committed to grant the named executive officers in their respective employment agreements, as described in more detail below under “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements”). Grants made in connection with promotions and new hires will be formally approved by the Committee. The exercise price of grants made in connection with promotions and new hires will be based on the quarterly fair market value as determined reasonably and in good faith by the Board of Directors after consultation with the Chief Executive Officer and other advisors. We anticipate that any option grants approved under the 2006 Plan in 2009 (other than the 2x Time Options) will be structured identical to those granted in 2007

except that the options will vest over a three year period rather than a five year period, with the time vested options vesting and becoming exercisable in equal increments of approximately 33% on each of the first three anniversaries of the grant date, the EBITDA-based performance vested options being eligible to vest and become exercisable in equal increments of approximately 33% at the end of fiscal years 2009, 2010 and 2011 if the applicable EBITDA performance targets are achieved (with the same "catch up" provision as described above), and the options that vest based on investment return to the Sponsors vesting and becoming exercisable with respect to approximately 16.67% of the common stock subject to such options at the end of fiscal years 2009, 2010 and 2011 if the Investor Return (as defined above) is at least equal to two times the price paid to shareholders in the Merger (or $102.00), and with respect to an additional approximately 16.67% at the end of fiscal years 2009, 2010 and 2011 if the Investor Return is at least equal to two-and-a-half times the price paid to shareholders in the Merger (or $127.50) (provided that the investor return options granted in 2009 may also become vested and exercisable on a "catch up" basis if the relevant Investor Return is achieved prior to the eighth anniversary of the grant date).

Ownership Guidelines

While we have maintained stock ownership guidelines in the past, as a non-listed company, we no longer have a policy regarding stock ownership guidelines. However, we do believe equity ownership aligns our executive officers' interests with those of the Investors. Accordingly, all of our named executive officers were required to rollover at least half their pre-Merger equity and, therefore, maintain significant stock ownership in the Company. See Item 12, "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

Retirement Plans

At the beginning of 2008, we maintained two qualified retirement plans, the HCA 401(k) Plan and the HCA Retirement Plan, to aid in retention and to assist employees in providing for their retirement. As of April 1, 2008, the HCA Retirement Plan merged into the HCA 401(k) Plan resulting in one qualified retirement plan. Generally all employees who have completed the required service are eligible to participate in the HCA 401(k) Plan. Each of our named executive officers participates in the plan. For additional information on these plans, including amounts contributed by HCA in 2008 to the named executive officers, see the Summary Compensation Table and related footnotes and narratives and "Pension Benefits."

Our key executives, including the named executive officers, also participate in two supplemental retirement programs. The Committee and the Board initially approved these supplemental programs to:

- Recognize significant long-term contributions and commitments by executives to the Company and to performance over an extended period of time;
- Induce our executives to continue in our employ through a specified normal retirement age (initially 62 through 65, but reduced to 60 upon the change in control at the time of the Merger in 2006); and
- Provide a competitive benefit to aid in attracting and retaining key executive talent.

The Restoration Plan provides a benefit to replace a portion of the contributions lost in the HCA 401(k) Plan due to certain IRS limitations. Effective January 1, 2008, participants in the SERP (described below) are no longer eligible for Restoration Plan contributions; however, the hypothetical accounts maintained for each named executive officer as of January 1, 2008 will continue to be maintained and will be increased or decreased with investment earnings based on the actual investment return. For additional information concerning the Restoration Plan, see "Nonqualified Deferred Compensation."

Key executives also participate in the Supplemental Executive Retirement Plan, or the "SERP," adopted in 2001. The SERP benefit brings the total value of annual retirement income to a specific income replacement level. For named executive officers with 25 years or more of service, this income replacement level is 60% of final average pay (base salary and PEP payouts) at normal retirement, a competitive level of benefit at the time the plan was implemented. Due to the Merger, all participants are fully vested in their SERP benefits and the plan is now frozen to new entrants. For additional information concerning the SERP, see "Pension Benefits."

In the event a participant renders service to another health care organization within five years following retirement or termination of employment, he or she forfeits the rights to any further payment, and must repay any payments already made. This non-competition provision is subject to waiver by the Committee with respect to the named executive officers.

Personal Benefits

Our executive officers receive limited, if any, benefits outside of those offered to our other employees. Generally, we provide these benefits to increase travel and work efficiencies and allow for more productive use of the executive's time. Mr. Bovender and Mr. Bracken are permitted to use the Company aircraft for personal trips, subject to the aircraft's availability. Other named executive officers may have their spouses accompany them on business trips taken on the Company aircraft, subject to seat availability. In addition, there are times when it is appropriate for an executive's spouse to attend events related to our business. On those occasions, we will pay for the travel expenses of the executive's spouse. We will, on an as needed basis, provide mobile telephones and personal digital assistants to our employees and certain of our executive officers have obtained such devices through us. The value of these personal benefits, if any, is included in the executive officer's income for tax purposes and, in certain limited circumstances, the additional income attributed to an executive officer as a result of one or more of these benefits will be grossed up to cover the taxes due on that income. Except as otherwise discussed herein, other welfare and employee-benefit programs are the same for all of our eligible employees, including our executive officers. For additional information, see footnote (6) to the Summary Compensation Table.

Severance and Change in Control Benefits

As noted above, all of our named executive officers have entered into employment agreements, which provide, among other things, each executive's rights upon a termination of employment in exchange for non-competition, non-solicitation, and confidentiality covenants. We believe that reasonable severance benefits are appropriate in order to be competitive in our executive retention efforts. These benefits should reflect the fact that it may be difficult for such executives to find comparable employment within a short period of time. We also believe that these types of agreements are appropriate and customary in situations such as the Merger wherein the executives have made significant personal investments in the Company and that investment is generally illiquid for a significant period of time. Finally, we believe formalized severance arrangements are common benefits offered by employers competing for similar senior executive talent.

Severance Benefits for Named Executive Officers (other than Chairman)

If employment is terminated by the Company without "cause" or by the executive for "good reason" (whether or not the termination was in connection with a change-in-control), the executive would be entitled to "accrued rights" (Cause, good reason and accrued rights are as defined in "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements") plus:

- Subject to restrictive covenants and the signing of a general release of claims, an amount equal to two times for Mr. Hazen and Ms. Wallace and three times in the case of Messrs. Bracken and Johnson the sum of base salary plus PEP paid or payable in respect of the fiscal year immediately preceding the fiscal year in which termination occurs, payable over a two year period;
- Pro-rata bonus; and
- Continued coverage under our group health plans during the period over which the cash severance is paid.

Additionally, unvested options will be forfeited; however, vested New Options will remain exercisable until the first anniversary of the termination of the executive's employment.

Because we believe that a termination by the executive for good reason (a constructive termination) is conceptually the same as an actual termination by the Company without cause, we believe it is appropriate to provide severance benefits following such a constructive termination of the named executive officer's employment. All of our severance provisions are believed to be within the realm of competitive practice and are intended to provide fair and reasonable compensation to the executive upon a termination event.

Mr. Bovender's Severance Benefits

In light of his long-term service to the Company and his retirement from the position of Chief Executive Officer, the Company entered into an Amended and Restated Employment Agreement with Mr. Bovender, effective December 31, 2008 (the "Amended Employment Agreement"). Mr. Bovender's Amended Employment Agreement provides, effective as of the expiration of the Employment Term (as defined in "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements") or Mr. Bovender's sooner voluntary termination for any reason (including by reason of death or disability, but other than for "good reason"), that Mr. Bovender would be entitled to receive the "accrued rights" as described above for the other named executive officers. Mr. Bovender would also be entitled to receive a pro rata portion of his bonus under the 2008-2009 PEP based on the Company's actual results for 2009 ("Mr. Bovender's Prorated Bonus"). Additionally, in the event Mr. Bovender's Additional Bonus (as defined in "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements") has not been earned as of the termination date, the Committee will consider in good faith whether or not all or a portion of Mr. Bovender's Additional Bonus will be included as part of Mr. Bovender's Prorated Bonus. The same severance applies regardless of whether the termination was in connection with a change in control of the Company. Mr. Bovender would also be entitled to continued coverage under the Company's group health plans for Mr. Bovender and his wife until age 65, reimbursement of any unreimbursed business expenses properly incurred and such employee benefits, if any, as to which Mr. Bovender would be entitled under the Company's employee benefit plans.

The Amended Employment Agreement also provides that, effective as of the expiration of the Employment Term or Mr. Bovender's sooner voluntary termination for any reason (including by reason of death or disability, but other than for "good reason"), (i) neither Mr. Bovender nor the Company shall have any put or call rights with respect to Mr. Bovender's New Options or stock acquired upon the exercise of any such options; (ii) Mr. Bovender's "rollover" stock options will remain exercisable as if Mr. Bovender's employment terminated by reason of "retirement" in accordance with the terms of the applicable equity plans and award agreements; (iii) the unvested New Options (including any issued 2x Time Options) held by Mr. Bovender that vest solely based on the passage of time will vest as if Mr. Bovender's employment had continued through the next three anniversaries of their date of grant (it being understood that any 2x Time Options issued after Mr. Bovender's termination or retirement shall also continue to vest through the remainder of the extended vesting period); (iv) the unvested New Options held by Mr. Bovender that are EBITDA performance options will remain outstanding and will vest, if at all, on the next four dates that they would have otherwise vested had Mr. Bovender's employment continued, based upon the extent to which performance goals are met; (v) the unvested New Options held by Mr. Bovender that are "Investor Return" performance options will remain outstanding and will vest, if at all, on the dates that they would have otherwise vested had Mr. Bovender's employment continued through the expiration of such options, based upon the extent to which performance goals are met; and (vi) Mr. Bovender's New Options will remain exercisable until the second anniversary of the last date on which his EBITDA performance options are eligible to vest (which is December 31, 2014), except that (a) Mr. Bovender's 2x Time Options will remain exercisable until the fifth anniversary of the last date on which his EBITDA performance options are eligible to vest (which is December 31, 2017), and (b) Mr. Bovender's "Investor Return" performance options will remain exercisable until the expiration of such options.

If Mr. Bovender's employment is terminated by the Company without "cause" or by Mr. Bovender for "good reason" (whether or not the termination was in connection with a change-in-control), Mr. Bovender would be entitled to receive the benefits described above and, subject to the delivery of a customary release and continued compliance with the noncompetition, nonsolicitation and confidentiality restrictions in the Amended Employment Agreement, an amount (if any) equal to Mr. Bovender's base salary that would have been otherwise payable through the end of the Employment Term.

If Mr. Bovender's employment is terminated by the Company for "cause," Mr. Bovender shall be entitled to receive the amounts and benefits described in the first paragraph of this section, except that Mr. Bovender shall not be entitled to receive Mr. Bovender's Prorated Bonus and shall not be entitled to any other benefits described above. Mr. Bovender's vested New Options will, upon such event, remain exercisable until the first anniversary of the termination of Mr. Bovender's employment.

Change in Control Benefits

Pursuant to the Stock Option Agreements governing the New Options granted in 2007 under the 2006 Plan, upon a Change in Control of the Company (as defined below), all unvested time vesting New Options (that have not otherwise terminated or become exercisable) shall become immediately exercisable. Performance options that vest subject to the achievement of EBITDA targets will become exercisable upon a Change in Control of the Company if: (i) prior to the date of the occurrence of such event, all EBITDA targets have been achieved for years ending prior to such date; (ii) on the date of the occurrence of such event, the Company's actual cumulative total EBITDA earned in all years occurring after the performance option grant date, and ending on the date of the Change in Control, exceeds the cumulative total of all EBITDA targets in effect for those same years; or (iii) the Investor Return is at least two-and-a-half times the price paid to the shareholders in the Merger (or $127.50). For purposes of the vesting provision set forth in clause (ii) above, the EBITDA target for the year in which the Change in Control occurs shall be equitably adjusted by the Board of Directors in good faith in consultation with the chief executive officer (which adjustment shall take into account the time during such year at which the Change in Control occurs). Performance vesting options that vest based on the investment return to the Sponsors will only vest upon the occurrence of a Change in Control if, as a result of such event, the applicable Investor Return (i.e., at least two times the price paid to the shareholders in the Merger for half of these options and at least two-and-one-half times the price paid to the shareholders in the Merger for the other half of these options) is also achieved in such transaction (if not previously achieved). "Change in Control" means in one or more of a series of transactions (i) the transfer or sale of all or substantially all of the assets of the Company (or any direct or indirect parent of the Company) to an Unaffiliated Person (as defined below); (ii) a merger, consolidation, recapitalization or reorganization of the Company (or any direct or indirect parent of the Company) with or into another Unaffiliated Person, or a transfer or sale of the voting stock of the Company (or any direct or indirect parent of the Company), an Investor, or any affiliate of any of the Investors to an Unaffiliated Person, in any such event that results in more than 50% of the common stock of the Company (or any direct or indirect parent of the Company) or the resulting company being held by an Unaffiliated Person; or (iii) a merger, consolidation, recapitalization or reorganization of the Company (or any direct or indirect parent of the Company) with or into another Unaffiliated Person, or a transfer or sale by the Company (or any direct or indirect parent of the Company), an Investor or any affiliate of any of the Investors, in any such event after which the Investors and their affiliates (x) collectively own less than 15% of the Common Stock of and (y) collectively have the ability to appoint less than 50% of the directors to the Board (or any resulting company after a merger). For purposes of this definition, the term "Unaffiliated Person" means a person or group who is not an Investor, an affiliate of any of the Investors or an entity in which any Investor holds, directly or indirectly, a majority of the economic interest in such entity.

Additional information regarding applicable payments under such agreements for the named executive officers is provided under "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements" and "Potential Payments Upon Termination or Change in Control."

Recoupment of Compensation

While we do not presently have any formal policies or practices that provide for the recovery or adjustment of amounts previously paid to a named executive officer in the event the operating results on which the payment was based were restated or otherwise adjusted, in such event we would reserve the right to seek all appropriate remedies available under the law.

Tax and Accounting Implications

On April 29, 2008, we registered our common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended; and the Company became subject to Section 162(m) of the Internal Revenue Code, as amended (the "Code") for fiscal year 2008 and beyond, so long as the Company's stock remains registered with the SEC. The Committee considers the impact of Section 162(m) in the design of its compensation strategies. Under Section 162(m), compensation paid to executive officers in excess of $1,000,000 cannot be taken by us as a tax deduction unless the compensation qualifies as performance-based compensation. We have determined, however, that we will not necessarily seek to limit executive compensation to amounts deductible under Section 162(m) if such limitation is not in the best interests of our stockholders. While considering the tax implications of its

compensation decisions, the Committee believes its primary focus should be to attract, retain and motivate executives and to align the executives' interests with those of our stakeholders.

The Committee operates its compensation programs with the good faith intention of complying with Section 409A of the Internal Revenue Code. We account for stock based payments with respect to our long term equity incentive award programs in accordance with the requirements of SFAS 123(R).

Compensation Committee Report

The Compensation Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis with management. Based on our review and discussion with management, we have recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this annual report on Form 10-K.

John P. Connaughton, Chairperson
Michael W. Michelson
George A. Bitar

Summary Compensation Table

The following table sets forth information regarding the compensation earned by the Chief Executive Officer, the Chief Financial Officer and our other three most highly compensated executive officers during 2008.

Name and Principal Positions	Year	Salary ($)(1)	Restricted Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Changes in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	Total ($)
Jack O. Bovender, Jr.	2008	$1,620,228	—	$5,189,950	$1,391,886	$ 3,926,217	$ 45,321	$12,173,602
Chairman and	2007	$1,620,228	—	$1,165,087	$3,888,547	—	$ 197,092	$ 6,870,954
Chief Executive Officer	2006	$1,535,137	$6,393,996	$6,714,520	$1,944,274	$10,715,751	$1,013,576	$28,317,254
Richard M. Bracken	2008	$1,060,872	—	$1,112,136	$ 694,370	$ 1,740,620	$ 31,781	$ 4,639,779
President, Chief	2007	$1,060,872	—	$1,019,458	$1,909,570	$ 590,370	$ 142,932	$ 4,723,202
Operating Officer, Director	2006	$ 952,420	$2,937,283	$2,966,787	$ 954,785	$ 4,912,088	$ 514,772	$13,238,135
R. Milton Johnson	2008	$ 786,698	—	$ 794,388	$ 355,491	$ 1,871,790	$ 38,769	$ 3,847,136
Executive Vice President	2007	$ 750,379	—	$ 728,189	$ 900,455	$ 509,442	$ 82,462	$ 2,970,927
and Chief Financial Officer	2006	$ 655,016	$1,820,053	$1,787,629	$ 450,227	$ 1,848,700	$ 295,160	$ 6,856,785
Samuel N. Hazen	2008	$ 788,672	—	$ 508,404	$ 350,807	$ 810,462	$ 15,651	$ 2,473,996
President —	2007	$ 788,672	—	$ 466,037	$ 830,779	$ 258,787	$ 84,767	$ 2,429,042
Western Group	2006	$ 688,438	$1,812,299	$1,787,629	$ 473,203	$ 1,828,748	$ 329,324	$ 6,919,641
Beverly B. Wallace	2008	$ 700,000	—	$ 444,852	$ 314,992	$ 2,080,836	$ 15,651	$ 3,556,331
President — Shared Services Group	2007	$ 700,000	—	$ 407,781	$ 840,000	$ 676,111	$ 75,013	$ 2,698,905

(1) Salary amounts for 2006 do not include the value of restricted stock awards granted pursuant to the HCA Inc. Amended and Restated Management Stock Purchase Plan, which was terminated upon consummation of the Merger, (the "MSPP") in lieu of a portion of annual salary. Such awards are included in the "Restricted Stock Awards" column. The 2006 base salary for each of Messrs. Bovender, Bracken, Johnson and Hazen, were $1,615,662, $1,057,882, $748,265 and $786,450, respectively.

(2) Restricted Stock Awards for 2006 include all compensation expense recognized in our financial statements in 2006 in accordance with SFAS 123(R) with respect to restricted shares awarded to the named executive officers, including restricted shares awarded pursuant to the HCA 2005 Equity Incentive Plan (the "2005 Plan") and predecessor plans, and restricted shares awarded pursuant to the MSPP. As a result of the Merger, all outstanding restricted shares vested and therefore all compensation expense with respect to restricted shares was recognized in 2006 in accordance with SFAS 123(R). See Note 3 to our consolidated financial statements.

(3) Option Awards for 2007 and 2008 include the compensation expense recognized in our financial statements for fiscal years 2007 and 2008, respectively, in accordance with SFAS 123(R) with respect to New Options to purchase shares of our common stock awarded to the named executive officers in fiscal year 2007 under the

2006 Plan. Pursuant to the terms of his Amended and Restated Employment Agreement with the Company, all remaining compensation expense with respect to the options granted to Mr. Bovender in fiscal year 2007 under the 2006 Plan was recognized in 2008 in accordance with SFAS 123(R). See Note 3 to our consolidated financial statements.

Option Awards for 2006 include all compensation expense recognized in our financial statements for fiscal year 2006 in accordance with SFAS 123(R) with respect to options to purchase shares of our common stock awarded to the named executive officers, including options awarded pursuant to the 2005 Plan and predecessor plans. As a result of the Merger, all options outstanding at the time of the Merger vested and therefore all compensation expense with respect to such options was recognized in 2006 in accordance with SFAS 123(R). See Note 3 to our consolidated financial statements.

(4) Non-Equity Incentive Plan Compensation for 2008 reflects amounts earned for the year ended December 31, 2008 under the 2008-2009 PEP, which amounts will be paid in the first quarter of 2009 pursuant to the terms of the 2008-2009 PEP. For 2008, the Company did not achieve its target performance level, but exceeded its threshold performance level, as adjusted, with respect to the Company's EBITDA; therefore, pursuant to the terms of the 2008-2009 PEP, 2008 awards under the 2008-2009 PEP will be paid out to the named executive officers at approximately 68.2% of each such officer's respective target amount, with the exception of Mr. Hazen, whose award will be paid out at approximately 67.4% of his target amount, due to the 50% of his PEP based on the Western Group EBITDA, which also exceeded the threshold performance level but did not reach the target performance level.

Non-Equity Incentive Plan Compensation for 2007 reflects amounts earned for the year ended December 31, 2007 under the 2007 PEP, which amounts will be paid in the first quarter of 2008 pursuant to the terms of the 2007 PEP. For 2007, the Company exceeded its maximum performance level, as adjusted, with respect to the Company's EBITDA; therefore, pursuant to the terms of the 2007 PEP, awards under the 2007 PEP were paid out to the named executive officers, at the maximum level of 200% of their respective target amounts, with the exception of Mr. Hazen, whose award was paid out at 175.6% of the target amount, due to the 50% of his PEP based on the Western Group EBITDA, which exceeded the target but did not reach the maximum performance level.

Non-Equity Incentive Plan Compensation for 2006 reflects amounts paid under the 2006 PEP in November 2006, which amounts became due and payable to certain of our executive officers, including the named executive officers, as a result of the change in control of the Company upon consummation of the Merger.

(5) All amounts for 2008 are attributable to changes in value of the SERP benefits. Assumptions used to calculate these figures are provided under the table titled "Pension Benefits." The changes in the SERP benefit value during 2008 were impacted mainly by: (i) the passage of time which reflects another year of pay and service plus actual investment return, (ii) the discount rate changing from 6.00% to 6.25%, which resulted in a decrease in the value and (iii) the opportunity for participants to change their benefit election before 2009 for terminations and retirements occurring after 2008. Mr. Bovender elected to change his benefit payment from an annuity to a lump sum. The impact of these events on the SERP benefit values was:

	Bovender	Bracken	Johnson	Hazen	Wallace
Passage of Time	$1,432,831	$2,142,217	$2,100,290	$1,037,631	$2,301,107
Discount Rate Change	$ (467,374)	$ (401,597)	$ (228,500)	$ (227,169)	$ (220,271)
Change in Election	$2,960,760	—	—	—	—

All amounts for 2007 are attributable to changes in value of the SERP benefits. Assumptions used to calculate these figures are provided under the table titled "Pension Benefits." The changes in the SERP benefit value during 2007 were impacted mainly by: (i) the passage of time which reflects another year of pay and service, (ii) the discount rate changing from 5.75% to 6.00%, which resulted in a decrease in the value and (iii) the use of the named executive officers' actual elections compared to 2006 when benefits were valued assuming a 50% probability of electing a lump sum and a 50% probability of electing an annuity. All named executive officers

elected a lump sum payment at retirement, with the exception of Mr. Bovender, who elected an annuity. The impact of these events on the SERP benefit values was:

	Bovender	Bracken	Johnson	Hazen	Wallace
Passage of Time	$ (966,974)	$ 399,630	$ 510,118	$ 266,066	$ 549,404
Discount Rate Change	$ (542,195)	$(351,603)	$(145,992)	$(186,325)	$(165,945)
Actual Election	$(1,322,788)	$ 542,343	$ 145,315	$ 179,046	$ 292,652

All amounts for 2006 are attributable to increases in value to the SERP benefits. In addition to the assumptions set forth under the table titled "Pension Benefits," for the purposes of calculating the 2006 figures, benefits are valued assuming a 50% probability of electing a lump sum and a 50% probability of electing an annuity. Messrs. Bovender's, Bracken's Johnson's and Hazen's SERP benefit value increased in 2006 by $4,185,617, $1,272,074, $299,972, and $287,717, respectively, as a result of the passage of time. In 2006, their SERP benefit value further increased due to three special, one-time events: (i) the payments made under the 2006 Senior Officer PEP in November 2006 described in footnote (4) to the Summary Compensation Table, which had the effect of increasing the named executive officers' current final average earnings; (ii) the Merger constituted a change in control under the terms of the SERP, which triggered a decrease in the normal retirement age under the SERP from age 65 (or 62 with 10 years of service) to age 60; and (iii) the Committee approved the amendment of the SERP to include a lump sum payment provision and to revise certain actuarial factors. The impact of these events on the SERP benefit values was:

	Bovender	Bracken	Johnson	Hazen
Timing of PEP payment	$2,593,533	$ 732,167	$293,215	$263,193
Change to retirement age	$1,250,090	$1,535,685	$576,907	$620,300
Lump sum provision and actuarial factors	$2,686,511	$1,372,162	$678,606	$657,538

(6) 2008 Amounts consist of:

- Company contributions to our Retirement Plan and matching Company contributions to our 401(k) Plan as set forth below.

	Bovender	Bracken	Johnson	Hazen	Wallace
HCA Retirement Plan	$ 3,163	$ 3,163	$ 3,163	$ 3,163	$ 3,163
HCA 401(k) matching contribution	$12,488	$12,488	$12,488	$12,488	$12,488
HCA Restoration Plan	—	—	—	—	—

Effective January 1, 2008, participants in the SERP are no longer eligible for Restoration Plan contributions.

- Personal use of corporate aircraft. In 2008, Messrs. Bovender, Bracken and Johnson were allowed personal use of Company aircraft with an estimated incremental cost of $28,913, $15,233 and $4,546, respectively, to the Company. Mr. Hazen and Ms. Wallace did not have any personal travel on Company aircraft in 2008. We calculate the aggregate incremental cost of the personal use of Company aircraft based on a methodology that includes the average aggregate cost, on a per nautical mile basis, of variable expenses incurred in connection with personal plane usage, including trip-related maintenance, landing fees, fuel, crew hotels and meals, on-board catering, trip-related hangar and parking costs and other variable costs. Because our aircraft are used primarily for business travel, our incremental cost methodology does not include fixed costs of owning and operating aircraft that do not change based on usage. We grossed up the income attributed to Messrs. Bovender and Bracken with respect to certain trips on Company aircraft. The additional income attributed to them as a result of gross ups was $588 and $599, respectively. In addition, we will pay the expenses of our executives' spouses associated with travel to and/or attendance at business related events at which spouse attendance is appropriate. We paid approximately $107, $189 and $13,660 for travel and/or other expenses incurred by Messrs. Bovender's, Bracken's and Johnson's wives, respectively, for such business related events, and additional income of $62, $109 and $4,912 was attributed to Messrs. Bovender, Bracken and Johnson, respectively, as a result of the gross up on such amounts.

2007 Amounts consist of:

- Company contributions to our Retirement Plan, matching Company contributions to our 401(k) Plan and Company accruals for our Restoration Plan as set forth below.

	Bovender	Bracken	Johnson	Hazen	Wallace
HCA Retirement Plan	$ 19,388	$19,388	$19,388	$19,388	$19,388
HCA 401(k) matching contribution	$ 2,250	$ 3,375	$ 3,375	$ 3,375	$ 3,375
HCA Restoration Plan	$153,475	$91,946	$57,792	$62,004	$52,250

- Personal use of corporate aircraft. In 2007, Messrs. Bovender and Bracken were allowed personal use of Company aircraft with an estimated incremental cost of $21,350 and $26,895, respectively, to the Company, calculated as described above. Mr. Hazen and Ms. Wallace did not have any personal travel on Company's aircraft in 2007. We grossed up the income attributed to Messrs. Bovender and Bracken with respect to certain trips on Company aircraft. The additional income attributed to them as a result of gross ups was $629 and $863, respectively. In addition, we will pay the travel expenses of our executives' spouses associated with travel to business related events at which spouse attendance is appropriate. We paid approximately $342 for travel by Mr. Bracken's wife on a commercial airline and related expenses for such an event, and additional income of $123 was attributed to Mr. Bracken as a result of the gross up on such amount.

2006 Amounts consist of:

- The cash payment received as a result of the deemed purchase under the MSPP. Salary amounts withheld on behalf of the participants in the MSPP through the closing date of the Merger were deemed to have been used to purchase shares of our common stock under the terms of the MSPP, using the closing date of the Merger as the last date of the applicable offering period, and then converted into the right to receive a cash payment equal to the number of shares deemed purchased under the MSPP multiplied by $51.00. Salary amounts were refunded to the participants, and they also received a cash payment equal to the difference between $51.00 and the deemed purchase price, multiplied by the number of shares the participant was deemed to have purchased. Messrs. Bovender, Bracken, Johnson and Hazen received cash payments of $20,860, $27,326, $24,157 and $25,379, respectively.
- Company contributions to our Retirement Plan, matching Company contributions to our 401(k) Plan and Company accruals for our Restoration Plan in 2006 as set forth below.

	Bovender	Bracken	Johnson	Hazen
HCA Retirement Plan	$ 19,019	$ 19,019	$ 19,019	$ 19,019
HCA 401(k) matching contribution	$ 3,125	$ 3,300	$ 3,300	$ 3,300
HCA Restoration Plan	$856,424	$409,933	$212,109	$247,060

- Dividends on restricted shares. On March 1, 2006, June 1, 2006 and September 1, 2006, we paid dividends of $0.15 per share, $0.17 per share and $0.17 per share, respectively, for each issued and outstanding share of common stock of HCA, including restricted shares. Messrs. Bovender, Bracken, Johnson and Hazen received aggregate dividends of $82,525, $42,030, $25,267 and $27,754, respectively, in 2006 in respect of restricted shares held by them.
- Personal use of corporate aircraft. In 2006, each of Messrs. Bovender, Bracken, Johnson and Hazen were allowed personal use of Company aircraft with estimated incremental cost of approximately $30,336, $12,173, $11,308 and $6,812, respectively, to the Company, calculated as described above. We grossed up the income attributed to Messrs. Bovender and Bracken with respect to certain trips on Company aircraft. The additional income attributed to them as a result of gross ups was $1,287 and $522, respectively. In addition, we will pay the travel expenses of our executives' spouses associated with travel to business related events at which spouse attendance is appropriate. We paid approximately $469 for travel by Mr. Bracken's wife on a commercial airline for such an event.

Grants of Plan-Based Awards

The following table provides information with respect to awards made under our 2008-2009 PEP during the 2008 fiscal year.

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ($)(1)			Estimated Possible Payouts Under Equity Incentive Plan Awards (#)			All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards ($/sh)	Grant Date Fair Value of Option Awards
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)			
Jack O. Bovender, Jr.	N/A	$1,020,744	$2,041,487	$4,082,975	—	—	—	—	—	—
Richard M. Bracken	N/A	$ 509,219	$1,018,437	$2,036,874	—	—	—	—	—	—
R. Milton Johnson	N/A	$ 260,705	$ 521,410	$1,042,820	—	—	—	—	—	—
Samuel N. Hazen	N/A	$ 260,262	$ 520,524	$1,041,047	—	—	—	—	—	—
Beverly B. Wallace	N/A	$ 231,000	$ 462,000	$ 924,000	—	—	—	—	—	—

(1) Non-equity incentive awards granted to each of the named executive officers pursuant to our 2008-2009 PEP for the 2008 fiscal year, as described in more detail under “Compensation Discussion and Analysis — Annual Incentive Compensation: PEP.” The amounts shown in the “Threshold” column reflect the threshold payment, which is 50% of the amount shown in the “Target” column. The amount shown in the “Maximum” column is 200% of the target amount. These amounts are based on the individual’s salary and position as of the date the 2008-2009 Senior Officer PEP was approved by the Compensation Committee. Pursuant to the terms of the 2008-2009 PEP, awards have already been determined and will be paid out to the named executive officers at approximately 68.2% of each such officer’s respective target amount, with the exception of Mr. Hazen, whose award vested and will be paid out at approximately 67.4% of the target amount. Messrs. Bovender, Bracken, Johnson and Hazen and Ms. Wallace will receive $1,391,886, $694,370, $355,491, $350,807 and $314,992, respectively, under the 2008-2009 Senior Officer PEP for the 2008 fiscal year; such amounts are reflected in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Total Compensation

In 2008 and 2007, total direct compensation, as described in the Summary Compensation Table, consisted primarily of base salary, annual PEP awards payable in cash, and, in 2007, long term stock option grants designed to be one-time grants to cover at least five years of service. This mix was intended to reflect our philosophy that a significant portion of an executive’s compensation should be equity-linked and/or tied to our operating performance. In addition, we provided an opportunity for executives to participate in two supplemental retirement plans; however, effective January 1, 2008, participants in the SERP are no longer eligible for Restoration Plan contributions, although Restoration Plan accounts will continue to be maintained for such participants (for additional information concerning the Restoration Plan, see “Nonqualified Deferred Compensation”). In 2006, by contrast, total compensation, as described in the Summary Compensation Table, was significantly impacted by the Merger and related one time events.

Options

In January 2007, New Options to purchase common stock of the Company were granted under the 2006 Plan to members of management and key employees, including the named executive officers. The New Options were designed to be long term equity incentive awards, constituting a one-time stock option grant in lieu of annual equity grants. The New Options granted in 2007 have a ten year term and are structured so that 1/3 are time vested options (vesting in five equal installments on the first five anniversaries of the grant date), 1/3 are EBITDA-based performance vested options and 1/3 are performance options that vest based on investment return to the Sponsors. The terms of the New Options granted in 2007 are described in greater detail under “Compensation Discussion and Analysis — Long Term Equity Incentive Awards: Options.” Compensation expense associated with the New Option awards was recognized in 2008 and 2007 in accordance with SFAS 123(R) and is included under the “Option Awards” column of the Summary Compensation Table.

As a result of the Merger, all unvested awards under the 2005 Plan (and all predecessor equity incentive plans) vested in November 2006. Generally, all outstanding options under the 2005 Plan (and any predecessor plans) were cancelled and converted into the right to receive a cash payment equal to the number of shares of common stock underlying the option multiplied by the amount by which the Merger consideration of $51.00 per share exceeded the exercise price for the options (without interest and less any applicable withholding taxes). However, certain members of management, including the named executive officers, were given the opportunity to convert options held by them prior to consummation of the Merger into options to purchase shares of common stock of the surviving corporation ("Rollover Options"). Immediately after the consummation of the Merger, all Rollover Options (other than those with an exercise price below $12.75) were adjusted so that they retained the same "spread value" (as defined below) as immediately prior to the Merger, but the new per share exercise price for all Rollover Options would be $12.75. The term "spread value" means the difference between (x) the aggregate fair market value of the common stock (determined using the Merger consideration of $51.00 per share) subject to the outstanding options held by the participant immediately prior to the Merger that became Rollover Options, and (y) the aggregate exercise price of those options. All previously unrecognized compensation expense associated with the Rollover Options was recognized in 2006; therefore, we did not record any compensation expense related to the Rollover Options in 2008 or 2007. New Options and Rollover Options held by the named executive officers are described in the Outstanding Equity Awards at Fiscal Year-End Table.

Employment Agreements

In connection with the Merger, on November 16, 2006, Hercules Holding entered into substantially similar employment agreements with each of the named executive officers and certain other executives, which agreements were shortly thereafter assumed by the Company and which agreements govern the terms of each executive's employment. However, in light of Mr. Bovender's retirement from the position of Chief Executive Officer, effective December 31, 2008, and continuing service to the Company as Chairman until December 15, 2009, the Company entered into an Amended and Restated Employment Agreement with Mr. Bovender, effective December 31, 2008, the terms of which are described below. The Company also entered into an amendment to Mr. Bracken's employment agreement, effective January 1, 2009, to reflect his appointment to the position of Chief Executive Officer and President.

Executive Employment Agreements (Other than the Chairman's)

The term of employment under each of these agreements is indefinite, and they are terminable by either party at any time; provided that an executive must give no less than 90 days notice prior to a resignation.

Each employment agreement sets forth the executive's annual base salary, which will be subject to discretionary annual increases upon review by the Board of Directors, and states that the executive will be eligible to earn an annual bonus as a percentage of salary with respect to each fiscal year, based upon the extent to which annual performance targets established by the Board of Directors are achieved. The employment agreements committed us to provide each executive with annual bonus opportunities in 2008 that were consistent with those applicable to the 2007 fiscal year, unless doing so would be adverse to our interests or the interests of our shareholders, and for later fiscal years, the agreements provide that the Board of Directors will set bonus opportunities in consultation with our Chief Executive Officer. With respect to the 2008 and 2007 fiscal years, each executive was eligible to earn under the 2008-2009 PEP and the 2008-2007 PEP, respectively, (i) a target bonus, if performance targets were met; (ii) a specified percentage of the target bonus, if "threshold" levels of performance were achieved but performance targets were not met; or (iii) a multiple of the target bonus if "maximum" performance goals were achieved, with the annual bonus amount being interpolated, in the sole discretion of the Board of Directors, for performance results that exceeded "threshold" levels but do not meet or exceed "maximum" levels. The annual bonus opportunities for 2008 were set forth in the 2008-2009 PEP, as described in more detail under "Compensation Discussion and Analysis — Annual Incentive Compensation: PEP." As described above, awards under the 2008 PEP have already been determined and will be paid out to the named executive officers, at approximately 68.2% of each such officer's respective target amount, with the exception of Mr. Hazen, whose award vested and will be paid out at approximately 67.4% of the target amount. As described above, awards under the 2007 PEP were paid out to the named executive officers, at the maximum level of 200% of their respective target amounts, with the exception

of Mr. Hazen, whose award was paid out at 175.6% of his target amount. Each employment agreement also sets forth the number of options that the executive received pursuant to the 2006 Plan as a percentage of the total equity initially made available for grants pursuant to the 2006 Plan. Such option awards, the New Options, were made January 30, 2007 and are described above.

Pursuant to each employment agreement, if an executive's employment terminates due to death or disability, the executive would be entitled to receive (i) any base salary and any bonus that is earned and unpaid through the date of termination; (ii) reimbursement of any unreimbursed business expenses properly incurred by the executive; (iii) such employee benefits, if any, as to which the executive may be entitled under our employee benefit plans (the payments and benefits described in (i) through (iii) being "accrued rights"); and (iv) a pro rata portion of any annual bonus that the executive would have been entitled to receive pursuant to the employment agreement based upon our actual results for the year of termination (with such proration based on the percentage of the fiscal year that shall have elapsed through the date of termination of employment, payable to the executive when the annual bonus would have been otherwise payable (the "pro rata bonus")).

If an executive's employment is terminated by us without "cause" (as defined below) or by the executive for "good reason" (as defined below) (each a "qualifying termination"), the executive would be (i) entitled to the accrued rights; (ii) subject to compliance with certain confidentiality, non-competition and non-solicitation covenants contained in his or her employment agreement and execution of a general release of claims on behalf of the Company, an amount equal to the product of (x) two (three in the case of Richard M. Bracken and R. Milton Johnson) and (y) the sum of (A) the executive's base salary and (B) annual bonus paid or payable in respect of the fiscal year immediately preceding the fiscal year in which termination occurs, payable over a two-year period; (iii) entitled to the pro rata bonus; and (iv) entitled to continued coverage under our group health plans during the period over which the cash severance described in clause (ii) is paid. The executive's vested New Options would also remain exercisable until the first anniversary of the termination of the executive's employment. However, in lieu of receiving the payments and benefits described in (ii), (iii) and (iv) immediately above, the executive may instead elect to have his or her covenants not to compete waived by us. The same severance applies regardless of whether the termination was in connection with a change in control of the Company.

"Cause" is defined as an executive's (i) willful and continued failure to perform his material duties to the Company which continues beyond 10 business days after a written demand for substantial performance is delivered; (ii) willful or intentional engagement in material misconduct that causes material and demonstrable injury, monetarily or otherwise, to the Company or the Sponsors; (iii) conviction of, or a plea of *nolo contendere* to, a crime constituting a felony, or a misdemeanor for which a sentence of more than six months' imprisonment is imposed; or (iv) willful and material breach of his covenants under the employment agreement which continues beyond the designated cure period or of the agreements relating to the new equity. "Good Reason" is defined as (i) a reduction in the executive's base salary (other than a general reduction that affects all similarly situated employees in substantially the same proportions which is implemented by the Board in good faith after consultation with the chief executive officer and chief operating officer, a reduction in the executive's annual incentive compensation opportunity, or the reduction of benefits payable to the executive under the SERP; (ii) a substantial diminution in the executive's title, duties and responsibilities; or (iii) a transfer of the executive's primary workplace to a location that is more than 20 miles from his or her current workplace (other than, in the case of (i) and (ii), any isolated, insubstantial and inadvertent failure that is not in bad faith and is cured within 10 business days after the executive's written notice to the Company).

In the event of an executive's termination of employment that is not a qualifying termination or a termination due to death or disability, he or she will only be entitled to the "accrued rights" (as defined above).

In each of the employment agreements with the named executive officers, we also commit to grant, among the named executive officers and certain other executives, 10% of the options initially authorized for grant under the 2006 Plan at some time before November 17, 2011 (but with a good faith commitment to do so before a "change in control" (as defined in the 2006 Plan and set forth above) or a "public offering" (as defined in the 2006 Plan) and before the time when our Board of Directors reasonably believes that the fair market value of our common stock is likely to exceed the equivalent of $102.00 per share) at an exercise price per share that is the equivalent of $102.00 per share ("2x Time Options"). A percentage of these options will be vested at the time of the grant, such percentage

corresponding to the elapsed percentage of the period measured between November 17, 2006 and November 17, 2011. When granted, these options will be allocated among the recipients by our Board of Directors in consultation with our chief executive officer based upon the perceived contributions of each recipient since November 17, 2006. The terms of the 2x Time Options will otherwise be consistent with other time vesting options granted under the 2006 Plan. Additionally, pursuant to the employment agreements, we agree to indemnify each executive against any adverse tax consequences (including, without limitation, under Section 409A and 4999 of the Internal Revenue Code), if any, that result from the adjustment by us of stock options held by the executive in connection with Merger or the future payment of any extraordinary cash dividends.

Additional information with respect to potential payments to the named executive officers pursuant to their employment agreements and the 2006 Plan is contained in "Potential Payments Upon Termination or Change in Control."

Mr. Bovender's Employment Agreement

The Company entered into the Amended Employment Agreement with Jack O. Bovender, Jr. on October 27, 2008, which became effective on December 31, 2008. Pursuant to the terms of the Amended Employment Agreement, Mr. Bovender will continue to be employed by HCA Management Services, L.P., an affiliate of the Company, and shall serve as executive Chairman of the Company for a period commencing December 31, 2008 and ending December 15, 2009 (the "Employment Term").

The Amended Employment Agreement provides that Mr. Bovender shall receive a base salary (i) at the monthly rate of $135,000 for the first three months of the Employment Term and (ii) at the monthly rate of $86,957 for the next eight and one-half months of the Employment Term ("Mr. Bovender's Base Salary"). Mr. Bovender is entitled to the full amount of any annual bonus earned, but unpaid, as of the effective date of the Amended Employment Agreement for the year ended December 31, 2008 under the Company's 2008-2009 PEP. For calendar year 2009, Mr. Bovender is eligible to earn a bonus under the 2008-2009 PEP with a "target bonus" of $500,000. Mr. Bovender has an additional 2009 bonus opportunity of up to $250,000 based upon the achievement of other objectives, to be determined by the compensation committee of the Company ("Mr. Bovender's Additional Bonus"). The Amended Employment Agreement generally provides for the provision of or reimbursement of expenses associated with office space, shared clerical support and office equipment until Mr. Bovender reaches age 70.

The terms of Mr. Bovender's employment agreement with respect to termination of his employment are described in detail under "Compensation Discussion and Analysis — Severance and Change in Control Agreements — Mr. Bovender's Severance Benefits."

Additional information with respect to potential payments to Mr. Bovender pursuant to his Amended Employment Agreement and the 2006 Plan is contained in "Potential Payments Upon Termination or Change in Control."

Outstanding Equity Awards at Fiscal Year-End

The following table includes certain information with respect to options held by the named executive officers as of December 31, 2008.

Name	Number of Securities Underlying Unexercised Options Exercisable(#)(1)(2)	Number of Securities Underlying Unexercised Options Unexercisable(#)(2)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(#)(2)	Option Exercise Price ($)(3)(4)	Option Expiration Date
Jack O. Bovender, Jr.	143,058	—	—	$12.75	1/25/2011
Jack O. Bovender, Jr.	53,882	—	—	$12.75	1/24/2012
Jack O. Bovender, Jr.	69,411	—	—	$12.75	1/29/2013
Jack O. Bovender, Jr.	53,751	—	—	$12.75	1/29/2014
Jack O. Bovender, Jr.	24,549	—	—	$12.75	1/27/2015

Name	Number of Securities Underlying Unexercised Options Exercisable(#)(1)(2)	Number of Securities Underlying Unexercised Options Unexercisable(#)(2)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options(#)(2)	Option Exercise Price ($)(3)(4)	Option Expiration Date
Jack O. Bovender, Jr.	15,843	—	—	$12.75	1/26/2016
Jack O. Bovender, Jr.	79,920	106,562	213,122	$51.00	1/30/2017
Richard M. Bracken	8,052	—	—	$12.75	3/22/2011
Richard M. Bracken	26,248	—	—	$12.75	7/26/2011
Richard M. Bracken	29,934	—	—	$12.75	1/24/2012
Richard M. Bracken	40,490	—	—	$12.75	1/29/2013
Richard M. Bracken	30,235	—	—	$12.75	1/29/2014
Richard M. Bracken	10,739	—	—	$12.75	1/27/2015
Richard M. Bracken	7,095	—	—	$12.75	1/26/2016
Richard M. Bracken	69,930	93,242	186,482	$51.00	1/30/2017
R. Milton Johnson	6,039	—	—	$12.75	3/22/2011
R. Milton Johnson	9,579	—	—	$12.75	1/24/2012
R. Milton Johnson	9,254	—	—	$12.75	1/29/2013
R. Milton Johnson	8,062	—	—	$12.75	1/29/2014
R. Milton Johnson	26,013	—	—	$12.75	7/22/2014
R. Milton Johnson	6,441	—	—	$12.75	1/27/2015
R. Milton Johnson	4,301	—	—	$12.75	1/26/2016
R. Milton Johnson	49,950	66,601	133,202	$51.00	1/30/2017
Samuel N. Hazen	6,039	—	—	$12.75	3/22/2011
Samuel N. Hazen	13,124	—	—	$12.75	7/26/2011
Samuel N. Hazen	19,158	—	—	$12.75	1/24/2012
Samuel N. Hazen	23,137	—	—	$12.75	1/29/2013
Samuel N. Hazen	16,797	—	—	$12.75	1/29/2014
Samuel N. Hazen	6,441	—	—	$12.75	1/27/2015
Samuel N. Hazen	4,301	—	—	$12.75	1/26/2016
Samuel N. Hazen	31,968	42,625	85,248	$51.00	1/30/2017
Beverly B. Wallace	6,039	—	—	$12.75	3/22/2011
Beverly B. Wallace	9,579	—	—	$12.75	1/24/2012
Beverly B. Wallace	13,882	—	—	$12.75	1/29/2013
Beverly B. Wallace	11,422	—	—	$12.75	1/29/2014
Beverly B. Wallace	4,601	—	—	$12.75	1/27/2015
Beverly B. Wallace	3,559	—	—	$12.75	1/26/2016
Beverly B. Wallace	27,972	37,297	74,592	$51.00	1/30/2017

(1) Reflects Rollover Options, as further described under “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Options,” the 20% of the named executive officer’s time vested New Options that vested as of January 30, 2008 and 40% of the named executive officer’s EBITDA-based performance vested New Options, comprised of the 20% that vested as of December 31, 2007 and the 20% that vested as of December 31, 2008 (upon the Committee’s determination that the Company achieved the 2007 and 2008 EBITDA performance targets under the option awards, as adjusted, as described in more detail under “Compensation Discussion and Analysis — Long Term Equity Incentive Awards: Options”).

(2) Reflects New Options awarded in January 2007 under the 2006 Plan by the Compensation Committee as part of the named executive officer's long term equity incentive award. The New Options granted in 2007 are structured so that 1/3 are time vested options (vesting in five equal installments on the first five anniversaries of the January 30, 2007 grant date), 1/3 are EBITDA-based performance vested options (vesting in equal increments of 20% at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if certain annual EBITDA performance targets are achieved, subject to "catch up" vesting, such that, options that were eligible to vest but failed to vest due to our failure to achieve prior EBITDA targets will vest if at the end of any subsequent year or at the end of fiscal year 2012, the cumulative total EBITDA earned in all prior years exceeds the cumulative EBITDA target at the end of such fiscal year) and 1/3 are performance options that vest based on investment return to the Sponsors (vesting with respect to 10% of the common stock subject to such options at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if the Investor Return is at least $102.00 and with respect to an additional 10% at the end of fiscal years 2007, 2008, 2009, 2010 and 2011 if the Investor Return is at least $127.50, subject to "catch up" vesting if the relevant Investor Return is achieved at any time occurring prior to January 30, 2017, so long as the named executive officer remains employed by the Company). The time vested options are reflected in the "Number of Securities Underlying Unexercised Options Unexercisable" column (with the exception of the 20% of the time vested options that vested as of January 30, 2008, which are reflected in the "Number of Securities Underlying Unexercised Options Exercisable" column), and the EBITDA-based performance vested options and investment return performance vested options are both reflected in the "Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options" column (with the exception of the 40% of the EBITDA-based performance vested options that vested as of December 31, 2007 and December 31, 2008, which are reflected in the "Number of Securities Underlying Unexercised Options Exercisable" column). The terms of these option awards are described in more detail under "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Options."

(3) Immediately after the consummation of the Merger, all Rollover Options (other than those with an exercise price below $12.75) were adjusted such that they retained the same "spread value" (as defined below) as immediately prior to the Merger, but the new per share exercise price for all Rollover Options would be $12.75. The term "spread value" means the difference between (x) the aggregate fair market value of the common stock (determined using the Merger consideration of $51.00 per share) subject to the outstanding options held by the participant immediately prior to the Merger that became Rollover Options, and (y) the aggregate exercise price of those options.

(4) The exercise price for the New Options granted under the 2006 Plan to the named executive officers on January 30, 2007 was equal to the fair value of our common stock on the date of the grant, as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors, pursuant to the terms of the 2006 Plan.

Option Exercises and Stock Vested

The following table includes certain information with respect to options exercised by the named executive officers during the fiscal year ended December 31, 2008.

	Option Awards	
Name	Number of Shares Acquired on Exercise(1)	Value Realized on Exercise ($)(2)
R. Milton Johnson	87,180	$3,758,330
Samuel N. Hazen	28,123	$1,212,383

(1) Messrs. Johnson and Hazen elected a cashless exercise of 87,180 and 28,123 stock options, respectively, resulting in net shares realized of 42,773 and 13,972, respectively.

(2) Represents the difference between the exercise price of the options and the fair market value of the common stock on the date of exercise, as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors.

Pension Benefits

Our SERP is intended to qualify as a "top-hat" plan designed to benefit a select group of management or highly compensated employees. There are no other defined benefit plans that provide for payments or benefits to any of the named executive officers. Information about benefits provided by the SERP is as follows:

Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit	Payments During Last Fiscal Year
Jack O. Bovender, Jr	SERP	29	$22,172,777	$ 0
Richard M. Bracken	SERP	27	$10,207,328	$ 0
R. Milton Johnson	SERP	26	$ 4,321,235	$ 0
Samuel N. Hazen	SERP	26	$ 3,605,578	$ 0
Beverly B. Wallace	SERP	25	$ 6,649,507	$ 0

Mr. Bovender is eligible for normal retirement. Mr. Bracken and Ms. Wallace are eligible for early retirement. The remaining named executive officers have not satisfied the eligibility requirements for normal or early retirement. All of the named executive officers are 100% vested in their accrued SERP benefit.

Plan Provisions

In the event the employee's "accrued benefits under the Company's Plans" (computed using "actuarial factors") are insufficient to provide the "life annuity amount," the SERP will provide a benefit equal to the amount of the shortfall. Benefits can be paid in the form of an annuity or a lump sum. The lump sum is calculated by converting the annuity benefit using the "actuarial factors." All benefits with a present value not exceeding one million dollars are paid as a lump sum regardless of the election made.

Normal retirement eligibility requires attainment of age 60 for employees who were participants at the time of the change in control which occurred as a result of the Merger, including all of the named executive officers. Early retirement eligibility requires age 55 with 20 or more years of service. The service requirement for early retirement is waived for employees participating in the SERP at the time of its inception in 2001, including all of the named executive officers. The "life annuity amount" payable to a participant who takes early retirement is reduced by three percent for each full year or portion thereof that the participant retires prior to normal retirement age.

The "life annuity amount" is the annual benefit payable as a life annuity to a participant upon normal retirement. It is equal to the participant's "accrual rate" multiplied by the product of the participant's "years of service" times the participant's "pay average." The SERP benefit for each year equals the life annuity amount less the annual life annuity amount produced by the employee's "accrued benefit under the Company's Plans."

The "accrual rate" is a percentage assigned to each participant, and is either 2.2% or 2.4%. All of the named executive officers are assigned a percentage of 2.4%.

A participant is credited with a "year of service" for each calendar year that the participant performs 1,000 hours of service for HCA or one of our subsidiaries, or for each year the participant is otherwise credited by us, subject to a maximum credit of 25 years of service.

A participant's "pay average" is an amount equal to one-fifth of the sum of the compensation during the period of 60 consecutive months for which total compensation is greatest within the 120 consecutive month period immediately preceding the participant's retirement. For purposes of this calculation, the participant's compensation includes base compensation, payments under the PEP, and bonuses paid prior to the establishment of the PEP.

The "accrued benefits under the Company's Plans" for an employee equals the sum of the employer-funded benefits accrued under the HCA Retirement Plan, the HCA 401(k) Plan and any other tax-qualified plan maintained by us or one of our subsidiaries, the income/loss adjusted amount distributed to the participant under any of these plans, the account credit and the income/loss adjusted amount distributed to the participant under the Restoration Plan and any other nonqualified retirement plans sponsored by us or one of our subsidiaries.

The "actuarial factors" include (a) interest at the long term Applicable Federal Rate under Section 1274(d) of the Code or any successor thereto as of the first day of November preceding the plan year in or for which a benefit

amount is calculated, and (b) mortality based on the prevailing commissioner's standard table (as described in Code section 807(d)(5)(A)) used in determining reserves for group annuity contracts.

Credited service does not include any amount other than service with us or one of our subsidiaries.

Assumptions

The Present Value of Accumulated Benefit is based on a measurement date of December 31, 2008.

The assumption is made that there is no probability of pre-retirement death or termination. Retirement age is assumed to be the Normal Retirement Age as defined in the SERP for all named executive officers, as adjusted by the provisions relating to change in control, or age 60. Age 60 also represents the earliest date the named executive officers are eligible to receive an unreduced benefit.

All other assumptions used in the calculations are the same as those used for the valuation of the plan liabilities in this annual report.

Supplemental Information

In the event a participant renders service to another health care organization within five years following retirement or termination of employment, he or she forfeits his rights to any further payment, and must repay any benefits already paid. This non-competition provision is subject to waiver by the Committee with respect to the named executive officers.

Nonqualified Deferred Compensation

Amounts shown in the table are attributable to the HCA Restoration Plan, an unfunded, nonqualified defined contribution plan designed to restore benefits under the HCA Retirement Plan based on compensation in excess of the Code Section 401(a)(17) compensation limit ($230,000 in 2008).

Name	Executive Contributions in Last Fiscal Year	Registrant Contributions in Last Fiscal Year	Aggregate Earnings in Last Fiscal Year	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last Fiscal Year
Jack O. Bovender, Jr	$ 0	$ 0	$(849,699)	$ 0	$2,193,745
Richard M. Bracken	$ 0	$ 0	$(445,541)	$ 0	$1,151,250
R. Milton Johnson	$ 0	$ 0	$(182,049)	$ 0	$ 472,090
Samuel N. Hazen	$ 0	$ 0	$(243,513)	$ 0	$ 630,201
Beverly B. Wallace	$ 0	$ 0	$(149,832)	$ 0	$ 388,934

The following amounts from the column titled "Aggregate Balance at Last Fiscal Year" have been reported in the Summary Compensation Tables in prior years:

	Restoration Contribution					
Name	2002	2003	2004	2005	2006	2007
Jack O. Bovender, Jr	$268,523	$289,899	$363,481	$295,062	$856,424	$153,475
Richard M. Bracken	$146,549	$162,344	$192,858	$172,571	$409,933	$ 91,946
R. Milton Johnson	—	—	—	$ 71,441	$212,109	$ 57,792
Samuel N. Hazen	—	$ 79,510	$101,488	$ 97,331	$247,060	$ 62,004
Beverly B. Wallace	—	—	—	—	—	$ 52,250

Plan Provisions

Until 2008, hypothetical accounts for each participant were credited each year with a contribution designed to restore the HCA Retirement Plan based on compensation in excess of the Code Section 401(a)(17) compensation limit ($230,000 in 2008), based on years of service. Effective January 1, 2008, participants in the SERP are no longer eligible for Restoration Plan contributions. However, the hypothetical accounts as of January 1, 2008 will

continue to be maintained and will be increased or decreased with investment earnings based on the actual investment return.

No employee deferrals are allowed under this or any other nonqualified deferred compensation plan.

Eligible employees make a one time election prior to participation (or prior to December 31, 2006, if earlier) regarding the form of distribution of the benefit. Participants choose between a lump sum and five or ten installments. Distributions are paid (or begin) during the July following the year of termination of employment or retirement. All balances not exceeding $500,000 are automatically paid as a lump sum. If no election is made, the benefit is paid in a lump sum.

Supplemental Information

In the event a participant renders service to another health care organization within five years following retirement or termination of employment, he or she forfeits the rights to any further payment, and must repay any payments already made. This non-competition provision is subject to waiver by the Committee with respect to the named executive officers.

Potential Payments Upon Termination or Change in Control

The following tables show the estimated amount of potential cash severance payable to each of the named executive officers, as well as the estimated value of continuing benefits, based on compensation and benefit levels in effect on December 31, 2008, assuming the executive's employment terminates or the Company undergoes a Change in Control (as defined in the 2006 Plan and set forth above under "Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — Options") effective December 31, 2008. Due to the numerous factors involved in estimating these amounts, the actual value of benefits and amounts to be paid can only be determined upon an executive's termination of employment.

Jack O. Bovender, Jr.

	Voluntary Termination	Early Retirement	Normal Retirement	Involuntary Termination Without Cause	Termination for Cause	Voluntary Termination for Good Reason	Disability	Death	Change in Control
Cash Severance(1)	—	—	—	$ 1,144,134	—	$ 1,144,134	—	—	—
Non-Equity Incentive Bonus(2)	$ 1,391,886	$ 1,391,886	$ 1,391,886	$ 1,391,886	$ 1,391,886	$ 1,391,886	$ 1,391,886	$ 1,391,886	$1,391,886
Unvested Stock Options(3)	$ 1,424,184	$ 1,424,184	$ 1,424,184	$ 1,424,184	—	$ 1,424,184	$ 1,424,184	$ 1,424,184	$1,553,664
SERP(4)	$22,431,999	$22,431,999	$22,431,999	$22,431,999	$22,431,999	$22,431,999	$22,431,999	$18,736,776	—
Retirement Plans(5)	$ 2,398,833	$ 2,398,833	$ 2,398,833	$ 2,398,833	$ 2,398,833	$ 2,398,833	$ 2,398,833	$ 2,398,833	—
Health and Welfare Benefits(6)	—	—	—	$ 15,505	—	—	—	—	—
Disability Income(7)	—	—	—	—	—	—	$ 1,275,926	—	—
Life Insurance Benefits(8)	—	—	—	—	—	—	—	$ 2,021,000	—
Accrued Vacation Pay	$ 224,339	$ 224,339	$ 224,339	$ 224,339	$ 224,339	$ 224,339	$ 224,339	$ 224,339	—
Total	$27,871,241	$27,871,241	$27,871,241	$29,030,880	$26,447,057	$29,015,375	$29,147,167	$26,197,018	$2,945,550

(1) Represents the amounts Mr. Bovender would be entitled to receive pursuant to Mr. Bovender's Amended Employment Agreement in effect on December 31, 2008. Under his prior employment agreement, Mr. Bovender would have been entitled to receive $16,526,325 in cash severance if his employment had been involuntarily terminated without cause or voluntarily terminated for good reason on December 31, 2008 prior to his resignation from the position of Chief Executive Officer. See "Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements."

(2) Represents the amount Mr. Bovender would be entitled to receive for the 2008 fiscal year pursuant to the 2008-2009 PEP and his Amended Employment Agreement, which amount is also included in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table. Under his prior employment agreement, Mr. Bovender would have been entitled to receive $0 in non-equity incentive plan compensation if his employment had been terminated for cause on December 31, 2008 prior to his resignation from the position

of Chief Executive Officer. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — 2008-2009 PEP and — Employment Agreements.”

(3) The amounts set forth in the “Voluntary Termination,” “Early Retirement,” “Normal Retirement,” “Involuntary Termination Without Cause,” “Voluntary Termination for Good Reason,” “Disability” and “Death” columns represent the intrinsic value of all unvested stock options, which, pursuant to Mr. Bovender’s Amended Employment Agreement, will continue to vest after the termination of his employment (other than a termination for cause), calculated as the difference between the exercise price of Mr. Bovender’s unvested New Options subject to such continued vesting provision and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the 2009, 2010 and 2011 EBITDA performance targets under the option awards are achieved by the Company and that the Company achieves an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of each of the 2009, 2010 and 2011 fiscal years, respectively. See “Compensation Discussion and Analysis — Severance and Change in Control Agreements.”

The amount set forth in the “Change in Control” column represents the intrinsic value of all unvested stock options, which will become vested upon the Change in Control, calculated as the difference between the exercise price of Mr. Bovender’s unvested New Options and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the Company achieved an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of the 2008 fiscal year.

(4) Reflects the actual lump sum value of the SERP based on the 2008 interest rate of 4.89%.

(5) Reflects the estimated lump sum present value of qualified and nonqualified retirement plans to which Mr. Bovender would be entitled. The value includes $169,452 from the HCA Retirement Plan, $35,636 from the HCA 401(k) Plan (which represents the value of the Company’s matching contributions), and $2,193,745 from the HCA Restoration Plan.

(6) Reflects the present value of the medical premiums for Mr. Bovender and his spouse from termination to age 65 as required pursuant to Mr. Bovender’s Amended Employment Agreement. See “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements.”

(7) Reflects the estimated lump sum present value of all future payments which Mr. Bovender would be entitled to receive under our disability program, including five months of salary continuation, monthly long term disability benefits of $10,000 per month payable after the five-month elimination period for 42 months, and monthly benefits of $10,000 per month from our Supplemental Insurance Program payable after the six-month elimination period for 36 months.

(8) No post-retirement or post-termination life insurance or death benefits are provided to Mr. Bovender. Mr. Bovender’s payment upon death while actively employed includes $1,621,000 of Company-paid life insurance and $400,000 from the Executive Death Benefit Plan.

Richard M. Bracken

	Voluntary Termination	Early Retirement	Normal Retirement	Involuntary Termination Without Cause	Termination for Cause	Voluntary Termination for Good Reason	Disability	Death	Change in Control
Cash Severance(1)	—	—	—	$ 8,911,326	—	$ 8,911,326	—	—	—
Non-Equity Incentive Bonus(2)	$ 694,370	$ 694,370	$ 694,370	$ 694,370	—	$ 694,370	$ 694,370	$ 694,370	$ 694,370
Unvested Stock Options(3)	—	—	—	—	—	—	—	—	$1,359,459
SERP(4)	$12,950,117	$12,950,117	—	$12,950,117	$12,950,117	$12,950,117	$12,950,117	$11,608,638	—
Retirement Plans(5)	$ 2,016,285	$ 2,016,285	$2,016,285	$ 2,016,285	$ 2,016,285	$ 2,016,285	$ 2,016,285	$ 2,016,285	—
Health and Welfare Benefits	—	—	—	—	—	—	—	—	—
Disability Income(6)	—	—	—	—	—	—	$ 1,710,666	—	—
Life Insurance Benefits(7)	—	—	—	—	—	—	—	$ 1,136,000	—
Accrued Vacation Pay	$ 146,890	$ 146,890	$ 146,890	$ 146,890	$ 146,890	$ 146,890	$ 146,890	$ 146,890	—
Total	$15,807,662	$15,807,662	$2,857,545	$24,718,988	$15,113,292	$24,718,988	$17,518,328	$15,602,183	$2,053,829

(1) Represents amounts Mr. Bracken would be entitled to receive pursuant to his employment agreement. See “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements.”

(2) Represents the amount Mr. Bracken would be entitled to receive for the 2008 fiscal year pursuant to the 2008-2009 PEP and his employment agreement, which amount is also included in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — 2008-2009 PEP and — Employment Agreements.”

(3) Represents the intrinsic value of all unvested stock options, which will become vested upon the Change in Control, calculated as the difference between the exercise price of Mr. Bracken’s unvested New Options and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the Company achieved an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of the 2008 fiscal year.

(4) Reflects the actual lump sum value of the SERP based on the 2008 interest rate of 4.89%.

(5) Reflects the estimated lump sum present value of qualified and nonqualified retirement plans to which Mr. Bracken would be entitled. The value includes $607,368 from the HCA Retirement Plan, $257,667 from the HCA 401(k) Plan (which represents the value of the Company’s matching contributions), and $1,151,250 from the HCA Restoration Plan.

(6) Reflects the estimated lump sum present value of all future payments which Mr. Bracken would be entitled to receive under our disability program, including five months of salary continuation, monthly long term disability benefits of $10,000 per month payable after the five-month elimination period until age 65, and monthly benefits of $10,000 per month from our Supplemental Insurance Program payable after the six-month elimination period to age 65.

(7) No post-retirement or post-termination life insurance or death benefits are provided to Mr. Bracken. Mr. Bracken’s payment upon death while actively employed includes $1,061,000 of Company-paid life insurance and $75,000 from the Executive Death Benefit Plan.

R. Milton Johnson

	Voluntary Termination	Early Retirement	Normal Retirement	Involuntary Termination Without Cause	Termination for Cause	Voluntary Termination for Good Reason	Disability	Death	Change in Control
Cash Severance(1)	—	—	—	$ 5,071,410	—	$ 5,071,410	—	—	—
Non-Equity Incentive Bonus(2)	$ 355,491	$ 355,491	$ 355,491	$ 355,491	—	$ 355,491	$ 355,491	$ 355,491	$ 355,491
Unvested Stock Options(3)	—	—	—	—	—	—	—	—	$ 971,043
SERP(4)	$6,030,535	—	—	$ 6,030,535	$6,030,535	$ 6,030,535	$6,030,535	$5,725,084	—
Retirement Plans(5)	$1,182,513	$1,182,513	$1,182,513	$ 1,182,513	$1,182,513	$ 1,182,513	$1,182,513	$1,182,513	—
Health and Welfare Benefits	—	—	—	—	—	—	—	—	—
Disability Income(6)	—	—	—	—	—	—	$1,980,591	—	—
Life Insurance Benefits(7)	—	—	—	—	—	—	—	$ 790,000	—
Accrued Vacation Pay	$ 109,387	$ 109,387	$ 109,387	$ 109,387	$ 109,387	$ 109,387	$ 109,387	$ 109,387	—
Total	$7,677,926	$1,647,391	$1,647,391	$12,749,336	$7,322,435	$12,749,336	$9,658,517	$8,162,475	$1,326,534

(1) Represents amounts Mr. Johnson would be entitled to receive pursuant to his employment agreement. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements.”

(2) Represents the amount Mr. Johnson would be entitled to receive for the 2008 fiscal year pursuant to the 2008-2009 PEP and his employment agreement, which amount is also included in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — 2008-2009 PEP and — Employment Agreements.”

(3) Represents the intrinsic value of all unvested stock options, which will become vested upon the Change in Control, calculated as the difference between the exercise price of Mr. Johnson’s unvested New Options and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the Company achieved an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of the 2008 fiscal year.

(4) Reflects the actual lump sum value of the SERP based on the 2008 interest rate of 4.89%.

(5) Reflects the estimated lump sum present value of qualified and nonqualified retirement plans to which Mr. Johnson would be entitled. The value includes $209,470 from the HCA Retirement Plan, $500,953 from the HCA 401(k) Plan (which represents the value of the Company’s matching contributions), and $472,090 from the HCA Restoration Plan.

(6) Reflects the estimated lump sum present value of all future payments which Mr. Johnson would be entitled to receive under our disability program, including five months of salary continuation, monthly long term disability benefits of $10,000 per month payable after the five-month elimination period until age 65, and monthly benefits of $10,000 per month from our Supplemental Insurance Program payable after the six-month elimination period to age 65.

(7) No post-retirement or post-termination life insurance or death benefits are provided to Mr. Johnson. Mr. Johnson’s payment upon death while actively employed includes $790,000 of Company-paid life insurance.

Samuel N. Hazen

	Voluntary Termination	Early Retirement	Normal Retirement	Involuntary Termination Without Cause	Termination for Cause	Voluntary Termination for Good Reason	Disability	Death	Change in Control
Cash Severance(1)	—	—	—	$3,238,902	—	$3,238,902	—	—	—
Non-Equity Incentive Bonus(2)	$ 350,807	$ 350,807	$ 350,807	$ 350,807	—	$ 350,807	$ 350,807	$ 350,807	$350,807
Unvested Stock Options(3)	—	—	—	—	—	—	—	—	$621,463
SERP(4)	$5,166,117	—	—	$5,166,117	$5,166,117	$5,166,117	$5,166,117	$5,102,711	—
Retirement Plans(5)	$1,044,566	$1,044,566	$1,044,566	$1,044,566	$1,044,566	$1,044,566	$1,044,566	$1,044,566	—
Health and Welfare Benefits	—	—	—	—	—	—	—	—	—
Disability Income(6)	—	—	—	—	—	—	$2,227,535	—	—
Life Insurance Benefits(7)	—	—	—	—	—	—	—	$ 789,000	—
Accrued Vacation Pay	$ 109,201	$ 109,201	$ 109,201	$ 109,201	$ 109,201	$ 109,201	$ 109,201	$ 109,201	—
Total	$6,670,691	$1,504,574	$1,504,574	$9,909,593	$6,319,884	$9,909,593	$8,898,226	$7,396,285	$972,270

(1) Represents amounts Mr. Hazen would be entitled to receive pursuant to his employment agreement. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements.”

(2) Represents the amount Mr. Hazen would be entitled to receive for the 2008 fiscal year pursuant to the 2008-2009 PEP and his employment agreement, which amount is also included in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — 2008-2009 PEP and — Employment Agreements.”

(3) Represents the intrinsic value of all unvested stock options, which will become vested upon the Change in Control, calculated as the difference between the exercise price of Mr. Hazen’s unvested New Options and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the Company achieved an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of the 2008 fiscal year.

(4) Reflects the actual lump sum value of the SERP based on the 2008 interest rate of 4.89%.

(5) Reflects the estimated lump sum present value of qualified and nonqualified retirement plans to which Mr. Hazen would be entitled. The value includes $230,172 from the HCA Retirement Plan, $184,193 from the HCA 401(k) Plan (which represents the value of the Company’s matching contributions), and $630,201 from the HCA Restoration Plan.

(6) Reflects the estimated lump sum present value of all future payments which Mr. Hazen would be entitled to receive under our disability program, including five months of salary continuation, monthly long term disability benefits of $10,000 per month payable after the five-month elimination period until age 65, and monthly benefits of $10,000 per month from our Supplemental Insurance Program payable after the six-month elimination period to age 65.

(7) No post-retirement or post-termination life insurance or death benefits are provided to Mr. Hazen. Mr. Hazen’s payment upon death while actively employed with the Company includes $789,000 of the Company-paid life insurance.

Beverly B. Wallace

	Voluntary Termination	Early Retirement	Normal Retirement	Involuntary Termination Without Cause	Termination for Cause	Voluntary Termination for Good Reason	Disability	Death	Change in Control
Cash Severance(1)	—	—	—	$ 3,080,000	—	$ 3,080,000	—	—	—
Non-Equity Incentive Bonus(2)	$ 314,992	$ 314,992	$ 314,992	$ 314,992	—	$ 314,992	$ 314,992	$ 314,992	$314,992
Unvested Stock Options(3)	—	—	—	—	—	—	—	—	$543,781
SERP(4)	$7,579,094	$7,579,094	—	$ 7,579,094	$7,579,094	$ 7,579,094	$ 7,579,094	$6,890,049	—
Retirement Plans(5)	$ 751,634	$ 751,634	$ 751,634	$ 751,634	$ 751,634	$ 751,634	$ 751,634	$ 751,634	—
Health and Welfare Benefits	—	—	—	—	—	—	—	—	—
Disability Income(6)	—	—	—	—	—	—	$ 1,378,922	—	—
Life Insurance Benefits(7)	—	—	—	—	—	—	—	$ 700,000	—
Accrued Vacation Pay	$ 96,923	$ 96,923	$ 96,923	$ 96,923	$ 96,923	$ 96,923	$ 96,923	$ 96,923	—
Total	$8,742,643	$8,742,643	$1,163,549	$11,822,643	$8,427,651	$11,822,643	$10,121,565	$8,753,598	$858,773

(1) Represents amounts Ms. Wallace would be entitled to receive pursuant to her employment agreement. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — Employment Agreements.”

(2) Represents the amount Ms. Wallace would be entitled to receive for the 2008 fiscal year pursuant to the 2008-2009 PEP and her employment agreement, which amount is also included in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table. See “Narrative to Summary Compensation Table and Grants of Plan-Based Awards Table — 2008-2009 PEP and — Employment Agreements.”

(3) Represents the intrinsic value of all unvested stock options, which will become vested upon the Change in Control, calculated as the difference between the exercise price of Ms. Wallace’s unvested New Options and the fair value price of our common stock on December 31, 2008 as determined by our Board of Directors in consultation with our Chief Executive Officer and other advisors for internal purposes ($55.86 per share). For the purposes of this calculation, it is assumed that the Company achieved an Investor Return of at least 2.5 times the Base Price of $51.00 at the end of the 2008 fiscal year.

(4) Reflects the actual lump sum value of the SERP based on the 2008 interest rate of 4.89%.

(5) Reflects the estimated lump sum present value of qualified and nonqualified retirement plans to which Ms. Wallace would be entitled. The value includes $212,350 from the HCA Retirement Plan, $150,350 from the HCA 401(k) Plan (which represents the value of the Company’s matching contributions), and $388,934 from the HCA Restoration Plan.

(6) Reflects the estimated lump sum present value of all future payments which Ms. Wallace would be entitled to receive under our disability program, including five months of salary continuation, monthly long term disability benefits of $10,000 per month payable after the five-month elimination period until age 65, and monthly benefits of $10,000 per month from our Supplemental Insurance Program payable after the six-month elimination period to age 65.

(7) No post-retirement or post-termination life insurance or death benefits are provided to Ms. Wallace. Ms. Wallace’s payment upon death while actively employed includes $700,000 of Company-paid life insurance.

Director Compensation

During the year ended December 31, 2008, none of our directors received compensation for their service as a member of our Board. Our directors are reimbursed for any expenses incurred in connection with their service.

Compensation Committee Interlocks and Insider Participation

During 2008, the Compensation Committee of the Board of Directors was composed of Michael W. Michelson, George A. Bitar, John P. Connaughton and Thomas F. Frist, Jr., M.D. Dr. Frist served as an executive officer and Chairman of our Board of Directors from January 2001 to January 2002. From July 1997 to January 2001, Dr. Frist served as our Chairman and Chief Executive Officer. Dr. Frist served as Vice Chairman of the Board of Directors from April 1995 to July 1997 and as Chairman from February 1994 to April 1995. He was Chairman,

Chief Executive Officer and President of HCA-Hospital Corporation of America from 1988 to February 1994. Dr. Frist, who retired from our Board of Directors effective January 1, 2009, is the father of Thomas F. Frist, III and William R. Frist, who currently serve as directors. (Thomas F. Frist, III has been a director since November 2006, and William R. Frist has been a director since January 2009.) None of the other members of the Compensation Committee have at any time been an officer or employee of HCA or any of its subsidiaries. Each member of the Compensation Committee is also a manager of Hercules Holding, and the Amended and Restated Limited Liability Company Agreement of Hercules Holding requires that the members of Hercules Holding take all necessary action to ensure that the persons who serves as managers of Hercules Holding also serve on our Board of Directors. Messrs. Michelson, Bitar and Connaughton are affiliated with KKR, MLGPE (an affiliate of Bank of America Corporation), and Bain, respectively, each of which is a party to the sponsor management agreement with us. Dr. Frist and certain other members of the Frist family, are also party to the sponsor management agreement with us. The Amended and Restated Limited Liability Company Agreement of Hercules Holding, the sponsor management agreement and certain transactions with affiliates of MLGPE and KKR are described in greater detail in Item 13, “Certain Relationships and Related Transactions.”

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The following table sets forth information regarding the beneficial ownership of our common stock as of February 25, 2009 for:

- each person who is known by us to own beneficially more than 5% of the outstanding shares of our common stock;
- each of our directors;
- each of our executive officers named in the Summary Compensation Table; and
- all of our directors and executive officers as a group.

The percentages of shares outstanding provided in the tables are based on 94,371,407 shares of our common stock, par value $0.01 per share, outstanding as of February 25, 2009. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Shares issuable upon the exercise of options that are exercisable within 60 days of February 25, 2009 are considered outstanding for the purpose of calculating the percentage of outstanding shares of our common stock held by the individual, but not for the purpose of calculating the percentage of outstanding shares held by any other individual. The address of each of our directors and executive officers listed below is c/o HCA Inc., One Park Plaza, Nashville, Tennessee 37203.

Name of Beneficial Owner	Number of Shares	Percent
Hercules Holding II, LLC	91,845,692(1)	97.3%
Christopher J. Birosak	(1)	—
George A. Bitar	(1)	—
Jack O. Bovender, Jr.	588,836(2)	*
Richard M. Bracken	327,516(3)	*
John P. Connaughton	(1)	—
Kenneth W. Freeman	(1)	—
Thomas F. Frist III	(1)	—
William R. Frist	(1)	—
Christopher R. Gordon	(1)	—
Samuel N. Hazen	165,593(4)	*
R. Milton Johnson	179,062(5)	*
Michael W. Michelson	(1)	—
James C. Momtazee	(1)	—
Stephen G. Pagliuca	(1)	—
Nathan C. Thorne	(1)	—
Beverly B. Wallace	88,778(6)	*
All directors and executive officers as a group (29 persons)	2,257,973(7)	2.4%

* Less than one percent.

(1) Hercules Holding holds 91,845,692 shares, or 97.3%, of our outstanding common stock. Hercules Holding is held by a private investor group, including affiliates of Bain Capital Partners (“Bain”), Kohlberg Kravis Roberts & Co. L.P. (“KKR”) and Merrill Lynch Global Private Equity (“MLGPE,” previously the private equity arm of Merrill Lynch & Co., Inc. which is a wholly-owned subsidiary of Bank of America Corporation), and affiliates of HCA founder Dr. Thomas F. Frist, Jr., including Mr. Thomas F. Frist III and Mr. William R. Frist, who serve as directors. Messrs. Connaughton, Gordon and Pagliuca are affiliated with Bain, whose affiliated funds may be deemed to have indirect beneficial ownership of 23,373,333 shares, or 24.8%, of our outstanding common stock through their interests in Hercules Holding. Messrs. Freeman, Michelson and Momtazee are affiliated with KKR, which indirectly holds 23,373,332 shares, or 24.8%, of our outstanding common stock through the interests of certain of its affiliated funds in Hercules Holding. Messrs. Birosak, Bitar and Thorne are affiliated with Bank of America Corporation, which indirectly holds 23,373,333 shares, or 24.8%, of our outstanding common stock through the interests of certain of its affiliated funds in Hercules Holding and 980,393, or 1.0%, of our outstanding common stock through Banc of America Securities LLC. Thomas F. Frist, III and William R. Frist may each be deemed to indirectly beneficially hold 17,804,125 shares, or 18.9%, of our outstanding common stock through their interests in Hercules Holding. Each of such persons, other than Hercules Holdings disclaims membership in any such group and disclaims beneficial ownership of these securities, except to the extent of its pecuniary interest therein. The principal office addresses of Hercules Holding are c/o Bain Capital Partners, LLC, 111 Huntington Avenue, Boston, MA 02199, c/o Kohlberg Kravis Roberts & Co. L.P., 2800 Sand Hill Road, Suite 200, Menlo Park, CA 94025, c/o Merrill Lynch Global Private

Equity, Four World Financial Center, Floor 23, New York, NY 10080 and c/o Dr. Thomas F. Frist, Jr., 3100 West End Ave., Suite 500, Nashville, TN 37203.

(2) Includes 467,054 shares issuable upon exercise of options.

(3) Includes 246,033 shares issuable upon exercise of options.

(4) Includes 131,621 shares issuable upon exercise of options.

(5) Includes 136,289 shares issuable upon exercise of options.

(6) Includes 86,378 shares issuable upon exercise of options.

(7) Includes 1,708,580 shares issuable upon exercise of options.

This table provides certain information as of December 31, 2008 with respect to our equity compensation plans (shares in thousands):

EQUITY COMPENSATION PLAN INFORMATION

	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a))
Equity compensation plans approved by security holders	10,636,700	$ 45.02	1,788,300
Equity compensation plans not approved by security holders	—	—	—
Total	10,636,700	$ 45.02	1,788,300

* For additional information concerning our equity compensation plans, see the discussion in Note 3 — Share-Based Compensation in the notes to the consolidated financial statements.

Item 13. ***Certain Relationships and Related Transactions***

In accordance with its charter, our Audit and Compliance Committee reviews and approves all material related party transactions. Prior to its approval of any material related party transaction, the Audit and Compliance Committee will discuss the proposed transaction with management and our independent auditor. In addition, our Code of Conduct requires that all of our employees, including our executive officers, remain free of conflicts of interest in the performance of their responsibilities to the Company. An executive officer who wishes to enter into a transaction in which their interests might conflict with ours must first receive the approval of the Audit and Compliance Committee. The Amended and Restated Limited Liability Company Agreement of Hercules Holding II, LLC generally requires that an Investor must obtain the prior written consent of each other Investor before it or any of its affiliates (including our directors) enter into any transaction with us.

Stockholder Agreements

On January 30, 2007, our Board of Directors awarded to members of management and certain key employees New Options to purchase shares of our common stock (New Options together with the Rollover Options, “Options”) pursuant to the 2006 Plan. Our Compensation Committee approved additional option awards periodically throughout the years ended December 31, 2008 and 2007 to members of management and certain key employees in cases of promotions, significant contributions to the Company and new hires. In connection with their option awards, the participants under the 2006 Plan were required to enter into a Management Stockholder’s Agreement, a Sale Participation Agreement, and an Option Agreement with respect to the New Options. Below are brief summaries of the principal terms of the Management Stockholder’s Agreement and the Sale Participation Agreement each of which are qualified in their entirety by reference to the agreements themselves, forms of which were filed as Exhibits 10.12 and 10.13, respectively, to our annual report on Form 10-K for the fiscal year ended December 31, 2006. The terms of the Option Agreement with respect to New Options and the 2006 Plan are

described in more detail in Item 11, "Executive Compensation — Compensation Discussion and Analysis — Long Term Equity Incentive Awards."

Management Stockholder's Agreement. The Management Stockholder's Agreement imposes significant restrictions on transfers of shares of our common stock. Generally, shares will be nontransferable by any means at any time prior to the earlier of a "Change in Control" (as defined in the Management Stockholder's Agreement) or the fifth anniversary of the closing date of the Merger, except (i) sales pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act") filed by the Company in accordance with the Management Stockholder's Agreement, (ii) a sale pursuant to the Sale Participation Agreement (described below), (iii) a sale to certain "Permitted Transferees" (as defined in the Management Stockholder's Agreement), or (iv) as otherwise permitted by our Board of Directors or pursuant to a waiver of the restrictions on transfers given by unanimous agreement of the Sponsors. On and after such fifth anniversary through the earlier of a Change in Control or the eighth anniversary of the closing date of the Merger, a management stockholder will be able to transfer shares of our common stock, but only to the extent that, on a cumulative basis, the management stockholders in the aggregate do not transfer a greater percentage of their equity than the percentage of equity sold or otherwise disposed of by the Sponsors.

In the event that a management stockholder wishes to sell their stock at any time following the fifth anniversary of the closing date of the Merger but prior to an initial public offering of our common stock, the Management Stockholder's Agreement provides the Company with a right of first offer on those shares upon the same terms and conditions pursuant to which the management stockholder would sell them to a third party. In the event that a registration statement is filed with respect to our common stock in the future, the Management Stockholder's Agreement prohibits management stockholders from selling shares not included in the registration statement from the time of receipt of notice until 180 days (in the case of an initial public offering) or 90 days (in the case of any other public offering) of the date of the registration statement. The Management Stockholder's Agreement also provides for the management stockholder's ability to cause us to repurchase their outstanding stock and options in the event of the management stockholder's death or disability, and for our ability to cause the management stockholder to sell their stock or options back to the Company upon certain termination events.

The Management Stockholder's Agreement provides that, in the event we propose to sell shares to the Sponsors, certain members of senior management, including the executive officers (the "Senior Management Stockholders") have a preemptive right to purchase shares in the offering. The maximum shares a Senior Management Stockholder may purchase is a proportionate number of the shares offered to the percentage of shares owned by the Senior Management Stockholder prior to the offering. Additionally, following the initial public offering of our common stock, the Senior Management Stockholders will have limited "piggyback" registration rights with respect to their shares of common stock. The maximum number of shares of Common Stock which a Senior Management Stockholder may register is generally proportionate with the percentage of common stock being sold by the Sponsors (relative to their holdings thereof).

Sale Participation Agreement. The Sale Participation Agreement grants the Senior Management Stockholders the right to participate in any private direct or indirect sale of shares of common stock by the Sponsors (such right being referred to herein as the "Tag-Along Right"), and requires all management stockholders to participate in any such private sale if so elected by the Sponsors in the event that the Sponsors are proposing to sell at least 50% of the outstanding common stock held by the Sponsors, whether directly or through their interests in Hercules Holding (such right being referred to herein as the "Drag-Along Right"). The number of shares of common stock which would be required to be sold by a management stockholder pursuant to the exercise of the Drag-Along Right will be the sum of the number of shares of common stock then owned by the management stockholder and his affiliates plus all shares of common stock the management stockholder is entitled to acquire under any unexercised Options (to the extent such Options are exercisable or would become exercisable as a result of the consummation of the proposed sale), multiplied by a fraction (x) the numerator of which shall be the aggregate number of shares of common stock proposed to be transferred by the Sponsors in the proposed sale and (y) the denominator of which shall be the total number of shares of common stock owned by the sponsors entitled to participate in the proposed sale. Management stockholders will bear their pro rata share of any fees, commissions, adjustments to purchase price, expenses or indemnities in connection with any sale under the Sale Participation Agreement.

Amended and Restated Limited Liability Company Agreement of Hercules Holding II, LLC

The Investors and certain other investment funds who agreed to co-invest with them through a vehicle jointly controlled by the Investors to provide equity financing for the Recapitalization entered into a limited liability company operating agreement in respect of Hercules Holding (the "LLC Agreement"). The LLC Agreement contains agreements among the parties with respect to the election of our directors, restrictions on the issuance or transfer of interests in us, including a right of first offer, tag-along rights and drag-along rights, and other corporate governance provisions (including the right to approve various corporate actions).

Pursuant to the LLC Agreement, Hercules Holding and its members are required to take necessary action to ensure that each manager on the board of Hercules Holding also serves on our Board of Directors. Each of the Sponsors has the right to appoint three managers to Hercules Holding's board, the Frist family has the right to appoint two managers to the board, and the remaining two managers on the board are to come from our management team (currently Messrs. Bovender and Bracken). The rights of the Sponsors and the Frist family to designate managers are subject to their ownership percentages in Hercules Holding remaining above a specified percentage of the outstanding ownership interests in Hercules Holding.

The LLC Agreement also requires that, in addition to a majority of the total number of managers being present to constitute a quorum for the transaction of business at any board or committee meeting, at least one manager designated by each of the Investors must be present, unless waived by that Investor. The LLC Agreement further provides that, for so long as at least two Sponsors are entitled to designate managers to Hercules Holding's board, at least one manager from each of two Sponsors must consent to any board or committee action in order for it to be valid. The LLC Agreement requires that our organizational and governing documents contain provisions similar to those described in this paragraph.

Registration Rights Agreement

Hercules Holding and the Investors entered into a registration rights agreement with us upon completion of the Recapitalization. Pursuant to this agreement, the Investors can cause us to register shares of our common stock held by Hercules Holding under the Securities Act and, if requested, to maintain a shelf registration statement effective with respect to such shares. The Investors are also entitled to participate on a pro rata basis in any registration of our common stock under the Securities Act that we may undertake.

Sponsor Management Agreement

In connection with the Merger, we entered into a management agreement with affiliates of each of the Sponsors and certain members of the Frist family, including Thomas F. Frist, Jr., M.D., Thomas F. Frist, III and William R. Frist, pursuant to which such entities or their affiliates will provide management services to us. Pursuant to the agreement, in 2008, we paid management fees of $15 million and reimbursed out-of-pocket expenses incurred in connection with the provision of services pursuant to the agreement. The agreement provides that the aggregate annual management fee, initially set at $15 million, increases annually beginning in 2008 at a rate equal to the percentage increase of Adjusted EBITDA (as defined in the Management Agreement) in the applicable year compared to the preceding year. The agreement also provides that we will pay a 1% fee in connection with certain subsequent financing, acquisition, disposition and change of control transactions, as well as a termination fee based on the net present value of future payment obligations under the management agreement, in the event of an initial public offering or under certain other circumstances. No fees were paid under either of these provisions in 2008. The agreement includes customary exculpation and indemnification provisions in favor of the Sponsors and their affiliates and the Frists.

Other Relationships

In 2008, we paid approximately $25.5 million to HCP, Inc. (NYSE: HCP), representing the aggregate annual lease payments for certain medical office buildings leased by the Company. Charles A. Elcan was an executive officer of HCP, Inc. until April 30, 2008 and is the son-in-law of Dr. Thomas F. Frist, Jr. (who was a member of our Board of Directors in 2008) and brother-in-law of Thomas F. Frist, III, and William R. Frist, who are members of our Board of Directors.

Christopher S. George serves as the chief executive officer of an HCA-affiliated hospital, and in 2008, Mr. George earned total compensation in respect of base salary and bonus of approximately $440,000 for his services. Mr. George also received certain other benefits, including awards of equity, customary to similar positions within the Company. Mr. George's father, V. Carl George, is an executive officer of HCA.

Dustin A. Greene serves as the chief operating officer of an HCA-affiliated hospital, and in 2008, Mr. Greene earned total compensation in respect of base salary and bonus of approximately $143,000 for his services. Mr. Greene also received certain other benefits, including awards of equity, customary to similar positions within the Company. Mr. Greene's father-in-law, W. Paul Rutledge, is an executive officer of HCA.

Bank of America, N.A. ("Bank of America") acts as administrative agent and is a lender under each of our senior secured cash flow credit facility and our asset-based revolving credit facility. Affiliates of Bank of America indirectly own approximately 25.8% of the shares of our company. We have engaged Banc of America Securities LLC, an affiliate of Bank of America, as arranger and documentation agent in connection with certain amendments to our senior secured cash flow credit facility and our senior secured asset-based revolving credit facility. Under that engagement, upon such amendments becoming effective, we paid Banc of America Securities LLC aggregate fees of $6 million relating to the amendments to our senior secured credit facilities.

In addition, Banc of America Securities LLC acted as joint book-running manager and a representative of the initial purchasers of the 9$^{7}/_{8}$% Senior Secured Notes due 2017 (the "2009 Second Lien Notes") that we issued on February 19, 2009. The proceeds of the issuance of the notes were used to repay indebtedness under the senior secured credit facilities, and Bank of America received its pro rata portion of such repayment. In addition, Banc of America Securities LLC received placement fees of $1,401,034 in connection with the issuance of the 2009 Second Lien Notes.

KKR Capital Markets LLC, one of the other initial purchasers of the 2009 Second Lien Notes, is an affiliate of KKR, whose affiliates own approximately 24.8% of the shares of our company, and received placement fees of $191,050 in connection with the issuance of the 2009 Second Lien Notes.

Director Independence

Our Board of Directors is composed of Jack O. Bovender, Jr., Chairman, Christopher J. Birosak, George A. Bitar, Richard M. Bracken, John P. Connaughton, Kenneth W. Freeman, William R. Frist, Thomas F. Frist III, Christopher R. Gordon, Michael W. Michelson, James C. Momtazee, Stephen G. Pagliuca, and Nathan C. Thorne. Our Board of Directors currently has four standing committees: the Audit and Compliance Committee, the Compensation Committee, the Executive Committee and the Patient Safety and Quality of Care Committee. Each of the Investors has the right to have at least one director serve on all standing committees.

Name of Director	Audit and Compliance	Compensation	Executive	Patient Safety and Quality of Care
Christopher J. Birosak	**X**			
George A. Bitar		**X**		
Jack O. Bovender, Jr.*			**Chair**	
Richard M. Bracken*				
John P. Connaughton		**Chair**		
Kenneth W. Freeman				**X**
Thomas F. Frist III	**X**		**X**	
William R. Frist				**X**
Christopher R. Gordon	**X**			
Michael W. Michelson		**X**	**X**	
James C. Momtazee	**Chair**			
Stephen G. Pagliuca			**X**	**X**
Nathan C. Thorne			**X**	**Chair**

* Indicates management director.

Though not formally considered by our Board because our common stock is not currently listed or traded on any national securities exchange, based upon the listing standards of the NYSE, the national securities exchange upon which our common stock was traded prior to the Merger, we do not believe that any of our directors would be considered "independent" because of their relationships with certain affiliates of the funds and other entities which hold significant interests in Hercules Holding, which, as of December 31, 2008, owned 97.3% of our outstanding common stock, and other relationships with us. See Item 13, "Certain Relationships and Related Transactions." Accordingly, we do not believe that any of Messrs. Birosak, Frist, Gordon or Momtazee, the members of our Audit and Compliance committee, would meet the independence requirements or Rule 10A-1 of the Exchange Act or the NYSE's audit committee independence requirements, or that Messrs. Bitar, Connaughton or Michelson, the members of our Compensation Committee, would meet the NYSE's independence requirements. We do not have a nominating/corporate governance committee, or a committee that serves a similar purpose.

Item 14. ***Principal Accountant Fees and Services***

The Audit and Compliance Committee has appointed Ernst & Young LLP as our independent registered public accounting firm. The independent registered public accounting firm will audit our consolidated financial statements for 2009 and the effectiveness of our internal controls over financial reporting as of December 31, 2009.

Audit Fees. The aggregate audit fees billed by Ernst & Young LLP for professional services rendered for the audit of our annual consolidated financial statements, for the reviews of the condensed consolidated financial statements included in our quarterly reports on Form 10-Q, for the audit of the effectiveness of the Company's internal control over financial reporting, under the Sarbanes-Oxley Act of 2002, and services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings totaled $8.5 million for 2008 and $8.9 million for 2007.

Audit-Related Fees. The aggregate fees billed by Ernst & Young LLP for assurance and related services not described above under "Audit Fees" were $1.4 million for 2008 and $1.3 million for 2007. Audit-related services principally include audits of certain of our subsidiaries and benefit plans.

Tax Fees. The aggregate fees billed by Ernst & Young LLP for professional services rendered for tax compliance, tax advice and tax planning were $1.9 million for 2008 and $2.2 million for 2007.

All Other Fees. The aggregate fees billed by Ernst & Young LLP for products or services other than those described above were $92,000 for 2008 and $749,000 for 2007.

The Board of Directors has adopted an Audit and Compliance Committee Charter which, among other things, requires the Audit and Compliance Committee to preapprove all audit and permitted nonaudit services (including the fees and terms thereof) to be performed for us by our independent registered public accounting firm, subject to the ability to delegate authority to a subcommittee for certain preapprovals.

All services performed for us by Ernst & Young LLP in 2008 were preapproved by the Audit and Compliance Committee. The Audit and Compliance Committee concluded that the provision of audit-related services, tax services and other services by Ernst & Young LLP was compatible with the maintenance of the firm's independence in the conduct of its auditing functions.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) *Documents filed as part of the report:*

1. *Financial Statements.* The accompanying Index to Consolidated Financial Statements on page F-1 of this annual report on Form 10-K is provided in response to this item.

2. *List of Financial Statement Schedules.* All schedules are omitted because the required information is either not present, not present in material amounts or presented within the consolidated financial statements.

3. *List of Exhibits*

2.1	—	Agreement and Plan of Merger, dated July 24, 2006, by and among HCA Inc., Hercules Holding II, LLC and Hercules Acquisition Corporation (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed July 25, 2006, and incorporated herein by reference).
3.1	—	Amended and Restated Certificate of Incorporation of the Company (filed as Exhibit 3.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and incorporated herein by reference).
3.2	—	Amended and Restated Bylaws of the Company (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and incorporated herein by reference).
4.1	—	Specimen Certificate for shares of Common Stock, par value $0.01 per share, of the Company (filed as Exhibit 3 to the Company's Form 8-A/A, Amendment No. 2, dated March 11, 2004, and incorporated herein by reference).
4.2	—	Indenture, dated November 17, 2006, among HCA Inc., the guarantors party thereto and The Bank of New York, as trustee (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).
4.3	—	Security Agreement, dated as of November 17, 2006, among HCA Inc., the subsidiary grantors party thereto and The Bank of New York, as collateral agent (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).
4.4	—	Pledge Agreement, dated as of November 17, 2006, among HCA Inc., the subsidiary pledgors party thereto and The Bank of New York, as collateral agent (filed as Exhibit 4.3 to the Company's Current Report of Form 8-K filed November 24, 2006, and incorporated herein by reference).
4.5(a)	—	Form of $9^{1}/_{8}$% Senior Secured Notes due 2014 (included in Exhibit 4.2).
4.5(b)	—	Form of $9^{1}/_{4}$% Senior Secured Notes due 2016 (included in Exhibit 4.2).
4.5(c)	—	Form of $9^{5}/_{8}$%/$10^{3}/_{8}$% Senior Secured Toggle Notes due 1016 (included in Exhibit 4.2).
4.6	—	Indenture, dated February 19, 2009, among HCA Inc, the guarantors party thereto, The Bank of New York Mellon, as collateral agent and The Bank of New York Mellon Trust Company, N.A., as trustee. (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed February 25, 2009, and incorporated herein by reference).
4.7	—	Form of $9^{7}/_{8}$% Senior Secured Notes due 2017 (included in Exhibit 4.6).
4.8(a)	—	$13,550,000,000 — €1,000,000,000 Credit Agreement, dated as of November 17, 2006, among HCA Inc., HCA UK Capital Limited, the lending institutions from time to time parties thereto, Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., as co-syndication agents and Merrill Lynch Capital Corporation, as documentation agent (filed as Exhibit 4.8 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).

4.8(b)	—	Amendment No. 1 to the Credit Agreement, dated as of February 16, 2007, among HCA Inc., HCA UK Capital Limited, the lending institutions from time to time parties thereto, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A., and Citicorp North America, Inc., as Co-Syndication Agents, Banc of America Securities, LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners, Deutsche Bank Securities and Wachovia Capital Markets LLC, as joint bookrunners and Merrill Lynch Capital Corporation, as documentation agent (filed as Exhibit 4.7(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).
4.8(c)	—	Amendment No. 2 to the Credit Agreement, dated as of March 2, 2009, among HCA Inc., HCA UK Capital Limited, the lending institutions from time to time parties thereto, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A., and Citicorp North America, Inc., as Co-Syndication Agents, Banc of America Securities, LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners, Deutsche Bank Securities and Wachovia Capital Markets LLC, as joint bookrunners and Merrill Lynch Capital Corporation, as documentation agent.
4.9	—	U.S. Guarantee, dated November 17, 2006, among HCA Inc., the subsidiary guarantors party thereto and Bank of America, N.A., as administrative agent (filed as Exhibit 4.9 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).
4.10	—	Amended and Restated Security Agreement, dated as of March 2, 2009, among the Company, the Subsidiary Grantors named therein and Bank of America, N.A., as collateral agent.
4.11	—	Amended and Restated Pledge Agreement, dated as of March 2, 2009, among the Company, the Subsidiary Pledgors named therein and Bank of America, N.A., as Collateral Agent.
4.12(a)	—	$2,000,000,000 Amended and Restated Credit Agreement, dated as of June 20, 2007, among HCA Inc., the subsidiary borrowers parties thereto, the lending institutions from time to time parties thereto, Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., as co-syndication agents, and Merrill Lynch Capital Corporation, as documentation agent (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed June 26, 2007, and incorporated herein by reference).
4.12(b)	—	Amendment No. 1 to the $2,000,000,000 Amended and Restated Credit Agreement, dated as of March 2, 2009, among HCA Inc., the subsidiary borrowers parties thereto, the lending institutions from time to time parties thereto, Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., as co-syndication agents, and Merrill Lynch Capital Corporation, as documentation agent.
4.13	—	Security Agreement, dated as of November 17, 2006, among HCA Inc., the subsidiary borrowers party thereto and Bank of America, N.A., as collateral agent (filed as Exhibit 4.13 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).
4.14(a)	—	General Intercreditor Agreement, dated as of November 17, 2006, between Bank of America, N.A., as First Lien Collateral Agent, and The Bank of New York, as Junior Lien Collateral Agent (filed as Exhibit 4.13(a) to the Company's Registration Statement on Form S-4 (File No. 333-145054), and incorporated herein by reference).
4.14(b)	—	Receivables Intercreditor Agreement, dated as of November 17, 2006, among Bank of America, N.A., as ABL Collateral Agent, Bank of America, N.A., as CF Collateral Agent and The Bank of New York, as Bonds Collateral Agent (filed as Exhibit 4.13(b) to the Company's Registration Statement on Form S-4 (File No. 333-145054), and incorporated herein by reference).
4.15	—	Registration Rights Agreement, dated as of November 17, 2006, among HCA Inc., Hercules Holding II, LLC and certain other parties thereto (filed as Exhibit 4.4 to the Company's Current Report on Form 8-K filed November 24, 2006, and incorporated herein by reference).

4.16	—	Registration Rights Agreement, dated as of March 16, 1989, by and among HCA-Hospital Corporation of America and the persons listed on the signature pages thereto (filed as Exhibit(g)(24) to Amendment No. 3 to the Schedule 13E-3 filed by HCA-Hospital Corporation of America, Hospital Corporation of America and The HCA Profit Sharing Plan on March 22, 1989, and incorporated herein by reference).
4.17	—	Assignment and Assumption Agreement, dated as of February 10, 1994, between HCA-Hospital Corporation of America and the Company relating to the Registration Rights Agreement, as amended (filed as Exhibit 4.7 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.18(a)	—	Indenture, dated as of December 16, 1993 between the Company and The First National Bank of Chicago, as Trustee (filed as Exhibit 4.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.18(b)	—	First Supplemental Indenture, dated as of May 25, 2000 between the Company and Bank One Trust Company, N.A., as Trustee (filed as Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, and incorporated herein by reference).
4.18(c)	—	Second Supplemental Indenture, dated as of July 1, 2001 between the Company and Bank One Trust Company, N.A., as Trustee (filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001, and incorporated herein by reference).
4.18(d)	—	Third Supplemental Indenture, dated as of December 5, 2001 between the Company and The Bank of New York, as Trustee (filed as Exhibit 4.5(d) to the Company's Annual Report of Form 10-K for the fiscal year ended December 31, 2001, and incorporated herein by reference).
4.18(e)	—	Fourth Supplemental Indenture, dated as of November 14, 2006, between the Company and The Bank of New York, as Trustee (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed November 16, 2006, and incorporated herein by reference).
4.19	—	Form of 7.5% Debentures due 2023 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated December 15, 1993, and incorporated herein by reference).
4.20	—	Form of 8.36% Debenture due 2024 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated April 20, 1994, and incorporated herein by reference).
4.21	—	Form of Fixed Rate Global Medium Term Note (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 11, 1994, and incorporated herein by reference).
4.22	—	Form of Floating Rate Global Medium Term Note (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated July 11, 1994, and incorporated herein by reference).
4.23	—	Form of 7.69% Note due 2025 (filed as Exhibit 4.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004, and incorporated herein by reference).
4.24	—	Form of 7.19% Debenture due 2015 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated November 20, 1995, and incorporated herein by reference).
4.25	—	Form of 7.50% Debenture due 2095 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated November 20, 1995, and incorporated herein by reference).
4.26	—	Form of 7.05% Debenture due 2027 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated December 5, 1995, and incorporated herein by reference).
4.27	—	Form of Fixed Rate Global Medium Term Note (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 2, 1996, and incorporated herein by reference).
4.28(a)	—	8.750% Note in the principal amount of $400,000,000 due 2010 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated August 23, 2000, and incorporated herein by reference).
4.28(b)	—	8.750% Note in the principal amount of $350,000,000 due 2010 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated August 23, 2000, and incorporated herein by reference).
4.29	—	8.75% Note due 2010 in the principal amount of £150,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated October 25, 2000, and incorporated herein by reference).
4.30(a)	—	7⅞% Note in the principal amount of $100,000,000 due 2011 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated January 23, 2001, and incorporated herein by reference).
4.30(b)	—	7⅞% Note in the principal amount of $400,000,000 due 2011 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated January 23, 2001, and incorporated herein by reference).

4.31(a)	—	6.95% Note due 2012 in the principal amount of $400,000,000. (filed as Exhibit 4.5 to the Company's Current Report on Form 8-K dated April 23, 2002, and incorporated herein by reference).
4.31(b)	—	6.95% Note due 2012 in the principal amount of $100,000,000. (filed as Exhibit 4.6 to the Company's Current Report on Form 8-K dated April 23, 2002, and incorporated herein by reference).
4.32(a)	—	6.30% Note due 2012 in the principal amount of $400,000,000. (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated September 18, 2002, and incorporated herein by reference).
4.32(b)	—	6.30% Note due 2012 in the principal amount of $100,000,000. (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated September 18, 2002, and incorporated herein by reference).
4.33(a)	—	6.25% Note due 2013 in the principal amount of $400,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated February 5, 2003, and incorporated herein by reference).
4.33(b)	—	6.25% Note due 2013 in the principal amount of $100,000,000 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated February 5, 2003, and incorporated herein by reference).
4.34(a)	—	6 3/4% Note due 2013 in the principal amount of $400,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 23, 2003, and incorporated herein by reference).
4.34(b)	—	6 3/4% Note due 2013 in the principal amount of $100,000,000 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated July 23, 2003, and incorporated herein by reference).
4.35	—	7.50% Note due 2033 in the principal amount of $250,000,000 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated November 6, 2003, and incorporated herein by reference).
4.36	—	5.75% Note due 2014 in the principal amount of $500,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 8, 2004, and incorporated herein by reference).
4.37	—	5.500% Note due 2009 in the principal amount of $500,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K dated November 16, 2004, and incorporated herein by reference).
4.38(a)	—	6.375% Note due 2015 in the principal amount of $500,000,000 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated November 16, 2004, and incorporated herein by reference).
4.38(b)	—	6.375% Note due 2015 in the principal amount of $250,000,000 (filed as Exhibit 4.3 to the Company's Current Report on Form 8-K dated November 16, 2004, and incorporated herein by reference).
4.39(a)	—	6.500% Note due 2016 in the principal amount of $500,000,000 (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on February 8, 2006, and incorporated herein by reference).
4.39(b)	—	6.500% Note due 2016 in the principal amount of $500,000,000 (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K filed on February 8, 2006, and incorporated herein by reference).
10.1(a)	—	Amended and Restated Columbia/HCA Healthcare Corporation 1992 Stock and Incentive Plan (filed as Exhibit 10.7(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1998, and incorporated herein by reference).*
10.1(b)	—	First Amendment to Amended and Restated Columbia/HCA Healthcare Corporation 1992 Stock and Incentive Plan (filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1999, and incorporated herein by reference).*
10.2	—	HCA-Hospital Corporation of America Nonqualified Initial Option Plan (filed as Exhibit 4.6 to the Company's Registration Statement on Form S-3 (File No. 33-52379), and incorporated herein by reference).*
10.3	—	Form of Indemnity Agreement with certain officers and directors (filed as Exhibit 10(kk) to Galen Health Care, Inc.'s Registration Statement on Form 10, as amended, and incorporated herein by reference).
10.4	—	Form of Galen Health Care, Inc. 1993 Adjustment Plan (filed as Exhibit 4.15 to the Company's Registration Statement on Form S-8 (File No. 33-50147), and incorporated herein by reference).*
10.5	—	HCA-Hospital Corporation of America 1992 Stock Compensation Plan (filed as Exhibit 10(t) to HCA-Hospital Corporation of America's Registration Statement on Form S-1 (File No. 33-44906), and incorporated herein by reference).*
10.6	—	Columbia/HCA Healthcare Corporation 2000 Equity Incentive Plan (filed as Exhibit A to the Company's Proxy Statement for the Annual Meeting of Stockholders on May 25, 2000, and incorporated herein by reference).*

10.7	—	Form of Non-Qualified Stock Option Award Agreement (Officers) (filed as Exhibit 99.2 to the Company's Current Report on Form 8-K dated February 2, 2005, and incorporated herein by reference).*
10.8	—	HCA 2005 Equity Incentive Plan (filed as Exhibit B to the Company's Proxy Statement for the Annual Meeting of Shareholders on May 26, 2005, and incorporated herein by reference);.*
10.9	—	Form of 2005 Non-Qualified Stock Option Agreement (Officers) (filed as Exhibit 99.2 to the Company's Current Report on Form 8-K dated October 6, 2005, and incorporated herein by reference).*
10.10	—	Form of 2006 Non-Qualified Stock Option Award Agreement (Officers) (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated February 1, 2006, and incorporated herein by reference).*
10.11	—	2006 Stock Incentive Plan for Key Employees of HCA Inc. and its Affiliates (filed as Exhibit 10.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.12	—	Management Stockholder's Agreement dated November 17, 2006 (filed as Exhibit 10.12 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).
10.13	—	Sale Participation Agreement dated November 17, 2006 (filed as Exhibit 10.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).
10.14	—	Form of Option Rollover Agreement (filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.15	—	Form of Option Agreement (2007) (filed as Exhibit 10.15 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.16	—	Form of Option Agreement (2008) (filed as Exhibit 10.16 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and incorporated herein by reference).*
10.17	—	Form of Option Agreement (2009).*
10.18	—	Exchange and Purchase Agreement (filed as Exhibit 10.16 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).
10.19	—	Civil and Administrative Settlement Agreement, dated December 14, 2000 between the Company, the United States Department of Justice and others (filed as Exhibit 99.2 to the Company's Current Report on Form 8-K dated December 20, 2000, and incorporated herein by reference).
10.20	—	Plea Agreement, dated December 14, 2000 between the Company, Columbia Homecare Group, Inc., Columbia Management Companies, Inc. and the United States Department of Justice (filed as Exhibit 99.3 to the Company's Current Report on Form 8-K dated December 20, 2000, and incorporated herein by reference).
10.21	—	Corporate Integrity Agreement, dated December 14, 2000 between the Company and the Office of Inspector General of the United States Department of Health and Human Services (filed as Exhibit 99.4 to the Company's Current Report on Form 8-K dated December 20, 2000, and incorporated herein by reference).
10.22	—	Management Agreement, dated November 17, 2006, among HCA Inc., Bain Capital Partners, LLC, Kohlberg Kravis Roberts & Co. L.P., Dr. Thomas F. Frist Jr., Patricia F. Elcan, William R. Frist and Thomas F. Frist, III, and Merrill Lynch Global Partners, Inc. (filed as Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).
10.23	—	Retirement Agreement between the Company and Thomas F. Frist, Jr., M.D. dated as of January 1, 2002 (filed as Exhibit 10.30 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001, and incorporated herein by reference).*
10.24	—	Amended and Restated HCA Supplemental Executive Retirement Plan, effective January 1, 2007, except as provided therein.*
10.25	—	Amended and Restated HCA Restoration Plan, effective January 1, 2008.*

10.26	—	HCA Inc. 2006 Senior Officer Performance Excellence Program (filed as Exhibit 10.3 to the Company's Current Report on 8-K filed February 1, 2006, and incorporated herein by reference).*
10.27	—	HCA Inc. 2007 Senior Officer Performance Excellence Program (filed as Exhibit 10.26 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.28(a)	—	HCA Inc. 2008-2009 Senior Officer Performance Excellence Program (filed as Exhibit 10.27 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and incorporated herein by reference).*
10.28(b)	—	HCA Inc. Amendment No. 1 to the 2008-2009 Senior Officer Performance Excellence Program.*
10.29(a)	—	Employment Agreement dated November 16, 2006 (Jack O. Bovender Jr.) (filed as Exhibit 10.27(a) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.29(b)	—	Employment Agreement dated November 16, 2006 (Richard M. Bracken) (filed as Exhibit 10.27(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.29(c)	—	Employment Agreement dated November 16, 2006 (R. Milton Johnson) (filed as Exhibit 10.27(c) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.29(d)	—	Employment Agreement dated November 16, 2006 (Samuel N. Hazen) (filed as Exhibit 10.27(d) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and incorporated herein by reference).*
10.29(e)	—	Employment Agreement dated November 16, 2006 (Beverly B. Wallace) (filed as Exhibit 10.28(e) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and incorporated herein by reference).*
10.29(f)		Amended and Restated Employment Agreement dated October 27, 2008 (Jack O. Bovender, Jr.).*
10.29(g)		Amendment to Employment Agreement effective January 1, 2009 (Richard M. Bracken).*
10.30	—	Administrative Settlement Agreement dated June 25, 2003 by and between the United States Department of Health and Human Services, acting through the Centers for Medicare and Medicaid Services, and the Company (filed as Exhibit 10.1 to the Company's Quarterly Report of Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).
10.31	—	Civil Settlement Agreement by and among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General of the Department of Health and Human Services, the TRICARE Management Activity (filed as Exhibit 10.2 to the Company's Quarterly Report of Form 10-Q for the quarter ended June 30, 2003, and incorporated herein by reference).
10.32	—	Form of Amended and Restated Limited Liability Company Agreement of Hercules Holding II, LLC dated as of November 17, 2006, among Hercules Holding II, LLC and certain other parties thereto (filed as Exhibit 10.3 to the Company's Registration Statement on Form 8-A (File No. 000-18406) and incorporated herein by reference).
21	—	List of Subsidiaries.
23	—	Consent of Ernst & Young LLP.
31.1	—	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	—	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	—	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Management compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HCA INC.

By: /s/ Richard M. Bracken
Richard M. Bracken
President and Chief Executive Officer

Dated: March 4, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jack O. Bovender, Jr. Jack O. Bovender, Jr.	Chairman of the Board	March 3, 2009
/s/ Richard M. Bracken Richard M. Bracken	President, Chief Executive Officer and Director (Principal Executive Officer)	March 3, 2009
/s/ R. Milton Johnson R. Milton Johnson	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 3, 2009
/s/ Christopher J. Birosak Christopher J. Birosak	Director	March 3, 2009
/s/ George A. Bitar George A. Bitar	Director	March 3, 2009
/s/ John P. Connaughton John P. Connaughton	Director	March 3, 2009
/s/ Kenneth W. Freeman Kenneth W. Freeman	Director	March 3, 2009
/s/ Thomas F. Frist, III Thomas F. Frist, III	Director	March 3, 2009
/s/ William R. Frist William R. Frist	Director	March 3, 2009
/s/ Christopher R. Gordon Christopher R. Gordon	Director	March 3, 2009
/s/ Michael W. Michelson Michael W. Michelson	Director	March 3, 2009
/s/ James C. Momtazee James C. Momtazee	Director	March 3, 2009
/s/ Stephen G. Pagliuca Stephen G. Pagliuca	Director	March 3, 2009
/s/ Nathan C. Thorne Nathan C. Thorne	Director	March 3, 2009

HCA INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Report of Independent Registered Public Accounting Firm	F-2
Consolidated Financial Statements:	
Consolidated Income Statements for the years ended December 31, 2008, 2007 and 2006	F-3
Consolidated Balance Sheets, December 31, 2008 and 2007	F-4
Consolidated Statements of Stockholders' (Deficit) Equity for the years ended December 31, 2008, 2007 and 2006	F-5
Consolidated Statements of Cash Flows for the years ended December 31, 2008, 2007 and 2006	F-6
Notes to Consolidated Financial Statements	F-7
Quarterly Consolidated Financial Information (Unaudited)	F-42

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
HCA Inc.

We have audited the accompanying consolidated balance sheets of HCA Inc. as of December 31, 2008 and 2007, and the related consolidated statements of income, stockholders' (deficit) equity, and cash flows for each of the three years in the period ended December 31, 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of HCA Inc. at December 31, 2008 and 2007, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2008, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), HCA Inc.'s internal control over financial reporting as of December 31, 2008, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 3, 2009 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Nashville, Tennessee
March 3, 2009

HCA INC.
CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008, 2007 AND 2006
(Dollars in millions)

	2008	2007	2006
Revenues	**$ 28,374**	$ 26,858	$ 25,477
Salaries and benefits	**11,440**	10,714	10,409
Supplies	**4,620**	4,395	4,322
Other operating expenses	**4,554**	4,241	4,056
Provision for doubtful accounts	**3,409**	3,130	2,660
Equity in earnings of affiliates	**(223)**	(206)	(197)
Gains on investments	**—**	(8)	(243)
Depreciation and amortization	**1,416**	1,426	1,391
Interest expense	**2,021**	2,215	955
Gains on sales of facilities	**(97)**	(471)	(205)
Impairment of long-lived assets	**64**	24	24
Transaction costs	**—**	—	442
	27,204	25,460	23,614
Income before minority interests and income taxes	**1,170**	1,398	1,863
Minority interests in earnings of consolidated entities	**229**	208	201
Income before income taxes	**941**	1,190	1,662
Provision for income taxes	**268**	316	626
Net income	**$ 673**	$ 874	$ 1,036

The accompanying notes are an integral part of the consolidated financial statements.

HCA INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2008 AND 2007
(Dollars in millions)

	2008	2007
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 465**	$ 393
Accounts receivable, less allowance for doubtful accounts of $5,435 and $4,289	**3,780**	3,895
Inventories	**737**	710
Deferred income taxes	**914**	592
Other	**405**	615
	6,301	6,205
Property and equipment, at cost:		
Land	**1,189**	1,240
Buildings	**8,670**	8,518
Equipment	**12,833**	12,088
Construction in progress	**1,022**	733
	23,714	22,579
Accumulated depreciation	**(12,185)**	(11,137)
	11,529	11,442
Investments of insurance subsidiary	**1,422**	1,669
Investments in and advances to affiliates	**842**	688
Goodwill	**2,580**	2,629
Deferred loan costs	**458**	539
Other	**1,148**	853
	$ 24,280	$ 24,025
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	**$ 1,370**	$ 1,370
Accrued salaries	**854**	780
Other accrued expenses	**1,282**	1,391
Long-term debt due within one year	**404**	308
	3,910	3,849
Long-term debt	**26,585**	27,000
Professional liability risks	**1,108**	1,233
Income taxes and other liabilities	**1,782**	1,379
Minority interests in equity of consolidated entities	**995**	938
Equity securities with contingent redemption rights	**155**	164
Stockholders' deficit:		
Common stock $0.01 par; authorized 125,000,000 shares — 2008 and 2007; outstanding 94,367,500 shares — 2008 and 94,182,400 shares — 2007	**1**	1
Capital in excess of par value	**165**	112
Accumulated other comprehensive loss	**(604)**	(172)
Retained deficit	**(9,817)**	(10,479)
	(10,255)	(10,538)
	$ 24,280	$ 24,025

The accompanying notes are an integral part of the consolidated financial statements.

HCA INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008, 2007 AND 2006
(Dollars in millions)

	Common Stock		Capital in Excess of Par Value	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit)	Total
	Shares (000)	Par Value				
Balances, December 31, 2005	417,513	$ 4	$ —	$ 130	$ 4,729	$ 4,863
Comprehensive income:						
Net income					1,036	1,036
Other comprehensive income:						
Change in net unrealized gains on investment securities				(102)		(102)
Foreign currency translation adjustments				19		19
Defined benefit plans				9		9
Change in fair value of derivative instruments				18		18
Total comprehensive income				(56)	1,036	980
Recapitalization — repurchase of common stock	(411,957)	(4)	(5,005)		(16,364)	(21,373)
Recapitalization — equity contributions	92,218	1	4,476			4,477
Cash dividends declared					(139)	(139)
Stock repurchases	(13,057)				(653)	(653)
Stock options exercised	3,970		163			163
Employee benefit plan issuances	3,531		366			366
Adjustment to initially apply FAS 158				(58)		(58)
Balances, December 31, 2006	92,218	1	—	16	(11,391)	(11,374)
Comprehensive income:						
Net income					874	874
Other comprehensive income:						
Change in net unrealized gains on investment securities				(2)		(2)
Foreign currency translation adjustments				(15)		(15)
Defined benefit plans				23		23
Change in fair value of derivative instruments				(194)		(194)
Total comprehensive income				(188)	874	686
Equity contributions	1,961		60			60
Share-based benefit plans			24			24
Adjustment to initially apply FIN 48					38	38
Other	3		28			28
Balances, December 31, 2007	94,182	1	112	(172)	(10,479)	(10,538)
Comprehensive income:						
Net income					673	673
Other comprehensive income:						
Change in net unrealized gains and losses on investment securities				(44)		(44)
Foreign currency translation adjustments				(62)		(62)
Defined benefit plans				(62)		(62)
Change in fair value of derivative instruments				(264)		(264)
Total comprehensive income				(432)	673	241
Share-based benefit plans	185		40			40
Other			13		(11)	2
Balances, December 31, 2008	94,367	$ 1	$ 165	$ (604)	$ (9,817)	$ (10,255)

The accompanying notes are an integral part of the consolidated financial statements.

HCA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008, 2007 AND 2006
(Dollars in millions)

	2008	2007	2006
Cash flows from operating activities:			
Net income	**$ 673**	$ 874	$ 1,036
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for doubtful accounts	**3,409**	3,130	2,660
Depreciation and amortization	**1,416**	1,426	1,391
Income taxes	**(448)**	(105)	(552)
Gains on sales of facilities	**(97)**	(471)	(205)
Impairment of long-lived assets	**64**	24	24
Amortization of deferred loan costs	**79**	78	18
Change in minority interests	**36**	40	58
Share-based compensation	**32**	24	324
Increase (decrease) in cash from operating assets and liabilities:			
Accounts receivable	**(3,328)**	(3,345)	(3,043)
Inventories and other assets	**159**	(241)	(12)
Accounts payable and accrued expenses	**(198)**	(29)	115
Other	**—**	(9)	31
Net cash provided by operating activities	**1,797**	1,396	1,845
Cash flows from investing activities:			
Purchase of property and equipment	**(1,600)**	(1,444)	(1,865)
Acquisition of hospitals and health care entities	**(85)**	(32)	(112)
Disposal of hospitals and health care entities	**193**	767	651
Change in investments	**21**	207	26
Other	**4**	23	(7)
Net cash used in investing activities	**(1,467)**	(479)	(1,307)
Cash flows from financing activities:			
Issuances of long-term debt	**—**	—	21,758
Net change in revolving bank credit facility	**700**	(520)	(435)
Repayment of long-term debt	**(960)**	(750)	(3,728)
Issuances of common stock	**—**	100	108
Repurchases of common stock	**—**	—	(653)
Recapitalization-repurchase of common stock	**—**	—	(20,364)
Recapitalization-equity contributions	**—**	—	3,782
Payment of debt issuance costs	**—**	—	(586)
Payment of cash dividends	**—**	—	(201)
Other	**2**	12	79
Net cash used in financing activities	**(258)**	(1,158)	(240)
Change in cash and cash equivalents	**72**	(241)	298
Cash and cash equivalents at beginning of period	**393**	634	336
Cash and cash equivalents at end of period	**$ 465**	$ 393	$ 634
Interest payments	**$ 1,979**	$ 2,163	$ 893
Income tax payments, net of refunds	**$ 716**	$ 421	$ 1,087

The accompanying notes are an integral part of the consolidated financial statements.

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — ACCOUNTING POLICIES

Merger, Recapitalization and Reporting Entity

On November 17, 2006 HCA Inc. (the "Company") completed its merger (the "Merger") with Hercules Acquisition Corporation, pursuant to which the Company was acquired by Hercules Holding II, LLC, a Delaware limited liability company owned by a private investor group including affiliates of Bain Capital Partners, Kohlberg Kravis Roberts & Co., Merrill Lynch Global Private Equity (each a "Sponsor") and affiliates of HCA founder, Dr. Thomas F. Frist Jr., (the "Frist Entities," and together with the Sponsors, the "Investors"), and by members of management and certain other investors. The Merger, the financing transactions related to the Merger and other related transactions are collectively referred to in this annual report as the "Recapitalization." The Merger was accounted for as a recapitalization in our financial statements, with no adjustments to the historical basis of our assets and liabilities. As a result of the Recapitalization, our outstanding capital stock is owned by the Investors, certain members of management and key employees and certain other investors. On April 29, 2008, we registered our common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, thus subjecting us to the reporting requirements of Section 13(a) of the Securities Exchange Act of 1934. Our common stock is not traded on a national securities exchange.

HCA Inc. is a holding company whose affiliates own and operate hospitals and related health care entities. The term "affiliates" includes direct and indirect subsidiaries of HCA Inc. and partnerships and joint ventures in which such subsidiaries are partners. At December 31, 2008, these affiliates owned and operated 158 hospitals, 97 freestanding surgery centers and provided extensive outpatient and ancillary services. Affiliates of HCA are also partners in joint ventures that own and operate eight hospitals and eight freestanding surgery centers, which are accounted for using the equity method. The Company's facilities are located in 20 states and England. The terms "HCA," "Company," "we," "our" or "us," as used in this annual report on Form 10-K, refer to HCA Inc. and its affiliates unless otherwise stated or indicated by context.

Basis of Presentation

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

The consolidated financial statements include all subsidiaries and entities controlled by HCA. We generally define "control" as ownership of a majority of the voting interest of an entity. The consolidated financial statements include entities in which we absorb a majority of the entity's expected losses, receive a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity. Significant intercompany transactions have been eliminated. Investments in entities that we do not control, but in which we have a substantial ownership interest and can exercise significant influence, are accounted for using the equity method.

We have completed various acquisitions and joint venture transactions. The accounts of these entities have been included in our consolidated financial statements for periods subsequent to our acquisition of controlling interests. The majority of our expenses are "cost of revenue" items. Costs that could be classified as general and administrative include our corporate office costs, which were $174 million, $169 million and $187 million for the years ended December 31, 2008, 2007 and 2006, respectively.

Revenues

Revenues consist primarily of net patient service revenues that are recorded based upon established billing rates less allowances for contractual adjustments. Revenues are recorded during the period the health care services are provided, based upon the estimated amounts due from the patients and third-party payers. Third-party payers include federal and state agencies (under the Medicare and Medicaid programs), managed care health plans,

NOTE 1 — ACCOUNTING POLICIES (Continued)

Revenues (Continued)

commercial insurance companies and employers. Estimates of contractual allowances under managed care health plans are based upon the payment terms specified in the related contractual agreements. Contractual payment terms in managed care agreements are generally based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount. The estimated reimbursement amounts are adjusted in subsequent periods as cost reports are prepared and filed and as final settlements are determined (in relation to certain government programs, primarily Medicare, this is generally referred to as the "cost report" filing and settlement process). The adjustments to estimated reimbursement amounts, which resulted in net increases to revenues, related primarily to cost reports filed during the respective year were $32 million, $47 million and $55 million in 2008, 2007 and 2006, respectively. The adjustments to estimated reimbursement amounts, which resulted in net increases to revenues, related primarily to cost reports filed during previous years were $35 million, $83 million and $62 million in 2008, 2007 and 2006, respectively.

The Emergency Medical Treatment and Active Labor Act ("EMTALA") requires any hospital participating in the Medicare program to conduct an appropriate medical screening examination of every person who presents to the hospital's emergency room for treatment and, if the individual is suffering from an emergency medical condition, to either stabilize the condition or make an appropriate transfer of the individual to a facility able to handle the condition. The obligation to screen and stabilize emergency medical conditions exists regardless of an individual's ability to pay for treatment. Federal and state laws and regulations, including but not limited to EMTALA, require, and our commitment to providing quality patient care encourages, us to provide services to patients who are financially unable to pay for the health care services they receive. Because we do not pursue collection of amounts determined to qualify as charity care, they are not reported in revenues. Patients treated at hospitals for nonelective care, who have income at or below 200% of the federal poverty level, are eligible for charity care. The federal poverty level is established by the federal government and is based on income and family size. We provide discounts to uninsured patients who do not qualify for Medicaid or charity care. These discounts are similar to those provided to many local managed care plans. In implementing the discount policy, we first attempt to qualify uninsured patients for Medicaid, other federal or state assistance or charity care. If an uninsured patient does not qualify for these programs, the uninsured discount is applied.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less when purchased. Our insurance subsidiary's cash equivalent investments in excess of the amounts required to pay estimated professional liability claims during the next twelve months are not included in cash and cash equivalents as these funds are not available for general corporate purposes. Carrying values of cash and cash equivalents approximate fair value due to the short-term nature of these instruments.

Our cash management system provides for daily investment of available balances and the funding of outstanding checks when presented for payment. Outstanding, but unpresented, checks totaling $382 million and $370 million at December 31, 2008 and 2007, respectively, have been included in "accounts payable" in the consolidated balance sheets. Upon presentation for payment, these checks are funded through available cash balances or our credit facility.

NOTE 1 — ACCOUNTING POLICIES (Continued)

Accounts Receivable

We receive payments for services rendered from federal and state agencies (under the Medicare and Medicaid programs), managed care health plans, commercial insurance companies, employers and patients. During the years ended December 31, 2008, 2007 and 2006, 23%, 24% and 25%, respectively, of our revenues related to patients participating in the fee-for-service Medicare program and 6%, 5% and 5%, respectively, of our revenues related to patients participating in managed Medicare programs. We recognize that revenues and receivables from government agencies are significant to our operations, but do not believe there are significant credit risks associated with these government agencies. We do not believe there are any other significant concentrations of revenues from any particular payer that would subject us to any significant credit risks in the collection of our accounts receivable.

Additions to the allowance for doubtful accounts are made by means of the provision for doubtful accounts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts and subsequent recoveries are added. The amount of the provision for doubtful accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in federal, state and private employer health care coverage and other collection indicators. The provision for doubtful accounts and the allowance for doubtful accounts relate primarily to "uninsured" amounts (including copayment and deductible amounts from patients who have health care coverage) due directly from patients. Accounts are written off when all reasonable internal and external collection efforts have been performed. We consider the return of an account from the secondary external collection agency to be the culmination of our reasonable collection efforts and the timing basis for writing off the account balance (prior to 2007, we wrote accounts off upon their return from the primary external agency). Writeoffs are based upon specific identification and the writeoff process requires a writeoff adjustment entry to the patient accounting system. Management relies on the results of detailed reviews of historical writeoffs and recoveries at facilities that represent a majority of our revenues and accounts receivable (the "hindsight analysis") as a primary source of information to utilize in estimating the collectibility of our accounts receivable. We perform the hindsight analysis quarterly, utilizing rolling twelve-months accounts receivable collection and writeoff data. At December 31, 2008 and 2007, our allowance for doubtful accounts represented approximately 93% and 89%, respectively, of the $5.838 billion and $4.825 billion, respectively, patient due accounts receivable balance, including accounts, net of estimated contractual discounts, related to patients for which eligibility for Medicaid coverage was being evaluated ("pending Medicaid accounts"). Revenue days in accounts receivable were 49 days, 53 days and 53 days at December 31, 2008, 2007 and 2006, respectively. Adverse changes in general economic conditions, patient accounting service center operations, payer mix or trends in federal or state governmental health care coverage could affect our collection of accounts receivable, cash flows and results of operations.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property and Equipment and Amortizable Intangibles

Depreciation expense, computed using the straight-line method, was $1.412 billion in 2008, $1.421 billion in 2007, and $1.384 billion in 2006. Buildings and improvements are depreciated over estimated useful lives ranging generally from 10 to 40 years. Estimated useful lives of equipment vary generally from four to 10 years.

Debt issuance costs are amortized based upon the terms of the respective debt obligations. The gross carrying amount of deferred loan costs at December 31, 2008 and 2007 was $650 million and $652 million, respectively, and accumulated amortization was $192 million and $113 million, respectively. Amortization of deferred loan costs is included in interest expense and was $79 million, $78 million and $18 million for 2008, 2007 and 2006, respectively.

NOTE 1 — ACCOUNTING POLICIES (Continued)

Property and Equipment and Amortizable Intangibles (Continued)

When events, circumstances or operating results indicate the carrying values of certain long-lived assets and related identifiable intangible assets (excluding goodwill) expected to be held and used, might be impaired, we prepare projections of the undiscounted future cash flows expected to result from the use of the assets and their eventual disposition. If the projections indicate the recorded amounts are not expected to be recoverable, such amounts are reduced to estimated fair value. Fair value may be estimated based upon internal evaluations that include quantitative analyses of revenues and cash flows, reviews of recent sales of similar facilities and independent appraisals.

Long-lived assets to be disposed of are reported at the lower of their carrying amounts or fair value less costs to sell or close. The estimates of fair value are usually based upon recent sales of similar assets and market responses based upon discussions with and offers received from potential buyers.

Investments of Insurance Subsidiary

At December 31, 2008 and 2007, the investments of our wholly-owned insurance subsidiary were classified as “available-for-sale” as defined in Statement of Financial Accounting Standards No. 115, “Accounting for Certain Investments in Debt and Equity Securities” and are recorded at fair value. The investment securities are held for the purpose of providing the funding source to pay professional liability claims covered by the insurance subsidiary. We perform a quarterly assessment of individual investment securities to determine whether declines in market value are temporary or other-than-temporary. Our investment securities evaluation process involves multiple subjective judgments, often involves estimating the outcome of future events, and requires a significant level of professional judgment in determining whether an impairment has occurred. We evaluate, among other things, the financial position and near term prospects of the issuer, conditions in the issuer’s industry, liquidity of the investment, changes in the amount or timing of expected future cash flows from the investment, and recent downgrades of the issuer by a rating agency, to determine if, and when, a decline in the fair value of an investment below amortized cost is considered other-than-temporary. The length of time and extent to which the fair value of the investment is less than amortized cost and our ability and intent to retain the investment, to allow for any anticipated recovery of the investment’s fair value, are important components of our investment securities evaluation process.

Goodwill

Goodwill is not amortized, but is subject to annual impairment tests. In addition to the annual impairment review, impairment reviews are performed whenever circumstances indicate a possible impairment may exist. Impairment testing for goodwill is done at the reporting unit level. Reporting units are one level below the business segment level, and our impairment testing is performed at the operating division or market level. We compare the fair value of the reporting unit assets to the carrying amount, on at least an annual basis, to determine if there is potential impairment. If the fair value of the reporting unit assets is less than their carrying value, we compare the fair value of the goodwill to its carrying value. If the fair value of the goodwill is less than its carrying value, an impairment loss is recognized. Fair value of goodwill is estimated based upon internal evaluations of the related long-lived assets for each reporting unit that include quantitative analyses of revenues and cash flows and reviews of recent sales of similar facilities. We recognized goodwill impairments of $48 million during 2008. No goodwill impairments were recognized during 2007 and 2006.

During 2008, goodwill increased by $43 million related to acquisitions, decreased by $14 million related to facility sales, decreased by $48 million related to impairments and decreased by $30 million related to foreign currency translation and other adjustments. During 2007, goodwill increased by $44 million related to acquisitions, decreased by $45 million related to facility sales and increased by $29 million related to foreign currency translation and other adjustments.

NOTE 1 — ACCOUNTING POLICIES (Continued)

Physician Recruiting Agreements

In order to recruit physicians to meet the needs of our hospitals and the communities they serve, we enter into minimum revenue guarantee arrangements to assist the recruited physicians during the period they are relocating and establishing their practices. A guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the stand-ready obligation undertaken in issuing the guarantee. We expense the total estimated guarantee liability amount at the time the physician recruiting agreement becomes effective as we are not able to justify recording a contract-based asset based upon our analysis of the related control, regulatory and legal considerations.

The physician recruiting liability amounts of $27 million and $22 million at December 31, 2008 and 2007, respectively, represent the amount of expense recognized in excess of payments made through December 31, 2008 and 2007, respectively. At December 31, 2008 the maximum amount of all effective minimum revenue guarantees that could be paid prospectively was $66 million.

Professional Liability Claims

Reserves for professional liability risks were $1.387 billion and $1.513 billion at December 31, 2008 and 2007, respectively. The current portion of the reserves, $279 million and $280 million at December 31, 2008 and 2007, respectively, is included in “other accrued expenses” in the consolidated balance sheet. Provisions for losses related to professional liability risks were $175 million, $163 million and $217 million for 2008, 2007 and 2006, respectively, and are included in “other operating expenses” in our consolidated income statement. Provisions for losses related to professional liability risks are based upon actuarially determined estimates. Loss and loss expense reserves represent the estimated ultimate net cost of all reported and unreported losses incurred through the respective consolidated balance sheet dates. The reserves for unpaid losses and loss expenses are estimated using individual case-basis valuations and actuarial analyses. Those estimates are subject to the effects of trends in loss severity and frequency. The estimates are continually reviewed and adjustments are recorded as experience develops or new information becomes known. Adjustments to the estimated reserve amounts are included in current operating results. The reserves for professional liability risks cover approximately 2,800 and 2,600 individual claims at December 31, 2008 and 2007, respectively, and estimates for unreported potential claims. The time period required to resolve these claims can vary depending upon the jurisdiction and whether the claim is settled or litigated. During 2008 and 2007, $314 million and $236 million, respectively, of net payments were made for professional and general liability claims. The estimation of the timing of payments beyond a year can vary significantly. Although considerable variability is inherent in professional liability reserve estimates, we believe the reserves for losses and loss expenses are adequate; however, there can be no assurance that the ultimate liability will not exceed our estimates.

A portion of our professional liability risks is insured through a wholly-owned insurance subsidiary. Subject to a $5 million per occurrence self-insured retention (in place since January 1, 2007), our facilities are insured by our wholly-owned insurance subsidiary for losses up to $50 million per occurrence. The insurance subsidiary has obtained reinsurance for professional liability risks generally above a retention level of $15 million per occurrence. We also maintain professional liability insurance with unrelated commercial carriers for losses in excess of amounts insured by our insurance subsidiary.

The obligations covered by reinsurance contracts are included in the reserves for professional liability risks, as the insurance subsidiary remains liable to the extent the reinsurers do not meet their obligations under the reinsurance contracts. The amounts receivable under the reinsurance contracts include $28 million and $14 million at December 31, 2008 and 2007, respectively, recorded in “other assets” and $29 million and $30 million at December 31, 2008 and 2007, respectively, recorded in “other current assets”.

NOTE 1 — ACCOUNTING POLICIES (Continued)

Financial Instruments

Derivative financial instruments are employed to manage risks, including interest rate and foreign currency exposures, and are not used for trading or speculative purposes. We recognize derivative instruments, such as interest rate swap agreements and foreign exchange contracts, in the consolidated balance sheets at fair value. Changes in the fair value of derivatives are recognized periodically either in earnings or in stockholders' equity, as a component of other comprehensive income, depending on whether the derivative financial instrument qualifies for hedge accounting, and if so, whether it qualifies as a fair value hedge or a cash flow hedge. Generally, changes in fair values of derivatives accounted for as fair value hedges are recorded in earnings, along with the changes in the fair value of the hedged items that relate to the hedged risk. Gains and losses on derivatives designated as cash flow hedges, to the extent they are effective, are recorded in other comprehensive income, and subsequently reclassified to earnings to offset the impact of the forecasted transactions when they occur. In the event the forecasted transaction to which a cash flow hedge relates is no longer likely, the amount in other comprehensive income is recognized in earnings and generally the derivative is terminated. Changes in the fair value of derivatives not qualifying as hedges, and for any portion of a hedge that is ineffective, are reported in earnings.

The net interest paid or received on interest rate swaps is recognized as interest expense. Gains and losses resulting from the early termination of interest rate swap agreements are deferred and amortized as adjustments to interest expense over the remaining term of the debt originally covered by the terminated swap.

Minority Interests in Consolidated Entities

The consolidated financial statements include all assets, liabilities, revenues and expenses of less than 100% owned entities that we control. Accordingly, we have recorded minority interests in the earnings and equity of such entities.

Recent Pronouncements

In December 2007, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 141(R), "Business Combinations" ("SFAS 141(R)"). This new standard will change the financial accounting and reporting of business combination transactions in consolidated financial statements. SFAS 141(R) replaces FASB Statement No. 141, "Business Combinations" ("SFAS 141"). SFAS 141(R) retains the fundamental requirements in SFAS 141 that the acquisition method of accounting (which SFAS 141 called the purchase method) be used for all business combinations and for an acquirer to be identified for each business combination. SFAS 141(R) defines the acquirer as the entity that obtains control of one or more businesses in the business combination and establishes the acquisition date as the date the acquirer achieves control. The scope of SFAS 141(R) is broader than that of SFAS 141, which applied only to business combinations in which control was obtained by transferring consideration. SFAS 141(R) applies the acquisition method to all transactions and other events in which one entity obtains control over one or more other businesses. SFAS 141(R) is effective for business combination transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51" ("SFAS 160"). This new standard will change the financial accounting and reporting of noncontrolling (or minority) interests in consolidated financial statements. SFAS 160 applies to all entities that prepare consolidated financial statements, except not-for-profit organizations. SFAS 160 amends certain of ARB No. 51's consolidation procedures to provide consistency with the requirements of SFAS 141(R). SFAS 160 is required to be adopted concurrently with SFAS 141(R) and is effective for fiscal years and interim periods beginning on or after December 15, 2008. SFAS 160 will require retroactive restatement to provide for consistent presentation of noncontrolling interests for all periods presented.

NOTE 1 — ACCOUNTING POLICIES (Continued)

Recent Pronouncements (Continued)

We do not expect the adoption of SFAS 160 to have a material effect on our financial position or results of operations.

In March 2008, the FASB issued Statement of Financial Accounting Standards No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133" ("SFAS 161"). This new standard will require entities to provide enhanced disclosures about (a) how and why an entity uses derivatives instruments, (b) how derivative instruments and related hedged items are accounted for and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. We do not expect the adoption of SFAS 161 to have a material effect on our financial position or results of operations.

Reclassifications

Certain prior year amounts have been reclassified to conform to the 2008 presentation.

NOTE 2 — MERGER AND RECAPITALIZATION

On July 24, 2006, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Hercules Holding II, LLC, a Delaware limited liability company ("Hercules Holding"), and Hercules Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of Hercules Holding ("Merger Sub"). Our board of directors approved the Merger Agreement on the unanimous recommendation of a special committee comprised entirely of disinterested directors. The Merger was approved by a majority of HCA's shareholders at a special meeting of shareholders held on November 16, 2006.

On November 17, 2006, pursuant to the terms of the Merger Agreement, the Investors consummated the acquisition of the Company through the merger of Merger Sub with and into the Company. The Company was the surviving corporation in the Merger. At December 31, 2008, 97.3% of our common stock is owned by the Investors and certain other investors, with the remainder being owned by certain members of management and employees of the Company.

Rollover and Stockholder Agreements And Equity Securities with Contingent Redemption Rights

In connection with the Merger, the Frist Entities and certain members of our management entered into agreements with the Company and/or Hercules Holding, pursuant to which they elected to invest in the Company, as the surviving corporation in the Merger, through a rollover of employee stock options, a rollover of shares of common stock of the Company, or a combination thereof. Pursuant to the rollover agreements the Frist Entities and management team made rollover investments of $885 million and $125 million, respectively.

The stockholder agreements, among other things, contain agreements among the parties with respect to restrictions on the transfer of shares, including tag along rights and drag along rights, registration rights (including customary indemnification provisions) and other rights. Pursuant to the management stockholder agreements, the applicable employees can elect to have the Company redeem their common stock and vested stock options in the events of death or permanent disability, prior to the consummation of the initial public offering of common stock by the Company. At December 31, 2008, 1,698,400 common shares and 2,937,000 vested stock options were subject to these contingent redemption terms.

NOTE 2 — MERGER AND RECAPITALIZATION (Continued)

Management Agreement

Affiliates of the Investors entered into a management agreement with us pursuant to which such affiliates will provide us with management services. Under the management agreement, the affiliates of the Investors are entitled to receive an aggregate annual management fee of $15 million, which amount will increase annually, beginning in 2008, at a rate equal to the percentage increase in Adjusted EBITDA (as defined in the Management Agreement) in the applicable year compared to the preceding year, and reimbursement of out-of-pocket expenses incurred in connection with the provision of services pursuant to the agreement. The management agreement has an initial term expiring on December 31, 2016, provided that the term will be extended annually for one additional year unless we or the Investors provide notice to the other of their desire not to automatically extend the term. In addition, the management agreement provides that the affiliates of the Investors are entitled to receive a fee equal to 1% of the gross transaction value in connection with certain financing, acquisition, disposition, and change of control transactions, as well as a termination fee based on the net present value of future payment obligations under the management agreement in the event of an initial public offering or under certain other circumstances. The agreement also contains customary exculpation and indemnification provisions in favor of the Investors and their affiliates.

Recapitalization Transaction Costs

For the year ended December 31, 2006, our results of operations include the following expenses related to the Recapitalization (dollars in millions):

Compensation expense related to accelerated vesting of stock options and restricted stock, and other employee benefits	$ 258
Consulting, legal, accounting and other transaction costs	131
Loss on extinguishment of debt	53
Total	$ 442

In addition to these amounts, approximately $77 million of transaction costs were recorded directly to shareholders' deficit, and an additional $568 million of transaction costs were capitalized as deferred loan costs.

NOTE 3 — SHARE-BASED COMPENSATION

Effective January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123(R), "Share-Based Payment" ("SFAS 123(R)"), using the modified prospective application transition method. Under this method, compensation cost is recognized, beginning January 1, 2006, based on the requirements of SFAS 123(R) for all share-based awards granted after the effective date, and based on Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), for all awards granted to employees prior to January 1, 2006 that were unvested on the effective date.

Upon consummation of the Merger, all outstanding stock options (other than certain options held by certain rollover shareholders) became fully vested, were cancelled and converted into the right to receive a cash payment equal to the number of shares underlying the options multiplied by the amount (if any) by which $51.00 exceeded the option exercise price. The acceleration of vesting of stock options resulted in the recognition of $42 million of additional share-based compensation expense for 2006.

Certain management holders of outstanding HCA stock options were permitted to retain certain of their stock options (the "Rollover Options") in lieu of receiving the merger consideration (the amount, if any, by which $51.00 exceeded the option exercise price). The Rollover Options remain outstanding in accordance with the terms of the governing stock incentive plans and grant agreements pursuant to which the holder originally received the stock

NOTE 3 — SHARE-BASED COMPENSATION (Continued)

option grants, except the exercise price and number of shares subject to the rollover option agreement were adjusted so that the aggregate intrinsic value for each applicable option holder was maintained and the exercise price for substantially all the options was adjusted to $12.75 per option. Pursuant to the rollover option agreement, 10,967,500 prerecapitalization HCA stock options were converted into 2,285,200 Rollover Options, of which 1,797,200 are outstanding and exercisable at December 31, 2008.

SFAS 123(R) requires that the benefits of tax deductions in excess of amounts recognized as compensation cost be reported as a financing cash flow. Tax benefits of $7 million, $1 million and $97 million from tax deductions in excess of amounts recognized as compensation cost were reported as financing cash flows in 2008, 2007 and 2006, respectively.

2006 Stock Incentive Plan

In connection with the Recapitalization, the 2006 Stock Incentive Plan for Key Employees of HCA Inc. and its Affiliates (the "2006 Plan") was established. The 2006 Plan is designed to promote the long term financial interests and growth of the Company and its subsidiaries by attracting and retaining management and other personnel and key service providers and to motivate management personnel by means of incentives to achieve long range goals and further the alignment of interests of participants with those of our stockholders through opportunities for increased stock, or stock-based, ownership in the Company. A portion of the options under the 2006 Plan vests solely based upon continued employment over a specific period of time, and a portion of the options vests based both upon continued employment over a specific period of time and upon the achievement of predetermined financial and Investor return targets over time. We granted 357,500 and 9,328,000 options under the 2006 Plan during 2008 and 2007, respectively. As of December 31, 2008, 1,186,200 options granted under the 2006 Plan have vested, and there were 1,788,300 shares available for future grants under the 2006 Plan.

2005 Equity Incentive Plan

Prior to the Recapitalization, the HCA 2005 Equity Incentive Plan was the primary plan under which stock options and restricted stock were granted to officers, employees and directors. Upon consummation of the Recapitalization, all shares of restricted stock became fully vested, were cancelled and converted into the right to receive a cash payment of $51.00 per restricted share. During 2006, we recognized $247 million of compensation costs related to restricted share grants. The acceleration of vesting of restricted stock resulted in the recognition of $201 million of the total compensation expense related to restricted stock for 2006.

A summary of restricted share activity during 2006 follows (share amounts in thousands):

	Number of Shares	Weighted Average Grant Date Fair Value
Restricted shares, December 31, 2005	3,748	$ 43.42
Granted	2,979	49.11
Vested	(494)	41.40
Cancelled	(232)	45.98
Settled in Recapitalization	(6,001)	46.31
Restricted shares, December 31, 2006	—	—

Stock Option Activity — All Plans

The fair value of each stock option award is estimated on the grant date, using option valuation models and the weighted average assumptions indicated in the following table. Awards under the 2006 Plan generally vest based on

NOTE 3 — SHARE-BASED COMPENSATION (Continued)

Stock Option Activity — All Plans (Continued)

continued employment and based upon achievement of certain financial and Investor return-based targets. Each grant is valued as a single award with an expected term equal to the average expected term of the component vesting tranches. We use historical option exercise behavior data and other factors to estimate the expected term of the options. The expected term of the option is limited by the contractual term, and employee post-vesting termination behavior is incorporated in the historical option exercise behavior data. Compensation cost is recognized on the straight-line attribution method. The straight-line attribution method requires that total compensation expense recognized must at least equal the vested portion of the grant-date fair value. The expected volatility is derived using historical stock price information of certain peer group companies for a period of time equal to the expected option term. The risk-free interest rate is the approximate yield on United States Treasury Strips having a life equal to the expected option life on the date of grant. The expected life is an estimate of the number of years an option will be held before it is exercised.

	2008	2007	2006
Risk-free interest rate	**2.50%**	4.86%	4.70%
Expected volatility	**30%**	30%	24%
Expected life, in years	**4**	5	5
Expected dividend yield	—	—	1.09%

Information regarding stock option activity during 2008, 2007 and 2006 is summarized below (share amounts in thousands):

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value (dollars in millions)
Options outstanding, December 31, 2005	27,806	$ 36.35		
Granted	2,566	48.64		
Exercised	(5,220)	26.24		
Cancelled	(1,008)	49.76		
Settled in Recapitalization	(13,177)	36.22		
Rolled over in Recapitalization — existing	(10,967)	42.98		
Rolled over in Recapitalization — new	2,285	12.50		
Options outstanding, December 31, 2006	2,285	12.50		
Granted	9,328	51.34		
Exercised	(36)	12.75		
Cancelled	(405)	51.00		
Options outstanding, December 31, 2007	11,172	43.54		
Granted	357	58.21		
Exercised	(480)	15.01		
Cancelled	(412)	51.14		
Options outstanding, December 31, 2008	10,637	45.02	7.5 years	$ 115
Options exercisable, December 31, 2008	2,937	$ 27.55	5.6 years	$ 83

NOTE 3 — SHARE-BASED COMPENSATION (Continued)

Stock Option Activity — All Plans (Continued)

The weighted average fair values of stock options granted during 2008, 2007 and 2006 were $14.01, $16.01 and $10.76 per share, respectively. The total intrinsic value of stock options exercised in the year ended December 31, 2008 was $20 million.

NOTE 4 — ACQUISITIONS AND DISPOSITIONS

During 2008, we paid $18 million to acquire one hospital and $67 million to acquire other health care entities. During 2007, we did not acquire any hospitals, but paid $32 million for other health care entities. During 2006, we paid $63 million to acquire three hospitals and $49 million to acquire other health care entities. Purchase price amounts have been allocated to the related assets acquired and liabilities assumed based upon their respective fair values. The purchase price paid in excess of the fair value of identifiable net assets of acquired entities aggregated $43 million, $44 million and $38 million in 2008, 2007 and 2006, respectively. The consolidated financial statements include the accounts and operations of the acquired entities subsequent to the respective acquisition dates. The pro forma effects of the acquired entities on our results of operations for periods prior to the respective acquisition dates were not significant.

During 2008, we received proceeds of $143 million and recognized a net pretax gain of $81 million ($48 million after tax) on the sales of two hospitals. We also received proceeds of $50 million and recognized a net pretax gain of $16 million ($10 million after tax) from sales of other health care entities and real estate investments. During 2007, we received proceeds of $661 million and recognized a net pretax gain of $443 million ($272 million after tax) from sales of three hospitals. We also received proceeds of $106 million and recognized a net pretax gain of $28 million ($18 million after tax) from sales of real estate investments. During 2006, we received proceeds of $560 million and recognized a net pretax gain of $176 million ($85 million after tax) on the sales of nine hospitals. We also received proceeds of $91 million and recognized a net pretax gain of $29 million ($18 million after tax) from sales of real estate investments and our equity investment in a hospital joint venture.

NOTE 5 — IMPAIRMENTS OF LONG-LIVED ASSETS

During 2008, we recorded pretax charges of $64 million to reduce the carrying value of identified assets to estimated fair value. The $64 million asset impairment includes $55 million related to other health care entity investments in our Eastern Group and $9 million related to certain hospital facilities in our Central Group. During 2007, we recorded a pretax charge of $24 million to adjust the value of a building in our Central Group to estimated fair value. During 2006, the carrying value for a closed hospital was reduced to fair value, based upon estimates of sales value, resulting in a pretax charge of $16 million that affected our Corporate and Other Group. During 2006, we also decided to terminate a construction project and incurred a pretax charge of $8 million that affected our Corporate and Other Group.

The asset impairment charges did not have a significant impact on our operations or cash flows and are not expected to significantly impact cash flows for future periods. The impairment charges affected our property and equipment asset category by $16 million, $24 million and $24 million in 2008, 2007 and 2006, respectively.

NOTE 6 — INCOME TAXES

The provision for income taxes consists of the following (dollars in millions):

	2008	2007	2006
Current:			
Federal	**$ 699**	$ 566	$ 993
State	**56**	37	62
Foreign	**25**	32	35
Deferred:			
Federal	**(505)**	(391)	(426)
State	**(29)**	(62)	(43)
Foreign	**22**	134	5
	$ 268	$ 316	$ 626

A reconciliation of the federal statutory rate to the effective income tax rate follows:

	2008	2007	2006
Federal statutory rate	**35.0%**	35.0%	35.0%
State income taxes, net of federal tax benefit	**3.7**	0.2	0.4
Change in liability for uncertain tax positions	**(7.4)**	(7.2)	—
Nondeductible intangible assets	**0.4**	—	1.5
Tax exempt interest income	**(2.5)**	(2.1)	(1.1)
Other items, net	**(0.7)**	0.7	1.8
Effective income tax rate	**28.5%**	26.6%	37.6%

As a result of a settlement reached with the Appeals Division of the Internal Revenue Service (the "IRS") and the revision of a proposed IRS adjustment related to prior taxable years, we reduced our provision for income taxes by $69 million in 2008. Our 2007 provision for income taxes was reduced by $85 million, principally based on new information received related to tax positions taken in a prior taxable year, and by an additional $39 million to adjust 2006 state tax accruals to the amounts reported on completed tax returns and based upon an analysis of the Recapitalization costs.

A summary of the items comprising the deferred tax assets and liabilities at December 31 follows (dollars in millions):

	2008		2007	
	Assets	Liabilities	Assets	Liabilities
Depreciation and fixed asset basis differences	**$ —**	**$ 324**	$ —	$ 329
Allowances for professional liability and other risks	**244**	**—**	197	—
Accounts receivable	**1,263**	**—**	884	—
Compensation	**201**	**—**	156	—
Other	**786**	**287**	633	259
	$ 2,494	**$ 611**	$ 1,870	$ 588

At December 31, 2008, state net operating loss carryforwards (expiring in years 2009 through 2028) available to offset future taxable income approximated $145 million. Utilization of net operating loss carryforwards in any

NOTE 6 — INCOME TAXES (Continued)

one year may be limited and, in certain cases, result in an adjustment to intangible assets. Net deferred tax assets related to such carryforwards are not significant.

We are currently contesting before the IRS Appeals Division certain claimed deficiencies and adjustments proposed by the IRS in connection with its examination of the 2003 and 2004 federal income tax returns for HCA and 17 affiliates that are treated as partnerships for federal income tax purposes ("affiliated partnerships"). The disputed items include the timing of recognition of certain patient service revenues and our method for calculating the tax allowance for doubtful accounts.

Eight taxable periods of HCA and its predecessors ended in 1995 through 2002 and the 2002 taxable year for 13 affiliated partnerships, for which the primary remaining issue is the computation of the tax allowance for doubtful accounts, are pending before the IRS Examination Division or the United States Tax Court as of December 31, 2008. The IRS began an audit of the 2005 and 2006 federal income tax returns for HCA and seven affiliated partnerships during 2008.

Effective January 1, 2007, we adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"). FIN 48 creates a single model to address uncertainty in income tax positions and clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 applies to all tax positions related to income taxes subject to FASB Statement No. 109, "Accounting for Income Taxes." The provision for income taxes reflects a $20 million ($12 million net of tax) reduction in interest related to taxing authority examinations for the year ended December 31, 2008 and interest expense of $17 million ($11 million net of tax) for the year ended December 31, 2007.

The following table summarizes the activity related to our unrecognized tax benefits (dollars in millions):

	2008	2007
Balance at January 1	**$ 622**	$ 555
Additions based on tax positions related to the current year	**32**	70
Additions for tax positions of prior years	**55**	112
Reductions for tax positions of prior years	**(57)**	(101)
Settlements	**(162)**	2
Lapse of applicable statutes of limitations	**(8)**	(16)
Balance at December 31	**$ 482**	$ 622

During 2008, we reached a settlement with the IRS Appeals Division relating to the deductibility of the 2001 government settlement payment, the timing of recognition of certain patient service revenues for 2001 and 2002, and the amount of insurance expense deducted in 2001 and 2002. As a result of the settlement, $111 million of the $215 million refundable deposit made in 2006 has been applied to tax and interest due for the 2001 and 2002 taxable years.

Our liability for unrecognized tax benefits was $625 million, including accrued interest of $156 million and excluding $13 million that was recorded as reductions of the related deferred tax assets, as of December 31, 2008 ($828 million, $218 million and $12 million, respectively, as of December 31, 2007). Unrecognized tax benefits of $264 million ($489 million as of December 31, 2007) would affect the effective rate, if recognized. The liability for unrecognized tax benefits does not reflect deferred tax assets related to deductible interest and state income taxes or the balance of a refundable deposit we made in 2006, which is recorded in noncurrent assets.

Depending on the resolution of the IRS disputes, the completion of examinations by federal, state or international taxing authorities, or the expiration of statutes of limitation for specific taxing jurisdictions, we

NOTE 6 — INCOME TAXES (Continued)

believe it is reasonably possible that our liability for unrecognized tax benefits may significantly increase or decrease within the next twelve months. However, we are currently unable to estimate the range of any possible change.

NOTE 7 — INVESTMENTS OF INSURANCE SUBSIDIARY

A summary of the insurance subsidiary's investments at December 31 follows (dollars in millions):

	2008			
	Amortized Cost	Unrealized Amounts		Fair Value
		Gains	Losses	
Debt securities:				
States and municipalities	$ 808	$ 20	$ (23)	$ 805
Auction rate securities	576	—	(40)	536
Asset-backed securities	51	1	(5)	47
Money market funds	226	—	—	226
	1,661	21	(68)	1,614
Equity securities:				
Preferred stocks	6	—	(1)	5
Common stocks and other equities	3	—	—	3
	9	—	(1)	8
	$ 1,670	$ 21	$ (69)	1,622
Amounts classified as current assets				(200)
Investment carrying value				$ 1,422

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 7 — INVESTMENTS OF INSURANCE SUBSIDIARY (Continued)

	2007			
	Amortized Cost	Unrealized Amounts		Fair Value
		Gains	Losses	
Debt securities:				
States and municipalities	$ 944	$ 23	$ (2)	$ 965
Auction rate securities	731	—	—	731
Asset-backed securities	59	1	—	60
Corporate	2	—	—	2
Money market funds	109	—	—	109
	1,845	24	(2)	1,867
Equity securities:				
Preferred stocks	26	—	(1)	25
Common stocks and other equities	7	—	—	7
	33	—	(1)	32
	$ 1,878	$ 24	$ (3)	1,899
Amounts classified as current assets				(230)
Investment carrying value				$ 1,669

At December 31, 2008 and 2007 the investments of our insurance subsidiary were classified as “available-for-sale.” Changes in temporary unrealized gains and losses are recorded as adjustments to other comprehensive income. At December 31, 2008 and 2007, $119 million and $106 million, respectively, of our investments were subject to the restrictions included in insurance bond collateralization and assumed reinsurance contracts.

Scheduled maturities of investments in debt securities at December 31, 2008 were as follows (dollars in millions):

	Amortized Cost	Fair Value
Due in one year or less	$ 313	$ 314
Due after one year through five years	305	311
Due after five years through ten years	252	254
Due after ten years	164	152
	1,034	1,031
Auction rate securities	576	536
Asset-backed securities	51	47
	$ 1,661	$ 1,614

The average expected maturity of the investments in debt securities at December 31, 2008 was 3.9 years, compared to the average scheduled maturity of 12.8 years. Expected and scheduled maturities may differ because the issuers of certain securities have the right to call, prepay or otherwise redeem such obligations prior to their scheduled maturity date. The average expected maturities for our auction rate and asset-backed securities were derived from valuation models of expected cash flows and involved management’s judgment. The average expected

NOTE 7 — INVESTMENTS OF INSURANCE SUBSIDIARY (Continued)

maturities for our auction rate and asset-backed securities at December 31, 2008 were 5.5 years and 6.9 years, respectively, compared to average scheduled maturities of 25.5 years and 26.2 years, respectively.

The cost of securities sold is based on the specific identification method. Sales of securities for the years ended December 31 are summarized below (dollars in millions):

	2008	2007	2006
Debt securities:			
Cash proceeds	**$23**	$272	$ 401
Gross realized gains	—	8	1
Gross realized losses	—	1	2
Equity securities:			
Cash proceeds	**$ 4**	$ 87	$1,509
Gross realized gains	**2**	1	256
Gross realized losses	**2**	—	12

NOTE 8 — FINANCIAL INSTRUMENTS

Interest Rate Swap Agreements

We have entered into interest rate swap agreements to manage our exposure to fluctuations in interest rates. These swap agreements involve the exchange of fixed and variable rate interest payments between two parties based on common notional principal amounts and maturity dates. Pay-fixed interest rate swaps effectively convert LIBOR indexed variable rate instruments to fixed interest rate obligations. The net interest payments, based on the notional amounts in these agreements, generally match the timing of the related liabilities. The notional amounts of the swap agreements represent amounts used to calculate the exchange of cash flows and are not our assets or liabilities. Our credit risk related to these agreements is considered low because the swap agreements are with creditworthy financial institutions. The interest payments under these agreements are settled on a net basis.

The following table sets forth our interest rate swap agreements, which have been designated as cash flow hedges, at December 31, 2008 (dollars in millions):

	Notional Amount	Termination Date	Fair Value
Pay-fixed interest rate swap	$4,000	November 2011	$(327)
Pay-fixed interest rate swap	4,000	November 2011	(301)
Pay-fixed interest rate swap	500	March 2011	(15)
Pay-fixed interest rate swap	500	March 2011	(14)

The fair value of the interest rate swaps at December 31, 2008 represents the estimated amounts we would pay upon termination of these agreements.

Cross Currency Swaps

The Company and certain subsidiaries have incurred obligations and entered into various intercompany transactions where such obligations are denominated in currencies (Great Britain Pound and Euro), other than the functional currencies (United States Dollar and Great Britain Pound) of the parties executing the trade. In order to better match the cash flows of our obligations and intercompany transactions with cash flows from operations, we entered into various cross currency swaps. Our credit risk related to these agreements is considered low because the swap agreements are with creditworthy financial institutions.

NOTE 8 — FINANCIAL INSTRUMENTS (Continued)

Cross Currency Swaps (Continued)

Certain of our cross currency swaps were not designated as hedges, and changes in fair value are recognized in results of operations. The following table sets forth these cross currency swap agreements at December 31, 2008 (amounts in millions):

	Notional Amount	Termination Date	Fair Value
Euro — United States Dollar Currency Swap	557 Euro	December 2011	$81
Euro — Great Britain Pound (GBP) Currency Swap	27 GBP	December 2011	16

The following table sets forth our cross currency swap agreements, which have been designated as cash flow hedges, at December 31, 2008 (amounts in millions):

	Notional Amount	Termination Date	Fair Value
GBP — United States Dollar Currency Swap	50 GBP	November 2010	$(13)
GBP — United States Dollar Currency Swap	50 GBP	November 2010	(13)

The fair value of the cross currency swaps at December 31, 2008 represents the estimated amounts we would receive (pay) upon termination of these agreements.

NOTE 9 — ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

On January 1, 2008, we adopted Statement of Financial Accounting Standards No. 157, “Fair Value Measurements” (“SFAS 157”). SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements.

SFAS 157 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, SFAS 157 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity’s own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity’s own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Cash Traded Investments

Our cash traded investments are generally classified within Level 1 or Level 2 of the fair value hierarchy because they are valued using quoted market prices, broker or dealer quotations, or alternative pricing sources with

NOTE 9 — ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (Continued)

Cash Traded Investments (Continued)

reasonable levels of price transparency. Certain types of cash traded instruments are classified within Level 3 of the fair value hierarchy because they trade infrequently and therefore have little or no price transparency. Such instruments include auction rate securities ("ARS") and limited partnership investments. The transaction price is initially used as the best estimate of fair value.

Our wholly-owned insurance subsidiary had investments in municipal, tax-exempt ARS, that are backed by student loans substantially guaranteed by the federal government, of $536 million ($573 million par value) at December 31, 2008. We do not currently intend to attempt to sell the ARS as the liquidity needs of our insurance subsidiary are expected to be met by other investments in its investment portfolio. These securities continue to accrue and pay interest semi-annually based on the failed auction maximum rate formulas stated in their respective Official Statements. During 2008, certain issuers of our ARS redeemed $93 million of our securities at par value. The valuation of these securities involved management's judgment, after consideration of market factors and the absence of market transparency, market liquidity and observable inputs. Our valuation models derived a fair market value compared to tax-equivalent yields of other student loan backed variable rate securities of similar credit worthiness.

Derivative Financial Instruments

We have entered into interest rate and cross currency swap agreements to manage our exposure to fluctuations in interest rates and foreign currency risks. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, foreign exchange rates and implied volatilities. To comply with the provisions of SFAS 157, we incorporate credit valuation adjustments to reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by us and our counterparties. We have assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are significant to the overall valuation of our derivatives. As a result, we have determined that our derivative valuations in their entirety are classified in Level 3 of the fair value hierarchy at December 31, 2008.

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 9 — ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (Continued)

Derivative Financial Instruments (Continued)

The following table summarizes our assets and liabilities measured at fair value on a recurring basis as of December 31, 2008, aggregated by the level in the fair value hierarchy within which those measurements fall (dollars in millions):

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments of insurance subsidiary	$ 1,622	$ 227	$ 857	$ 538
Less amounts classified as current assets	(200)	(200)	—	—
	1,422	27	857	538
Cross currency swaps (Other assets)	97	—	—	97
Liabilities:				
Interest rate swaps (Income taxes and other liabilities)	657	—	—	657
Cross currency swaps (Income taxes and other liabilities)	26	—	—	26

The following table summarizes the activity related to the investments of our insurance subsidiary and our cross currency and interest rate swaps which have fair value measurements based on significant unobservable inputs (Level 3) during the year ended December 31, 2008 (dollars in millions):

	Investments of Insurance Subsidiary	Cross Currency Swaps (net)	Interest Rate Swaps
Balance at December 31, 2007	$ 4	$ —	$ —
Realized gains and losses included in earnings	2	—	—
Unrealized gains and losses included in other comprehensive income	(41)	—	—
Purchases, issuances and settlements	(95)	—	—
Transfers into Level 3	668	71	657
Balance at December 31, 2008	$ 538	$ 71	$ 657

NOTE 10 — LONG-TERM DEBT

A summary of long-term debt at December 31, including related interest rates at December 31, 2008, follows (dollars in millions):

	2008	2007
Senior secured asset-based revolving credit facility (effective interest rate of 2.8%)	**$ 2,000**	$ 1,350
Senior secured revolving credit facility (effective interest rate of 2.7%)	**50**	—
Senior secured term loan facilities (effective interest rate of 6.0%)	**12,002**	12,317
Other senior secured debt (effective interest rate of 6.8%)	**406**	427
First lien debt	**14,458**	14,094
Senior secured cash-pay notes (effective interest rate of 9.6%)	**4,200**	4,200
Senior secured toggle notes (effective interest rate of 10.0%)	**1,500**	1,500
Second lien debt	**5,700**	5,700
Senior unsecured notes payable through 2095 (effective interest rate of 7.2%)	**6,831**	7,514
Total debt (average life of six years, rates averaging 6.9%)	**26,989**	27,308
Less amounts due within one year	**404**	308
	$ 26,585	$ 27,000

Senior Secured Credit Facilities

In connection with the Recapitalization, we entered into (i) a $2.000 billion senior secured asset-based revolving credit facility with a borrowing base of 85% of eligible accounts receivable, subject to customary reserves and eligibility criteria (fully utilized at December 31, 2008) (the "ABL credit facility") and (ii) a senior secured credit agreement (the "cash flow credit facility" and, together with the ABL credit facility, the "senior secured credit facilities"), consisting of a $2.000 billion revolving credit facility ($1.858 billion available at December 31, 2008 after giving effect to certain outstanding letters of credit), a $2.750 billion term loan A ($2.525 billion outstanding at December 31, 2008), a $8.800 billion term loan B ($8.624 billion outstanding at December 31, 2008) and a €1.000 billion European term loan (€611 million, or $853 million, outstanding at December 31, 2008) under which one of our European subsidiaries is the borrower.

Borrowings under the senior secured credit facilities bear interest at a rate equal to, as determined by the type of borrowing, either an applicable margin plus, at our option, either (a) a base rate determined by reference to the higher of (1) the federal funds rate plus $^1/_2$ of 1% or (2) the prime rate of Bank of America or (b) a LIBOR rate for the currency of such borrowing for the relevant interest period, plus, in each case, an applicable margin. The applicable margin for borrowings under the senior secured credit facilities, with the exception of term loan B where the margin is static, may be reduced subject to attaining certain leverage ratios.

The ABL facility and the $2.000 billion revolving credit facility portion of the cash flow credit facility expire November 2012. The term loan facilities require quarterly installment payments. The final payment under term loan A is in November 2012. The final payments under term loan B and the European term loan are in November 2013. The senior secured credit facilities contain a number of covenants that restrict, subject to certain exceptions, our (and some or all of our subsidiaries') ability to incur additional indebtedness, repay subordinated indebtedness, create liens on assets, sell assets, make investments, loans or advances, engage in certain transactions with affiliates, pay dividends and distributions, and enter into sale and leaseback transactions. In addition, we are required to satisfy and maintain a maximum total leverage ratio covenant under the cash flow facility and, in certain situations under the ABL credit facility, a minimum interest coverage ratio covenant.

NOTE 10 — LONG-TERM DEBT (Continued)

Senior Secured Credit Facilities (Continued)

We use interest rate swap agreements to manage the floating rate exposure of our debt portfolio. We entered into interest rate swap agreements, in a total notional amount of $9 billion, in order to hedge a portion of our exposure to variable rate interest payments associated with the senior secured credit facility. The effect of the interest rate swaps is reflected in the effective interest rate for the senior secured credit facilities.

Senior Secured Notes

In November 2006, we issued $4.200 billion of senior secured notes (comprised of $1.000 billion of $9^1/_8$% notes due 2014 and $3.200 billion of $9^1/_4$% notes due 2016), and $1.500 billion of $9^5/_8$% cash/$10^3/_8$% in-kind senior secured toggle notes (which allow us, at our option, to pay interest in-kind during the first five years) due 2016, which are subject to certain standard covenants. In November 2008, we elected to make an interest payment for the interest period ending in May 2009 by paying in-kind instead of paying interest in cash.

General Information

The senior secured credit facilities and senior secured notes are fully and unconditionally guaranteed by substantially all existing and future, direct and indirect, wholly-owned material domestic subsidiaries that are "Unrestricted Subsidiaries" under our Indenture dated December 16, 1993 (except for certain special purpose subsidiaries that only guarantee and pledge their assets under our ABL credit facility). In addition, borrowings under the European term loan are guaranteed by all material, wholly-owned European subsidiaries.

Maturities of long-term debt in years 2010 through 2013 are $1.144 billion, $896 million, $4.707 billion and $10.095 billion, respectively.

The estimated fair value of our long-term debt was $20.225 billion and $26.127 billion at December 31, 2008 and 2007, respectively, compared to carrying amounts aggregating $26.989 billion and $27.308 billion, respectively. The estimates of fair value are generally based upon the quoted market prices for the same or similar issues of long-term debt with the same maturities.

NOTE 11 — CONTINGENCIES

We operate in a highly regulated and litigious industry. As a result, various lawsuits, claims and legal and regulatory proceedings have been and can be expected to be instituted or asserted against us. The resolution of any such lawsuits, claims or legal and regulatory proceedings could have a material, adverse affect on our results of operations or financial position in a given period.

We are subject to claims and suits arising in the ordinary course of business, including claims for personal injuries or wrongful restriction of, or interference with, physicians' staff privileges. In certain of these actions the claimants may seek punitive damages against us which may not be covered by insurance. It is management's opinion that the ultimate resolution of these pending claims and legal proceedings will not have a material, adverse effect on our results of operations or financial position.

NOTE 12 — CAPITAL STOCK AND STOCK REPURCHASES

Capital Stock

The Company's certificate of incorporation and by-laws were amended and restated, effective March 27, 2008 and March 26, 2008, respectively. The amended and restated certificate of incorporation authorizes the Company to issue up to 125,000,000 shares of common stock, and the amended and restated by-laws set the number of directors constituting the board of directors of the Company at not less than one nor more than 15.

NOTE 12 — CAPITAL STOCK AND STOCK REPURCHASES (Continued)

Stock Repurchase Program

In 2005, we announced the authorization of a modified "Dutch" auction tender offer to purchase up to $2.500 billion of our common stock. During 2006, we repurchased 13.0 million shares of our common stock for $653 million, through open market purchases, which completed this authorization.

NOTE 13 — EMPLOYEE BENEFIT PLANS

We maintained a noncontributory, defined contribution retirement plan which covered substantially all employees. Benefits were determined as a percentage of a participant's salary and vest over specified periods of employee service. Retirement plan expense was $46 million for 2008, $203 million for 2007 and $190 million for 2006. Amounts approximately equal to retirement plan expense are funded annually. Effective April 1, 2008, the noncontributory plan and the related participant account balances were merged into the contributory HCA 401(k) Plan.

We maintain contributory, defined contribution benefit plans that are available to employees who meet certain minimum requirements. Certain of the plans require that we match specified percentages of participant contributions up to certain maximum levels (generally, 100% of the first 3% to 9%, depending upon years of vesting service, of compensation deferred by participants for periods subsequent to March 31, 2008, and 50% of the first 3% of compensation deferred by participants for periods prior to April 1, 2008). The cost of these plans totaled $233 million for 2008, $86 million for 2007 and $71 million for 2006. Our contributions are funded periodically during each year.

We maintain a Supplemental Executive Retirement Plan ("SERP") for certain executives. The plan is designed to ensure that upon retirement the participant receives the value of a prescribed life annuity from the combination of the SERP and our other benefit plans. Compensation expense under the plan was $20 million for 2008, $20 million for 2007 and $15 million for 2006. Accrued benefits liabilities under this plan totaled $133 million at December 31, 2008 and $109 million at December 31, 2007.

We maintain defined benefit pension plans which resulted from certain hospital acquisitions in prior years. Compensation expense under these plans was $24 million for 2008, $27 million for 2007, and $31 million for 2006. Accrued benefits liabilities under these plans totaled $142 million at December 31, 2008 and $48 million at December 31, 2007.

NOTE 14 — SEGMENT AND GEOGRAPHIC INFORMATION

We operate in one line of business, which is operating hospitals and related health care entities. During the years ended December 31, 2008, 2007 and 2006, approximately 23%, 24% and 25%, respectively, of our revenues related to patients participating in the fee-for-service Medicare program.

Our operations are structured into three geographically organized groups: the Eastern Group includes 48 consolidating hospitals located in the Eastern United States, the Central Group includes 51 consolidating hospitals located in the Central United States and the Western Group includes 53 consolidating hospitals located in the Western United States. We also operate six consolidating hospitals in England, and these facilities are included in the Corporate and other group.

Adjusted segment EBITDA is defined as income before depreciation and amortization, interest expense, gains on sales of facilities, impairment of long-lived assets, transaction costs, minority interests and income taxes. We use adjusted segment EBITDA as an analytical indicator for purposes of allocating resources to geographic areas and assessing their performance. Adjusted segment EBITDA is commonly used as an analytical indicator within the health care industry, and also serves as a measure of leverage capacity and debt service ability. Adjusted segment EBITDA should not be considered as a measure of financial performance under generally accepted accounting

NOTE 14 — SEGMENT AND GEOGRAPHIC INFORMATION (Continued)

principles, and the items excluded from adjusted segment EBITDA are significant components in understanding and assessing financial performance. Because adjusted segment EBITDA is not a measurement determined in accordance with generally accepted accounting principles and is thus susceptible to varying calculations, adjusted segment EBITDA, as presented, may not be comparable to other similarly titled measures of other companies. The geographic distributions of our revenues, equity in earnings of affiliates, adjusted segment EBITDA, depreciation and amortization, assets and goodwill are summarized in the following table (dollars in millions):

	For the Years Ended December 31,		
	2008	**2007**	**2006**
Revenues:			
Eastern Group	**$ 8,570**	$ 8,204	$ 7,775
Central Group	**6,740**	6,302	5,917
Western Group	**12,118**	11,378	10,495
Corporate and other	**946**	974	1,290
	$ 28,374	$ 26,858	$ 25,477
Equity in earnings of affiliates:			
Eastern Group	**$ (2)**	$ (2)	$ (6)
Central Group	**(2)**	8	(3)
Western Group	**(219)**	(212)	(187)
Corporate and other	**—**	—	(1)
	$ (223)	$ (206)	$ (197)
Adjusted segment EBITDA:			
Eastern Group	**$ 1,288**	$ 1,268	$ 1,196
Central Group	**1,061**	1,082	975
Western Group	**2,270**	2,196	2,088
Corporate and other	**(45)**	46	211
	$ 4,574	$ 4,592	$ 4,470
Depreciation and amortization:			
Eastern Group	**$ 358**	$ 369	$ 363
Central Group	**359**	364	329
Western Group	**552**	529	492
Corporate and other	**147**	164	207
	$ 1,416	$ 1,426	$ 1,391
Adjusted segment EBITDA	**$ 4,574**	$ 4,592	$ 4,470
Depreciation and amortization	**1,416**	1,426	1,391
Interest expense	**2,021**	2,215	955
Gains on sales of facilities	**(97)**	(471)	(205)
Impairment of long-lived assets	**64**	24	24
Transaction costs	**—**	—	442
Income before minority interests and income taxes	**$ 1,170**	$ 1,398	$ 1,863

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 14 — SEGMENT AND GEOGRAPHIC INFORMATION (Continued)

	As of December 31, 2008	2007
Assets:		
Eastern Group	**$ 4,906**	$ 4,928
Central Group	**5,251**	5,157
Western Group	**8,597**	8,152
Corporate and other	**5,526**	5,788
	$ 24,280	$ 24,025

	Eastern Group	Central Group	Western Group	Corporate and Other	Total
Goodwill:					
Balance at December 31, 2007	$ 628	$ 1,015	$ 749	$ 237	$ 2,629
Acquisitions	38	—	5	—	43
Sales	(14)	—	—	—	(14)
Impairments	(48)	—	—	—	(48)
Foreign currency translation and other	(2)	(2)	—	(26)	(30)
Balance at December 31, 2008	$ 602	$ 1,013	$ 754	$ 211	$ 2,580

NOTE 15 — OTHER COMPREHENSIVE INCOME (LOSS)

The components of accumulated other comprehensive income (loss) are as follows (dollars in millions):

	Unrealized Gains (Losses) on Available-for-Sale Securities	Foreign Currency Translation Adjustments	Defined Benefit Plans	Change in Fair Value of Derivative Instruments	Total
Balances at December 31, 2005	$ 118	$ 30	$ (18)	$ —	$ 130
Unrealized gains on available-for-sale securities, net of $30 of income taxes	53	—	—	—	53
Gains reclassified into earnings from other comprehensive income, net of $88 of income taxes	(155)	—	—	—	(155)
Foreign currency translation adjustments, net of $10 of income taxes	—	19	—	—	19
Defined benefit plans, net of $30 income tax benefit	—	—	(49)	—	(49)
Change in fair value of derivative instruments, net of $10 of income taxes	—	—	—	18	18
Balances at December 31, 2006	16	49	(67)	18	16
Unrealized gains on available-for-sale securities, net of $1 of income taxes	3	—	—	—	3
Foreign currency translation adjustments, net of $3 income tax benefit	—	(7)	—	—	(7)
Gains reclassified into earnings from other comprehensive income, net of $3 and $5, respectively, of income taxes	(5)	(8)	—	—	(13)
Defined benefit plans, net of $14 of income taxes	—	—	23	—	23
Change in fair value of derivative instruments, net of $112 income tax benefit	—	—	—	(194)	(194)
Balances at December 31, 2007	14	34	(44)	(176)	(172)
Unrealized losses on available-for-sale securities, net of $25 income tax benefit	(44)	—	—	—	(44)
Foreign currency translation adjustments, net of $33 income tax benefit	—	(62)	—	—	(62)
Defined benefit plans, net of $36 income tax benefit	—	—	(62)	—	(62)
Change in fair value of derivative instruments, net of $152 income tax benefit	—	—	—	(264)	(264)
Balances at December 31, 2008	$ (30)	$ (28)	$ (106)	$ (440)	$ (604)

NOTE 16 — ACCRUED EXPENSES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

A summary of other accrued expenses at December 31 follows (dollars in millions):

	2008	2007
Professional liability risks	**$ 279**	$ 280
Interest	**212**	223
Employee benefit plans	**89**	217
Income taxes	**224**	190
Taxes other than income	**189**	139
Other	**289**	342
	$ 1,282	$ 1,391

A summary of activity for the allowance of doubtful accounts follows (dollars in millions):

	Balance at Beginning of Year	Provision for Doubtful Accounts	Accounts Written off, Net of Recoveries	Balance at End of Year
Allowance for doubtful accounts:				
Year ended December 31, 2006	$ 2,897	$ 2,660	$ (2,129)	$ 3,428
Year ended December 31, 2007	3,428	3,130	(2,269)	4,289
Year ended December 31, 2008	4,289	3,409	(2,263)	5,435

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION

The senior secured credit facilities and senior secured notes described in Note 10 are fully and unconditionally guaranteed by substantially all existing and future, direct and indirect, wholly-owned material domestic subsidiaries that are “Unrestricted Subsidiaries” under our Indenture dated December 16, 1993 (except for certain special purpose subsidiaries that only guarantee and pledge their assets under our ABL credit facility).

Our condensed consolidating balance sheets at December 31, 2008 and 2007 and condensed consolidating statements of income and cash flows for each of the three years in the period ended December 31, 2008, segregating the parent company issuer, the subsidiary guarantors, the subsidiary non-guarantors and eliminations, follow.

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING INCOME STATEMENT
For The Year Ended December 31, 2008
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Revenues	$ —	$ 16,507	$ 11,867	$ —	$ 28,374
Salaries and benefits	—	6,846	4,594	—	11,440
Supplies	—	2,671	1,949	—	4,620
Other operating expenses	(6)	2,444	2,116	—	4,554
Provision for doubtful accounts	—	2,073	1,336	—	3,409
Equity in earnings of affiliates	(2,100)	(82)	(141)	2,100	(223)
Gains on investments	—	1	(1)	—	—
Depreciation and amortization	—	776	640	—	1,416
Interest expense	2,190	(328)	159	—	2,021
Gains on sales of facilities	—	(5)	(92)	—	(97)
Impairment of long-lived assets	—	—	64	—	64
Management fees	—	(426)	426	—	—
	84	13,970	11,050	2,100	27,204
Income (loss) before minority interests and income taxes	(84)	2,537	817	(2,100)	1,170
Minority interests in earnings of consolidated entities	—	53	176	—	229
Income (loss) before income taxes	(84)	2,484	641	(2,100)	941
Provision for income taxes	(757)	803	222	—	268
Net income (loss)	$ 673	$ 1,681	$ 419	$ (2,100)	$ 673

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING INCOME STATEMENT
For The Year Ended December 31, 2007
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Revenues	$ —	$ 15,598	$ 11,260	$ —	$ 26,858
Salaries and benefits	—	6,441	4,273	—	10,714
Supplies	—	2,549	1,846	—	4,395
Other operating expenses	(2)	2,279	1,964	—	4,241
Provision for doubtful accounts	—	1,942	1,188	—	3,130
Equity in earnings of affiliates	(2,245)	(90)	(116)	2,245	(206)
Gains on investments	—	—	(8)	—	(8)
Depreciation and amortization	—	779	647	—	1,426
Interest expense	2,161	(95)	149	—	2,215
Gains on sales of facilities	—	(3)	(468)	—	(471)
Impairment of long-lived assets	—	—	24	—	24
Management fees	—	(392)	392	—	—
	(86)	13,410	9,891	2,245	25,460
Income (loss) before minority interests and income taxes	86	2,188	1,369	(2,245)	1,398
Minority interests in earnings of consolidated entities	—	28	180	—	208
Income (loss) before income taxes	86	2,160	1,189	(2,245)	1,190
Provision for income taxes	(788)	712	392	—	316
Net income (loss)	$ 874	$ 1,448	$ 797	$ (2,245)	$ 874

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING INCOME STATEMENT
For The Year Ended December 31, 2006
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Revenues	$ —	$ 14,913	$ 10,564	$ —	$ 25,477
Salaries and benefits	—	6,319	4,090	—	10,409
Supplies	—	2,487	1,835	—	4,322
Other operating expenses	—	2,253	1,803	—	4,056
Provision for doubtful accounts	—	1,652	1,008	—	2,660
Equity in earnings of affiliates	(1,995)	(79)	(118)	1,995	(197)
Gains on investments	—	—	(243)	—	(243)
Depreciation and amortization	—	755	636	—	1,391
Interest expense	895	(99)	159	—	955
Gains on sales of facilities	—	7	(212)	—	(205)
Impairment of long-lived assets	—	5	19	—	24
Transaction costs	429	25	(12)	—	442
Management fees	—	(377)	377	—	—
	(671)	12,948	9,342	1,995	23,614
Income (loss) before minority interests and income taxes	671	1,965	1,222	(1,995)	1,863
Minority interests in earnings of consolidated entities	—	21	180	—	201
Income (loss) before income taxes	671	1,944	1,042	(1,995)	1,662
Provision for income taxes	(365)	612	379	—	626
Net income (loss)	$ 1,036	$ 1,332	$ 663	$ (1,995)	$ 1,036

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2008
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	$ —	$ 134	$ 331	$ —	$ 465
Accounts receivable, net	—	2,214	1,566	—	3,780
Inventories	—	455	282	—	737
Deferred income taxes	914	—	—	—	914
Other	—	140	265	—	405
	914	2,943	2,444	—	6,301
Property and equipment, net	—	7,122	4,407	—	11,529
Investments of insurance subsidiary	—	—	1,422	—	1,422
Investments in and advances to affiliates	—	243	599	—	842
Goodwill	—	1,643	937	—	2,580
Deferred loan costs	458	—	—	—	458
Investments in and advances to subsidiaries	19,290	—	—	(19,290)	—
Other	1,050	31	67	—	1,148
	$ 21,712	$ 11,982	$ 9,876	$ (19,290)	$ 24,280
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY					
Current liabilities:					
Accounts payable	$ —	$ 881	$ 489	$ —	$ 1,370
Accrued salaries	—	549	305	—	854
Other accrued expenses	435	284	563	—	1,282
Long-term debt due within one year	355	—	49	—	404
	790	1,714	1,406	—	3,910
Long-term debt	26,089	99	397	—	26,585
Intercompany balances	3,663	(8,136)	4,473	—	—
Professional liability risks	—	—	1,108	—	1,108
Income taxes and other liabilities	1,270	379	133	—	1,782
Minority interests in equity of consolidated entities	—	138	857	—	995
	31,812	(5,806)	8,374	—	34,380
Equity securities with contingent redemption rights	155	—	—	—	155
Stockholders' (deficit) equity	(10,255)	17,788	1,502	(19,290)	(10,255)
	$ 21,712	$ 11,982	$ 9,876	$ (19,290)	$ 24,280

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2007
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	$ —	$ 165	$ 228	$ —	$ 393
Accounts receivable, net	—	2,248	1,647	—	3,895
Inventories	—	432	278	—	710
Deferred income taxes	592	—	—	—	592
Other	—	123	492	—	615
	592	2,968	2,645	—	6,205
Property and equipment, net	—	6,960	4,482	—	11,442
Investments of insurance subsidiary	—	—	1,669	—	1,669
Investments in and advances to affiliates	—	221	467	—	688
Goodwill	—	1,644	985	—	2,629
Deferred loan costs	539	—	—	—	539
Investments in and advances to subsidiaries	17,190	—	—	(17,190)	—
Other	798	18	37	—	853
	$ 19,119	$ 11,811	$ 10,285	$ (17,190)	$ 24,025
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY					
Current liabilities:					
Accounts payable	$ —	$ 883	$ 487	$ —	$ 1,370
Accrued salaries	—	515	265	—	780
Other accrued expenses	411	372	608	—	1,391
Long-term debt due within one year	271	—	37	—	308
	682	1,770	1,397	—	3,849
Long-term debt	26,439	103	458	—	27,000
Intercompany balances	1,368	(6,524)	5,156	—	—
Professional liability risks	—	—	1,233	—	1,233
Income taxes and other liabilities	1,004	238	137	—	1,379
Minority interests in equity of consolidated entities	—	117	821	—	938
	29,493	(4,296)	9,202	—	34,399
Equity securities with contingent redemption rights	164	—	—	—	164
Stockholders' (deficit) equity	(10,538)	16,107	1,083	(17,190)	(10,538)
	$ 19,119	$ 11,811	$ 10,285	$ (17,190)	$ 24,025

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2008
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Cash flows from operating activities:					
Net income	$ 673	$ 1,681	$ 419	$ (2,100)	$ 673
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Provision for doubtful accounts	—	2,073	1,336	—	3,409
Depreciation and amortization	—	776	640	—	1,416
Income taxes	(448)	—	—	—	(448)
Gains on sales of facilities	—	(5)	(92)	—	(97)
Impairment of long-lived assets	—	—	64	—	64
Amortization of deferred loan costs	79	—	—	—	79
Change in minority interests	—	21	15	—	36
Share-based compensation	32	—	—	—	32
Equity in earnings of affiliates	(2,100)	—	—	2,100	—
Decrease in cash from operating assets and liabilities	(11)	(2,085)	(1,271)	—	(3,367)
Other	—	(19)	19	—	—
Net cash provided by (used in) operating activities	(1,775)	2,442	1,130	—	1,797
Cash flows from investing activities:					
Purchase of property and equipment	—	(927)	(673)	—	(1,600)
Acquisition of hospitals and health care entities	—	(34)	(51)	—	(85)
Disposal of hospitals and health care entities	—	27	166	—	193
Change in investments	—	(26)	47	—	21
Other	—	(4)	8	—	4
Net cash used in investing activities	—	(964)	(503)	—	(1,467)
Cash flows from financing activities:					
Net change in revolving bank credit facility	700	—	—	—	700
Repayment of long-term debt	(851)	(4)	(105)	—	(960)
Changes in intercompany balances with affiliates, net	1,935	(1,505)	(430)	—	—
Other	(9)	—	11	—	2
Net cash provided by (used in) financing activities	1,775	(1,509)	(524)	—	(258)
Change in cash and cash equivalents	—	(31)	103	—	72
Cash and cash equivalents at beginning of period	—	165	228	—	393
Cash and cash equivalents at end of period	$ —	$ 134	$ 331	$ —	$ 465

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2007
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Cash flows from operating activities:					
Net income	$ 874	$ 1,448	$ 797	$ (2,245)	$ 874
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Provision for doubtful accounts	—	1,942	1,188	—	3,130
Depreciation and amortization	—	779	647	—	1,426
Income taxes	(105)	—	—	—	(105)
Gains on sales of facilities	—	(3)	(468)	—	(471)
Impairment of long-lived assets	—	—	24	—	24
Amortization of deferred loan costs	78	—	—	—	78
Change in minority interests	—	16	24	—	40
Share-based compensation	24	—	—	—	24
Equity in earnings of affiliates	(2,245)	—	—	2,245	—
Decrease in cash from operating assets and liabilities	(6)	(2,127)	(1,482)	—	(3,615)
Other	7	18	(34)	—	(9)
Net cash provided by (used in) operating activities	(1,373)	2,073	696	—	1,396
Cash flows from investing activities:					
Purchase of property and equipment	—	(640)	(804)	—	(1,444)
Acquisition of hospitals and health care entities	—	(11)	(21)	—	(32)
Disposal of hospitals and health care entities	—	24	743	—	767
Change in investments	—	3	204	—	207
Other	—	(8)	31	—	23
Net cash provided by (used in) investing activities	—	(632)	153	—	(479)
Cash flows from financing activities:					
Net change in revolving bank credit facility	(520)	—	—	—	(520)
Repayment of long-term debt	(255)	(4)	(491)	—	(750)
Issuances of common stock	100	—	—	—	100
Changes in intercompany balances with affiliates, net	2,059	(1,554)	(505)	—	—
Other	(11)	—	23	—	12
Net cash provided by (used in) financing activities	1,373	(1,558)	(973)	—	(1,158)
Change in cash and cash equivalents	—	(117)	(124)	—	(241)
Cash and cash equivalents at beginning of period	—	282	352	—	634
Cash and cash equivalents at end of period	$ —	$ 165	$ 228	$ —	$ 393

HCA INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

HCA INC.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2006
(Dollars in millions)

	Parent Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations	Condensed Consolidated
Cash flows from operating activities:					
Net income	$ 1,036	$ 1,332	$ 663	$ (1,995)	$ 1,036
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Provision for doubtful accounts	—	1,652	1,008	—	2,660
Depreciation and amortization	—	755	636	—	1,391
Income taxes	(552)	—	—	—	(552)
Gains on sales of facilities	—	7	(212)	—	(205)
Impairment of long-lived assets	—	5	19	—	24
Amortization of deferred loan costs	18	—	—	—	18
Change in minority interests	—	18	40	—	58
Share-based compensation	324	—	—	—	324
Equity in earnings of affiliates	(1,995)	—	—	1,995	—
Increase (decrease) in cash from operating assets and liabilities	78	(1,552)	(1,466)	—	(2,940)
Other	56	2	(27)	—	31
Net cash provided by (used in) operating activities	(1,035)	2,219	661	—	1,845
Cash flows from investing activities:					
Purchase of property and equipment	—	(1,058)	(807)	—	(1,865)
Acquisition of hospitals and health care entities	—	(29)	(83)	—	(112)
Disposal of hospitals and health care entities	—	108	543	—	651
Change in investments	—	13	13	—	26
Other	—	(4)	(3)	—	(7)
Net cash used in investing activities	—	(970)	(337)	—	(1,307)
Cash flows from financing activities:					
Issuances of long-term debt	21,207	—	551	—	21,758
Net change in revolving bank credit facility	(435)	—	—	—	(435)
Repayment of long-term debt	(3,621)	(3)	(104)	—	(3,728)
Issuances of common stock	108	—	—	—	108
Repurchases of common stock	(653)	—	—	—	(653)
Recapitalization-repurchase of common stock	(20,364)	—	—	—	(20,364)
Recapitalization-equity contributions	3,782	—	—	—	3,782
Payment of debt issuance costs	(586)	—	—	—	(586)
Payment of cash dividends	(201)	—	—	—	(201)
Changes in intercompany balances with affiliates, net	1,719	(1,095)	(624)	—	—
Other	79	—	—	—	79
Net cash provided by (used in) financing activities	1,035	(1,098)	(177)	—	(240)
Change in cash and cash equivalents	—	151	147	—	298
Cash and cash equivalents at beginning of period	—	131	205	—	336
Cash and cash equivalents at end of period	$ —	$ 282	$ 352	$ —	$ 634

Healthtrust, Inc. — The Hospital Company (“Healthtrust”) is the first-tier subsidiary of HCA Inc. The common stock of Healthtrust has been pledged as collateral for the senior secured credit facilities and senior secured notes described in Note 10. Rule 3-16 of Regulation S-X under the Securities Act requires the filing of separate financial

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (Continued)

statements for any affiliate of the registrant whose securities constitute a substantial portion of the collateral for any class of securities registered or being registered. We believe the separate financial statements requirement applies to Healthtrust due to the pledge of its common stock as collateral for the senior secured notes. Due to the corporate structure relationship of HCA and Healthtrust, HCA's operating subsidiaries are also the operating subsidiaries of Healthtrust. The corporate structure relationship, combined with the application of push-down accounting in Healthtrust's consolidated financial statements related to HCA's debt and financial instruments, results in the consolidated financial statements of Healthtrust being substantially identical to the consolidated financial statements of HCA. The consolidated financial statements of HCA and Healthtrust present the identical amounts for revenues, expenses, net income, assets, liabilities, total stockholders' (deficit) equity, net cash provided by operating activities, net cash used in investing activities and net cash used in financing activities. Certain individual line items in the HCA consolidated statements of stockholders' (deficit) equity and cash flows are combined into one line item in the Healthtrust consolidated statements of stockholder's (deficit) equity and cash flows.

Reconciliations of the HCA Inc. Consolidated Statements of Stockholders' (Deficit) Equity and Consolidated Statements of Cash Flows presentations to the Healthtrust, Inc. — The Hospital Company Consolidated Statements of Stockholder's (Deficit) Equity and Consolidated Statements of Cash Flows presentations for the years ended December 31, 2008, 2007 and 2006 are as follows (dollars in millions):

	2008	2007	2006
Presentation in HCA Inc. Consolidated Statements of Stockholders' (Deficit) Equity:			
Recapitalization-repurchase of common stock	**$ —**	$ —	$ (21,373)
Recapitalization-equity contribution	**—**	—	4,477
Cash dividends declared	**—**	—	(139)
Stock repurchases	**—**	—	(653)
Stock options exercised	**—**	—	163
Employee benefit plan issuances	**—**	—	366
Equity contributions	**—**	60	—
Share-based benefit plans	**40**	24	—
Other	**2**	28	—
Presentation in Healthtrust, Inc. — The Hospital Company Consolidated Statements of Stockholder's (Deficit) Equity:			
Distributions from (to) HCA Inc., net of contributions to (from) HCA Inc.	**$ 42**	$ 112	$ (17,159)
Presentation in HCA Inc. Consolidated Statements of Cash Flows (cash flows from financing activities):			
Issuances of common stock	**$ —**	$ 100	$ 108
Repurchases of common stock	**—**	—	(653)
Recapitalization-repurchase of common stock	**—**	—	(20,364)
Recapitalization-equity contributions	**—**	—	3,782
Payment of cash dividends	**—**	—	(201)
Other	**(9)**	(2)	—
Presentation in Healthtrust Inc. — The Hospital Company Consolidated Statements of Cash Flows (cash flows from financing activities):			
Net cash distributions from (to) HCA Inc.	**$ (9)**	$ 98	$ (17,328)

Due to the consolidated financial statements of Healthtrust being substantially identical to the consolidated financial statements of HCA, except for the items presented in the tables above, the separate consolidated financial statements of Healthtrust are not presented.

HCA INC.
QUARTERLY CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)
(Dollars in millions)

	2008			
	First	Second	Third	Fourth
Revenues	$7,127	$6,980	$7,002	$7,265
Net income	$ 170(a)	$ 141(b)	$ 86(c)	$ 276(d)

	2007			
	First	Second	Third	Fourth
Revenues	$6,677	$6,729	$6,569	$6,883
Net income	$ 180(e)	$ 116(f)	$ 300(g)	$ 278(h)

(a) First quarter results include $30 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements).

(b) Second quarter results include $6 million of losses on sales of facilities (See NOTE 4 of the notes to consolidated financial statements) and $6 million of costs related to the impairment of long-lived assets (See NOTE 5 of the notes to consolidated financial statements).

(c) Third quarter results include $29 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements) and $28 million of costs related to the impairment of long-lived assets (See NOTE 5 of the notes to consolidated financial statements).

(d) Fourth quarter results include $5 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements) and $6 million of costs related to the impairment of long-lived assets (See NOTE 5 of the notes to consolidated financial statements).

(e) First quarter results include $2 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements).

(f) Second quarter results include $7 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements) and $15 million of costs related to the impairment of long-lived assets (See NOTE 5 of the notes to consolidated financial statements).

(g) Third quarter results include $193 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements).

(h) Fourth quarter results include $88 million of gains on sales of facilities (See NOTE 4 of the notes to consolidated financial statements).

Exhibit 4.8(c)

AMENDMENT No. 2, dated as of March 2, 2009 (this "Amendment"), to the Credit Agreement, dated as of November 17, 2006 (as amended on February 16, 2007, the "Credit Agreement"), among HCA Inc. (the "Company" or the "Parent Borrower"), HCA UK Capital Limited (the "European Subsidiary Borrower" and, collectively with the Parent Borrower, the "Borrowers"), the lending institutions from time to time parties thereto (each a "Lender" and, collectively, the "Lenders"), Bank of America, N.A., as Administrative Agent, Swingline Lender and Letter of Credit Issuer, JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., as Co-Syndication Agents, Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Joint Lead Arrangers and Bookrunners, Deutsche Bank Securities Inc. and Wachovia Capital Markets LLC, as Joint Bookrunners, and Merrill Lynch Capital Corporation, as Documentation Agent. Capitalized terms used but not defined herein have the meanings provided in the Credit Agreement.

WHEREAS, Section 14.1 of the Credit Agreement permits the Required Lenders or, with the consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent, to enter into amendments, supplements or other modifications to the Credit Agreement and the other Credit Documents with the relevant Credit Parties;

WHEREAS, the Credit Parties desire to amend the Credit Agreement and the other Credit Documents on the terms set forth herein;

NOW, THEREFORE, in consideration of the premises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1 **Amendments**.

(a) Section 1.1 of the Credit Agreement is hereby amended by adding the following definitions in proper alphabetical order:

"**Additional General Intercreditor Agreement**" shall mean, in connection with any incurrence of any Future Secured Notes constituting First Lien Obligations, any agreement, in form reasonably satisfactory to the Administrative Agent, among the Collateral Agent, on behalf of the holders of such First Lien Obligations, and the collateral agent and authorized representatives (or either thereof if reasonably satisfactory to the Administrative Agent) for the holders of each of the Senior Second Lien Notes, the Additional Senior Second Lien Notes and any other Indebtedness secured on a *pari passu* basis with the Senior Second Lien Notes and the Additional Senior Second Lien Notes, in each case to the extent then outstanding, providing that the Liens securing such Senior Second Lien Notes, Additional Senior Second Lien Notes and any other Indebtedness secured on a *pari passu* basis with the Senior Second Lien Notes is subordinated to the Lien of the Collateral Agent for the benefit of the holders of such First Lien Obligations on substantially the same basis as is provided for with respect to the Lien securing the Obligations pursuant to the General Intercreditor Agreement.

"**Additional Receivables Intercreditor Agreement**" shall mean, in connection with any incurrence of any Future Secured Notes constituting First Lien Obligations, any agreement, in form reasonably satisfactory to the Administrative Agent, between the Collateral Agent, on behalf of the holders of such First Lien Obligations, and the Receivables Collateral Agent providing that the Liens of the Collateral Agent for the benefit of the holders of such First Lien Obligations are junior to the Liens securing the obligations under the ABL Facility to substantially the same extent as the Liens securing the Obligations are junior to the Liens securing the obligations under the ABL Facility pursuant to the Receivables Intercreditor Agreement.

"**Additional Senior Second Lien Notes**" shall mean the Parent Borrower's $310,000,000 aggregate principal amount of 9.875% senior secured notes due 2017.

"**First Lien Intercreditor Agreement**" shall mean the Intercreditor Agreement substantially in the form of Exhibit M among the Administrative Agent, the Collateral Agent and the representatives for purposes thereof for any other First Lien Secured Parties, as the same may be amended, supplemented, restated, modified, or waived from time to time in accordance with the terms thereof.

"**First Lien Obligations**" shall mean the Obligations and the Future Secured Notes Obligations (other than any Future Secured Notes Obligations that are secured by a Lien ranking junior to the Lien securing the Obligations), collectively.

"**First Lien Secured Parties**" shall mean the Secured Parties and the Future Secured Notes Secured Parties and any representative on their behalf for such purposes (other than the holders of any Future Secured Notes Obligations, and any such representative on their behalf, that are secured by a Lien ranking junior to the Lien securing the Obligations), collectively.

"**Future Secured Notes**" shall mean senior secured notes (which notes may either have the same lien priority as the Obligations or may be secured by a Lien ranking junior to the Lien securing the Obligations) in each case issued by the Parent Borrower or a U.S. Guarantor, (a) the terms of which do not provide for any scheduled repayment, mandatory redemption or sinking fund obligations prior to the Tranche B-1 Term Loan Maturity Date (other than customary offers to repurchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default), (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to the Parent Borrower and the Subsidiaries than those in this Agreement; provided that a certificate of an Authorized Officer of the Parent Borrower delivered to the Administrative Agent at least three Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Parent Borrower within

two Business Days after receipt of such certificate that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), and (c) of which no Subsidiary of the Parent Borrower (other than a U.S. Guarantor) is an obligor and which are not secured by any Collateral other than the U.S. Collateral.

"**Future Secured Notes Documents**" shall mean any document or instrument issued or executed and delivered with respect to any Future Secured Notes by any Credit Party.

"**Future Secured Notes Obligations**" shall mean, if any Future Secured Notes are issued, all advances to, and debts, liabilities, obligations, covenants and duties of, any Credit Party arising under any Future Secured Notes Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"**Future Secured Notes Secured Parties**" shall mean the holders from time to time of the Future Secured Notes Obligations.

"**Second Amendment Date**" shall have the meaning assigned thereto in Section 4 hereof, which date occurred on March 2, 2009.

(b) Section 1.1 of the Credit Agreement is hereby amended by deleting the definition of "Collateral Agent" contained therein and replacing it with the following:

"**Collateral Agent**" shall mean, with respect to references to such term in this Agreement and the European Security Documents, Bank of America, N.A., in its capacity as collateral agent for the Lenders under this Agreement in accordance with the terms of this Agreement, and with respect to references to such term in the U.S. Security Documents, Bank of America, N.A., in its capacity as collateral agent for the First Lien Secured Parties under the U.S. Security Documents in accordance with the terms of the U.S. Security Documents, or any successor collateral agent pursuant to any such document.

(c) Section 1.1 of the Credit Agreement is hereby amended by deleting the definition of "Debt Incurrence Prepayment Event" contained therein and replacing it with the following:

"**Debt Incurrence Prepayment Event**" shall mean any issuance or incurrence by the Parent Borrower or any of the Restricted Subsidiaries of any Indebtedness (excluding any Indebtedness permitted to be issued or incurred under Section 10.1 other than Section 10.1(o) or Section 10.1(y)(i)).

(d) Section 1.1 of the Credit Agreement is hereby amended by changing the the proviso in the definition of "Permitted Additional Debt" as follows:

(i) deleting the word “is” immediately following the words “Parent Borrower” on the first full line of such proviso;

(ii) replacing the word “five” with “three” immediately after the words “at least”; and

(iii) replacing the words “prior to such incurrence” with “within two Business Days after receipt of such certificate” immediately after the words “notifies the Parent Borrower”.

(e) Section 1.1 of the Credit Agreement is hereby amended by deleting the word “and” in the definition of “Revaluation Date” immediately before clause (b) therein and inserting the following immediately prior to the period at the end of such definition:

“; and (c) in the case of Term Loans, (i) any date of prepayment of Term Loans pursuant to Section 5.2 and (ii) such other dates as the Administrative Agent may determine.

(f) Section 1.1 of the Credit Agreement is hereby amended by deleting the definition of “U.S. Security Documents” contained therein and replacing it with the following:

“**U.S. Security Documents**” shall mean, collectively, (a) the U.S. Guarantee, (b) the U.S. Pledge Agreement, (c) the U.S. Security Agreement, (d) the Mortgages, (e) the Intercreditor Agreements, (f) the First Lien Intercreditor Agreement and (g) each other security agreement or other instrument or document executed and delivered pursuant to Section 9.11, 9.12 or 9.14 or pursuant to any other such U.S. Security Documents or Future Secured Notes Documents to secure all of the Obligations.

(g) Section 5.2 of the Credit Agreement is hereby amended by adding the following proviso at the end of clause (a)(i) of such Section:

“; provided that, with respect to the Net Cash Proceeds of an Asset Sale Prepayment Event, Casualty Event or Permitted Sale Leaseback, in each case solely to the extent with respect to any U.S. Collateral, the Parent Borrower may use a portion of such Net Cash Proceeds to prepay or repurchase Future Secured Notes with a Lien on the U.S. Collateral ranking *pari passu* with the Liens securing the Obligations to the extent any applicable Future Secured Notes Document requires the issuer of such Future Secured Notes to prepay or make an offer to purchase such Future Secured Notes with the proceeds of such Prepayment Event, in each case in an amount not to exceed the product of (x) the amount of such Net Cash Proceeds multiplied by (y) a fraction, the numerator of which is the outstanding principal amount of the Future Secured Notes with a Lien on the U.S. Collateral ranking *pari passu* with the Liens securing the Obligations and with respect to which such a requirement to prepay or make an offer to purchase exists and the denominator of which is the sum of the outstanding principal amount of such Future Secured Notes and the outstanding principal amount of Term Loans .”

(h) Section 10.1 of the Credit Agreement is hereby amended by:

(i) deleting the word “and” at the end of clause (w);

(ii) deleting the period at the end of clause (x) and replacing it with "; and"

(iii) adding the following clause (y) immediately after clause (x) of such Section:

"(y) Indebtedness in respect of (i) Future Secured Notes to the extent that such Indebtedness is incurred no earlier than 90 days before the Second Amendment Date and the Net Cash Proceeds therefrom are, no later than three (3) Business Days (or on or before, at the Parent Borrower's option, the Second Amendment Date, in the case of the Additional Senior Second Lien Notes) after the receipt thereof, applied to permanently repay Term Loans in accordance with Section 5.2 and (ii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above; provided that, except to the extent otherwise permitted hereunder, (x) the principal amount of any such Indebtedness is not increased above the principal amount thereof outstanding immediately prior to such refinancing, refunding, renewal or extension (except for any original issue discount thereon and the amount of fees, expenses and premium in connection with such refinancing), (y) the direct and contingent obligors with respect to such Indebtedness are not changed and (z) such Indebtedness otherwise complies with clauses (a) and (b) of the definition of Future Secured Notes".

(i) Section 10.1 of the Credit Agreement is hereby amended by replacing the term "Obligations" with "First Lien Obligations" in the parenthetical in clause (y)(ii) of the final paragraph of such Section.

(j) Section 10.2 of the Credit Agreement is hereby amended by deleting clause (a) contained therein in its entirety and replacing it with the following:

"(a) Liens arising under (i) the Credit Documents securing the Obligations; (ii) the U.S. Security Documents securing Future Secured Notes Obligations that constitute First Lien Obligations permitted to be incurred under Section 10.1(y); provided that, in the case of this subclause (ii), (A) the holders of such Indebtedness (or a representative thereof on behalf of such holders) shall have delivered to the Collateral Agent an Additional First Lien Secured Party Consent (as defined in the U.S. Security Agreement), (B) the Parent Borrower shall have complied with the other requirements of Section 8.17 of the U.S. Security Agreement with respect to such Future Secured Notes Obligations, and (C) the Collateral Agent shall have entered into an Additional General Intercreditor Agreement and an Additional Receivables Intercreditor Agreement with respect to such Future Secured Notes Obligations and, in the case of the first issuance of Future Secured Notes constituting First Lien Obligations, the Collateral Agent, the Administrative Agent and the representative for the holders of such First Lien Obligations shall have entered into the First Lien Intercreditor Agreement and (iii) any Future Secured Notes Documents on the Senior Second Lien Notes Collateral securing Future Secured Notes Obligations permitted to be incurred under Section 10.1(y) and secured by a Lien ranking junior to the Lien securing the Obligations; provided that, in the case of this subclause (iii), such Future Secured Notes Obligations comply with the proviso to Section 10.2(c);

(k) Section 10.2 of the Credit Agreement is hereby amended by deleting the proviso to clause (c) contained therein and replacing it with the following:

"; provided that, either (i) such Indebtedness is subject to the General Intercreditor Agreement as "Junior Lien Obligations" pursuant to the requirements of such definition contained in the General Intercreditor Agreement and, at the time such Indebtedness is incurred, the holders of such Indebtedness (or a representative thereof on behalf of such holders) shall have agreed, if any Additional General Intercreditor Agreement is then in effect, that such Indebtedness shall constitute "Junior Lien Obligations" under such Additional General Intercreditor Agreement (and either (x) at the time of the incurrence of such Indebtedness or (y) at the time, if any, that any future Additional General Intercreditor Agreement is entered into following such incurrence, such holders or their representative shall agree that such Indebtedness shall constitute "Junior Lien Obligations" under such future Additional General Intercreditor Agreement) or (ii) the holders of such Indebtedness (or a representative thereof on behalf of such holders) shall have entered into one or more intercreditor agreements reasonably acceptable to the Collateral Agent providing that the Lien securing such Indebtedness shall rank junior to the Lien securing the First Lien Obligations on a basis at least as substantially favorable to the First Lien Secured Parties as the basis on which the Lien securing the Senior Second Lien Notes ranks junior to the Lien securing the Obligations on the Closing Date pursuant to the General Intercreditor Agreement);

(l) Section 10.2 of the Credit Agreement is hereby amended by replacing the term "Obligations" with "First Lien Obligations" in clause (A)(ii) and in the parenthetical contained in clause (B)(iii)(II), in each case, in the final paragraph of such Section.

(m) Section 10.12 of the Credit Agreement is hereby amended by replacing the term "Obligations" with "First Lien Obligations" in such Section.

(n) The U.S. Security Agreement is hereby amended and restated in the form attached as Exhibit A hereto.

(o) The U.S. Pledge Agreement is hereby amended and restated in the form attached as Exhibit B hereto.

Section 2 **Consent to Amend Intercreditor Agreement**. The Required Lenders hereby give their consent to permit the Collateral Agent to enter into (a) the First Lien Intercreditor Agreement in substantially the form attached hereto as Exhibit C hereto effective upon the date of the first issuance of Future Secured Notes constituting First Lien Obligations in compliance with the Credit Agreement (after giving effect to this Amendment), (b) Additional General Intercreditor Agreements and Additional Receivables Intercreditor Agreements with respect to any issuance of Future Secured Notes constituting First Lien Obligations in compliance with the Credit Agreement (after giving effect to this Amendment) (c) any other additional intercreditor agreement with the Junior Lien Collateral Agent (as defined in the General Intercreditor Agreement) with respect to the subordination of the Lien of the Junior Lien Collateral Agent on the same basis as set forth in the General Intercreditor Agreement to the Liens of the Collateral Agent for the benefit all of the First Lien Secured Parties on and after the

Second Amendment Date and (d) any supplements to any agreements referred to in the foregoing clauses (a) through (c) in compliance with such documents.

Section 3 **Representations and Warranties, No Default**. Each Borrower represents and warrants to the Lenders as of the date hereof and as of the Second Amendment Date:

(a) The execution and delivery of this Amendment by the Borrowers has been duly authorized.

(b) The execution, delivery and performance by each of the Borrowers of this Amendment, will not (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any Credit Party or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents or Liens subject to the Intercreditor Agreements) pursuant to, the terms of any material indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other material instrument to which such Credit Party or any of the Restricted Subsidiaries is a party or by which it or any of its property or assets is bound or (c) violate any provision of the certificate of incorporation, by-laws or other organizational documents of such Credit Party or any of the Restricted Subsidiaries.

(c) The representations and warranties set forth in the Credit Agreement and in the other Credit Documents are true and correct in all material respects with the same effect as if made on the Second Amendment Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date.

(d) At the time of and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing

Section 4 **Conditions to Effectiveness of Amendment**. This Amendment will become effective (the "**Second Amendment Date**") upon

(a) receipt by the Administrative Agent of:

(i) executed signature pages to this Amendment from the Required Lenders and each Credit Party party to the Credit Agreement;

(ii) the U.S. Security Agreement, executed and delivered by a duly authorized officer of each grantor party thereto; and

(iii) the U.S. Pledge Agreement, executed and delivered by a duly authorized officer of each pledgor party thereto;

(b) effectiveness of an amendment to the ABL Facility permitting the incurrence of Future Secured Notes in form and substance reasonably acceptable to the Administrative Agent (it being understood that the draft amendment to the ABL Facility previously provided to the Administrative Agent is satisfactory);

(c) receipt by the Administrative Agent of $292,022,616.10 constituting 100% of the Net Cash Proceeds from the issuance of the Additional Senior Second Lien Notes, to be applied on a pro-rata basis among the Term Loans in accordance with Section 5.2 of the Credit Agreement;

(d) payment by the Company of (i) the fees owed to the Agents or their Affiliates and payable on the Second Amendment Date as previously agreed to in writing and (ii) the reasonable costs and expenses of the Administrative Agent and the Collateral Agent in connection with this Amendment (including the reasonable fees, disbursements and other charges of Cahill Gordon & Reindel LLP as counsel to the Agents and of any local counsel to the Agents in connection with this Amendment); and

(e) the Agents shall have received the executed legal opinions, in form and substance reasonably satisfactory to the Agents, of (i) Simpson Thacher & Bartlett LLP, special New York counsel to the Parent Borrower, (ii) Robert A. Waterman, General Counsel of the Parent Borrower and (iii) Bass, Berry & Sims PLC, special Tennessee counsel to certain of the U.S. Guarantors.

Section 5 **Counterparts**. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which when taken together shall constitute a single instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

Section 6 **Applicable Law**. **THIS AMENDMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

Section 7 **Headings**. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

Section 8 **Effect of Amendment**. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the other Secured Parties under the Credit Agreement or any other Credit Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of either such agreement or any other Credit Document. Each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Credit Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect. Each Credit Party reaffirms its obligations under the Credit Documents to which it is party and the validity of the Liens granted by it pursuant to the

Security Documents. From and after the effective date of this Amendment, all references to the Credit Agreement in any Credit Document shall, unless expressly provided otherwise, refer to the Credit Agreement as amended by this Amendment.

Section 9 **Real Estate Matters**. No later than 90 days following each incurrence of Future Secured Notes constituting First Lien Obligations the Parent Borrower shall deliver or cause to be delivered to the following:

(a) amendments to each Mortgage to which a U.S. Credit Party is then party (except to the extent the Administrative Agent determines such amendment is not required) for purposes of providing the benefit of the security interest of such Mortgage for the benefit of the holders of such Future Secured Notes on substantially the same basis as is provided under the U.S. Security Agreement and U.S. Pledge Agreement provided pursuant to Section 4 hereof (and with such other changes as are reasonably acceptable to the Collateral Agent and the Parent Borrower);

(b) executed legal opinions, in form and substance reasonably satisfactory to the Collateral Agent, with respect to such amended Mortgages;

(c) with respect to each amended Mortgage, a date-down and modification endorsement to the policy or policies of title insurance insuring the Lien of each Mortgage, issued by a nationally recognized title insurance company insuring the Lien of each amended Mortgage as a valid Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 10.2 or consented to by the Collateral Agent, together with such endorsements, coinsurance and reinsurance as the Collateral Agent may reasonably request having the effect of a valid, issued and binding title insurance policy; and

(d) in the case of the first incurrence of Future Secured Notes constituting First Lien Obligations (and not any subsequent issuance) with respect to each Mortgaged Property subject to a Mortgage by any U.S. Credit Party, a completed "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination (together with (y) a notice about special flood hazard area status and flood disaster assistance duly executed by the Parent Borrower and each U.S. Credit Party relating thereto and (z) evidence of insurance with respect to the Mortgaged Properties in form and substance reasonably satisfactory to the Collateral Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

HCA INC.

By: /s/ David G. Anderson
Name: David G. Anderson
Title: Senior Vice President, Finance and Treasurer

HCA UK CAPITAL LIMITED

By: /s/ Michael Neeb
Name: Michael Neeb
Title: Director

Each of the U.S. GUARANTORS listed on Schedule II hereto

By: /s/ John M. Franck II
Name: John M. Franck II
Title: Vice President and Asst. Secretary

EXECUTED by	)		
HCA UK HOLDINGS LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by	)		
HCA UK CAPITAL LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by	)		
HCA UK SERVICES LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by	)		
HCA INTERNATIONAL	)		
HOLDINGS LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by	)		
HCA UK INVESTMENTS	)		
LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by	)		
THE HARLEY STREET	)		
CANCER CLINIC LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor
EXECUTED by	)		
HCA INTERNATIONAL	)		
LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor
EXECUTED by	)		
HCA UK LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor
EXECUTED by	)		
ST MARTINS LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor
EXECUTED by	)		
ST MARTINS HEALTHCARE	)		
LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor
EXECUTED by	)		
HCA STAFFING LIMITED	)	Director	/s/ Michael Neeb
acting by	)		Michael Neeb
	)	Witness:	/s/ George Petrounakos
as a European Guarantor	)		George Petrounakos
			Legal Advisor

EXECUTED by)
LA TOUR FINANCE LIMITED PARTNERSHIP)
acting by)
HCA SWITZERLAND HOLDING SARL, general
partner acting by

/s/ R. Milton Johnson
R. Milton Johnson

and

/s/ John M. Franck II
John M. Franck II
acting under the authority of the company

BANK OF AMERICA, N.A., as
Administrative Agent, Collateral Agent and a Lender

By: /s/ David H. Strickert
Name: David H. Strickert
Title: Senior Vice President

Schedule II
to Amendment No. 2

U.S. Guarantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
American Medicorp Development Co.			
Bay Hospital, Inc.			
Brigham City Community Hospital, Inc.			
Brookwood Medical Center of Gulfport, Inc.			
Capital Division, Inc.			
Centerpoint Medical Center of Independence, LLC			
Central Florida Regional Hospital, Inc.			
Central Shared Services, LLC			
Central Tennessee Hospital Corporation			
CHCA Bayshore, L.P.	*		
CHCA Conroe, L.P.	*		
CHCA Mainland, L.P.	*		
CHCA West Houston, L.P.	*		
CHCA Woman's Hospital, L.P.	*		
Chippenham & Johnston-Willis Hospitals, Inc.			
CMS GP, LLC			
Colorado Health Systems, Inc.			
Columbia ASC Management, L.P.	*		
Columbia Jacksonville Healthcare System, Inc.			
Columbia LaGrange Hospital, Inc.			
Columbia Medical Center of Arlington Subsidiary, L.P.	*		
Columbia Medical Center of Denton Subsidiary, L.P.	*		
Columbia Medical Center of Las Colinas, Inc.			
Columbia Medical Center of Lewisville Subsidiary, L.P.	*		
Columbia Medical Center of McKinney Subsidiary, L.P.	*		
Columbia Medical Center of Plano Subsidiary, L.P.	*		
Columbia North Hills Hospital Subsidiary, L.P.	*		
Columbia Ogden Medical Center, Inc.			
Columbia Parkersburg Healthcare System, LLC			
Columbia Plaza Medical Center of Fort Worth Subsidiary, L.P.	*		
Columbia Polk General Hospital, Inc.			
Columbia Rio Grande Healthcare, L.P.	*		
Columbia Riverside, Inc.			
Columbia Valley Healthcare System, L.P.	*		
Columbia/Alleghany Regional Hospital, Incorporated			
Columbia/HCA John Randolph, Inc.			
Columbine Psychiatric Center, Inc.			
Columbus Cardiology, Inc.			

U.S. Guarantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Conroe Hospital Corporation			
Dallas/Ft. Worth Physician, LLC			
Dauterive Hospital Corporation			
Dublin Community Hospital, LLC			
Eastern Idaho Health Services, Inc.			
Edmond Regional Medical Center, LLC			
Edward White Hospital, Inc.			
El Paso Surgicenter, Inc.			
Encino Hospital Corporation, Inc.			
EP Health, LLC			
Fairview Park GP, LLC			
Fairview Park, Limited Partnership	*		
Frankfort Hospital, Inc.			
Galen Property, LLC			
General Healthserv, LLC			
Good Samaritan Hospital, L.P.	*		
Goppert-Trinity Family Care, LLC			
GPCH-GP, Inc.			
Grand Strand Regional Medical Center, LLC			
Green Oaks Hospital Subsidiary, L.P.	*		
Greenview Hospital, Inc.			
Hamilton Medical Center, Inc.			
HCA — IT&S Field Operations, Inc.			
HCA — IT&S Inventory Management, Inc.			
HCA Central Group, Inc.			
HCA Health Services of Florida, Inc.			
HCA Health Services of Louisiana, Inc.			
HCA Health Services of Oklahoma, Inc.			
HCA Health Services of Tennessee, Inc.			
HCA Health Services of Virginia, Inc.			
HCA Management Services, L.P.	*		
HCA Realty, Inc.			
HD&S Corp. Successor, Inc.			
Health Midwest Office Facilities Corporation			
Health Midwest Ventures Group, Inc.			
Healthtrust MOB, LLC		*	
Hendersonville Hospital Corporation			
Hospital Corporation of Tennessee			
Hospital Corporation of Utah			
Hospital Development Properties, Inc.			
HSS Holdco, LLC			
HSS Systems VA, LLC			
HSS Systems, LLC			
HSS Virginia, L.P.	*		

U.S. Guarantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
HTI Memorial Hospital Corporation			
Integrated Regional Lab, LLC			
Integrated Regional Laboratories, LLP	*		
JFK Medical Center Limited Partnership	*		
KPH-Consolidation, Inc.			
Lakeland Medical Center, LLC			
Lakeview Medical Center, LLC			
Largo Medical Center, Inc.			
Las Vegas Surgicare, Inc.			
Lawnwood Medical Center, Inc.			
Lewis-Gale Hospital, Incorporated			
Lewis-Gale Medical Center, LLC			
Lewis-Gale Physicians, LLC			
Los Robles Regional Medical Center			
Management Services Holdings, Inc.			
Marietta Surgical Center, Inc.			
Marion Community Hospital, Inc.			
MCA Investment Company			
Medical Centers of Oklahoma, LLC			
Medical Office Buildings of Kansas, LLC			
Memorial Healthcare Group, Inc.			
Midwest Division — ACH, LLC			
Midwest Division — LRHC, LLC			
Midwest Division — LSH, LLC			
Midwest Division — MCI, LLC			
Midwest Division — MMC, LLC			
Midwest Division — OPRMC, LLC			
Midwest Division — PFC, LLC			
Midwest Division — RBH, LLC			
Midwest Division — RMC, LLC			
Midwest Division — RPC, LLC			
Midwest Holdings, Inc.			
Montgomery Regional Hospital, Inc.			
Mountain View Hospital, Inc.			
Nashville Shared Services General Partnership	*		
National Patient Account Services, Inc.			
New Port Richey Hospital, Inc.			
New Rose Holding Company, Inc.			
North Florida Immediate Care Center, Inc.			
North Florida Regional Medical Center, Inc.			
Northern Utah Healthcare Corporation			
Northern Virginia Community Hospital, LLC			
Northlake Medical Center, LLC			
Notami Hospitals of Louisiana, Inc.			

U.S. Guarantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Notami Hospitals, LLC			
Okaloosa Hospital, Inc.			
Okeechobee Hospital, Inc.			
Outpatient Cardiovascular Center of Central Florida, LLC			
Palms West Hospital Limited Partnership	*		
Palmyra Park Hospital, Inc.			
Pasadena Bayshore Hospital, Inc.			
Plantation General Hospital Limited Partnership	*		
Pulaski Community Hospital, Inc.			
Redmond Park Hospital, LLC			
Redmond Physician Practice Company			
Reston Hospital Center, LLC			
Retreat Hospital, LLC			
Rio Grande Regional Hospital, Inc.			
Riverside Healthcare System, L.P.	*		
Riverside Hospital, Inc.			
Samaritan, LLC			
San Jose Healthcare System, LP	*		
San Jose Hospital, L.P.	*		
San Jose Medical Center, LLC			
San Jose, LLC			
Sarasota Doctors Hospital, Inc.			
SJMC, LLC			
Southern Hills Medical Center, LLC			
Spotsylvania Medical Center, Inc.			
Spring Branch Medical Center, Inc.			
Spring Hill Hospital, Inc.			
St. Mark’s Lone Peak Hospital, Inc.			
Sun City Hospital, Inc.			
Sunrise Mountainview Hospital, Inc.			
Surgicare of Brandon, Inc.			
Surgicare of Florida, Inc.			
Surgicare of Houston Women’s, Inc.			
Surgicare of Manatee, Inc.			
Surgicare of New Port Richey, Inc.			
Surgicare of Palms West, LLC			
Surgicare of Riverside, LLC			
Tallahassee Medical Center, Inc.			
TCMC Madison-Portland, Inc.			
Terre Haute Hospital GP, Inc.			
Terre Haute Hospital Holdings, Inc.			
Terre Haute MOB, L.P.	*		
Terre Haute Regional Hospital, L.P.	*		
Timpanogos Regional Medical Services, Inc.			

U.S. Guarantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Trident Medical Center, LLC			
Utah Medco, LLC			
VH Holdco, Inc.			
VH Holdings, Inc.			
Virginia Psychiatric Company, Inc.			
W & C Hospital, Inc.			
Walterboro Community Hospital, Inc.			
Wesley Medical Center, LLC			
West Florida Regional Medical Center, Inc.			
West Valley Medical Center, Inc.			
Western Plains Capital, Inc.			
WHMC, Inc.			
Woman’s Hospital of Texas, Incorporated			
Women’s and Children’s Hospital, Inc.			

Exhibit 4.10

AMENDED AND RESTATED SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of November 17, 2006 and amended and restated as of March 2, 2009, among HCA Inc., a Delaware corporation (the "Company"), each of the Subsidiaries of the Company listed on the signature pages hereto or that becomes a party hereto pursuant to Section 8.13 (each such entity being a "Subsidiary Grantor" and, collectively, the "Subsidiary Grantors"; the Subsidiary Grantors and the Company are referred to collectively as the "Grantors"), and Bank of America, N.A., as Collateral Agent (in such capacity, the "Collateral Agent") for the benefit of the First Lien Secured Parties.

W I T N E S S E T H:

WHEREAS, the Borrowers (as defined below) are party to the Credit Agreement, dated as of November 17, 2006 (as amended February 16, 2007, as further amended March 2, 2009 and as the same may be further amended, restated, supplemented or otherwise modified, refinanced or replaced from time to time, the "Credit Agreement") among the Company, HCA UK Capital Limited, a limited liability company (company no. 04779021) formed under the laws of England and Wales (the "European Subsidiary Borrower" and together with the Company, the "Borrowers"), the lenders or other financial institutions or entities from time to time parties thereto (the "Lenders") and Bank of America, N.A., as Administrative Agent and as Collateral Agent;

WHEREAS, (a) pursuant to the Credit Agreement, the Lenders have severally agreed to make Loans to the Borrowers and the Letter of Credit Issuer has agreed to issue Letters of Credit for the account of the Company and the Restricted Subsidiaries upon the terms and subject to the conditions set forth therein, (b) one or more Cash Management Banks or Hedge Banks may from time to time enter into Secured Cash Management Agreements or Secured Hedge Agreements with the Company and/or its Subsidiaries and (c) the Borrowers may incur Additional First Lien Obligations from time to time to the extent permitted by the Credit Agreement and each Additional First Lien Agreement (any extensions of credit to the Grantors as described in clauses (a), (b) or (c), collectively, the "Extensions of Credit");

WHEREAS, pursuant to the U.S. Guarantee dated as of November 17, 2006, each Subsidiary Grantor party thereto has unconditionally and irrevocably guaranteed, as primary obligor and not merely as surety, to the Collateral Agent for the benefit of the Secured Parties (as defined in the Credit Agreement) the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations (as such term is defined in the Credit Agreement);

WHEREAS, each Subsidiary Grantor may also unconditionally and irrevocably guaranty, as primary obligor and not merely as surety, for the benefit of the First Lien Secured Parties under any Additional First Lien Agreements, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional First Lien Obligations;

WHEREAS, each Subsidiary Grantor is a U.S. Guarantor and may be a guarantor of the Additional First Lien Obligations;

WHEREAS, the Grantors are similarly entering into on the date hereof, the Amended and Restated Pledge Agreement (the "Pledge Agreement") for the benefit of the First Lien Secured Parties, which agreement amends and restates the U.S. Pledge Agreement;

WHEREAS, the proceeds of the Extensions of Credit have been or will be, as the case may be, used in part to enable valuable transfers to the Subsidiary Grantors in connection with the operation of their respective businesses;

WHEREAS, each Grantor acknowledges that it has derived or will derive, as the case may be, substantial direct and indirect benefit from the making of the Extensions of Credit;

WHEREAS, as a condition precedent to the obligation of the Lenders and the Letter of Credit Issuer to make their respective Extensions of Credit to the Borrowers under the Credit Agreement, the Grantors executed and delivered a Security Agreement to the Collateral Agent for the benefit of the Secured Parties dated as of November 17, 2006 (the "Original Security Agreement"); and

WHEREAS, it is a condition precedent to Amendment No. 2 to the Credit Agreement that the Grantors enter into this Amended and Restated Security Agreement for the benefit of the First Lien Secured Parties;

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent, the Collateral Agent, the Lenders and the Letter of Credit Issuer to enter into Amendment No. 2 to the Credit Agreement and to induce the respective Lenders and the Letter of Credit Issuer to make their respective Extensions of Credit to the Borrowers under the Credit Agreement and to induce one or more Lenders or affiliates of Lenders to enter into Secured Cash Management Agreements and Secured Hedge Agreements with the Company and/or its Subsidiaries and to induce the holders of any Additional First Lien Obligations to make their respective Extensions of Credit thereunder, the Grantors hereby agree with the Collateral Agent, for the benefit of the First Lien Secured Parties, to amend and restate the Original Security Agreement as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement on the date hereof.

(b) Terms used herein without definition that are defined in the UCC have the meanings given to them in the UCC, including the following terms (which are capitalized herein): Account, Chattel Paper, Commodity Contract, Documents, Instruments, Inventory, Letter-of-Credit Right, Security Entitlement and Supporting Obligation.

(c) The following terms shall have the following meanings:

"ABL Controlled Accounts" shall mean, collectively, with respect to each Grantor, (i) all "deposit accounts" and all "securities accounts" as such terms are defined in the UCC and all accounts and sub-accounts relating to any of the foregoing accounts and (ii) all cash, funds, checks, notes, "securities entitlements" (as such terms are defined in the UCC) and instruments from time to time on deposit in any of the accounts or sub-accounts described in clause (i) of this definition, in each case, which are subject to a control agreement in favor of the Receivables Collateral Agent (it being understood that no such account or funds shall be deemed to be an "ABL Controlled Account" at any time that such account or funds are not subject to a control agreement in favor of the Receivables Collateral Agent unless an Event of Default has occurred and is continuing on the date such account or funds would have otherwise ceased to constitute an ABL Controlled Account).

"Additional First Lien Agreement" shall mean any indenture, credit agreement or other agreement, if any, pursuant to which any Grantor has or will incur Additional First Lien Obligations; provided that, in each case, the Indebtedness thereunder has been designated as Additional First Lien Obligations pursuant to and in accordance with Section 8.17.

"Additional First Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Grantor arising under any Additional First Lien Agreement including, without limitation, Future Secured Notes, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Grantor or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional First Lien Obligations pursuant to and in accordance with Section 8.17.

"Additional First Lien Secured Party Consent" shall mean a consent in the form of Annex C to this Security Agreement executed by the Authorized Representative of any holders of Additional First Lien Obligations pursuant to Section 8.17.

"Additional Receivables Intercreditor Agreement" shall mean any intercreditor agreement with respect to the Shared Receivables Collateral entered into in connection with any Additional First Lien Obligations by Bank of America, N.A. (or any successor thereof), as ABL Collateral Agent and the Collateral Agent, and any other Persons party or that may become party thereto from time to time, and consented to by the Grantors identified therein.

"Applicable Control Agreement" shall mean any Control Agreement in favor of the Receivables Collateral Agent as to which the Receivables Collateral Agent has agreed in writing that its Control over the ABL Controlled Accounts covered thereby is also for the benefit of the First Lien Secured Parties.

"Applicable First Lien Representative" shall mean the "Applicable Authorized Representative" as defined in the First Lien Intercreditor Agreement; provided that prior to the First Lien Intercreditor Effective Date, the Applicable First Lien Representative shall be deemed to be the Administrative Agent.

"Authorized Representative" shall mean (i) the Administrative Agent with respect to the Credit Agreement and (ii) any duly authorized representative of any other First Lien Secured Party under Additional First Lien Agreements designated as "Authorized Representative" for any First Lien Secured Party in an Additional First Lien Secured Party Consent delivered to the Collateral Agent.

"Collateral" shall have the meaning provided in Section 2.

"Collateral Account" shall mean any collateral account established by the Collateral Agent as provided in Section 5.1 or Section 5.3.

"Collateral Agent" shall have the meaning provided in the preamble to this Security Agreement.

"Control" shall mean "control," as such term is defined in Section 9-104 or 9-106, as applicable, of the UCC.

"Control Agreement" shall mean an agreement (which, if in favor of the Collateral Agent, shall be in form reasonably satisfactory to the Collateral Agent) establishing a Person's Control with respect to any ABL Controlled Account (it being understood that any such agreement in favor of the Collateral Agent may be the same agreement granting Control to the Receivables Collateral Agent).

"Copyright License" shall mean any written agreement, now or hereafter in effect, granting any right to any third party under any copyright now or hereafter owned by any Grantor (including all Copyrights) or that any Grantor otherwise has the right to license, or granting any right to any Grantor under any copyright now or hereafter owned by any third party, and all rights of any Grantor under any such agreement, including those listed on Schedule 1.

"copyrights" shall mean, with respect to any Person, all of the following now owned or hereafter acquired by such Person: (i) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether as author, assignee, transferee or otherwise, and (ii) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office.

"Copyrights" shall mean all copyrights now owned or hereafter acquired by any Grantor, including those listed on Schedule 2.

"Credit Party" shall mean each of the Borrowers, the Subsidiary Grantors and each other Subsidiary of the Company that is a party to the Credit Agreement, any other Credit Document or any Additional First Lien Agreement.

"Discharge of Credit Agreement Obligations" shall have the meaning assigned thereto in the First Lien Intercreditor Agreement.

"equipment" shall mean all "equipment," as such term is defined in Article 9 of the UCC, now or hereafter owned by any Grantor or to which any Grantor has rights and, in any

event, shall include all machinery, equipment, furnishings, movable trade fixtures and vehicles now or hereafter owned by any Grantor or to which any Grantor has rights and any and all Proceeds, additions, substitutions and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto; but excluding equipment to the extent it is subject to a Lien, in each case permitted by any of clauses (e), (h) or (i) of Section 10.2 of the Credit Agreement and any equivalent provision of each Additional First Lien Agreement and the terms of the Indebtedness secured by such Lien prohibit assignment of, or granting of a security interest in, such Grantor's rights and interests therein (other than to the extent that any such prohibition would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law), provided, that immediately upon the repayment of all Indebtedness secured by such Lien, such Grantor shall be deemed to have granted a Security Interest in all the rights and interests with respect to such equipment.

"Event of Default" shall mean an "Event of Default" under and as defined in the Credit Agreement or any Additional First Lien Agreement.

"Extensions of Credit" shall have the meaning assigned to such term in the recitals hereto.

"First Lien Intercreditor Agreement" shall mean the First Lien Intercreditor Agreement, substantially in the form of Annex D hereto, to be executed by the Collateral Agent, the Administrative Agent and the Authorized Representative of the holders of the first Future Secured Notes to be issued that constitute Additional First Lien Obligations hereunder.

"First Lien Intercreditor Effective Date" shall mean the date on which the First Lien Intercreditor Agreement is first executed and delivered by the Collateral Agent, the Administrative Agent and the Authorized Representative of the holders of the first Future Secured Notes to be issued that constitute Additional First Lien Obligations hereunder.

"First Lien Obligations" shall mean collectively, the Obligations (as such term is defined in the Credit Agreement) and the Additional First Lien Obligations.

"First Lien Secured Parties" shall man collectively, the "Secured Parties" (as such term is defined in the Credit Agreement) and, if any, the holders of Additional First Lien Obligations and any Authorized Representative with respect thereto.

"General Intangibles" shall mean all "general intangibles" as such term is defined in Article 9 of the UCC and, in any event, including with respect to any Grantor, all contracts, agreements, instruments and indentures in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, supplemented or otherwise modified, including (a) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (b) all rights of such Grantor to receive proceeds of any insurance, indemnity, warranty or guarantee with respect thereto, (c) all claims of such Grantor for damages arising out of any breach of or default thereunder and (d) all rights of such Grantor to terminate, amend, supplement, modify or exercise rights or options

the reunder, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder, in each case to the extent the grant by such Grantor of a Security Interest pursuant to this Security Agreement in its right, title and interest in any such contract, agreement, instrument or indenture (i) is not prohibited by such contract, agreement, instrument or indenture without the consent of any other party thereto (other than a Credit Party), (ii) would not give any other party (other than a Credit Party) to any such contract, agreement, instrument or indenture the right to terminate its obligations thereunder or (iii) is permitted with consent if all necessary consents to such grant of a Security Interest have been obtained from the other parties thereto (other than to the extent that any such prohibition referred to in clauses (i), (ii) and (iii) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law) (it being understood that the foregoing shall not be deemed to obligate such Grantor to obtain such consents); provided that the foregoing limitation shall not affect, limit, restrict or impair the grant by such Grantor of a Security Interest pursuant to this Security Agreement in any Account or any money or other amounts due or to become due under any such contract, agreement, instrument or indenture.

"Grantor" shall have the meaning assigned to such term in the recitals hereto.

"Intellectual Property" shall mean all of the following now owned or hereafter acquired by any Grantor: (A) all Copyrights, Trademarks and Patents, and (B) all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise now owned or hereafter acquired, including (a) all information used or useful arising from the business including all goodwill, trade secrets, trade secret rights, know-how, customer lists, processes of production, ideas, confidential business information, techniques, processes, formulas and all other proprietary information, and (b) rights, priorities and privileges relating to the Copyrights, the Patents, the Trademarks and the Licenses and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom, in each case to the extent the grant by such Grantor of a Security Interest pursuant to this Security Agreement in any such rights, priorities and privileges relating to intellectual property (i) is not prohibited by any contract, agreement or other instrument governing such rights, priorities and privileges without the consent of any other party thereto (other than a Credit Party), (ii) would not give any other party (other than a Credit Party) to any such contract, agreement or other instrument the right to terminate its obligations thereunder or (iii) is permitted with consent if all necessary consents to such grant of a Security Interest have been obtained from the relevant parties (other than to the extent that any such prohibition referred to in clauses (i), (ii) and (iii) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law) (it being understood that the foregoing shall not be deemed to obligate such Grantor to obtain such consents).

"Investment Property" shall mean all Securities (whether certificated or uncertificated), Security Entitlements and Commodity Contracts of any Grantor (other than (i) as pledged pursuant to the Pledge Agreement and (ii) solely with respect to the U.S. Obligations and any Additional First Lien Obligations, any Stock or Stock Equivalents of any Foreign Subsidiary in excess of 65% of the outstanding class of such Stock or Stock Equivalents), whether now or hereafter acquired by any Grantor, except, in each case, to the extent the grant by a Grantor of a

Security Interest therein pursuant to this Security Agreement in its right, title and interest in any such Investment Property (i) is prohibited by any contract, agreement, instrument or indenture governing such Investment Property without the consent of any other party thereto (other than a Credit Party or a wholly owned Subsidiary) unless such consent has been expressly obtained (it being understood that there shall be no obligation to seek or obtain such consent), or (ii) would give any other party (other than a Credit Party or a wholly owned Subsidiary) to any such contract, agreement, instrument or indenture the right to terminate its obligations thereunder (other than to the extent that any such prohibition referred to in clauses (i) and (ii) would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law) (it being understood that the foregoing shall not be deemed to obligate any Grantor to seek or obtain any such consents referred to in clauses (i) or (ii) above).

"License" shall mean any Patent License, Trademark License, Copyright License or other license or sublicense to which any Grantor is a party.

"Original Security Agreement" shall have the meaning assigned to such term in the recitals hereto.

"Patent License" shall mean any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a patent, now or hereafter owned by any Grantor (including all Patents) or that any Grantor otherwise has the right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement, including those listed on Schedule 3.

"patents" shall mean, with respect to any Person, all of the following now owned or hereafter acquired by such Person: (a) all letters patent of the United States or the equivalent thereof in any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or the equivalent thereof in any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in any other country, and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

"Patents" shall mean all patents now owned or hereafter acquired by any Grantor, including those listed on Schedule 4.

"Pledge Agreement" shall have the meaning assigned to such term in the recitals hereto.

"Proceeds" shall mean all "proceeds" as such term is defined in Article 9 of the UCC and, in any event, shall include with respect to any Grantor, any consideration received from the sale, exchange, license, lease or other disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other Person or entity as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that

constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement of any Patent now or hereafter owned by any Grantor, or licensed under a Patent License, (ii) past, present or future infringement or dilution of any Trademark now or hereafter owned by any Grantor or licensed under a Trademark License or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, (iii) past, present or future breach of any License and (iv) past, present or future infringement of any Copyright now or hereafter owned by any Grantor or licensed under a Copyright License and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Receivables Intercreditor Agreement" shall have the meaning provided in Section 8.15.

"Security Agreement" shall mean this Security Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Security Interest" shall have the meaning provided in Section 2.

"Shared Receivables Collateral" shall have the meaning given such term by the Receivables Intercreditor Agreement.

"Trademark License" shall mean any written agreement, now or hereafter in effect, granting to any third party any right to use any trademark now or hereafter owned by any Grantor (including any Trademark) or that any Grantor otherwise has the right to license, or granting to any Grantor any right to use any trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement, including those listed on Schedule 5.

"trademarks" shall mean, with respect to any Person, all of the following now owned or hereafter acquired by such Person: (i) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof (if any), and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, (ii) all goodwill associated therewith or symbolized thereby and (iii) all other assets, rights and interests that uniquely reflect or embody such goodwill.

"Trademarks" shall mean all trademarks now owned or hereafter acquired by any Grantor, including those listed on Schedule 6 hereto; provided that any "intent to use" Trademark applications for which a statement of use has not been filed (but only until such statement is filed) are excluded from this definition.

"UCC" shall mean the Uniform Commercial Code as from time to time in effect in the State of New York; provided, however, that, in the event that, by reason of mandatory

provisions of law, any of the attachment, perfection or priority of the Collateral Agent's and the First Lien Secured Parties' security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

(d) The words "hereof", "herein", "hereto" and "hereunder" and words of similar import when used in this Security Agreement shall refer to this Security Agreement as a whole and not to any particular provision of this Security Agreement, and Section, subsection, clause and Schedule references are to this Security Agreement unless otherwise specified. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(e) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(f) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

(g) References to "Lenders" in this Security Agreement shall be deemed to include affiliates of any Lender that may from time to time enter into Secured Cash Management Agreements and Secured Hedge Agreements with the Company and/or its Subsidiaries.

(h) This Amended and Restated Security Agreement amends and restates the Original Security Agreement. The Obligations of the Grantors under the Original Security Agreement and the grant of security interest in the Collateral by the Grantors under the Original Security Agreement shall continue under this Amended and Restated Security Agreement, and shall not in any event be terminated, extinguished or annulled, but shall hereafter be governed by this Amended and Restated Security Agreement. All references to the Original Security Agreement in any Credit Document (other than this Amended and Restated Security Agreement) or other document or instrument delivered in connection therewith shall be deemed to refer to this Amended and Restated Security Agreement and the provisions hereof. It is understood and agreed that the Original Security Agreement is being amended and restated by entry into this Amended and Restated Security Agreement on the date hereof.

2. Grant of Security Interest.

(a) Each Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to the Collateral Agent, for the benefit of the First Lien Secured Parties, and grants to the Collateral Agent, for the benefit of the First Lien Secured Parties and confirms its prior grant to the Collateral Agent for the benefit of the First Lien Secured Parties of, a lien on and security interest in (the "Security Interest"), all of its right, title and interest in, to and under all of the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and

complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the First Lien Obligations:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Documents;

(iv) all equipment;

(v) all General Intangibles;

(vi) all Instruments;

(vii) all Intellectual Property;

(viii) all Inventory;

(ix) all Investment Property;

(x) all Letters of Credit and Letter-of-Credit Rights;

(xi) all Supporting Obligations;

(xii) all Collateral Accounts and all ABL Controlled Accounts;

(xiii) all books and records pertaining to the Collateral;

(xiv) the extent not otherwise included, all Proceeds and products of any and all of the foregoing;

provided, that (x) the Collateral for any First Lien Obligations shall not include any Excluded Stock and Stock Equivalents with respect to such First Lien Obligations, (y) none of the items included in clauses (i) through (xiv) above shall constitute Collateral to the extent (and only to the extent) that the grant of the Security Interest therein would violate any Requirement of Law applicable to such Collateral and (z) notwithstanding the foregoing or anything else in this Agreement to the contrary, the Collateral shall in no event include any Principal Properties.

(b) Each Grantor hereby irrevocably authorizes the Collateral Agent and its Affiliates, counsel and other representatives, at any time and from time to time, to file or record financing statements, amendments to financing statements and, with notice to the Company, and other filing or recording documents or instruments with respect to the Collateral in such form and in such offices as the Collateral Agent reasonably determines appropriate to perfect the security interests of the Collateral Agent under this Security Agreement, and such financing statements and amendments may described the Collateral covered thereby as “all assets”, “all personal property” or words of similar effect (except that, in any event, such financing statement shall also contain an express exclusion with respect to the limitation of the Security Interest in Principal Properties substantially to the effect set forth in clause (c) below). Each Grantor hereby

also authorizes the Collateral Agent and its Affiliates, counsel and other representatives, at any time and from time to time, to file continuation statements with respect to previously filed financing statements. A photographic or other reproduction of this Security Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction to the Collateral Agent.

Each Grantor hereby agrees to provide to the Collateral Agent, promptly upon request, any information reasonably necessary to effectuate the filings or recordings authorized by this Section 2(b).

The Collateral Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) such documents as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent, as the case may be, as secured party.

The Security Interests are granted as security only and shall not subject the Collateral Agent or any other First Lien Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

(c) Notwithstanding any other provision hereof, to the extent that any portion of the Collateral is construed to include one or more Principal Properties (it being understood that any such construction would be in direct violation of clause (z) of the proviso to Section 2(a) above), the principal amount of First Lien Obligations secured by all such Principal Properties shall be limited to the maximum aggregate principal amount of indebtedness that may be secured at any time without giving rise to any requirement under the 1993 Indenture to secure any obligation thereunder equally and ratably (or prior to) the First Lien Obligations (it being understood that the principal amount of First Lien Obligations secured by the Principal Properties of any Grantor shall in no event be reduced as a result of any security interest granted or obligation incurred after the Closing Date and during the pendency of any Insolvency or Liquidation Proceeding (as defined in the General Intercreditor Agreement) with respect to such Grantor). If after the Closing Date any Retained Indebtedness becomes required to be secured by a Lien on Principal Properties as a result of (a) the Company or any Subsidiary granting a Lien on any Principal Property, but only if such requirement would have arisen solely as a result of Liens on Principal Properties other than Liens granted pursuant to any Security Document, (b) the Company or any Subsidiary entering into any Sale and Lease-Back Transaction (as defined in the 1993 Indenture, as in effect on the Closing Date), (c) any 1993 Restricted Subsidiary incurring Debt (as defined in the 1993 Indenture as in effect on the Closing Date) or issuing Preferred Stock (as defined in the 1993 Indenture as in effect on the Closing Date), or (ii) the 1993 Indenture ceases to be in effect as a result of a satisfaction and discharge or defeasance thereof in accordance with its terms, then, in each such case, the First Lien Obligations secured hereunder by Collateral consisting of one or more Principal Properties shall become equal to the maximum aggregate amount of First Lien Obligations outstanding.

(d) Notwithstanding anything to the contrary in this Section 2, the term Collateral, as it refers to the Collateral securing Additional First Lien Obligations, shall not include

any Stock and other securities of a Subsidiary (excluding Healthtrust, Inc.—The Hospital Company, a Delaware corporation and its successors and assigns) to the extent that the pledge of such Stock and other securities would result in the Company being required to file separate financial statements of such Subsidiary with the SEC, but only to the extent necessary to not be subject to such requirement and only for so long as such requirement is in existence and only with respect to the relevant Additional First Lien Obligations affected; provided that neither the Company nor any Subsidiary shall take any action in the form of a reorganization, merger or other restructuring a principal purpose of which is to provide for the release of the Lien on any Stock pursuant to this clause (ii). In addition, in the event that Rule 3-16 of Regulation S-X under the Securities Act of 1933, as amended ("Rule 3-16") is amended, modified or interpreted by the SEC to require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the SEC (or any other Governmental Authority) of separate financial statements of any Subsidiary of the Company due to the fact that such Subsidiary's Stock secures the Additional First Lien Obligations affected thereby, then the Stock of such Subsidiary will automatically be deemed not to be part of the Collateral securing the relevant Additional First Lien Obligations affected thereby but only to the extent necessary to not be subject to such requirement and only for so long as required to not be subject to such requirement. In such event, this Security Agreement may be amended or modified, without the consent of any First Lien Secured Party, to the extent necessary to release the Security Interests in favor of the Collateral Agent on the shares of Stock that are so deemed to no longer constitute part of the Collateral for the relevant Additional First Lien Obligations only. In the event that Rule 3-16 is amended, modified or interpreted by the SEC to permit (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would permit) such Subsidiary's Stock to secure the Additional First Lien Obligations in excess of the amount then pledged without the filing with the SEC (or any other Governmental Authority) of separate financial statements of such Subsidiary, then the Stock of such Subsidiary will automatically be deemed to be a part of the Collateral for the relevant Additional First Lien Obligations. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, nothing in this clause (d) shall limit the pledge of such Stock and other securities from securing the Obligations (as defined in the Credit Agreement) at all times or from securing any Additional First Lien Obligations that are not in respect of securities subject to regulation by the SEC.

3. Representations and Warranties.

Each Grantor hereby represents and warrants to the Collateral Agent and each First Lien Secured Party that:

3.1 Title; No Other Liens. Except for (a) the Security Interest granted to the Collateral Agent for the benefit of the First Lien Secured Parties pursuant to this Security Agreement, (b) the Liens permitted under each of the Credit Agreement and each Additional First Lien Agreement and (c) any Liens securing Indebtedness which is no longer outstanding or any Liens with respect to commitments to lend which have been terminated, such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others. No security agreement, financing statement or other public notice with respect to all or any part of the Collateral that evidences a Lien securing any material Indebtedness is on file or of record in any public office, except such as (i) have been filed in favor of the Collateral Agent for the benefit of the First Lien Secured Parties pursuant to this Security Agreement or (ii) are permitted by the each

of the Credit Agreement and each Additional First Lien Agreement. For the avoidance of doubt, any reference herein to Liens permitted to be outstanding shall mean only Liens permitted to be outstanding under both the Credit Agreement (so long as it is in effect) and each Additional First Lien Agreement.

3.2 Perfected First Priority Liens.

(a) This Security Agreement is effective to create in favor of the Collateral Agent, for its benefit and for the benefit of the First Lien Secured Parties, legal, valid and enforceable Security Interests in the Collateral, subject to the effects of bankruptcy, insolvency or similar laws affecting creditors' rights generally and general equitable principles.

(b) Subject to the limitations set forth in clause (c) of this Section 3.2, the Security Interests granted pursuant to this Security Agreement (i) constitute and will continue to constitute valid and perfected Security Interests in the Collateral (as to which perfection may be obtained by the filings or other actions described in clause (A), (B) or (C) of this paragraph, which actions have been taken prior to the date hereof to the extent required by the Original Security Agreement and shall continue to apply to the First Lien Obligations under this Security Agreement) in favor of the Collateral Agent, for the benefit of the First Lien Secured Parties, as collateral security for the First Lien Obligations, as a result of (A) the completion of the filing in the applicable filing offices of all financing statements, in each case, naming each Grantor as "debtor" and the Collateral Agent as "secured party" and describing the Collateral, (B) delivery of all Instruments, Chattel Paper, Certificated Securities and negotiable Documents in each case, properly endorsed for transfer to the Collateral Agent or in blank and (C) completion of the filing, registration and recording of a fully executed agreement in the form hereof (or a supplement hereto) and containing a description of all Collateral constituting Intellectual Property in the United States Patent and Trademark Office (or any successor office) within the three month period (commencing as of the date of the Original Security Agreement) or, in the case of Collateral constituting Intellectual Property acquired after the date of the Original Security Agreement, thereafter pursuant to 35 USC § 261 and 15 USC § 1060 and the regulations thereunder with respect to United States Patents and United States registered Trademarks and in the United States Copyright Office (or any successor office) within the one month period (commencing as of the applicable date of acquisition or filing) or, in the case of Collateral constituting Intellectual Property acquired after the date of the Original Security Agreement, thereafter with respect to United States registered Copyrights pursuant to 17 USC § 205 and the regulations thereunder as soon as reasonably practicable, and otherwise as may be required pursuant to the laws of any other necessary jurisdiction to the extent that a security interest may be perfected by such filings, registrations and recordings, and (ii) are prior to all other Liens on the Collateral other than Liens permitted pursuant to Sections 10.2 (a), (b) and (d)-(r) of the Credit Agreement and the equivalent provisions of each of the Additional First Lien Agreement.

(c) Notwithstanding anything to the contrary herein, no Grantor shall be required to perfect the Security Interests granted by this Security Agreement (including Security Interests in Investment Property) by any means other than by (i) filings pursuant to the Uniform Commercial Code of the relevant State(s), (ii) filings approved by United States government offices with respect to Intellectual Property, (iii) delivery to the Collateral Agent to be held in its possession of all Collateral consisting of tangible Chattel Paper, Instruments or Certificated

Securities with a fair market value in excess of $10,000,000 individually and (iv) to the extent required by Section 4.1(e), the execution of Control Agreements in favor of the Collateral Agent.

(d) It is understood and agreed that the Security Interests in Investment Property created hereunder shall not prevent the Grantors from using such assets in the ordinary course of their respective businesses.

4. Covenants.

Each Grantor hereby covenants and agrees with the Collateral Agent and the First Lien Secured Parties that, from and after the date of this Security Agreement until all Additional First Lien Obligations (other than contingent indemnification and reimbursement obligations) are paid in full, the Commitments are terminated and no Letter of Credit remains outstanding:

4.1 Maintenance of Perfected Security Interest; Further Documentation.

(a) Such Grantor shall maintain the Security Interest created by this Security Agreement as a perfected Security Interest having at least the priority described in Section 3.1 and shall defend such Security Interest against the claims and demands of all Persons whomsoever, in each case subject to Section 3.2(c).

(b) Such Grantor will furnish to the Collateral Agent, the Lenders and any other First Lien Secured Parties from time to time statements and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as the Collateral Agent may reasonably request.

(c) Subject to clause (d) below and Section 3.2(c), each Grantor agrees that at any time and from time to time, at the expense of such Grantor, it will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents, including all applicable documents required under Section 3.2(b)(C)), which may be required under any applicable law, or which the Collateral Agent, the Required Lenders or the Applicable First Lien Representative may reasonably request, in order (i) to grant, preserve, protect and perfect the validity and priority of the Security Interests created or intended to be created hereby or (ii) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral, including the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Security Interests created hereby and all applicable documents required under Section 3.2(b)(C), all at the expense of such Grantor.

(d) Notwithstanding anything in this Section 4.1 to the contrary, (i) with respect to any assets acquired by such Grantor after the date hereof that are required by the Credit Agreement or any Additional First Lien Agreement to be subject to the Lien created hereby or (ii) with respect to any Person that, subsequent to the date hereof, becomes a U.S. Subsidiary that is required by the Credit Agreement or any Additional First Lien Agreement to become a party hereto, the relevant Grantor after the acquisition or creation thereof shall promptly take all actions required by the Credit Agreement, any Additional First Lien Agreement or this Section 4.1.

(e) In order better to perfect the security interest of the First Lien Secured Parties in ABL Controlled Accounts which are subject to Applicable Control Agreements, each Grantor hereby grants to the Receivables Collateral Agent, for the benefit of the First Lien Secured Parties, a lien on and security interest in, all of its right, title and interest in, to and under the ABL Controlled Accounts. In the event any Applicable Control Agreement ceases to be in effect upon repayment in full of the ABL Facility, if an Event of Default exists at the time such Applicable Control Agreement so ceases to be in effect, each Grantor shall cause its ABL Controlled Accounts that were subject to such Applicable Control Agreements to become subject to a Control Agreement on substantially similar terms in favor of the Collateral Agent. The Collateral Agent hereby agrees that unless an Event of Default has occurred and is continuing, it will not provide any "notice of sole control" (or equivalent notice) under any such Control Agreement

4.2 Damage or Destruction of Collateral. The Grantors agree promptly to notify the Collateral Agent if any material portion of the Collateral is damaged or destroyed.

4.3 Notices. Each Grantor will advise the Collateral Agent, the Lenders and any other First Lien Secured Parties promptly, in reasonable detail, of any Lien of which it has knowledge (other than the Security Interests created hereby or Liens permitted under each of the Credit Agreement and each Additional First Lien Agreement) on any of the Collateral which would adversely affect, in any material respect, the ability of the Collateral Agent to exercise any of its remedies hereunder.

5. Remedial Provisions.

5.1 Certain Matters Relating to Accounts.

(a) At any time after the occurrence and during the continuance of an Event of Default and after giving reasonable notice to the Company and any other relevant Grantor, the Applicable First Lien Representative shall have the right, but not the obligation, to instruct the Collateral Agent to (and upon such instruction, the Collateral Agent shall) make test verifications of the Accounts in any manner and through any medium that the Applicable First Lien Representative reasonably considers advisable, and each Grantor shall furnish all such assistance and information as such Applicable First Lien Representative may require in connection with such test verifications. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any First Lien Secured Party.

(b) The Collateral Agent hereby authorizes each Grantor to collect such Grantor's Accounts and the Collateral Agent may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required in writing by the Collateral Agent at any time after the occurrence and during the continuance of an Event of Default, any payments of Accounts, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly endorsed by such Grantor to the Collateral Agent if required, in a Collateral Account maintained under the sole dominion and control of and on terms and conditions reasonably satisfactory to the Collateral Agent, subject to withdrawal by the Collateral Agent for the account of the First Lien Secured Parties only as provided in Section 5.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Collateral Agent and the First Lien Secured Parties, segregated

from other funds of such Grantor. Each such deposit of Proceeds of Accounts shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At the Collateral Agent's request at any time after the occurrence and during the continuance of an Event of Default, each Grantor shall deliver to the Collateral Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Accounts, including all original orders, invoices and shipping receipts.

(d) Upon the occurrence and during the continuance of an Event of Default, a Grantor shall not grant any extension of the time of payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon if the Collateral Agent shall have instructed the Grantors not to grant or make any such extension, credit, discount, compromise or settlement under any circumstances during the continuance of such Event of Default.

(e) At the direction of the Collateral Agent, upon the occurrence and during the continuance of an Event of Default, each Grantor shall grant to the Collateral Agent to the extent assignable, an irrevocable, non-exclusive, fully paid-up, royalty-free, worldwide license to use, assign, license or sublicense any of the Intellectual Property now owned or hereafter acquired by such Grantor. Such license shall include access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof.

5.2 Communications with Credit Parties; Grantors Remain Liable.

(a) The Collateral Agent in its own name or in the name of others may at any time after the occurrence and during the continuance of an Event of Default, after giving reasonable notice to the relevant Grantor of its intent to do so, communicate with obligors under the Accounts to verify with them to the Collateral Agent's satisfaction the existence, amount and terms of any Accounts. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any First Lien Secured Party.

(b) Upon the written request of the Collateral Agent at any time after the occurrence and during the continuance of an Event of Default, each Grantor shall notify obligors on the Accounts that the Accounts have been assigned to the Collateral Agent for the benefit of the First Lien Secured Parties and that payments in respect thereof shall be made directly to the Collateral Agent.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Collateral Agent nor any First Lien Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Security Agreement or the receipt by the Collateral Agent or any First Lien Secured Party of any payment relating thereto, nor shall the Collateral Agent or any First Lien

Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

5.3 Proceeds to be Turned Over To Collateral Agent. In addition to the rights of the Collateral Agent and the First Lien Secured Parties specified in Section 5.1 with respect to payments of Accounts, if an Event of Default shall occur and be continuing and the Collateral Agent so requires by notice in writing to the relevant Grantor (it being understood that the exercise of remedies by the First Lien Secured Parties in connection with an Event of Default under Section 11 of the Credit Agreement or the equivalent provisions of any Additional First Lien Agreement shall be deemed to constitute a request by the Collateral Agent for the purposes of this sentence and in such circumstances, no such written notice shall be required), all Proceeds received by any Grantor consisting of cash, checks and other near cash items shall be held by such Grantor in trust for the Collateral Agent and the First Lien Secured Parties, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor, be turned over to the Collateral Agent in the exact form received by such Grantor (duly endorsed by such Grantor to the Collateral Agent, if required). All Proceeds received by the Collateral Agent hereunder shall be held by the Collateral Agent in a Collateral Account maintained under its dominion and control and on terms and conditions reasonably satisfactory to the Collateral Agent. All Proceeds while held by the Collateral Agent in a Collateral Account (or by such Grantor in trust for the Collateral Agent and the First Lien Secured Parties) shall continue to be held as collateral security for all the First Lien Obligations and shall not constitute payment thereof until applied as provided in Section 5.4.

5.4 Application of Proceeds. The Collateral Agent shall apply the proceeds of any collection or sale of the Collateral as well as any Collateral consisting of cash, at any time after receipt in the order specified in Section 11 of the Credit Agreement; provided that on and after the First Lien Intercreditor Effective Date, such proceeds shall be applied in the order specified in the First Lien Intercreditor Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

5.5 Code and Other Remedies. If an Event of Default shall occur and be continuing, the Collateral Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the UCC or any other applicable law and also may with notice to the relevant Grantor, sell the Collateral or any part thereof in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Collateral Agent or any Lender or elsewhere for cash or on credit or for future delivery at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it

deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and/or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent and any First Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, and the Collateral Agent or such First Lien Secured Party may pay the purchase price by crediting the amount thereof against the First Lien Obligations; provided that, on and after the First Lien Intercreditor Effective Date, such rights shall be subject to the terms of the First Lien Intercreditor Agreement. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by law, each Grantor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. Each Grantor further agrees, at the Collateral Agent's request to assemble the Collateral and make it available to the Collateral Agent, at places which the Collateral Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Collateral Agent shall apply the net proceeds of any action taken by it pursuant to this Section 5.5 in accordance with the provisions of Section 5.4.

5.6 Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its First Lien Obligations and the fees and disbursements of any attorneys employed by the Collateral Agent or any First Lien Secured Party to collect such deficiency.

5.7 Amendments, etc. with Respect to the First Lien Obligations; Waiver of Rights. Each Grantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Grantor and without notice to or further assent by any Grantor, (a) any demand for payment of any of the First Lien Obligations made by the Collateral Agent or any other First Lien Secured Party may be rescinded by such party and any of the First Lien Obligations continued, (b) the First Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other First Lien Secured Party, (c) the Credit Agreement, the other Credit Documents, the Letters of Credit, any Additional First Lien Agreement and any other documents executed and delivered in connection therewith and the Secured Cash Management Agreements and the Secured Hedge

Agreements and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders, as the case may be, or, in the case of any Secured Hedge Agreement or Secured Cash Management Agreement, the Hedge Bank or Cash Management Bank party thereto or in the case of any Additional First Lien Agreement, the trustee or administrative agent thereunder or the required lenders or debtholders thereunder) may deem advisable from time to time, and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other First Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the First Lien Obligations or for this Security Agreement or any property subject thereto. When making any demand hereunder against any Grantor, the Collateral Agent or any other First Lien Secured Party may, but shall be under no obligation to, make a similar demand on any Grantor or any other Person, and any failure by the Collateral Agent or any other First Lien Secured Party to make any such demand or to collect any payments from any Borrower or any Grantor or any other Person or any release of any Borrower or any Grantor or any other Person shall not relieve any Grantor in respect of which a demand or collection is not made or any Grantor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other First Lien Secured Party against any Grantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

6. The Collateral Agent.

6.1 Collateral Agent's Appointment as Attorney-in-Fact, etc.

(a) Each Grantor hereby appoints, which appointment is irrevocable and coupled with an interest, effective upon the occurrence and during the continuance of an Event of Default, the Collateral Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Security Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Agent the power and right, on behalf of such Grantor, either in the Collateral Agent's name or in the name of such Grantor or otherwise, without assent by such Grantor, to do any or all of the following, in each case after the occurrence and during the continuance of an Event of Default and after written notice by the Collateral Agent of its intent to do so:

(i) take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Agent for the purpose of collecting any and all such moneys due under any Account or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may request to evidence the Collateral Agent's and the First Lien Secured Parties' Security Interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral;

(iv) execute, in connection with any sale provided for in Section 5.5, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral;

(v) obtain and adjust insurance required to be maintained by such Grantor pursuant to Section 9.3 of the Credit Agreement or any equivalent provision of any Additional First Lien Agreement;

(vi) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct;

(vii) ask or demand for, collect and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(viii) sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral;

(ix) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral;

(x) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral (with such Grantor's consent to the extent such action or its resolution could materially affect such Grantor or any of its affiliates in any manner other than with respect to its continuing rights in such Collateral);

(xi) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Collateral Agent may deem appropriate (with such Grantor's consent to the extent such action or its resolution could materially affect such Grantor or any of its affiliates in any manner other than with respect to its continuing rights in such Collateral);

(xii) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Agent shall in its sole discretion determine; and

(xiii) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes, and do, at the Collateral Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things that the Collateral Agent deems necessary to protect, preserve or realize upon the Collateral and the Collateral Agent's and the First Lien Secured Parties' Security Interests therein and to effect the intent of this Security Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 6.1(a) to the contrary notwithstanding, the Collateral Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 6.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Collateral Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Collateral Agent incurred in connection with actions undertaken as provided in this Section 6.1, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any category of past due ABR Loans under the Credit Agreement (whether or not the Credit Agreement is then effect), from the date of payment by the Collateral Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Collateral Agent on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Security Agreement are coupled with an interest and are irrevocable until this Security Agreement is terminated and the Security Interests created hereby are released.

6.2 Duty of Collateral Agent. The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the Collateral Agent deals with similar property for its own account. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property. Neither the Collateral Agent, any First Lien Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent and the First Lien Secured Parties hereunder are solely to protect the Collateral Agent's and the First Lien Secured Parties' interests in the Collateral and shall not impose any duty upon the Collateral Agent or any First Lien Secured Party to exercise any such powers. The Collateral Agent and the First Lien Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to

any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

6.3 Authority of Collateral Agent. Each Grantor acknowledges that the rights and responsibilities of the Collateral Agent under this Security Agreement with respect to any action taken by the Collateral Agent or the exercise or non-exercise by the Collateral Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Security Agreement shall, as between the Collateral Agent and the First Lien Secured Parties, be governed (x) until the First Lien Intercreditor Effective Date, by the Credit Agreement and (y) on and after the First Lien Intercreditor Effective Date, the First Lien Intercreditor Agreement, and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Agent and the Grantors, the Collateral Agent shall be conclusively presumed to be acting as agent for the applicable First Lien Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

6.4 Security Interest Absolute. All rights of the Collateral Agent hereunder, the security interest and all obligations of the Grantors hereunder shall be absolute and unconditional.

6.5 Continuing Security Interest; Assignments Under the Credit Agreement; Release.

(a) This Security Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Grantor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other First Lien Secured Parties and their respective successors, indorsees, transferees and assigns until all First Lien Obligations under the Credit Documents and any Additional First Lien Agreement (other than any contingent indemnity obligations not then due) and the obligations of each Grantor under this Security Agreement shall have been satisfied by payment in full, the Commitments shall be terminated and no Letters of Credit shall be outstanding (or all such Letters of Credit shall have been Cash Collateralized), notwithstanding that from time to time during the term of the Credit Agreement, any Additional First Lien Agreements and any Secured Cash Management Agreements and Secured Hedge Agreement the Credit Parties may be free from any First Lien Obligations.

(b) Subject to the terms of the First Lien Intercreditor Agreement on and after the First Lien Intercreditor Effective Date, a Subsidiary Grantor shall automatically be released from its obligations hereunder (x) as it relates to the "Obligations" (as defined in the Credit Agreement), if it ceases to be a U.S. Guarantor in accordance with Section 14.1 of the Credit Agreement and (y) as it relates to the First Lien Obligations under any Additional First Lien Agreement, if it ceases to be a guarantor under such Additional First Lien Agreement pursuant to the applicable provision(s) of such Additional First Lien Agreement.

(c) Subject to any applicable terms of the First Lien Intercreditor Agreement on and after the First Lien Intercreditor Effective Date, the Security Interest granted hereby in any Collateral shall automatically be released (i) if (and to the extent) provided in (A) Section

14.1 of the Credit Agreement and (B) any applicable provision of any Additional First Lien Agreement, (ii) upon the effectiveness of any written consent to the release of the security interest granted hereby in such Collateral pursuant to Section 14.1 of the Credit Agreement and any applicable provision of any Additional First Lien Agreement and (iii) as otherwise may be provided in the First Lien Intercreditor Agreement or the Receivables Intercreditor Agreement. Any such release in connection with any sale, transfer or other disposition of such Collateral shall result in such Collateral being sold, transferred or disposed of, as applicable, free and clear of the Lien and Security Interest created hereby.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 6.5 shall be without recourse to or warranty by the Collateral Agent.

6.6 Reinstatement. Each Grantor further agrees that, if any payment made by any Credit Party or other Person and applied to the First Lien Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, or the proceeds of Collateral are required to be returned by any First Lien Secured Party to such Credit Party, its estate, trustee, receiver or any other party, including any Grantor, under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or repayment, any Lien or other Collateral securing such liability shall be and remain in full force and effect, as fully as if such payment had never been made or, if prior thereto the Lien granted hereby or other Collateral securing such liability hereunder shall have been released or terminated by virtue of such cancellation or surrender), such Lien or other Collateral shall be reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect any Lien or other Collateral securing the obligations of any Grantor in respect of the amount of such payment.

7. Collateral Agent As Agent.

(a) Bank of America, N.A. has been appointed to act as the Collateral Agent under the Credit Agreement, by the Lenders under the Credit Agreement and, by their acceptance of the benefits hereof, the other First Lien Secured Parties. The Collateral Agent shall be obligated, and shall have the right hereunder, to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including the release or substitution of Collateral), solely in accordance with this Security Agreement and the Credit Agreement; provided that the Collateral Agent shall exercise, or refrain from exercising, any remedies provided for in Section 5 in accordance with the instructions of the Required Lenders. In furtherance of the foregoing provisions of this Section 7(a), each First Lien Secured Party, by its acceptance of the benefits hereof, agrees that it shall have no right individually to realize upon any of the Collateral hereunder, it being understood and agreed by such First Lien Secured Party that all rights and remedies hereunder may be exercised solely by the Collateral Agent for the benefit of the applicable Lenders and First Lien Secured Parties in accordance with the terms of this Section 7(a).

(b) The Collateral Agent shall at all times be the same Person that is the Collateral Agent under the Credit Agreement. Written notice of resignation by the Collateral Agent pursuant to Section 13.9 of the Credit Agreement shall also constitute notice of resignation as Collateral Agent under this Security Agreement; removal of the Collateral Agent shall also constitute removal under this Security Agreement; and appointment of a Collateral Agent pursuant to Section 13.9 of the Credit Agreement shall also constitute appointment of a successor Collateral Agent under this Security Agreement. Upon the acceptance of any appointment as Collateral Agent under Section 13.9 of the Credit Agreement by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Collateral Agent under this Security Agreement, and the retiring or removed Collateral Agent under this Security Agreement shall promptly (i) transfer to such successor Collateral Agent all sums, securities and other items of Collateral held hereunder, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Security Agreement, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the Security Interests created hereunder, whereupon such retiring or removed Collateral Agent shall be discharged from its duties and obligations under this Security Agreement. After any retiring or removed Collateral Agent's resignation or removal hereunder as Collateral Agent, the provisions of this Security Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it under this Security Agreement while it was Collateral Agent hereunder.

(c) The Collateral Agent shall not be deemed to have any duty whatsoever with respect to any First Lien Secured Party that is a counterparty to a Secured Cash Management Agreement or Secured Hedge Agreement the obligations under which constitute First Lien Obligations, unless it shall have received written notice in form and substance satisfactory to the Collateral Agent from a Grantor or any such First Lien Secured Party as to the existence and terms of the applicable Secured Cash Management Agreement or Secured Hedge Agreement.

(d) Notwithstanding anything to the contrary, upon the occurrence of the First Lien Intercreditor Effective Date, the provisions of this Section 7 shall be deemed superseded by Article IV of the First Lien Intercreditor Agreement, which provisions shall govern the appointment of Bank of America, N.A. as Collateral Agent for the First Lien Secured Parties.

8. Miscellaneous.

8.1 Amendments in Writing. None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Grantor and the Administrative Agent in accordance with Section 14.1 of the Credit Agreement and, after the First Lien Intercreditor Effective Date, by each other Authorized Representative to the extent required by (and in accordance with) the applicable Additional First Lien Agreement, or as otherwise provided in the First Lien Intercreditor Agreement.

8.2 Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 14.2 of the Credit Agreement (whether or not then in effect). All

communications and notices hereunder to any Subsidiary Grantor shall be given to it in care of the Company at the Company's address set forth in Section 14.2 of the Credit Agreement (whether or not then in effect) and all notices to any holder of obligations under any Additional First Lien Agreements, at its address set forth in the Additional First Lien Secured Party Consent, as such address may be changed by written notice to the Collateral Agent and the Company.

8.3 No Waiver by Course of Conduct; Cumulative Remedies. Neither the Collateral Agent nor any First Lien Secured Party shall by any act (except by a written instrument pursuant to Section 8.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other First Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other First Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other First Lien Secured Party would otherwise have on any future occasion. The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

8.4 Enforcement Expenses; Indemnification.

(a) Each Grantor agrees to pay any and all expenses (including all reasonable fees and disbursements of counsel) that may be paid or incurred by any First Lien Secured Party in enforcing, or obtaining advice of counsel in respect of, any rights with respect to, or collecting, any or all of the First Lien Obligations and/or enforcing any rights with respect to, or collecting against, such Grantor under this Security Agreement.

(b) Each Grantor agrees to pay, and to save the Collateral Agent and the First Lien Secured Parties harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes that may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Security Agreement.

(c) Each Grantor agrees to pay, and to save the Collateral Agent and the First Lien Secured Parties harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Security Agreement to the extent a Borrower would be required to do so pursuant to Section 14.5 of the Credit Agreement (whether or not then in effect).

(d) The agreements in this Section 8.4 shall survive repayment of the First Lien Obligations and all other amounts payable under the Credit Agreement, the other Credit Documents and any Additional First Lien Agreement.

8.5 Successors and Assigns. The provisions of this Security Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Grantor may assign, transfer or delegate any of its rights or obligations under this Security Agreement without the prior written consent of the Collateral Agent except pursuant to a transaction permitted by both the Credit Agreement and each Additional First Lien Agreement.

8.6 Counterparts. This Security Agreement may be executed by one or more of the parties to this Security Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Security Agreement signed by all the parties shall be lodged with the Collateral Agent and the Company.

8.7 Severability. Any provision of this Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

8.8 Section Headings. The Section headings used in this Security Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

8.9 Integration. This Security Agreement together with the other Credit Documents, the First Lien Intercreditor Agreement and each Additional First Lien Agreement represents the agreement of each of the Grantors with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other First Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents, the First Lien Intercreditor Agreement and each Additional First Lien Agreement.

8.10 GOVERNING LAW. THIS SECURITY AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

8.11 Submission To Jurisdiction Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Security Agreement, the other Credit Documents to which it is a party and any Additional First Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the

courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address referred to in Section 8.2 or at such other address of which such Person shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any First Lien Secured Party) to effect service of process in any other manner permitted by law or shall limit the right of any party hereto (or any First Lien Secured Party) to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 8.11 any special, exemplary, punitive or consequential damages.

8.12 Acknowledgments. Each party hereto hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Security Agreement and the other Credit Documents to which it is a party;

(b) neither the Collateral Agent nor any other First Lien Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Security Agreement or any of the other Credit Documents, and the relationship between the Grantors, on the one hand, and the Collateral Agent and the other First Lien Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders and any other First Lien Secured Party or among the Grantors and the Lenders and any other First Lien Secured Party.

8.13 Additional Grantors. Each Subsidiary of the Company that is required to become a party to this Security Agreement pursuant to Section 9.11 of the Credit Agreement and/or the equivalent provision of any Additional First Lien Agreement shall become a Grantor, with the same force and effect as if originally named as a Grantor herein, for all purposes of this Security Agreement upon execution and delivery by such Subsidiary of a written supplement substantially in the form of Annex B hereto. The execution and delivery of any instrument adding an additional Grantor as a party to this Security Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain

in full force and effect notwithstanding the addition of any new Grantor as a party to this Security Agreement.

8.14 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS SECURITY AGREEMENT, ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

8.15 Receivables Intercreditor Agreement. Notwithstanding anything herein to the contrary, the liens and security interests granted to the Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Collateral Agent hereunder, in each case, with respect to the Shared Receivables Collateral are subject to the limitations and provisions of (a) in the case of the "Secured Parties" (as such term is defined in the Credit Agreement), the Receivables Intercreditor Agreement, dated as of November 17, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Receivables Intercreditor Agreement"), Bank of America, N.A., as ABL Collateral Agent, the Collateral Agent, and The Bank of New York Mellon, as Junior Lien Collateral Agent, and certain other Persons party or that may become party thereto from time to time, and consented to by the Grantors identified therein and (b) in the case of any other First Lien Secured Party, the applicable Additional Receivables Intercreditor Agreement to which it is a party. In the event of any conflict between the terms of the Receivables Intercreditor Agreement or any Additional Receivables Intercreditor Agreement, as applicable, on the one hand, and the terms of this Agreement, on the other, with respect to the Shared Receivables Collateral, the terms of the Receivables Intercreditor Agreement or any Additional Receivables Intercreditor Agreement, as applicable, shall govern and control.

8.16 Subject to First Lien Intercreditor Agreement. Notwithstanding anything herein to the contrary, on and after the First Lien Intercreditor Effective Date (i) the liens and security interests granted to the Collateral Agent pursuant to this Agreement are expressly subject to the First Lien Intercreditor Agreement and (ii) the exercise of any right or remedy by the Collateral Agent hereunder is subject to the limitations and provisions of the First Lien Intercreditor Agreement. In the event of any conflict between the terms of the First Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien Intercreditor Agreement shall govern.

8.17 Additional First Lien Obligations. On or after the date hereof and so long as expressly permitted by the Credit Agreement and any Additional First Lien Agreement then outstanding, the Company may from time to time designate Indebtedness at the time of incurrence to be secured on a pari passu basis with the First Lien Obligations as Additional First Lien Obligations hereunder by delivering to the Collateral Agent and each Authorized Representative (a) a certificate signed by an Authorized Officer of the Company (i) identifying the obligations so designated and the initial aggregate principal amount or face amount thereof, (ii) stating that such obligations are designated as Additional First Lien Obligations for purposes hereof, (iii) representing that such designation of such obligations as Additional First Lien Obligations complies with the terms of the Credit Agreement and any Additional First Lien Agreement then outstanding and (iv) specifying the name and address of the Authorized Representative for such obligations, (b) a fully executed Additional First Lien Secured Party Consent (in the form attached

as Annex C) and (c) if the First Lien Intercreditor Effective Date has not yet occurred, a fully executed First Lien Intercreditor Agreement. Each Authorized Representative agrees that upon the satisfaction of all conditions set forth in the preceding sentence, the Collateral Agent shall act as agent under and subject to the terms of the U.S. Security Documents for the benefit of all First Lien Secured Parties, including without limitation, any First Lien Secured Parties that hold any such Additional First Lien Obligations, and each Authorized Representative agrees to the appointment, and acceptance of the appointment, of the Collateral Agent as agent for the holders of such Additional First Lien Obligations as set forth in each Additional First Lien Secured Party Consent and agrees, on behalf of itself and each First Lien Secured Party it represents, to be bound by this Agreement and the First Lien Intercreditor Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has caused this Amended and Restated Security Agreement to be duly executed and delivered as of the date first above written.

HCA INC., as Grantor

By: /s/ David G. Anderson
Name: David G. Anderson
Title: Senior Vice President, Finance and Treasurer

Each of the SUBSIDIARY GRANTORS listed on
Schedule A hereto

By: /s/ John M. Franck II
Name: John M. Franck II
Title: Vice President and Asst. Secretary

[Signature Page to Amended and Restated Security Agreement]

BANK OF AMERICA, N.A., as Collateral Agent

By: /s/ David H. Strickert
Name: David H. Strickert
Title: Senior Vice President

[Signature Page to Amended and Restated Security Agreement]

Schedule A to the Amended and Restated Security Agreement

Subsidiary Grantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
American Medicorp Development Co.			
Bay Hospital, Inc.			
Brigham City Community Hospital, Inc.			
Brookwood Medical Center of Gulfport, Inc.			
Capital Division, Inc.			
Centerpoint Medical Center of Independence, LLC			
Central Florida Regional Hospital, Inc.			
Central Shared Services, LLC			
Central Tennessee Hospital Corporation			
CHCA Bayshore, L.P.	*		
CHCA Conroe, L.P.	*		
CHCA Mainland, L.P.	*		
CHCA West Houston, L.P.	*		
CHCA Woman's Hospital, L.P.	*		
Chippenham & Johnston-Willis Hospitals, Inc.			
CMS GP, LLC			
Colorado Health Systems, Inc.			
Columbia ASC Management, L.P.	*		
Columbia Jacksonville Healthcare System, Inc.			
Columbia LaGrange Hospital, Inc.			
Columbia Medical Center of Arlington Subsidiary, L.P.	*		
Columbia Medical Center of Denton Subsidiary, L.P.	*		
Columbia Medical Center of Las Colinas, Inc.			
Columbia Medical Center of Lewisville Subsidiary, L.P.	*		
Columbia Medical Center of McKinney Subsidiary, L.P.	*		
Columbia Medical Center of Plano Subsidiary, L.P.	*		
Columbia North Hills Hospital Subsidiary, L.P.	*		
Columbia Ogden Medical Center, Inc.			
Columbia Parkersburg Healthcare System, LLC			
Columbia Plaza Medical Center of Fort Worth Subsidiary, L.P.	*		
Columbia Polk General Hospital, Inc.			
Columbia Rio Grande Healthcare, L.P.	*		
Columbia Riverside, Inc.			
Columbia Valley Healthcare System, L.P.	*		
Columbia/Alleghany Regional Hospital, Incorporated			
Columbia/HCA John Randolph, Inc.			
Columbine Psychiatric Center, Inc.			
Columbus Cardiology, Inc.			

Subsidiary Grantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Conroe Hospital Corporation			
Dallas/Ft. Worth Physician, LLC			
Dauterive Hospital Corporation			
Dublin Community Hospital, LLC			
Eastern Idaho Health Services, Inc.			
Edmond Regional Medical Center, LLC			
Edward White Hospital, Inc.			
El Paso Surgicenter, Inc.			
Encino Hospital Corporation, Inc.			
EP Health, LLC			
Fairview Park GP, LLC			
Fairview Park, Limited Partnership	*		
Frankfort Hospital, Inc.			
Galen Property, LLC			
General Healthserv, LLC			
Good Samaritan Hospital, L.P.	*		
Goppert-Trinity Family Care, LLC			
GPCH-GP, Inc.			
Grand Strand Regional Medical Center, LLC			
Green Oaks Hospital Subsidiary, L.P.	*		
Greenview Hospital, Inc.			
Hamilton Medical Center, Inc.			
HCA — IT&S Field Operations, Inc.			
HCA — IT&S Inventory Management, Inc.			
HCA Central Group, Inc.			
HCA Health Services of Florida, Inc.			
HCA Health Services of Louisiana, Inc.			
HCA Health Services of Oklahoma, Inc.			
HCA Health Services of Tennessee, Inc.			
HCA Health Services of Virginia, Inc.			
HCA Management Services, L.P.	*		
HCA Realty, Inc.			
HD&S Corp. Successor, Inc.			
Health Midwest Office Facilities Corporation			
Health Midwest Ventures Group, Inc.			
Healthtrust MOB, LLC		*	
Hendersonville Hospital Corporation			
Hospital Corporation of Tennessee			
Hospital Corporation of Utah			
Hospital Development Properties, Inc.			
HSS Holdco, LLC			
HSS Systems VA, LLC			
HSS Systems, LLC			
HSS Virginia, L.P.	*		

Subsidiary Grantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
HTI Memorial Hospital Corporation			
Integrated Regional Lab, LLC			
Integrated Regional Laboratories, LLP	*		
JFK Medical Center Limited Partnership	*		
KPH-Consolidation, Inc.			
Lakeland Medical Center, LLC			
Lakeview Medical Center, LLC			
Largo Medical Center, Inc.			
Las Vegas Surgicare, Inc.			
Lawnwood Medical Center, Inc.			
Lewis-Gale Hospital, Incorporated			
Lewis-Gale Medical Center, LLC			
Lewis-Gale Physicians, LLC			
Los Robles Regional Medical Center			
Management Services Holdings, Inc.			
Marietta Surgical Center, Inc.			
Marion Community Hospital, Inc.			
MCA Investment Company			
Medical Centers of Oklahoma, LLC			
Medical Office Buildings of Kansas, LLC			
Memorial Healthcare Group, Inc.			
Midwest Division — ACH, LLC			
Midwest Division — LRHC, LLC			
Midwest Division — LSH, LLC			
Midwest Division — MCI, LLC			
Midwest Division — MMC, LLC			
Midwest Division — OPRMC, LLC			
Midwest Division — PFC, LLC			
Midwest Division — RBH, LLC			
Midwest Division — RMC, LLC			
Midwest Division — RPC, LLC			
Midwest Holdings, Inc.			
Montgomery Regional Hospital, Inc.			
Mountain View Hospital, Inc.			
Nashville Shared Services General Partnership	*		
National Patient Account Services, Inc.			
New Port Richey Hospital, Inc.			
New Rose Holding Company, Inc.			
North Florida Immediate Care Center, Inc.			
North Florida Regional Medical Center, Inc.			
Northern Utah Healthcare Corporation			
Northern Virginia Community Hospital, LLC			
Northlake Medical Center, LLC			
Notami Hospitals of Louisiana, Inc.			

Subsidiary Grantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Notami Hospitals, LLC			
Okaloosa Hospital, Inc.			
Okeechobee Hospital, Inc.			
Outpatient Cardiovascular Center of Central Florida, LLC			
Palms West Hospital Limited Partnership	*		
Palmyra Park Hospital, Inc.			
Pasadena Bayshore Hospital, Inc.			
Plantation General Hospital Limited Partnership	*		
Pulaski Community Hospital, Inc.			
Redmond Park Hospital, LLC			
Redmond Physician Practice Company			
Reston Hospital Center, LLC			
Retreat Hospital, LLC			
Rio Grande Regional Hospital, Inc.			
Riverside Healthcare System, L.P.	*		
Riverside Hospital, Inc.			
Samaritan, LLC			
San Jose Healthcare System, LP	*		
San Jose Hospital, L.P.	*		
San Jose Medical Center, LLC			
San Jose, LLC			
Sarasota Doctors Hospital, Inc.			
SJMC, LLC			
Southern Hills Medical Center, LLC			
Spotsylvania Medical Center, Inc.			
Spring Branch Medical Center, Inc.			
Spring Hill Hospital, Inc.			
St. Mark’s Lone Peak Hospital, Inc.			
Sun City Hospital, Inc.			
Sunrise Mountainview Hospital, Inc.			
Surgicare of Brandon, Inc.			
Surgicare of Florida, Inc.			
Surgicare of Houston Women’s, Inc.			
Surgicare of Manatee, Inc.			
Surgicare of New Port Richey, Inc.			
Surgicare of Palms West, LLC			
Surgicare of Riverside, LLC			
Tallahassee Medical Center, Inc.			
TCMC Madison-Portland, Inc.			
Terre Haute Hospital GP, Inc.			
Terre Haute Hospital Holdings, Inc.			
Terre Haute MOB, L.P.	*		
Terre Haute Regional Hospital, L.P.	*		
Timpanogos Regional Medical Services, Inc.			

Subsidiary Grantor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Trident Medical Center, LLC			
Utah Medco, LLC			
VH Holdco, Inc.			
VH Holdings, Inc.			
Virginia Psychiatric Company, Inc.			
W & C Hospital, Inc.			
Walterboro Community Hospital, Inc.			
Wesley Medical Center, LLC			
West Florida Regional Medical Center, Inc.			
West Valley Medical Center, Inc.			
Western Plains Capital, Inc.			
WHMC, Inc.			
Woman’s Hospital of Texas, Incorporated			
Women’s and Children’s Hospital, Inc.			

Exhibit 4.11

AMENDED AND RESTATED PLEDGE AGREEMENT

PLEDGE AGREEMENT dated as of November 17, 2006 and amended and restated as of March 2, 2009 among HCA Inc., a Delaware corporation (the "Company"), each of the Subsidiaries of the Company listed on the signature pages hereto or that becomes a party hereto pursuant to Section 9 hereof (each such Subsidiary being a "Subsidiary Pledgor" and, collectively, the "Subsidiary Pledgors"; the Subsidiary Pledgors and the Company are referred to collectively as the "Pledgors") and Bank of America, N.A., as Collateral Agent (in such capacity, the "Collateral Agent") for the benefit of the First Lien Secured Parties (as defined below).

W I T N E S S E T H:

WHEREAS, the Borrowers (as defined below) are party to the Credit Agreement, dated as of November 17, 2006 (as amended February 16, 2007, as further amended March 2, 2009 and as the same may be further amended, restated, supplemented or otherwise modified, refinanced or replaced from time to time, the "Credit Agreement"), among the Company, HCA UK Capital Limited, a limited liability company (company no. 04779021) formed under the laws of England and Wales (the "European Subsidiary Borrower" and together with the Company, the "Borrowers"), the lenders or other financial institutions or entities from time to time parties thereto (the "Lenders") and Bank of America, N.A., as Administrative Agent and as Collateral Agent;

WHEREAS, the Borrowers are party to the Amended and Restated Security Agreement dated as of the date hereof, (as the same may be further amended, restated, supplemented or otherwise modified, refinanced or replaced from time to time, the "Security Agreement") among the Parent Borrower, the Subsidiary Pledgors and the Collateral Agent;

WHEREAS, (a) pursuant to the Credit Agreement, the Lenders have severally agreed to make Loans to the Borrowers and the Letter of Credit Issuer has agreed to issue Letters of Credit for the account of the Company and the Restricted Subsidiaries upon the terms and subject to the conditions set forth therein, (b) one or more Cash Management Banks or Hedge Banks may from time to time enter into Secured Cash Management Agreements or Secured Hedge Agreements with the Company and/or its Subsidiaries and (c) the Borrowers may incur Additional First Lien Obligations from time to time to the extent permitted by the Credit Agreement and each Additional First Lien Agreement (any extensions of credit to the Borrowers as described in clauses (a), (b) or (c), collectively, the "Extensions of Credit");

WHEREAS, pursuant to the U.S. Guarantee dated as of the November 17, 2006, each Subsidiary Grantor party thereto has unconditionally and irrevocably guaranteed, as primary obligor and not merely as surety, to the Collateral Agent for the benefit of the Secured Parties (as defined in the Credit Agreement) the prompt and complete payment and performance when

due (whether at the stated maturity, by acceleration or otherwise) of the "Obligations" (as such term is defined in the Credit Agreement);

WHEREAS, each Subsidiary Pledgor may also unconditionally and irrevocably guarantee, as primary obligor and not merely as surety, for the benefit of the First Lien Secured Parties under any Additional First Lien Agreement, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Additional First Lien Obligations;

WHEREAS, each Subsidiary Pledgor is a Domestic Subsidiary and may be a guarantor of the Additional First Lien Obligations;

WHEREAS, the proceeds of the Extensions of Credit have been or will be used, as the case may be, in part to enable valuable transfers to the Subsidiary Pledgors in connection with the operation of their respective businesses;

WHEREAS, each Pledgor acknowledges that it has derived or will derive, as the case may be, substantial direct and indirect benefit from the making of the Extensions of Credit;

WHEREAS, as a condition precedent to the obligation of the Lenders and the Letter of Credit Issuer to make their respective Extensions of Credit to the Borrowers under the Credit Agreement, the Company and the Subsidiary Pledgors executed and delivered a Pledge Agreement to the Collateral Agent for the benefit of the Secured Parties dated as of November 17, 2006 (the "Original Pledge Agreement");

WHEREAS, it is a condition precedent to Amendment No. 2 to the Credit Agreement that the Grantors enter into this Amended and Restated Pledge Agreement for the benefit of the First Lien Secured Parties; and

WHEREAS, (a) the Pledgors were, as of the date of the Original Pledge Agreement, the legal and beneficial owners of the Equity Interests described in Schedule 1 hereto and issued by the entities named therein (the pledged Equity Interests are, together with any Equity Interests of the issuer of such Equity Interests or any other Subsidiary directly held by any Pledgor following the date of the Original Pledge Agreement, in each case, except to the extent excluded from the Collateral for the applicable First Lien Obligations pursuant to the last paragraph of Section 2 below (the "After-acquired Shares"), referred to collectively herein as the "Pledged Shares") and (b) each of the Pledgors was, as of the date of the Original Pledge Agreement, the legal and beneficial owner of the Indebtedness described in Schedule 1 hereto (together with any other Indebtedness owed to any Pledgor following the date of the Original Pledge Agreement and required to be pledged pursuant to Section 9.12(a) of the Credit Agreement or the equivalent provisions of any Additional First Lien Agreement, the "Pledged Debt");

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent, the Collateral Agent, the Lenders and the Letter of Credit Issuer to enter into Amendment No. 2 to the Credit Agreement and to induce the respective Lenders and the Letter of Credit Issuer to make their respective Extensions of Credit to the Borrowers under the Credit Agreement and to induce one or more Lenders or affiliates of Lenders to enter into Secured Cash

Management Agreements and Secured Hedge Agreements with the Company and/or its Subsidiaries and to induce the holders of any Additional First Lien Obligations to make their respective Extensions of Credit thereunder, the Pledgors hereby agree with the Collateral Agent, for the benefit of the First Lien Secured Parties, to amend and restate the Original Pledge Agreement as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement as in effect on the date hereof.

(b) Unless otherwise defined herein or in the Credit Agreement, terms defined in the Security Agreement shall have the meanings given to them in the Security Agreement.

(c) "Proceeds" and any other term used herein or in the Credit Agreement without definition that is defined in the UCC has the meaning given to it in the UCC.

(d) "Additional First Lien Agreement" shall mean any indenture, credit agreement or other agreement, if any, pursuant to which any Pledgor has or will incur Additional First Lien Obligations; provided that, in each case, the Indebtedness thereunder has been designated as Additional First Lien Obligations pursuant to and in accordance with Section 8.17 of the Security Agreement.

(e) "Additional First Lien Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Pledgor arising under any Additional First Lien Agreement including, without limitation, Future Secured Notes, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Pledgor or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, in each case, that have been designated as Additional First Lien Obligations pursuant to and in accordance with Section 8.17 of the Security Agreement.

(f) "Applicable First Lien Representative" shall mean the "Applicable Authorized Representative" as defined in the First Lien Intercreditor Agreement; provided that prior to the First Lien Intercreditor Effective Date, the Applicable First Lien Representative shall be deemed to be the Administrative Agent.

(g) "Collateral" shall have the meaning provided in Section 2.

(h) "Credit Party" shall mean each of the Borrowers, the Subsidiary Pledgors and each other Subsidiary of the Company that is a party to the Credit Agreement, any other Credit Document or any Additional First Lien Agreement.

(i) As used herein, the term "Equity Interests" shall mean, collectively, Stock and Stock Equivalents.

(j) "Event of Default" shall mean an "Event of Default" under and as defined in the Credit Agreement or any Additional First Lien Agreement.

(k) "First Lien Intercreditor Agreement" shall mean the First Lien Intercreditor Agreement, substantially in the form of Annex D hereto, to be executed by the Collateral Agent, the Administrative Agent and the Authorized Representative of the holders of the first Future Secured Notes to be issued that constitute Additional First Lien Obligations hereunder.

(l) "First Lien Intercreditor Effective Date" shall mean the date on which the First Lien Intercreditor Agreement is first executed and delivered by the Collateral Agent, the Administrative Agent and the Authorized Representative of the holders of the first Future Secured Notes to be issued that constitute Additional First Lien Obligations hereunder.

(m) "First Lien Obligations" shall mean collectively, the Obligations (as such term is defined in the Credit Agreement) and the Additional First Lien Obligations.

(n) "First Lien Secured Parties" shall man collectively, the "Secured Parties" (as such term is defined in the Credit Agreement) and, if any, the holders of Additional First Lien Obligations and any Authorized Representative with respect thereto.

(o) As used herein, the term "UCC" shall mean the Uniform Commercial Code as from time to time in effect in the State of New York; provided, however, that, in the event that, by reason of mandatory provisions of law, any of the attachment, perfection or priority of the Collateral Agent's and the First Lien Secured Parties' security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions

(p) References to "Lenders" in this Pledge Agreement shall be deemed to include Cash Management Banks that may from time to time enter into Secured Cash Management Agreements and Hedge Banks that may from time to time enter into Secured Hedge Agreements with the Company and/or its Subsidiaries.

(q) The words "hereof", "herein", "hereto" and "hereunder" and words of similar import when used in this Pledge Agreement shall refer to this Pledge Agreement as a whole and not to any particular provision of this Pledge Agreement, and Section, subsection, clause and Schedule references are to Sections of this Pledge Agreement unless otherwise specified. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(r) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(s) This Amended and Restated Pledge Agreement amends and restates the Original Pledge Agreement. The Obligations of the Pledgors under the Original Pledge Agreement and the grant of security interest in the Collateral by the Pledgors under the Original Pledge Agreement shall continue under this Amended and Restated Pledge Agreement, and shall not in any event be terminated, extinguished or annulled, but shall hereafter be governed by this Amended and Restated Pledge Agreement. All references to the Original Pledge Agreement in any Credit Document (other than this Amended and Restated Pledge Agreement) or other document or instrument delivered in connection therewith shall be deemed to refer to this Amended and Restated Pledge Agreement and the provisions hereof. It is understood and agreed that the Original Pledge Agreement is being amended and restated by entry into this Amended and Restated Pledge Agreement on the date hereof

2. Grant of Security. Each Pledgor hereby transfers, assigns and pledges to the Collateral Agent, for the benefit of the First Lien Secured Parties, and grants to the Collateral Agent, for the benefit of the First Lien Secured Parties and confirms its prior grant to the Collateral Agent for the benefit of the First Lien Secured Parties of, a lien on and a security interest in (the "Security Interest") all of such Pledgor's right, title and interest in, to and under the following, whether now owned or existing or at any time hereafter acquired or existing (collectively, the "Collateral"):

(a) the Pledged Shares held by such Pledgor and the certificates representing such Pledged Shares and any interest of such Pledgor in the entries on the books of the issuer of the Pledged Shares or any financial intermediary pertaining to the Pledged Shares and all dividends, cash, warrants, rights, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Shares.

(b) the Pledged Debt and the instruments evidencing the Pledged Debt owed to such Pledgor, and all interest, cash, instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Pledged Debt; and

(c) to the extent not covered by clauses (a) and (b) above, respectively, all Proceeds of any or all of the foregoing Collateral. For purposes of this Pledge Agreement, the term "Proceeds" includes whatever is receivable or received when Collateral or Proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes Proceeds of any indemnity or guarantee payable to any Pledgor or the Collateral Agent from time to time with respect to any of the Collateral.

Notwithstanding the foregoing, the Collateral for (i) the U.S. Obligations and the Additional First Lien Obligations shall not include any Excluded Stock and Stock Equivalents and (ii) the European Obligations shall not include any Excluded Stock and Stock Equivalents of the types described in clauses (i), (ii), (iv), (v) and (vi) of the definition of Excluded Stock and Stock Equivalents.

(d) Notwithstanding anything to the contrary in this Section 2, the term Collateral, as it refers to the Collateral securing Additional First Lien Obligations, shall not include any Stock and other securities of a Subsidiary (excluding Healthtrust, Inc.—The Hospital Company, a Delaware corporation and its successors and assigns) to the extent that the pledge of such Stock and other securities would result in the Company being required to file separate financial statements of such Subsidiary with the SEC, but only to the extent necessary to not be subject to such requirement and only for so long as such requirement is in existence and only with respect to the relevant Additional First Lien Obligations affected; provided that neither the Company nor any Subsidiary shall take any action in the form of a reorganization, merger or other restructuring a principal purpose of which is to provide for the release of the Lien on any Stock pursuant to this clause (d). In addition, in the event that Rule 3-16 of Regulation S-X under the Securities Act of 1933, as amended ("Rule 3-16") is amended, modified or interpreted by the SEC to require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the SEC (or any other Governmental Authority) of separate financial statements of any Subsidiary of the Company due to the fact that such Subsidiary's Stock secures the Additional First Lien Obligations affected thereby, then the Stock of such Subsidiary will automatically be deemed not to be part of the Collateral securing the relevant Additional First Lien Obligations affected thereby but only to the extent necessary to not be subject to such requirement and only for so long as required to not be subject to such requirement. In such event, this Pledge Agreement may be amended or modified, without the consent of any First Lien Secured Party, to the extent necessary to release the Security Interests in favor of the Collateral Agent on the shares of Stock that are so deemed to no longer constitute part of the Collateral for the relevant Additional First Lien Obligations only. In the event that Rule 3-16 is amended, modified or interpreted by the SEC to permit (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would permit) such Subsidiary's Stock to secure the Additional First Lien Obligations in excess of the amount then pledged without the filing with the SEC (or any other Governmental Authority) of separate financial statements of such Subsidiary, then the Capital Stock of such Subsidiary will automatically be deemed to be a part of the Collateral for the relevant Additional First Lien Obligations. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, nothing in this clause (d) shall limit the pledge of such Stock and other securities from securing the Obligations (as defined in the Credit Agreement) at all times or from securing any Additional First Lien Obligations that are not in respect of securities subject to regulation by the SEC.

3. Security for Obligations. This Pledge Agreement secures the payment of all First Lien Obligations of each Credit Party. Without limiting the generality of the foregoing, this Pledge Agreement secures the payment of all amounts that constitute part of the First Lien Obligations and would be owed by any of the Credit Party to any of the First Lien Secured Parties under the Credit Documents or any Additional First Lien Agreement then in effect but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving any Credit Party.

4. Delivery of the Collateral. All certificates or instruments, if any, representing or evidencing the Collateral shall be promptly delivered to and held by or on behalf of the Collateral Agent pursuant hereto to the extent required by the Credit Agreement or any Additional First Lien Agreement then in effect and shall be in suitable form for transfer by

deli very, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Collateral Agent. The Collateral Agent shall have the right, at any time after the occurrence and during the continuance of an Event of Default and with notice to the relevant Pledgor, to transfer to or to register in the name of the Collateral Agent or any of its nominees any or all of the Pledged Shares. Each delivery of Collateral (including any After-acquired Shares) shall be accompanied by a notice to the Collateral Agent describing the securities theretofore and then being pledged hereunder.

5. Representations and Warranties. Each Pledgor represents and warrants as follows:

(a) Schedule 1 hereto (i) correctly represents as of the Closing Date (A) the issuer, the certificate number, the Pledgor and the record and beneficial owner, the number and class and the percentage of the issued and outstanding Equity Interests of such class of all Equity Interests and (B) the issuer, the initial principal amount, the Pledgor and holder, date of and maturity date of all Pledged Debt and (ii) together with the comparable schedule to each supplement hereto, includes all Equity Interests, debt securities and promissory notes required to be pledged hereunder. Except as set forth on Schedule 1, the Pledged Shares represent all of the issued and outstanding Equity Interests of each class of Equity Interests in the issuer on the Closing Date.

(b) Such Pledgor is the legal and beneficial owner of the Collateral pledged or assigned by such Pledgor hereunder free and clear of any Lien, except for the Liens permitted under each of the Credit Agreement and each Additional First Lien Agreement.

(c) As of the Closing Date, the Pledged Shares pledged by such Pledgor hereunder on the Closing Date have been duly authorized and validly issued and, in the case of Pledged Shares issued by a corporation, are fully paid and non-assessable.

(d) The execution and delivery by such Pledgor of this Pledge Agreement and the pledge of the Collateral pledged by such Pledgor hereunder pursuant hereto create a legal, valid and enforceable security interest in such Collateral and, upon delivery of such Collateral to the Collateral Agent in the State of New York, shall constitute a fully perfected Lien on and security interest in the Collateral, securing the payment of the First Lien Obligations (including the European Obligations, as applicable), in favor of the Collateral Agent for the benefit of the First Lien Secured Parties, except as enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and subject to general principles of equity.

(e) Such Pledgor has full power, authority and legal right to pledge all the Collateral pledged by such Pledgor pursuant to this Pledge Agreement and this Pledge Agreement, constitutes a legal, valid and binding obligation of each Pledgor, enforceable in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and subject to general principles of equity.

6. Certification of Limited Liability Company, Limited Partnership Interests and Pledged Debt.

(a) In the event that any Equity Interests in any Domestic Subsidiary that is organized as a limited liability company or limited partnership and pledged hereunder shall be represented by a certificate, the applicable Pledgor shall cause the issuer of such interests to elect to treat such interests as a "security" within the meaning of Article 8 of the Uniform Commercial Code of its jurisdiction of organization or formation, as applicable, by including in its organizational documents language substantially similar to the following and, accordingly, such interests shall be governed by Article 8 of the Uniform Commercial Code:

"The Partnership/Company hereby irrevocably elects that all membership interests in the Partnership/Company shall be securities governed by Article 8 of the Uniform Commercial Code of [jurisdiction of organization or formation, as applicable]. Each certificate evidencing partnership/membership interests in the Partnership/Company shall bear the following legend: "This certificate evidences an interest in [name of Partnership/LLC] and shall be a security for purposes of Article 8 of the Uniform Commercial Code." No change to this provision shall be effective until all outstanding certificates have been surrendered for cancellation and any new certificates thereafter issued shall not bear the foregoing legend."

(b) Each Pledgor will comply with Section 9.12(b) of the Credit Agreement and the equivalent provision of each Additional First Lien Agreement.

7. Further Assurances. Each Pledgor agrees that at any time and from time to time, at the expense of such Pledgor, it will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents), which may be required under any applicable law, or which the Collateral Agent, the Applicable First Lien Representative, the Required Lenders or the required lenders or debtholders under any Additional First Lien Agreement may reasonably request, in order (x) to perfect and protect any pledge, assignment or security interest granted or purported to be granted hereby (including the priority thereof) or (y) to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

8. Voting Rights; Dividends and Distributions; Etc.

(a) So long as no Event of Default shall have occurred and be continuing:

(i) Each Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Collateral or any part thereof for any purpose not prohibited by the terms of this Pledge Agreement, the other Credit Documents or any Additional First Lien Agreement.

(ii) The Collateral Agent shall execute and deliver (or cause to be executed and delivered) to each Pledgor all such proxies and other instruments as such Pledgor

may reasonably request for the purpose of enabling such Pledgor to exercise the voting and other rights that it is entitled to exercise pursuant to paragraph (i) above.

(b) Subject to paragraph (c) below, each Pledgor shall be entitled to receive and retain and use, free and clear of the Lien of this Pledge Agreement, any and all dividends, distributions, principal and interest made or paid in respect of the Collateral to the extent permitted by each of the Credit Agreement and each Additional First Lien Agreement, as applicable; provided, however, that any and all noncash dividends, interest, principal or other distributions that would constitute Pledged Shares or Pledged Debt, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Pledged Shares or received in exchange for Pledged Shares or Pledged Debt or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be, and shall be forthwith delivered to the Collateral Agent to hold as, Collateral and shall, if received by such Pledgor, be received in trust for the benefit of the Collateral Agent, be segregated from the other property or funds of such Pledgor and be forthwith delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsement).

(c) Upon written notice to a Pledgor by the Collateral Agent following the occurrence and during the continuance of an Event of Default,

(i) all rights of such Pledgor to exercise or refrain from exercising the voting and other consensual rights that it would otherwise be entitled to exercise pursuant to Section 8(a)(i) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to exercise or refrain from exercising such voting and other consensual rights during the continuance of such Event of Default; provided that, unless otherwise directed by (x) prior to the First Lien Intercreditor Effective Date, the Required Lenders and (y) on and after the First Lien Intercreditor Effective Date, the Applicable First Lien Representative, the Collateral Agent shall have the right from time to time following the occurrence and during the continuance of an Event of Default to permit the Pledgors to exercise such rights. After all Events of Default have been cured or waived, each Pledgor will have the right to exercise the voting and consensual rights that such Pledgor would otherwise be entitled to exercise pursuant to the terms of Section 8(a)(i) (and the obligations of the Collateral Agent under Section 8(a)(ii) shall be reinstated);

(ii) all rights of such Pledgor to receive the dividends, distributions and principal and interest payments that such Pledgor would otherwise be authorized to receive and retain pursuant to Section 8(b) shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall thereupon have the sole right to receive and hold as Collateral such dividends, distributions and principal and interest payments during the continuance of such Event of Default. After all Events of Default have been cured or waived, the Collateral Agent shall repay to each Pledgor (without interest) all dividends, distributions and principal and interest payments that such Pledgor would otherwise be permitted to receive, retain and use pursuant to the terms of Section 8(b);

(iii) all dividends, distributions and principal and interest payments that are received by such Pledgor contrary to the provisions of Section 8(b) shall be received in trust for the benefit of the Collateral Agent shall be segregated from other property or funds of such Pledgor and shall forthwith be delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsements); and

(iv) in order to permit the Collateral Agent to receive all dividends, distributions and principal and interest payments to which it may be entitled under Section 8(b) above, to exercise the voting and other consensual rights that it may be entitled to exercise pursuant to Section 8(c)(i) above, and to receive all dividends, distributions and principal and interest payments that it may be entitled to under Sections 8(c)(ii) and (c)(iii) above, such Pledgor shall, if necessary, upon written notice from the Collateral Agent, from time to time execute and deliver to the Collateral Agent, appropriate proxies, dividend payment orders and other instruments as the Collateral Agent may reasonably request.

9. Transfers and Other Liens; Additional Collateral; Etc. Each Pledgor shall:

(a) not (i) except as permitted by the Credit Agreement and each Additional First Lien Agreement, sell or otherwise dispose of, or grant any option or warrant with respect to, any of the Collateral or (ii) create or suffer to exist any consensual Lien upon or with respect to any of the Collateral, except for the Liens under this Pledge Agreement and Liens permitted under the Credit Agreement and each Additional First Lien Agreement;

(b) pledge and, if applicable, cause each Domestic Subsidiary to pledge, to the Collateral Agent for the benefit of the First Lien Secured Parties, immediately upon acquisition thereof, all the Equity Interests and all evidence of Indebtedness held or received by such Pledgor or Domestic Subsidiary required to be pledged hereunder pursuant to Section 9.12 of the Credit Agreement and/or the equivalent provision of each Additional First Lien Agreement, in each case pursuant to a supplement to this Pledge Agreement substantially in the form of Annex A hereto (it being understood that the execution and delivery of such a supplement shall not require the consent of any Pledgor hereunder and that the rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Subsidiary Pledgor as a party to this Pledge Agreement); and

(c) defend its and the Collateral Agent's title or interest in and to all the Collateral (and in the Proceeds thereof) against any and all Liens (other than the Liens permitted under each of the Credit Agreement and each Additional First Lien Agreement), however arising, and any and all Persons whomsoever.

10. Collateral Agent Appointed Attorney-in-Fact. Each Pledgor hereby appoints, which appointment is irrevocable and coupled with an interest, the Collateral Agent as such Pledgor's attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such Pledgor or otherwise, to take any action and to execute any instrument, in each case after the occurrence and during the continuance of an Event of Default and with notice to

such Pledgor, that the Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Pledge Agreement, including to receive, indorse and collect all instruments made payable to such Pledgor representing any dividend, distribution or principal or interest payment in respect of the Collateral or any part thereof and to give full discharge for the same.

11. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Pledged Shares, whether or not the Collateral Agent or any other First Lien Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

12. Remedies. If any Event of Default shall have occurred and be continuing:

(a) The Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the UCC (whether or not the UCC applies to the affected Collateral) and also may with notice to the relevant Grantor, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such price or prices and upon such other terms as are commercially reasonable irrespective of the impact of any such sales on the market price of the Collateral. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of Collateral to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and, upon consummation of any such sale, the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Pledgor, and each Pledgor hereby waives (to the extent permitted by law) all rights of redemption, stay and/or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent or any First Lien Secured Party shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, and the Collateral Agent or such First Lien Secured Party may pay the purchase price by crediting the amount thereof against the First Lien Obligations; provided that, on and after the First Lien Intercreditor Effective Date, such rights shall be subject to the terms of the First Lien Intercreditor Agreement. Each Pledgor agrees that, to the extent notice of sale shall be required by law, at least ten

days' notice to such Pledgor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by law, each Pledgor hereby waives any claim against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree.

(b) The Collateral Agent shall apply the Proceeds of any collection or sale of the Collateral in the manner specified in Section 11 of the Credit Agreement; provided that on and after the First Lien Intercreditor Effective Date, such proceeds shall be applied in the order specified in the First Lien Intercreditor Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

(c) The Collateral Agent may exercise any and all rights and remedies of each Pledgor in respect of the Collateral.

(d) All payments received by any Pledgor in respect of the Collateral after the occurrence and during the continuance of an Event of Default shall be received in trust for the benefit of the Collateral Agent shall be segregated from other property or funds of such Pledgor and shall be forthwith delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary indorsement).

13. Amendments, etc. with Respect to the First Lien Obligations; Waiver of Rights. Each Pledgor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Pledgor and without notice to or further assent by any Pledgor, (a) any demand for payment of any of the First Lien Obligations made by the Collateral Agent or any other First Lien Secured Party may be rescinded by such party and any of the First Lien Obligations continued, (b) the First Lien Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Collateral Agent or any other First Lien Secured Party, (c) the Credit Agreement, the other Credit Documents, the Letters of Credit, any Additional First Lien Agreement and any other documents executed and delivered in connection therewith, the Secured Cash Management Agreements and Secured Hedge Agreements and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the applicable

Adminis trative Agent (or the Required Lenders, as the case may be, or, in the case of any Secured Cash Management Agreement and Secured Hedge Agreement, the Cash Management Bank or Hedge Bank party thereto or in the case of any Additional First Lien Agreement the trustee or administrative agent thereunder or the required lenders or debtholders thereunder) may deem advisable from time to time, and (d) any collateral security, guarantee or right of offset at any time held by the Collateral Agent or any other First Lien Secured Party for the payment of the First Lien Obligations may be sold, exchanged, waived, surrendered or released. Neither the Collateral Agent nor any other First Lien Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the First Lien Obligations or for this Pledge Agreement or any property subject thereto. When making any demand hereunder against any Pledgor, the Collateral Agent or any other First Lien Secured Party may, but shall be under no obligation to, make a similar demand on any Borrower or any Pledgor or any other person, and any failure by the Collateral Agent or any other First Lien Secured Party to make any such demand or to collect any payments from any Borrower or any Pledgor or any other person or any release of any Borrower or any Pledgor or any other person shall not relieve any Pledgor in respect of which a demand or collection is not made or any Pledgor not so released of its several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Collateral Agent or any other First Lien Secured Party against any Pledgor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

14. Continuing Security Interest; Assignments Under the Credit Agreement; Release.

(a) This Pledge Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Pledgor and the successors and assigns thereof, and shall inure to the benefit of the Collateral Agent and the other First Lien Secured Parties and their respective successors, indorsees, transferees and assigns until all the First Lien Obligations (other than any contingent indemnity obligations not then due) under the Credit Documents and any Additional First Lien Agreements shall have been satisfied by payment in full (or all Letters of Credit Outstanding shall have been Cash Collateralized), the Commitments shall be terminated and no Letters of Credit shall be outstanding, notwithstanding that from time to time during the term of the Credit Agreement, any Secured Cash Management Agreement, Secured Hedge Agreement and any Additional First Lien Agreements the Credit Parties may be free from any First Lien Obligations.

(b) Subject to the terms of the First Lien Intercreditor Agreement on and after the First Lien Intercreditor Effective Date, a Subsidiary Grantor shall automatically be released from its obligations hereunder (x) as it relates to the "Obligations" (as defined in the Credit Agreement), if it ceases to be a U.S. Guarantor in accordance with Section 14.1 of the Credit Agreement and (y) as it relates to the First Lien Obligations under any Additional First Lien Agreement, if it ceases to be a guarantor under such Additional First Lien Agreement pursuant to any applicable provision(s) of such Additional First Lien Agreement.

(c) Subject to any applicable terms of the First Lien Intercreditor Agreement on and after the First Lien Intercreditor Effective Date, the Security Interest granted hereby in

any Collateral shall be automatically released from the Liens of this Agreement (i) if (and to the extent) provided for in (A) Section 14.1 of the Credit Agreement and (B) any applicable provision of any Additional First Lien Agreement then in effect, (ii) upon the effectiveness of any written consent to the release of the security interest granted in such Collateral pursuant to Section 14.1 of the Credit Agreement and any applicable provision of any Additional First Lien Agreement then in effect and (iii) as otherwise may be provided in the First Lien Intercreditor Agreement. Any such release in connection with any sale, transfer or other disposition of such Collateral shall result in such Collateral being sold, transferred or disposed of, as applicable, free and clear of the Liens and Security Interest of this Pledge Agreement.

(d) In connection with any termination or release pursuant to the foregoing paragraph (a), (b) or (c), the Collateral Agent shall execute and deliver to any Pledgor, at such Pledgor's expense, all documents that such Pledgor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 14 shall be without recourse to or warranty by the Collateral Agent.

15. Reinstatement. Each Pledgor further agrees that, if any payment made by any Credit Party or other Person and applied to the First Lien Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, or the Proceeds of Collateral are required to be returned by any First Lien Secured Party to such Credit Party, its estate, trustee, receiver or any other party, including any Pledgor, under any bankruptcy law, state, federal or foreign law, common law or equitable cause, then, to the extent of such payment or repayment, any Lien or other Collateral securing such liability shall be and remain in full force and effect, as fully as if such payment had never been made or, if prior thereto the Lien granted hereby or other Collateral securing such liability hereunder shall have been released or terminated by virtue of such cancellation or surrender), such Lien or other Collateral shall be reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect any Lien or other Collateral securing the obligations of any Pledgor in respect of the amount of such payment.

16. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 14.2 of the Credit Agreement (whether or not then in effect). All communications and notices hereunder to any Pledgor shall be given to it in care of the Company at the Company's address set forth in Section 14.2 of the Credit Agreement (whether or not then in effect) and all notices to any holder of obligations under any Additional First Lien Agreements, at its address set forth in the Additional First Lien Secured Party Consent to the Security Agreement, as such address may be changed by written notice to the Collateral Agent and the Company.

17. Counterparts. This Pledge Agreement may be executed by one or more of the parties to this Pledge Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

18. Severability. Any provision of this Pledge Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such

prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

19. Integration. This Pledge Agreement together with the other Credit Documents and each Additional First Lien Agreement represents the agreement of each of the Pledgors with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by the Collateral Agent or any other First Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents and each Additional First Lien Agreement.

20. Amendments in Writing; No Waiver; Cumulative Remedies.

(a) None of the terms or provisions of this Pledge Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Pledgor and the Administrative Agent in accordance with Section 14.1 of the Credit Agreement and, after the First Lien Intercreditor Effective Date, by each other Authorized Representative to the extent required by (and in accordance with) the applicable Additional First Lien Agreement or as otherwise provided in the First Lien Intercreditor Agreement.

(b) Neither the Collateral Agent nor any First Lien Secured Party shall by any act (except by a written instrument pursuant to Section 20(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any other First Lien Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any other First Lien Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such other First Lien Secured Party would otherwise have on any future occasion.

(c) The rights, remedies, powers and privileges herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

21. Section Headings. The Section headings used in this Pledge Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

22. Successors and Assigns. This Pledge Agreement shall be binding upon the successors and assigns of each Pledgor and shall inure to the benefit of the Collateral Agent and the other First Lien Secured Parties and their respective successors and assigns, except that

no Pledgor may assign, transfer or delegate any of its rights or obligations under this Pledge Agreement without the prior written consent of the Collateral Agent.

23. WAIVER OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS PLEDGE AGREEMENT, ANY OTHER CREDIT DOCUMENT, ANY ADDITIONAL FIRST LIEN AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.

24. Submission to Jurisdiction; Waivers. Each party hereto irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Pledge Agreement, the other Credit Documents and any Additional First Lien Agreement to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address referred to in Section 16 or at such other address of which the Collateral Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any First Lien Secured Party) to effect service of process in any other manner permitted by law or shall limit the right of any party hereto (or any First Lien Secured Party) to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 24 any special, exemplary, punitive or consequential damages.

25. GOVERNING LAW. THIS PLEDGE AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

26. Subject to First Lien Intercreditor Agreement 27. Notwithstanding anything herein to the contrary, on and after the First Lien Intercreditor Effective Date (i) the liens and security interests granted to the Collateral Agent pursuant to this Agreement are expressly

subject to the First Lien Intercreditor Agreement and (ii) the exercise of any right or remedy by the Collateral Agent hereunder is subject to the limitations and provisions of the First Lien Intercreditor Agreement. In the event of any conflict between the terms of the First Lien Intercreditor Agreement and the terms of this Agreement, the terms of the First Lien Intercreditor Agreement shall govern.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Amended and Restated Pledge Agreement to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

HCA INC., as
Pledgor

By: /s/ David G. Anderson
Name: David G. Anderson
Title: Senior Vice President, Finance and Treasurer

Each of the SUBSIDIARY PLEDGORS listed on Schedule A hereto

By: /s/ John M. Franck II
Name: John M. Franck II
Title: Vice President and Asst. Secretary

BANK OF AMERICA, N.A., as
Collateral Agent

By: /s/ David H. Strickert
Name: David H. Strickert
Title: Senior Vice President

[Signature Page to Amended and Restated Pledge Agreement]

Subsidiary Pledgor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
American Medicorp Development Co.			
Bay Hospital, Inc.			
Brigham City Community Hospital, Inc.			
Brookwood Medical Center of Gulfport, Inc.			
Capital Division, Inc.			
Centerpoint Medical Center of Independence, LLC			
Central Florida Regional Hospital, Inc.			
Central Shared Services, LLC			
Central Tennessee Hospital Corporation			
CHCA Bayshore, L.P.	*		
CHCA Conroe, L.P.	*		
CHCA Mainland, L.P.	*		
CHCA West Houston, L.P.	*		
CHCA Woman's Hospital, L.P.	*		
Chippenham & Johnston-Willis Hospitals, Inc.			
CMS GP, LLC			
Colorado Health Systems, Inc.			
Columbia ASC Management, L.P.	*		
Columbia Jacksonville Healthcare System, Inc.			
Columbia LaGrange Hospital, Inc.			
Columbia Medical Center of Arlington Subsidiary, L.P.	*		
Columbia Medical Center of Denton Subsidiary, L.P.	*		
Columbia Medical Center of Las Colinas, Inc.			
Columbia Medical Center of Lewisville Subsidiary, L.P.	*		
Columbia Medical Center of McKinney Subsidiary, L.P.	*		
Columbia Medical Center of Plano Subsidiary, L.P.	*		
Columbia North Hills Hospital Subsidiary, L.P.	*		
Columbia Ogden Medical Center, Inc.			
Columbia Parkersburg Healthcare System, LLC			
Columbia Plaza Medical Center of Fort Worth Subsidiary, L.P.	*		
Columbia Polk General Hospital, Inc.			
Columbia Rio Grande Healthcare, L.P.	*		
Columbia Riverside, Inc.			
Columbia Valley Healthcare System, L.P.	*		
Columbia/Alleghany Regional Hospital, Incorporated			
Columbia/HCA John Randolph, Inc.			
Columbine Psychiatric Center, Inc.			
Columbus Cardiology, Inc.			

Subsidiary Pledgor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Conroe Hospital Corporation			
Dallas/Ft. Worth Physician, LLC			
Dauterive Hospital Corporation			
Dublin Community Hospital, LLC			
Eastern Idaho Health Services, Inc.			
Edmond Regional Medical Center, LLC			
Edward White Hospital, Inc.			
El Paso Surgicenter, Inc.			
Encino Hospital Corporation, Inc.			
EP Health, LLC			
Fairview Park GP, LLC			
Fairview Park, Limited Partnership	*		
Frankfort Hospital, Inc.			
Galen Property, LLC			
General Healthserv, LLC			
Good Samaritan Hospital, L.P.	*		
Goppert-Trinity Family Care, LLC			
GPCH-GP, Inc.			
Grand Strand Regional Medical Center, LLC			
Green Oaks Hospital Subsidiary, L.P.	*		
Greenview Hospital, Inc.			
Hamilton Medical Center, Inc.			
HCA — IT&S Field Operations, Inc.			
HCA — IT&S Inventory Management, Inc.			
HCA Central Group, Inc.			
HCA Health Services of Florida, Inc.			
HCA Health Services of Louisiana, Inc.			
HCA Health Services of Oklahoma, Inc.			
HCA Health Services of Tennessee, Inc.			
HCA Health Services of Virginia, Inc.			
HCA Management Services, L.P.	*		
HCA Realty, Inc.			
HD&S Corp. Successor, Inc.			
Health Midwest Office Facilities Corporation			
Health Midwest Ventures Group, Inc.			
Healthtrust MOB, LLC		*	
Hendersonville Hospital Corporation			
Hospital Corporation of Tennessee			
Hospital Corporation of Utah			
Hospital Development Properties, Inc.			
HSS Holdco, LLC			
HSS Systems VA, LLC			
HSS Systems, LLC			
HSS Virginia, L.P.	*		

Subsidiary Pledgor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
HTI Memorial Hospital Corporation			
Integrated Regional Lab, LLC			
Integrated Regional Laboratories, LLP	*		
JFK Medical Center Limited Partnership	*		
KPH-Consolidation, Inc.			
Lakeland Medical Center, LLC			
Lakeview Medical Center, LLC			
Largo Medical Center, Inc.			
Las Vegas Surgicare, Inc.			
Lawnwood Medical Center, Inc.			
Lewis-Gale Hospital, Incorporated			
Lewis-Gale Medical Center, LLC			
Lewis-Gale Physicians, LLC			
Los Robles Regional Medical Center			
Management Services Holdings, Inc.			
Marietta Surgical Center, Inc.			
Marion Community Hospital, Inc.			
MCA Investment Company			
Medical Centers of Oklahoma, LLC			
Medical Office Buildings of Kansas, LLC			
Memorial Healthcare Group, Inc.			
Midwest Division — ACH, LLC			
Midwest Division — LRHC, LLC			
Midwest Division — LSH, LLC			
Midwest Division — MCI, LLC			
Midwest Division — MMC, LLC			
Midwest Division — OPRMC, LLC			
Midwest Division — PFC, LLC			
Midwest Division — RBH, LLC			
Midwest Division — RMC, LLC			
Midwest Division — RPC, LLC			
Midwest Holdings, Inc.			
Montgomery Regional Hospital, Inc.			
Mountain View Hospital, Inc.			
Nashville Shared Services General Partnership	*		
National Patient Account Services, Inc.			
New Port Richey Hospital, Inc.			
New Rose Holding Company, Inc.			
North Florida Immediate Care Center, Inc.			
North Florida Regional Medical Center, Inc.			
Northern Utah Healthcare Corporation			
Northern Virginia Community Hospital, LLC			
Northlake Medical Center, LLC			
Notami Hospitals of Louisiana, Inc.			

Subsidiary Pledgor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Notami Hospitals, LLC			
Okaloosa Hospital, Inc.			
Okeechobee Hospital, Inc.			
Outpatient Cardiovascular Center of Central Florida, LLC			
Palms West Hospital Limited Partnership	*		
Palmyra Park Hospital, Inc.			
Pasadena Bayshore Hospital, Inc.			
Plantation General Hospital Limited Partnership	*		
Pulaski Community Hospital, Inc.			
Redmond Park Hospital, LLC			
Redmond Physician Practice Company			
Reston Hospital Center, LLC			
Retreat Hospital, LLC			
Rio Grande Regional Hospital, Inc.			
Riverside Healthcare System, L.P.	*		
Riverside Hospital, Inc.			
Samaritan, LLC			
San Jose Healthcare System, LP	*		
San Jose Hospital, L.P.	*		
San Jose Medical Center, LLC			
San Jose, LLC			
Sarasota Doctors Hospital, Inc.			
SJMC, LLC			
Southern Hills Medical Center, LLC			
Spotsylvania Medical Center, Inc.			
Spring Branch Medical Center, Inc.			
Spring Hill Hospital, Inc.			
St. Mark’s Lone Peak Hospital, Inc.			
Sun City Hospital, Inc.			
Sunrise Mountainview Hospital, Inc.			
Surgicare of Brandon, Inc.			
Surgicare of Florida, Inc.			
Surgicare of Houston Women’s, Inc.			
Surgicare of Manatee, Inc.			
Surgicare of New Port Richey, Inc.			
Surgicare of Palms West, LLC			
Surgicare of Riverside, LLC			
Tallahassee Medical Center, Inc.			
TCMC Madison-Portland, Inc.			
Terre Haute Hospital GP, Inc.			
Terre Haute Hospital Holdings, Inc.			
Terre Haute MOB, L.P.	*		
Terre Haute Regional Hospital, L.P.	*		
Timpanogos Regional Medical Services, Inc.			

Subsidiary Pledgor	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Trident Medical Center, LLC			
Utah Medco, LLC			
VH Holdco, Inc.			
VH Holdings, Inc.			
Virginia Psychiatric Company, Inc.			
W & C Hospital, Inc.			
Walterboro Community Hospital, Inc.			
Wesley Medical Center, LLC			
West Florida Regional Medical Center, Inc.			
West Valley Medical Center, Inc.			
Western Plains Capital, Inc.			
WHMC, Inc.			
Woman’s Hospital of Texas, Incorporated			
Women’s and Children’s Hospital, Inc.			

Exhibit 4.12(b)

AMENDMENT NO. 1, dated as of March 2, 2009 (this "Amendment"), to the Credit Agreement, dated as of November 17, 2006 as amended and restated as of June 20, 2007 among HCA INC., a Delaware corporation ("HCA"), the Subsidiary Borrowers party thereto, the lending institutions from time to time party thereto (each a "Lender" and, collectively, the "Lenders"), BANK OF AMERICA, N.A., as Administrative Agent (in such capacity, the "Administrative Agent") and the other parties named therein (as amended from time to time, the "Credit Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

WHEREAS, the Credit Parties desire to amend the Credit Agreement and certain of the other Credit Documents on the terms set forth herein;

WHEREAS, Section 14.1 of the Credit Agreement provides that the relevant Credit Parties and the Required Lenders may amend the Credit Agreement and the other Credit Documents;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

SECTION 1. **Amendment.** The Credit Agreement is hereby amended to delete the ~~stricken text~~ (indicated textually in the same manner as the following example: stricken text) and to add the double-underlined text (indicated textually in the same manner as the following example: **double-underlined text**) as set forth in the pages of the Credit Agreement attached as Exhibit A hereto.

SECTION 2. **Consent to Amend Intercreditor Agreement**. The Required Lenders hereby give their consent to permit the Administrative Agent to acknowledge or otherwise enter into amendments to the Intercreditor Agreement solely to give effect to incurrences of Future Secured Notes (as defined in Exhibit A hereto) to the extent permitted by the Credit Agreement after giving effect to the amendments contemplated by Exhibit A hereto.

SECTION 3. **Representations and Warranties, No Default**. The Borrowers hereby represent and warrant that immediately prior to and immediately after giving effect to this Amendment (i) no Default or Event of Default exists and (ii) all representations and warranties contained in the Credit Agreement or in any other Credit Document are true and correct in all material respects with the same effect as though such representations and warranties had been made on the date hereof (except that any representation or warranty which by its terms is made only as of a specified date is true and correct in all material respects only as of such specified date).

SECTION 4. **Effectiveness**. Upon receipt by the Administrative Agent of executed signature pages hereto from the Required Lenders and each Credit Party party to the Credit Agreement, the terms and conditions of this Amendment shall become effective as part of the terms and conditions of the Credit Agreement for any and all purposes; however, the

amendments to the Credit Agreement attached as Exhibit A hereto shall not become operative until an amendment to the CF Agreement permitting Future Secured Notes has become operative.

SECTION 5. **Counterparts**. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which when taken together shall constitute a single instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 6. **Applicable Law**. **THIS AMENDMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 7. **Headings**. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 8. **Effect of Amendment**. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the other Secured Parties under the Credit Agreement or any other Credit Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of either such agreement or any other Credit Document. Each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Credit Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect. Each Credit Party reaffirms its obligations under the Credit Documents to which it is party and the validity of the Liens granted by it pursuant to the Security Documents. From and after the effective date of this Amendment, all references to the Credit Agreement in any Credit Document shall, unless expressly provided otherwise, refer to the Credit Agreement as amended by this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

HCA INC.

By: /s/ David G. Anderson
Name: David G. Anderson
Title: Senior Vice President, Finance and Treasurer

The SUBSIDIARY BORROWERS listed on Schedule 1 hereto (or, to the extent so listed on Schedule 1 hereto, by the General Partner, Sole Member or General Partner of the Sole Member of of such Subsidiary Borrower)

By: /s/ John M. Franck II
Name: John M. Franck II
Title: Vice President and Asst. Secretary

[Signature Page to Amendment]

BANK OF AMERICA, N.A., as Administrative Agent
and Collateral Agent

By: /s/ William S. Wilson
Name: William S. Wilson
Title: Sr. Vice President

[Signature Page to Amendment]

BANK OF AMERICA, N.A., as a Lender

By: /s/ William S. Wilson
Name: William S. Wilson
Title: Sr. Vice President

[Signature Page to Amendment]

CITICORP NORTH AMERICA, INC.,
as a Lender

By: /s/ Shane Azzara
Name: Shane Azzara
Title: Director

[Signature Page to Amendment]

Deutsche Bank AG New York Branch,
as a Lender

By: /s/ Erin Morrissey
Name: Erin Morrissey
Title: Vice President

By: /s/ Evelyn Thierry
Name: Evelyn Thierry
Title: Vice President

[Signature Page to Amendment]

General Electric Capital Corporation,
as a Lender

By: /s/ Dennis Cloud
Name: Dennis Cloud
Title: Duly Authorized Signatory

[Signature Page to Amendment]

J.P. Morgan Chase Bank, N.A.,
as a Lender

By: /s/ Dawn L. LeeLum
Name: Dawn L. LeeLum
Title: Executive Director

[Signature Page to Amendment]

Landesbank Baden-Wuerttemberg
New York and / or Cayman Islands Branch,
as a Lender

By: /s/ Francois Delangle
Name: Francois Delangle
Title: VP

By: /s/ Ralf Enders
Name: Ralf Enders
Title: AVP

[Signature Page to Amendment]

Merrill Lynch Mortgage Capital, Inc.,
as a Lender

By: /s/ Joseph Magnus
Name: Joseph Magnus
Title: Vice President

[Signature Page to Amendment]

Mizuho Corporate Bank, Ltd.,
as a Lender

By: /s/ James R. Fayen
Name: James R. Fayen
Title: Deputy General Manager

[Signature Page to Amendment]

WACHOVIA BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Sang Kim
Name: Sang Kim
Title: Vice President

[Signature Page to Amendment]

WELLS FARGO FOOTHILL, LLC,
as a Lender

By: /s/ Maged Ghebrial
Name: Maged Ghebrial
Title: Vice President

[Signature Page to Amendment]

SCHEDULE 1

Subsidiary Borrower	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
American Medicorp Development Co.			
AR Holding 1, LLC			*
AR Holding 2, LLC		*	
AR Holding 3, LLC			*
AR Holding 4, LLC			*
AR Holding 5, LLC			*
AR Holding 6, LLC			*
AR Holding 7, LLC		*	
AR Holding 8, LLC		*	
AR Holding 9, LLC			*
AR Holding 10, LLC			*
AR Holding 11, LLC		*	
AR Holding 12, LLC		*	
AR Holding 13, LLC		*	
AR Holding 14, LLC		*	
AR Holding 15, LLC		*	
AR Holding 16, LLC		*	
AR Holding 17, LLC		*	
AR Holding 18, LLC		*	
AR Holding 19, LLC			*
AR Holding 20, LLC			*
AR Holding 21, LLC		*	
AR Holding 22, LLC		*	
AR Holding 23, LLC		*	
AR Holding 24, LLC		*	
AR Holding 25, LLC		*	
AR Holding 26, LLC		*	
AR Holding 27, LLC		*	
AR Holding 28, LLC		*	
AR Holding 29, LLC			*
AR Holding 30, LLC		*	
Bay Hospital, Inc.			
Brigham City Community Hospital, Inc.			
Brookwood Medical Center of Gulfport, Inc.			
Capital Division, Inc.			
Centerpoint Medical Center of Independence, LLC			
Central Florida Regional Hospital, Inc.			
Central Shared Services, LLC			

Subsidiary Borrower	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Central Tennessee Hospital Corporation			
CHCA Bayshore, L.P.	*		
CHCA Conroe, L.P.	*		
CHCA Mainland, L.P.	*		
CHCA West Houston, L.P.	*		
CHCA Woman's Hospital, L.P.	*		
Chippenham & Johnston-Willis Hospitals, Inc.			
CMS GP, LLC			
Colorado Health Systems, Inc.			
Columbia ASC Management, L.P.	*		
Columbia Jacksonville Healthcare System, Inc.			
Columbia LaGrange Hospital, Inc.			
Columbia Medical Center of Arlington Subsidiary, L.P.	*		
Columbia Medical Center of Denton Subsidiary, L.P.	*		
Columbia Medical Center of Las Colinas, Inc.			
Columbia Medical Center of Lewisville Subsidiary, L.P.	*		
Columbia Medical Center of McKinney Subsidiary, L.P.	*		
Columbia Medical Center of Plano Subsidiary, L.P.	*		
Columbia North Hills Hospital Subsidiary, L.P.	*		
Columbia Ogden Medical Center, Inc.			
Columbia Parkersburg Healthcare System, LLC			
Columbia Plaza Medical Center of Fort Worth Subsidiary, L.P.	*		
Columbia Polk General Hospital, Inc.			
Columbia Rio Grande Healthcare, L.P.	*		
Columbia Riverside, Inc.			
Columbia Valley Healthcare System, L.P.	*		
Columbia/Alleghany Regional Hospital, Incorporated			
Columbia/HCA John Randolph, Inc.			
Columbine Psychiatric Center, Inc.			
Columbus Cardiology, Inc.			
Conroe Hospital Corporation			
Dallas/Ft. Worth Physician, LLC			
Dauterive Hospital Corporation			
Dublin Community Hospital, LLC			
Eastern Idaho Health Services, Inc.			
Edmond Regional Medical Center, LLC			
Edward White Hospital, Inc.			
El Paso Surgicenter, Inc.			
Encino Hospital Corporation, Inc.			
EP Health, LLC			
Fairview Park GP, LLC			
Fairview Park, Limited Partnership	*		
Frankfort Hospital, Inc.			
Galen Property, LLC			

Subsidiary Borrower	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
General Healthserv, LLC			
Good Samaritan Hospital, L.P.	*		
Goppert-Trinity Family Care, LLC			
GPCH-GP, Inc.			
Grand Strand Regional Medical Center, LLC			
Green Oaks Hospital Subsidiary, L.P.	*		
Greenview Hospital, Inc.			
Hamilton Medical Center, Inc.			
HCA — IT&S Field Operations, Inc.			
HCA — IT&S Inventory Management, Inc.			
HCA Central Group, Inc.			
HCA Health Services of Florida, Inc.			
HCA Health Services of Louisiana, Inc.			
HCA Health Services of Oklahoma, Inc.			
HCA Health Services of Tennessee, Inc.			
HCA Health Services of Virginia, Inc.			
HCA Management Services, L.P.	*		
HCA Realty, Inc.			
HD&S Corp. Successor, Inc.			
Health Midwest Office Facilities Corporation			
Health Midwest Ventures Group, Inc.			
Healthtrust MOB, LLC		*	
Hendersonville Hospital Corporation			
Hospital Corporation of Tennessee			
Hospital Corporation of Utah			
Hospital Development Properties, Inc.			
HSS Holdco, LLC			
HSS Systems VA, LLC			
HSS Systems, LLC			
HSS Virginia, L.P.	*		
HTI Memorial Hospital Corporation			
Integrated Regional Lab, LLC			
Integrated Regional Laboratories, LLP	*		
JFK Medical Center Limited Partnership	*		
KPH-Consolidation, Inc.			
Lakeland Medical Center, LLC			
Lakeview Medical Center, LLC			
Largo Medical Center, Inc.			
Las Vegas Surgicare, Inc.			
Lawnwood Medical Center, Inc.			
Lewis-Gale Hospital, Incorporated			
Lewis-Gale Medical Center, LLC			
Lewis-Gale Physicians, LLC			
Los Robles Regional Medical Center			

Subsidiary Borrower	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Management Services Holdings, Inc.			
Marietta Surgical Center, Inc.			
Marion Community Hospital, Inc.			
MCA Investment Company			
Medical Centers of Oklahoma, LLC			
Medical Office Buildings of Kansas, LLC			
Memorial Healthcare Group, Inc.			
Midwest Division — ACH, LLC			
Midwest Division — LRHC, LLC			
Midwest Division — LSH, LLC			
Midwest Division — MCI, LLC			
Midwest Division — MMC, LLC			
Midwest Division — OPRMC, LLC			
Midwest Division — PFC, LLC			
Midwest Division — RBH, LLC			
Midwest Division — RMC, LLC			
Midwest Division — RPC, LLC			
Midwest Holdings, Inc.			
Montgomery Regional Hospital, Inc.			
Mountain View Hospital, Inc.			
Nashville Shared Services General Partnership	*		
National Patient Account Services, Inc.			
New Port Richey Hospital, Inc.			
New Rose Holding Company, Inc.			
North Florida Immediate Care Center, Inc.			
North Florida Regional Medical Center, Inc.			
Northern Utah Healthcare Corporation			
Northern Virginia Community Hospital, LLC			
Northlake Medical Center, LLC			
Notami Hospitals of Louisiana, Inc.			
Notami Hospitals, LLC			
Okaloosa Hospital, Inc.			
Okeechobee Hospital, Inc.			
Outpatient Cardiovascular Center of Central Florida, LLC			
Palms West Hospital Limited Partnership	*		
Palmyra Park Hospital, Inc.			
Pasadena Bayshore Hospital, Inc.			
Plantation General Hospital Limited Partnership	*		
Pulaski Community Hospital, Inc.			
Redmond Park Hospital, LLC			
Redmond Physician Practice Company			
Reston Hospital Center, LLC			
Retreat Hospital, LLC			
Rio Grande Regional Hospital, Inc.			

Subsidiary Borrower	By its General Partner	By its Sole Member	By the General Partner of its Sole Member
Riverside Healthcare System, L.P.	*		
Riverside Hospital, Inc.			
Samaritan, LLC			
San Jose Healthcare System, LP	*		
San Jose Hospital, L.P.	*		
San Jose Medical Center, LLC			
San Jose, LLC			
Sarasota Doctors Hospital, Inc.			
SJMC, LLC			
Southern Hills Medical Center, LLC			
Spotsylvania Medical Center, Inc.			
Spring Branch Medical Center, Inc.			
Spring Hill Hospital, Inc.			
St. Mark's Lone Peak Hospital, Inc.			
Sun City Hospital, Inc.			
Sunrise Mountainview Hospital, Inc.			
Surgicare of Brandon, Inc.			
Surgicare of Florida, Inc.			
Surgicare of Houston Women's, Inc.			
Surgicare of Manatee, Inc.			
Surgicare of New Port Richey, Inc.			
Surgicare of Palms West, LLC			
Surgicare of Riverside, LLC			
Tallahassee Medical Center, Inc.			
TCMC Madison-Portland, Inc.			
Terre Haute Hospital GP, Inc.			
Terre Haute Hospital Holdings, Inc.			
Terre Haute MOB, L.P.	*		
Terre Haute Regional Hospital, L.P.	*		
Timpanogos Regional Medical Services, Inc.			
Trident Medical Center, LLC			
Utah Medco, LLC			
VH Holdco, Inc.			
VH Holdings, Inc.			
Virginia Psychiatric Company, Inc.			
W & C Hospital, Inc.			
Walterboro Community Hospital, Inc.			
Wesley Medical Center, LLC			
West Florida Regional Medical Center, Inc.			
West Valley Medical Center, Inc.			
Western Plains Capital, Inc.			
WHMC, Inc.			
Woman's Hospital of Texas, Incorporated			
Women's and Children's Hospital, Inc.			

EXHIBIT A

$2,000,000,000

CREDIT AGREEMENT

Dated as of November 17, 2006
as amended and restated on June 20, 2007

among

HCA INC.,
as the Parent Borrower,

THE SEVERAL SUBSIDIARY BORROWERS PARTY HERETO,

The Several Lenders
from Time to Time Parties Hereto,

BANK OF AMERICA, N.A.,
as Administrative Agent, Swingline Lender
and Letter of Credit Issuer,

JPMORGAN CHASE BANK, N.A.
and
CITICORP NORTH AMERICA, INC.,
as Co-Syndication Agents,

and

MERRILL LYNCH CAPITAL CORPORATION,
as Documentation Agent

BANC OF AMERICA SECURITIES LLC,
J.P. MORGAN SECURITIES INC.,
CITIGROUP GLOBAL MARKETS INC.
and
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED,
as Joint Lead Arrangers and Bookrunners,

DEUTSCHE BANK SECURITIES INC.
and
WACHOVIA CAPITAL MARKETS, LLC,
as Joint Bookrunners

Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005

TABLE OF CONTENTS

		Page
SECTION 1.	Definitions	3
1.1.	Defined Terms	3
1.2.	Other Interpretive Provisions	55
1.3.	Accounting Terms	55
1.4.	Rounding	~~56~~55
1.5.	References to Agreements, Laws, Etc.	56
1.6.	Exchange Rates	56
1.7.	~~Reserve Amounts~~**[Reserved]**	56
SECTION 2.	Amount and Terms of Credit	56
2.1.	Commitments	56
2.2.	Minimum Amount of Each Borrowing; Maximum Number of Borrowings	59
2.3.	Notice of Borrowing	59
2.4.	Disbursement of Funds	60
2.5.	Repayment of Loans; Evidence of Debt	61
2.6.	Conversions and Continuations	62
2.7.	Pro Rata Borrowings	63
2.8.	Interest	63
2.9.	Interest Periods	~~65~~64
2.10.	Increased Costs, Illegality, Etc	~~66~~64
2.11.	Compensation	~~67~~66
2.12.	Change of Lending Office	~~68~~67
2.13.	Notice of Certain Costs	~~68~~67
2.14.	Incremental Facilities	~~68~~67
2.15.	Reserves	~~70~~69
SECTION 3.	Letters of Credit	~~70~~69
3.1.	Letters of Credit	~~70~~69
3.2.	Letter of Credit Requests	~~72~~71
3.3.	Letter of Credit Participations	~~74~~73
3.4.	Agreement to Repay Letter of Credit Drawings	~~76~~75
3.5.	Increased Costs	~~77~~76
3.6.	New or Successor Letter of Credit Issuer	~~78~~77
3.7.	Role of Letter of Credit Issuer	~~79~~78
3.8.	Cash Collateral	~~80~~79
3.9.	Applicability of ISP and UCP	~~81~~80
3.10.	Conflict with Issuer Documents	~~81~~80
3.11.	Letters of Credit Issued for Restricted Subsidiaries	~~81~~80
SECTION 4.	Fees; Commitments	~~81~~80
4.1.	Fees	~~81~~80
4.2.	Voluntary Reduction of New Revolving Credit Commitments	~~84~~81

		Page
4.3.	Mandatory Termination of Commitments	~~84~~**81**
SECTION 5.	Payments	~~84~~**82**
5.1.	Voluntary Prepayments	~~84~~**82**
5.2.	Mandatory Prepayments	~~85~~**82**
5.3.	Method and Place of Payment	~~86~~**84**
5.4.	Net Payments	~~87~~**84**
5.5.	Computations of Interest and Fees	~~90~~**87**
5.6.	Limit on Rate of Interest	~~90~~**87**
SECTION 6.	Conditions Precedent to Amendment and Restatement	~~90~~**88**
6.1.	Credit Documents	~~91~~**88**
6.2.	Amendment Agreement Conditions	~~91~~**88**
SECTION 7.	Conditions Precedent to All Credit Events	~~91~~**88**
7.1.	No Default; Representations and Warranties	~~91~~**88**
7.2.	Notice of Borrowing; Letter of Credit Request	~~91~~**89**
SECTION 8.	Representations, Warranties and Agreements	~~91~~**89**
8.1.	Corporate Status	~~92~~**89**
8.2.	Corporate Power and Authority	~~92~~**89**
8.3.	No Violation	~~92~~**90**
8.4.	Litigation	~~92~~**90**
8.5.	Margin Regulations	~~92~~**90**
8.6.	Governmental Approvals	~~93~~**90**
8.7.	Investment Company Act	~~93~~**90**
8.8.	True and Complete Disclosure	~~93~~**91**
8.9.	Financial Condition; Financial Statements	~~93~~**91**
8.10.	Tax Matters	~~93~~**91**
8.11.	Compliance with ERISA	~~94~~**92**
8.12.	Subsidiaries	~~94~~**92**
8.13.	Intellectual Property	~~94~~**92**
8.14.	Environmental Laws	~~95~~**93**
8.15.	Properties	~~95~~**93**
8.16.	Solvency	~~95~~**93**
8.17.	Delayed Equity Arrangements	~~95~~**93**
SECTION 9.	Affirmative Covenants	~~95~~**93**
9.1.	Information Covenants	~~95~~**94**
9.2.	Books, Records and Inspections	~~100~~**98**
9.3.	Maintenance of Insurance	~~101~~**99**
9.4.	Payment of Taxes	~~101~~**99**
9.5.	Consolidated Corporate Franchises	~~101~~**99**
9.6.	Compliance with Statutes, Regulations, Etc	~~101~~**100**
9.7.	ERISA	~~101~~**100**
9.8.	Maintenance of Properties	~~102~~**100**
9.9.	Transactions with Affiliates	~~102~~**100**

		Page
9.10.	End of Fiscal Years; Fiscal Quarters	~~103~~**101**
9.11.	Additional Borrowers	~~103~~**102**
9.12.	[Reserved]	~~103~~**102**
9.13.	Use of Proceeds	~~103~~**102**
9.14.	Further Assurances	~~104~~**102**
9.15.	Cash Management Systems	~~104~~**102**
SECTION 10.	Negative Covenants	~~109~~**107**
10.1.	Limitation on Indebtedness	~~109~~**108**
10.2.	Limitation on Liens	~~116~~**115**
10.3.	Limitation on Fundamental Changes	~~119~~**118**
10.4.	Limitation on Sale of Assets	~~121~~**120**
10.5.	Limitation on Investments	~~123~~**122**
10.6.	Limitation on Dividends	~~126~~**125**
10.7.	Limitations on Debt Payments and Amendments; Matters Relating to Required Additional Equity Investments	~~128~~**127**
10.8.	Limitations on Sale Leasebacks	~~130~~**129**
10.9.	Minimum Interest Coverage Ratio	~~130~~**129**
10.10.	Changes in Business	~~130~~**129**
10.11.	1993 Indenture Restricted Subsidiaries	~~130~~**129**
SECTION 11.	Events of Default	~~130~~**129**
11.1.	Payments	130
11.2.	Representations, Etc	130
11.3.	Covenants	~~131~~**130**
11.4.	Default Under Other Agreements	~~131~~**130**
11.5.	Bankruptcy, Etc	131
11.6.	ERISA	~~132~~**131**
11.7.	[Reserved]	132
11.8.	[Reserved]	132
11.9.	Security Agreement	132
11.10.	[Reserved]	~~133~~**132**
11.11.	Judgments	~~133~~**132**
11.12.	Change of Control	~~133~~**132**
11.13.	Certain Amendments and Waivers to CF Agreement	~~134~~**133**
SECTION 12.	Investors' Right To Cure	134
SECTION 13.	The Agents	~~135~~**134**
13.1.	Appointment	~~135~~**134**
13.2.	Delegation of Duties	~~136~~**135**
13.3.	Exculpatory Provisions	~~136~~**135**
13.4.	Reliance by Agents	136
13.5.	Notice of Default	~~137~~**136**
13.6.	Non-Reliance on Administrative Agent, Collateral Agent and Other Lenders	137

		Page
13.7.	Indemnification	~~138~~**137**
13.8.	Administrative Agent in its Individual Capacity	138
13.9.	Successor Agents	138
13.10.	Withholding Tax	139
13.11.	Reports and Financial Statements	~~140~~**139**
SECTION 14.	Miscellaneous	140
14.1.	Amendments and Waivers	140
14.2.	Notices	~~143~~**142**
14.3.	No Waiver; Cumulative Remedies	143
14.4.	Survival of Representations and Warranties	143
14.5.	Payment of Expenses	143
14.6.	Successors and Assigns; Participations and Assignments	144
14.7.	Replacements of Lenders under Certain Circumstances	~~148~~**147**
14.8.	Adjustments; Set-off	~~149~~**148**
14.9.	Counterparts	~~150~~**149**
14.10.	Severability	~~150~~**149**
14.11.	Integration	~~150~~**149**
14.12.	GOVERNING LAW	~~150~~**149**
14.13.	Submission to Jurisdiction; Waivers	150
14.14.	Acknowledgments	~~151~~**150**
14.15.	WAIVERS OF JURY TRIAL	~~152~~**151**
14.16.	Confidentiality	~~152~~**151**
14.17.	Direct Website Communications	152
14.18.	USA Patriot Act	~~154~~**153**
14.19.	Joint and Several Liability	154
14.20.	Contribution and Indemnification Among the Borrowers	155
14.21.	Agency of the Parent Borrower for Each Other Borrower	~~156~~**155**
14.22.	Reinstatement	156
14.23.	Express Waivers by Borrowers in Respect of Cross Guaranties and Cross Collateralization	156

SCHEDULES[1]

Schedule 1.1(d)	Excluded Subsidiaries
Schedule 1.1(f)	Retained Indebtedness
Schedule 1.1(g)	Debt Repayment
Schedule 1.1(h)	Consolidated Persons
Schedule 6.3(a)	Local Counsel to Borrowers and Administrative Agent

1 Schedules are not being amended or restated except for Schedule 1.1(c) which is being deleted hereby. The original schedules are attached hereto for your convenience.

Schedule 8.4	Litigation
Schedule 8.12	Subsidiaries
Schedule 9.9	Closing Date Affiliate Transactions
Schedule 9.15(a)	Government Receivables Deposit Accounts
Schedule 9.15(c)	Blocked Accounts
Schedule 9.15(e)	Credit Card Arrangements
Schedule 10.1	Closing Date Indebtedness
Schedule 10.2	Closing Date Liens
Schedule 10.5	Closing Date Investments
Schedule 14.2	Notice Addresses

EXHIBITS[2]

Exhibit A	Form of Borrowing Base Certificate
Exhibit D	Form of Perfection Certificate
Exhibit F	Form of Security Agreement
Exhibit G	Form of Letter of Credit Request
Exhibit H-1	Form of Legal Opinion of Simpson Thacher & Bartlett LLP
Exhibit H-2	Form of Legal Opinion of General Counsel
Exhibit I	Form of Closing Certificate
Exhibit J	Form of Assignment and Acceptance
Exhibit K	Form of Promissory Note
Exhibit L	Form of Joinder Agreement

2 Exhibits are not being amended and restated hereby except for Exhibits H-1 and K. All other original exhibits are attached hereto for your convenience.

CREDIT AGREEMENT, dated as of November 17, 2006, as amended and restated on June 20, 2007 (the "Agreement"), among HCA Inc., a Delaware corporation ("**HCA**" or the "**Parent Borrower**"), the Subsidiary Borrowers party hereto, the lending institutions from time to time parties hereto (each a "**Lender**" and, collectively, the "**Lenders**"), BANK OF AMERICA, N.A., as Administrative Agent, Swingline Lender and Letter of Credit Issuer (such terms and each other capitalized term used but not defined in this introductory statement having the meaning provided in Section 1), JPMORGAN CHASE BANK, N.A. and CITICORP NORTH AMERICA, INC., as co-syndication agents (in such capacity, the "**Co-Syndication Agents**"), BANC OF AMERICA SECURITIES LLC, J.P. MORGAN SECURITIES INC., CITIGROUP GLOBAL MARKETS INC. and MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, as joint lead arrangers (in such capacity, the "**Joint Lead Arrangers**") and bookrunners (in such capacity, the "**Bookrunners**"), DEUTSCHE BANK SECURITIES INC. and WACHOVIA CAPITAL MARKETS LLC, as joint bookrunners (in such capacity, the "**Joint Bookrunners**"), and MERRILL LYNCH CAPITAL CORPORATION, as documentation agent (in such capacity, the "**Documentation Agent**").

WHEREAS, the Parent Borrower, the Subsidiary Borrowers, the several lenders from time to time party thereto (the "**Original Lenders**"), the Administrative Agent, the Co-Syndication Agents, the Joint Lead Arrangers, the Bookrunners, the Joint Bookrunners and the Documentation Agent originally entered into a credit agreement on November 17, 2006 (the "**Original Credit Agreement**"), and the parties thereto desire to amend and restate the Original Credit Agreement on and subject to the terms and conditions set forth herein and in the Amendment Agreement dated as of the Amendment and Restatement Date (the "**Amendment Agreement**");

WHEREAS, the parties hereto intend to (i) create a new tranche of revolving credit commitments (the "**New Revolving Credit Commitments**") in an aggregate principal amount equal to $2,000,000,000 and (ii) exchange (the "**Exchange**") up to $2,000,000,000 of Revolving Credit Commitments (as defined in the Original Credit Agreement) and related outstanding Revolving Credit Loans (as defined in the Original Credit Agreement) of Original Lenders opting to so exchange, for like principal amounts of New Revolving Credit Commitments and related revolving loans (the "**New Revolving Credit Loans**") and, for those Original Lenders not opting to participate in the Exchange, terminate the Revolving Credit Commitments and repay in full the Revolving Credit Loans of such non-exchanging Original Lenders (the "**Repayment**"). After giving effect to the Exchange and Repayment on the effective date of the Agreement, all outstanding Revolving Credit Loans and the Revolving Credit Commitments (each as defined in the Original Credit Agreement) shall be deemed terminated;

WHEREAS, Parent Borrower and Subsidiary Borrowers intend to prepay their Revolving Credit Loans (as defined in the Original Credit Agreement) with the proceeds from the New Revolving Credit Loans (it being understood that Original Lenders that execute and deliver the Amendment Agreement are exchanging all or a portion of their Revolving Credit Loans (as stipulated therein) under the Original Credit Agreement for New Revolving Credit Loans hereunder);

WHEREAS, the Borrowers shall pay to each Original Lender all accrued and unpaid interest (including any Reserve Amount **as defined in the Original Credit Agreement**) and Commitment Fees to, but not including, the Amendment and Restatement Date.

WHEREAS, the parties hereto intend that (a) the Obligations under the Original Credit Agreement that remain unpaid and outstanding as of the Amendment and Restatement Date shall continue to exist under this Agreement on the terms set forth herein and in the Amendment Agreement, (b) any letters of credit outstanding under the Original Credit Agreement as of the Amendment and Restatement Date shall be Letters of Credit as defined in this Agreement, (c) the Security Documents shall continue (in accordance with their terms) to secure, guarantee, support and otherwise benefit, as applicable, the Obligations under the Original Credit Agreement as well as the other Obligations of the Parent Borrower, the Subsidiary Borrowers and the other Credit Parties under this Agreement (including, without limitation, Obligations in respect of the New Revolving Credit Loans) and the other Credit Documents and (d) all schedules and exhibits to the Original Credit Agreement shall be incorporated by reference herein, mutatis mutandis, except for and to the extent that Schedule 1.1(c) is being deleted and Exhibits H-1 and K are expressly amended and restated in connection herewith;

WHEREAS, pursuant to the Agreement and Plan of Merger (as amended from time to time in accordance therewith, the "**Acquisition Agreement**"), dated as of July 24, 2006, by and among HCA, Holdings and Merger Sub, Merger Sub will merge with and into HCA (the "**Merger**"), with HCA surviving the Merger as a wholly-owned Subsidiary of Holdings;

WHEREAS, to fund, in part, the Merger, the Sponsors and certain other investors (including the Management Investors) contributed an amount in cash to Holdings and/or a direct or indirect parent thereof in exchange for Stock and Stock Equivalents (which cash has been contributed to the Parent Borrower in exchange for common Stock of the Parent Borrower), which together with the amount of any rollover equity issued to existing shareholders of the Parent Borrower (such contribution and rollover, collectively, the "**Equity Investments**") was approximately 15% of the aggregate pro forma capitalization of the Parent Borrower on the Original Closing Date;

WHEREAS, to consummate the transactions contemplated by the Acquisition Agreement, (a) the Parent Borrower issued under the Junior Lien Notes Indenture $1,000,000,000 aggregate principal amount of $9^{1}/_{8}$% senior secured notes due 2014 (the "**2014 Cash Pay Notes**"), $3,200,000,000 aggregate principal amount of $9^{1}/_{4}$% senior secured notes due 2016 (the "**2016 Cash Pay Notes**" and together with the 2014 Cash Pay Notes, the "**Cash Pay Notes**") and $1,500,000,000 aggregate principal amount of $9^{5}/_{8}$%/$10^{3}/_{8}$% senior secured toggle notes due 2016 (the "**Toggle Notes**," and together with the Cash Pay Notes, the "**Junior Lien Notes**") in sales pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended (the "**Junior Lien Notes Offering**"), generating aggregate gross proceeds of $5,700,000,000 and (b) the Parent Borrower and the European Subsidiary Borrower (as defined in the CF Agreement) entered into the CF Facilities to borrow (i) tranche A term loans on the Original Closing Date in an aggregate principal amount of $2,750,000,000, (ii) tranche B term loans on the Original Closing Date in an aggregate principal amount of $8,800,000,000, (iii)

European tranche term loans on the Original Closing Date in an aggregate principal amount of €1,00,000,000, and (iv) revolving credit loans made available to the Parent Borrower at any time and from time to time in accordance with the terms of the CF Agreement in an aggregate principal amount at any time outstanding not in excess of $2,000,000,000 less the sum of (A) the aggregate letters of credit outstanding thereunder at such time and (B) the aggregate principal amount of all swingline loans outstanding thereunder at such time;

WHEREAS, the proceeds of New Revolving Credit Loans and Swingline Loans will be used by the Borrowers on or after the Amendment and Restatement Date for general corporate purposes (including Permitted Acquisitions). Letters of Credit will be used by the Borrowers for general corporate purposes; and

WHEREAS, the Lenders and Letter of Credit Issuer are willing to make available to the Borrowers such revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

SECTION 9. Definitions

9.1 Defined Terms (a) As used herein, the following terms shall have the meanings specified in this Section 1.1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

"**ABL Entity**" shall mean a direct Restricted Subsidiary of a 1993 Indenture Restricted Subsidiary, substantially all of the business of which consists of financing the acquisition or disposition of accounts receivable and related assets.

"**ABR**" shall mean for any day a fluctuating rate per annum equal to the higher of (a) the Federal Funds Effective Rate plus 1/2 of 1% and (b) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "prime rate." The "prime rate" is a rate set by the Administrative Agent based upon various factors including the Administrative Agent's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the ABR due to a change in such rate announced by the Administrative Agent or in the Federal Funds Effective Rate shall take effect at the opening of business on the day specified in the public announcement of such change or on the effective date of such change in the Federal Funds Effective Rate, respectively.

"**ABR Loan**" shall mean each Loan bearing interest at the rate provided in Section 2.8(a) and, in any event, shall include all Swingline Loans.

"**Accommodation Payment**" shall have the meaning provided in Section 14.20.

"**Account Debtor**" shall mean "account debtor" as defined in Article 9 of the UCC, and any other Person who may become obligated to a Credit Party under, with respect to, or on account of an Account of such Credit Party (including without limitation any guarantor or performance of an Account).

"**Accounts**" shall mean collectively (a) any right to payment of a monetary obligation arising from the provision of merchandise, goods or services by the Parent Borrower or any of its Subsidiaries in the course of their respective healthcare provision operations, (b) without duplication, any "account" (as that term is defined in the UCC on the Original Closing Date or thereafter in effect), any accounts receivable, any "heath-care-insurance receivables" (as that term is defined in the UCC on the Original Closing Date or thereafter in effect), any "payment intangibles" (as that term is defined in the UCC on the Original Closing Date or thereafter in effect) and all other rights to payment and/or reimbursement of every kind and description, whether or not earned by performance, in each case arising in the course of their respective healthcare provision operations, (c) all accounts, contract rights, general intangibles, rights, remedies, guarantees, supporting obligations, letter of credit rights and security interests in respect of the foregoing, all rights of enforcement and collection, all books and records evidencing or related to the foregoing, and all rights under any of the Credit Documents in respect of the foregoing, (d) all information and data compiled or derived by any Secured Party or to which any Secured Party is entitled in respect of or related to the foregoing (other than any such information and data subject to legal restrictions of patient confidentiality), (e) all collateral security of any kind, given by any Account Debtor or any other Person to any Secured Party, with respect to any of the foregoing, and (f) all proceeds of the foregoing.

"**ACH**" shall mean automated clearing house transfers.

"**Acquired EBITDA**" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a "**Pro Forma Entity**") for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using such definitions as if references to the Parent Borrower and its Subsidiaries therein were to such Pro Forma Entity and its Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in a manner not inconsistent with GAAP.

"**Acquired Entity or Business**" shall have the meaning provided in the definition of the term "Consolidated EBITDA."

"**Acquisition Agreement**" shall have the meaning provided in the preamble to this Agreement.

"Additional Receivables Intercreditor Agreement" shall mean, in connection with any incurrence of any Future Secured Notes, any agreement, in form reasonably satisfactory to the Administrative Agent, between the collateral agent, on behalf of the holders of such Future Secured Notes, and the Collateral Agent providing that the Liens of the collateral agent for the benefit of the holders of such Future Secured Notes on the Shared Receivables Collateral shall rank junior to the Lien on the Shared Receivables Collateral securing the Obligations on a basis at least as substantially favorable to the Lenders as the basis on which the Lien securing the CF Facilities ranks junior to the Lien

on the Shared Receivables Collateral securing the Obligations pursuant to the Intercreditor Agreement.

"**Adjusted Total New Revolving Credit Commitment**" shall mean at any time the Total New Revolving Credit Commitment less the aggregate New Revolving Credit Commitments of all Defaulting Lenders.

"**Administrative Agent**" shall mean Bank of America, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent pursuant to Section 13.

"**Administrative Agent's Office**" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 14.2 to the Original Credit Agreement or such other address or account as the Administrative Agent may from time to time notify to the Borrowers and the Lenders.

"**Administrative Questionnaire**" shall have the meaning provided in Section 14.6(b).

"**Affiliate**" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control a corporation if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract or otherwise.

"**Agent Parties**" shall have the meaning provided in Section 14.17(c).

"**Agents**" shall mean the Administrative Agent, the Collateral Agent, each Co-Syndication Agent, each Joint Lead Arranger and Bookrunner, each Joint Bookrunner and the Documentation Agent.

"**Aggregate New Revolving Outstandings**" shall have the meaning provided in Section 5.2(b).

"**Agreement**" shall mean this Amended and Restated Credit Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**Allocable Amount**" shall have the meaning provided in Section 14.20.

"**Amendment Agreement**" shall have the meaning set forth in the recitals hereto.

"**Amendment and Restatement Date**" shall mean June 20, 2007.

"**Applicable ABR Margin**" shall mean at any date, with respect to each ABR Loan, the applicable percentage *per annum* set forth below based upon the Status in effect on such date:

Status	Applicable ABR Margin
Level I Status	~~0.50~~**0.75** %
Level II Status	~~0.25~~**0.50** %
Level III Status	~~0.00~~**0.25** %

Notwithstanding the foregoing, Level ~~I~~**II** Status shall apply during the period from and including the **interest payment date immediately prior to the First** Amendment ~~and Restatement~~ Date to but excluding the Trigger Date.

"**Applicable Amount**" shall mean, at any time (the "**Reference Time**"), an amount equal to (a) the sum, without duplication, of:

(i) an amount equal to the greater of (x) zero and (y) 50% of Cumulative Consolidated Net Income for the period from October 1, 2006 until the last day of the then most recent fiscal quarter for which Section 9.1 Financials have been delivered; provided that, for the purposes of Sections 10.6(c)(iii) and 10.7(a)(i)(z) only, the amount in this clause (i) shall only be available if the Consolidated Total Debt to Consolidated EBITDA Ratio for the most recently ended Test Period is less than 6.00:1.00, determined on a Pro Forma Basis after giving effect to any dividend or prepayment, repurchase or redemption actually made pursuant to Section 10.6(c)(iii) or 10.7(a)(i)(z); and

(ii) the amount of any capital contributions (other than (A) the Equity Investments, (B) any Cure Amount, (C) any amount added back in the definition of Consolidated EBITDA pursuant to clause (a)(ix) thereof, (D) any contributions in respect of Disqualified Equity Interests, (E) any amount applied to redeem Stock or Stock Equivalents of the Parent Borrower pursuant to Section 10.6(a) and (F) any amount received by the Parent Borrower in satisfaction of the requirements of the first sentence of Section 10.7(d)) made in cash to, or any proceeds of an equity issuance received by, the Parent Borrower from and including the Business Day immediately following the Original Closing Date through and including the Reference Time, including proceeds from the issuance of Stock or Stock Equivalents of any direct or indirect parent of the Parent Borrower,

minus (b) the sum, without duplication, of:

(i) the aggregate amount of Investments made pursuant to Section 10.5(g)(ii)(y) or 10.5(i)(ii)(y) following the Original Closing Date and prior to the Reference Time;

(ii) the aggregate amount of dividends pursuant to Section 10.6(c)(iii) following the Original Closing Date and prior to the Reference Time; and

(iii) the aggregate amount of prepayments, repurchases and redemptions of Junior Indebtedness pursuant to Section 10.7(a)(i)(z) following the Original Closing Date and prior to the Reference Time.

~~"**Applicable Date**" shall mean (i) with respect to any fiscal quarter commencing on January 1 of any year, the last Business Day of April of such year, (ii) with respect to any fiscal quarter commencing on April 1 of any year, the last Business Day of June of such year, (iii) with respect to any fiscal quarter commencing on July 1 of any year, the last Business Day of September of such year and (iv) with respect to any fiscal quarter commencing on October 1 of any year, the last Business Day of December of such year.~~

"**Applicable LIBOR Margin**" shall mean, at any date, with respect to each LIBOR Loan, the percentage *per annum* set forth below based upon the Status in effect on such date:

Status	**Applicable LIBOR Margin**
Level I Status	~~1.50~~**1.75** %
Level II Status	~~1.25~~**1.50** %
Level III Status	~~1.00~~**1.25** %

Notwithstanding the foregoing, Level ~~I~~**II** Status shall apply during the period from and including the **interest payment date immediately prior to the First** Amendment ~~and Restatement~~ Date to but excluding the Trigger Date.

~~"**Applicable Quarter**" shall have the meaning provided in Section 2.8(d).~~

"**Approved Fund**" shall mean any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"**Assignment and Acceptance**" shall mean an assignment and acceptance substantially in the form of Exhibit J to the Original Credit Agreement, or such other form as may be approved by the Administrative Agent.

"**Authorized Officer**" shall mean the President, the Chief Financial Officer, the Treasurer, the Vice President-Finance or any other senior officer of the Parent Borrower (or, if expressly used with reference to a Subsidiary Borrower, of such Subsidiary Borrower) designated as such in writing to the Administrative Agent by the applicable Borrower.

"**Auto-Extension Letter of Credit**" shall have the meaning provided in Section 3.2(d).

"**Auto-Reinstatement Letter of Credit**" shall have the meaning provided in Section 3.2(e).

"**Availability Reserves**" shall mean, without duplication of any other reserves or items that are otherwise addressed or excluded through eligibility criteria, such reserves, subject to Section 2.15, as the Administrative Agent, in its Permitted Discretion, determines as being appropriate to reflect any impediments to the realization upon the Collateral consisting of Eligible Accounts included in the Borrowing Base (including claims that the Administrative

Agent determines will need to be satisfied in connection with the realization upon such Collateral).

"**Available Commitment**" shall mean an amount equal to the excess, if any, of (a) the amount of the Total New Revolving Credit Commitment over (b) the sum of (i) the aggregate principal amount of all New Revolving Credit Loans (but not Swingline Loans) then outstanding and (ii) the aggregate Letters of Credit Outstanding at such time.

"**Bain**" shall mean Bain Capital Partners LLC.

"**Bank of America**" shall mean Bank of America, N.A. and its successors.

"**Bankruptcy Code**" shall have the meaning provided in Section 11.5.

"**Blocked Account Agreement**" shall have the meaning provided in Section 9.15(a).

"**Blocked Accounts**" shall have the meaning provided in Section 9.15(a).

"**Board**" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"**Borrower Materials**" shall have the meaning provided Section 14.17(b).

"**Borrowers**" shall mean the Parent Borrower and the Subsidiary Borrowers, jointly, severally and collectively.

"**Borrowing**" shall mean and include (a) the incurrence of Swingline Loans from the Swingline Lender on a given date, (b) the incurrence of one Type of New Revolving Credit Loan on a given date (or resulting from conversions on a given date) having, in the case of LIBOR Loans, the same Interest Period (provided that ABR Loans incurred pursuant to Section 2.10(b) shall be considered part of any related Borrowing of LIBOR Loans) and (c) the incurrence of any Protective Advance.

"**Borrowing Base**" shall mean, on any date, a dollar amount equal to (x) 85% multiplied by the book value of Eligible Accounts plus (y) 85% multiplied by the book value of Eligible Credit Card Receivables (without duplication) minus (z) any Reserves; provided that the portion of the Borrowing Base attributable to (i) Self-Pay Accounts shall not exceed the lesser of (a) $80.0 million and (b) the aggregate amount of cash collections received in respect of Self-Pay Accounts during the three calendar month period then most recently completed for which internal financial statements are available and (ii) Potential Medicaid Accounts shall not exceed the lesser of (a) $75.0 million and (b) the aggregate amount of Potential Medicaid Accounts that have been converted into Medicaid Accounts during the three calendar month period then most recently completed for which internal financial statements are available. The Administrative Agent, in its Permitted Discretion, may adjust the Borrowing Base by applying percentages (known as "liquidating factors") to Eligible Accounts by payor class based upon the applicable Borrower's actual recent collection history for each such payor class (*i.e.*, Medicare, Medicaid,

commercial insurance, etc.) in a manner consistent with the Administrative Agent's underwriting practices and procedures.

"**Borrowing Base Certificate**" shall mean a certificate, duly executed by a Financial Officer or controller of the Parent Borrower, appropriately completed and substantially in the form of Exhibit A to the Original Credit Agreement.

"**Business Day**" shall mean any day excluding Saturday, Sunday and any day that in the jurisdiction where the Administrative Agent's Office for Loans is located shall be a legal holiday or a day on which banking institutions are authorized by law or other governmental actions to close; provided, however, if such day relates to any interest rate settings as to a LIBOR Loan, any fundings, disbursements, settlements and payments in respect of any such LIBOR Loan, or any other dealings to be carried out pursuant to this Agreement in respect of any such LIBOR Loan, such day shall be a day on which dealings in deposits are conducted by and between banks in the London interbank eurodollar market.

"**Capital Lease**" shall mean, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person.

"**Capitalized Lease Obligations**" shall mean, as applied to any Person, all obligations under Capital Leases of such Person or any of its Subsidiaries, in each case taken at the amount thereof accounted for as liabilities in accordance with GAAP.

"**Cash Collateralize**" shall have the meaning provided in Section 3.8(d).

"**Cash Dominion Event**" shall mean either (i) the occurrence and continuance of any Event of Default under Section 11.1 or 11.5, or (ii) the Parent Borrower has failed to maintain **(x)** Excess Global Availability of at least $250.0 million **or (y) Excess Facility Availability of at least $125.0 million, in the case of each of clause (x) and (y)** for five (5) consecutive Business Days, and in the case of this clause (ii), the Administrative Agent has notified the Parent Borrower thereof. For purposes of this Agreement, the occurrence of a Cash Dominion Event shall be deemed continuing at the Administrative Agent's option (x) if the Cash Dominion Event arises under clause (i) above, so long as such Event of Default is continuing, or (y) if the Cash Dominion Event arises as a result of the Parent Borrower's failure to achieve and maintain Excess Global Availability **and Excess Facility Availability** as required hereunder, until **(A)** Excess Global Availability has exceeded $250.0 million **and (B) Excess Facility Availability has exceeded $125.0 million, in the case of (A) and (B)** for thirty (30) consecutive days, in which case a Cash Dominion Event shall no longer be deemed to be continuing for purposes of this Agreement; provided that a Cash Dominion Event shall be deemed continuing (even if such an Event of Default is no longer continuing and/or Excess Global Availability ~~exceeds~~**and Excess Facility Availability exceed** the required ~~amount~~**amounts** for thirty (30) consecutive days) at all times in any four fiscal quarter period after a Cash Dominion Event has occurred and been discontinued on two occasions in such four fiscal quarter period.

"**Cash Management Agreement**" shall mean any agreement or arrangement to provide cash management services, including treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer and other cash management arrangements.

"**Cash Management Bank**" shall mean any Person that, either (x) at the time it enters into a Cash Management Agreement or (y) on the Original Closing Date, is a Lender or an Affiliate of a Lender, in its capacity as a party to such Cash Management Agreement.

"**Cash Management Systems**" shall have the meaning provided in Section 9.15(a).

"**Cash Pay Notes**" shall have the meaning provided in the preamble to this Agreement.

"**CF Agreement**" shall mean the Credit Agreement, dated as of November 17, 2006, among the Parent Borrower, the European subsidiary borrowers party thereto, the lending institutions from time to time parties thereto, Bank of America, N.A., as administrative agent, swingline lender and letter of credit issuer, JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., as co-syndication agents, Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners, Deutsche Bank Securities Inc. and Wachovia Capital Markets LLC, as joint bookrunners, and Merrill Lynch Capital Corporation, as documentation agent as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

"**CF Collateral Agent**" shall mean the collateral agent under the CF Facilities.

"**CF Documents**" shall mean the CF Agreement, any guaranties issued thereunder and the collateral and security documents (and intercreditor agreements) entered into in connection therewith.

"**CF Facilities**" shall mean the credit facilities under the CF Agreement, including any guarantees, collateral documents and account control agreements, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements, refundings or refinancings thereof and any indentures or credit facilities or commercial paper facilities with banks or other institutional lenders or investors that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount borrowable thereunder or alters the maturity thereof.

"**CF Revolving Credit Facility**" shall mean the revolving credit facility under the CF Agreement.

"**CHAMPVA**" shall mean, collectively, the Civilian Health and Medical Program of the Department of Veteran Affairs, a program of medical benefits covering retirees and dependents of former members of the armed services administered by the United States Department of Veteran Affairs, and all laws, rules, regulations, manuals, orders, guidelines or

requirements pertaining to such program including, without limitation, (a) all federal statutes (whether set forth in 38 U.S.C. § 1713 or elsewhere) affecting such program to the extent applicable to CHAMPVA and (b) all rules, regulations (including 38 C.F.R. § 17.54), manuals, orders and administrative, reimbursement and other guidelines of all Governmental Authorities promulgated in connection with such program (whether or not having the force of law), in each case as the same may be amended, supplemented or otherwise modified from time to time.

"**CHAMPVA Account**" shall mean an Account payable pursuant to CHAMPVA.

"**Change in Law**" shall mean (a) the adoption of any law, treaty, order, policy, rule or regulation after the date of this Agreement, (b) any change in any law, treaty, order, policy, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) any guideline, request or directive issued or made after the Original Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law) that requires compliance by a Lender.

"**Change of Control**" shall mean and be deemed to have occurred if (a) the Sponsors, the Frist Shareholders and the Management Investors shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of the Parent Borrower (other than as the result of one or more widely distributed offerings of the common Stock of the Parent Borrower or any direct or indirect parent thereof, in each case whether by the Parent Borrower, such parent, the Sponsors, the Frist Shareholders or the Management Investors); or (b) any person, entity or "group" (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended) shall at any time have acquired direct or indirect beneficial ownership of a percentage of the voting power of the outstanding Voting Stock of the Parent Borrower that exceeds the percentage of the voting power of such Voting Stock then beneficially owned, in the aggregate, by the Sponsors, the Frist Shareholders and the Management Investors, unless, in the case of either clause (a) or (b) above, the Sponsors, the Frist Shareholders and the Management Investors have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of the board of directors of the Parent Borrower; or (c) Continuing Directors shall not constitute at least a majority of the board of directors of the Parent Borrower; or (d) at any time, a Change of Control (as defined in the Junior Lien Notes Indenture or any agreement governing Subordinated Indebtedness) shall have occurred; or (e) the Parent Borrower shall cease to own directly 100% of the Stock and Stock Equivalents of Healthtrust; provided that no Change of Control shall be deemed to have occurred under this clause (e) solely as a result of the preferred Stock of Healthtrust that is owned by Columbia-SDH and Epic Properties continuing to be owned by such entities so long as Columbia-SDH and Epic Properties are direct or indirect wholly-owned Subsidiaries of Healthtrust.

"**Class**," when used in reference to any Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, are New Revolving Credit Loans, Protective Advances, Incremental Revolving Loans or Swingline Loans and, when used in reference to any Commitment, refers to whether such Commitment is a New Revolving Credit Commitment or a Incremental Revolving Credit Commitment.

"**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder. Section references to the Code are to the Code as in effect at the date of this Agreement and any subsequent provisions of the Code amendatory thereof, supplemental thereto or substituted therefor.

"**Collateral**" shall have the meaning assigned thereto in to the Security Agreement.

"**Collateral Agent**" shall mean Bank of America, as collateral agent under the Security Documents, or any successor collateral agent pursuant to Section 13.

"**Collection Account**" shall mean the account of the Administrative Agent designated by the Administrative Agent as such in writing. Any funds on deposit in the Collection Account shall at all times constitute Collateral.

"**Columbia-SDH**" shall mean Columbia-SDH Holdings, Inc., a Delaware corporation.

"**Commitment Fee**" shall have the meaning provided in Section 4.1(a).

~~"**Commitment Fee Gross-Up Date**" shall have the meaning provided in Section 4.1(a).~~

~~"**Commitment Fee Payment**" shall have the meaning provided in Section 4.1(a).~~

"**Commitment Fee Rate**" shall mean, with respect to the Available Commitment on any day, the rate *per annum* set forth below opposite the Status in effect on such day:

Status	Commitment Fee Rate
Level I Status	0.375%
Level II Status	0.375%
Level III Status	0.250%

Notwithstanding the foregoing, the term "Commitment Fee Rate" shall mean 0.375% during the period from and including the Original Closing Date to but excluding the Trigger Date.

"**Commitments**" shall mean, with respect to each Lender (to the extent applicable), such Lender's New Revolving Credit Commitment, Incremental Revolving Credit Commitment and commitment to acquire participations in Protective Advances.

"**Communications**" shall have the meaning provided in Section 14.17(a).

"**Concentration Account**" shall have the meaning provided in Section 9.15(a).

"**Confidential Healthcare Information**" shall have the meaning provided in Section 9.2.

"**Confidential Information**" shall have the meaning provided in Section 14.16.

"**Confidential Information Memorandum**" shall mean the Confidential Information Memorandum of the Parent Borrower dated August 2006, the Confidential Information Memorandum of the Parent Borrower dated September 2006, in each case delivered to Lenders in connection with this Agreement, and the Confidential Information Memorandum of the Parent Borrower dated October 2006; provided that in the event and to the extent of any inconsistencies between or among any of the foregoing, "Confidential Information Memorandum" shall refer to the most recent thereof.

"**Consolidated EBITDA**" shall mean, for any period, Consolidated Net Income for such period, plus:

(a) without duplication and to the extent deducted (and not added back) in arriving at such Consolidated Net Income, the sum of the following amounts for the Parent Borrower and the Restricted Subsidiaries for such period:

(i) total interest expense and to the extent not reflected in such total interest expense, any losses on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, net of interest income (other than interest income of HCI) and gains on such hedging obligations, and costs of surety bonds in connection with financing activities,

(ii) provision for taxes based on income, profits or capital, including federal, foreign state, franchise, excise and similar taxes and foreign withholding taxes paid or accrued during such period, including any penalties and interest relating to any tax examinations,

(iii) depreciation and amortization,

(iv) Non-Cash Charges,

(v) extraordinary losses, unusual or non-recurring charges, severance costs, relocation costs, integration and facilities opening costs, signing costs, retention or completion bonuses, transition costs and costs from curtailments or modifications to pension and post-retirement employee benefit plans,

(vi) restructuring charges or reserves (including restructuring costs related to acquisitions after the Original Closing Date and to closure and/or consolidation of facilities),

(vii) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-wholly-owned Subsidiary deducted (and not added back) in such period to Consolidated Net Income,

(viii) the amount of management, monitoring, consulting and advisory fees and related expenses paid to the Sponsors,

(ix) any costs or expenses pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Parent Borrower or net cash proceeds of an issuance of Stock or Stock Equivalents (other than Disqualified Equity Interests) of the Parent Borrower (provided such capital contributions are not included in the Cure Amount and have not been applied to increase the "Applicable Amount" pursuant to clause (ii) of the definition thereof),

(x) the amount of net cost savings projected by the Parent Borrower in good faith to be realized as a result of specified actions (i) taken by the Parent Borrower and its Restricted Subsidiaries prior to such date of determination or (ii) expected to be taken on or prior to the third anniversary of the Original Closing Date (in each case, calculated on a Pro Forma Basis as though such cost savings had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions, provided that (A) such cost savings are reasonably identifiable and factually supportable, (B) in the case of subclause (ii) above, such actions are taken on or prior to the third anniversary of the Original Closing Date, (C) no cost savings shall be added pursuant to this clause (x) to the extent duplicative of any expenses or charges relating to such cost savings that are included in clause (vi) above with respect to such period and (D) the aggregate amount of cost savings added pursuant to this clause (x) shall not exceed $200,000,000 for any period consisting of four consecutive quarters,

(xi) to the extent covered by insurance and actually reimbursed, or, so long as the Parent Borrower has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption, and

(xii) the amount of losses on Dispositions of receivables and related assets in connection with any Permitted Receivables Financing,

less

(b) without duplication and to the extent included in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) extraordinary gains and unusual or non-recurring gains,

(ii) non-cash gains (excluding any non-cash gain to the extent it represents the reversal of an accrual or reserve for a potential cash item that reduced Consolidated Net Income or Consolidated EBITDA in any prior period),

(iii) gains on asset sales (other than asset sales in the ordinary course of business), and

(iv) any net after-tax income from the early extinguishment of Indebtedness or hedging obligations or other derivative instruments,

in each case, as determined on a consolidated basis for the Parent Borrower and the Restricted Subsidiaries in accordance with GAAP; provided that

(i) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA currency translation gains and losses related to currency remeasurements of Indebtedness or intercompany balances (including the net loss or gain resulting from Hedge Agreements for currency exchange risk),

(ii) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of Statement of Financial Accounting Standards No. 133,

(iii) there shall be included in determining Consolidated EBITDA for any period, without duplication, (A) the Acquired EBITDA of any Person, property, business or asset acquired by the Parent Borrower or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired) to the extent not subsequently sold, transferred, abandoned or otherwise disposed by the Parent Borrower or such Restricted Subsidiary (each such Person, property, business or asset acquired and not subsequently so disposed of, an "**Acquired Entity or Business**") and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a "**Converted Restricted Subsidiary**"), based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) and (B) other than for purposes of determining the Applicable Amount, the Applicable ABR Margin, the Applicable LIBOR Margin and the Commitment Fee Rate, an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition) as specified in a Pro Forma Adjustment Certificate and delivered to the Lenders and the Administrative Agent, and

(iv) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business or asset (other than an Unrestricted Subsidiary) sold, transferred, abandoned or otherwise disposed of, closed or classified as discontinued operations by the Parent Borrower or any Restricted Subsidiary during such period (each such Person, property, business or asset so sold or disposed of, a "**Sold Entity or**

Business"), and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a "**Converted Unrestricted Subsidiary**") based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer or disposition or conversion).

Notwithstanding anything to the contrary contained herein and subject to adjustment as provided in clauses (iii) and (iv) of the immediately preceding proviso with respect to acquisitions and dispositions occurring following the Original Closing Date, Consolidated EBITDA shall be deemed to be $1,233,000,000, $1,112,000,000 and $974,000,000, respectively, for the fiscal quarters ended March 31, 2006, June 30, 2006, and September 30, 2006.

"**Consolidated EBITDA to Consolidated Interest Expense Ratio**" shall mean, as of any date of determination, the ratio of (a) Consolidated EBITDA for the relevant Test Period to (b) Consolidated Interest Expense for such Test Period.

"**Consolidated First Lien Debt**" shall mean Consolidated Total Debt secured by a Lien on any assets of the Parent Borrower or any of its Restricted Subsidiaries (other than (i) a Lien ranking junior to the Lien securing the Obligations on a basis at least as substantially favorable to the Lenders as the basis on which the Lien securing the Junior Lien Notes ranks junior to the Lien securing the Obligations and (ii) Liens on assets not constituting Collateral permitted pursuant to Section 10.2).

"**Consolidated First Lien Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (a) Consolidated First Lien Debt as of such date to (b) Consolidated EBITDA for the Test Period then last ended.

"**Consolidated Interest Expense**" shall mean, for any period, the sum of (i) the cash interest expense including that attributable to Capital Leases in accordance with GAAP (provided that any payment of cash interest pursuant to Section 10.6(e) on the required date of determination of Consolidated Interest Expense for any purpose under this Agreement shall be added to Consolidated Interest Expense for the period for which such determination is being made), net of cash interest income (other than interest income of HCI), of the Parent Borrower and the Restricted Subsidiaries and, solely for purposes of calculating the Consolidated EBITDA to Consolidated Interest Expense Ratio in Section 10.6(e), Holdings, on a consolidated basis in accordance with GAAP with respect to all outstanding Indebtedness of the Parent Borrower and the Restricted Subsidiaries and, solely for purposes of calculating the Consolidated EBITDA to Consolidated Interest Expense Ratio in Section 10.6(e), Holdings, including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Hedge Agreements (other than currency swap agreements, currency future or option contracts and other similar agreements) and (ii) any cash payments made during such period in respect of obligations referred to in clause (b) below relating to Funded Debt that were amortized or accrued in a previous period (other than any such obligations resulting from the discounting of Indebtedness in connection with the application of purchase accounting in connection with the Transaction or any Permitted Acquisition), but excluding, however, (a) amortization of deferred financing costs and any other amounts of non-

cash interest, (b) the accretion or accrual of discounted liabilities during such period, and (c) all non-recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations and financing fees, all as calculated on a consolidated basis in accordance with GAAP and excluding, for the avoidance of doubt, any interest in respect of items excluded from Indebtedness in the proviso to the definition thereof, provided that (a) except as provided in clause (b) below, there shall be excluded from Consolidated Interest Expense for any period the cash interest expense (or cash interest income) of all Unrestricted Subsidiaries for such period to the extent otherwise included in Consolidated Interest Expense, (b) there shall be included in determining Consolidated Interest Expense for any period the cash interest expense (or income) of any Acquired Entity or Business acquired during such period and of any Converted Restricted Subsidiary converted during such period, in each case based on the cash interest expense (or income) of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) assuming any Indebtedness incurred or repaid in connection with any such acquisition or conversion had been incurred or prepaid on the first day of such period, and (c) there shall be excluded from determining Consolidated Interest Expense for any period the cash interest expense (or income) of any Sold Entity or Business disposed of during such period, based on the cash interest expense (or income) relating to any Indebtedness relieved, retired or repaid in connection with any such disposition of such Sold Entity or Business for such period (including the portion thereof occurring prior to such disposal) assuming such debt relieved, retired or repaid in connection with such disposition had been relieved, retired or repaid on the first day of such period.

Notwithstanding anything to the contrary contained herein, Consolidated Interest Expense shall be deemed to be $175,000,000, $183,000,000 and $192,000,000, respectively, for the fiscal quarters ended March 31, 2006, June 30, 2006 and September 30, 2006.

"**Consolidated Net Income**" shall mean, for any period, the net income (loss) of the Parent Borrower and the Restricted Subsidiaries for such period determined on a consolidated basis in accordance with GAAP, excluding, without duplication,

(a) extraordinary items for such period,

(b) the cumulative effect of a change in accounting principles during such period to the extent included in Consolidated Net Income,

(c) in the case of any period that includes a period ending prior to or during the fiscal quarter ending September 30, 2007, Transaction Expenses,

(d) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, recapitalization, asset disposition, issuance or repayment of debt, issuance of equity securities, refinancing transaction or amendment or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Original Closing Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction,

(e) any income (loss) for such period attributable to the early extinguishment of Indebtedness or to hedging obligations or other derivative instruments,

(f) accruals and reserves required to be established or adjusted as a result of the Transactions in accordance with GAAP or changes as a result of adoption of or modification of accounting policies, in each case, within twelve months after the Original Closing Date; and

(g) the income (loss) for such period of any Unrestricted Subsidiary, except to the extent distributed to the Parent Borrower or any Restricted Subsidiary.

There shall be excluded from Consolidated Net Income for any period the purchase accounting effects of adjustments to inventory, property, equipment and intangible assets and deferred revenue in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Parent Borrower and the Restricted Subsidiaries), as a result of the Transactions, any consummated acquisition whether consummated before or after the Original Closing Date, or the amortization or write-off of any amounts thereof.

"**Consolidated Persons**" shall mean, at any time, each of the Persons listed on Schedule 1.1(h) to the Original Credit Agreement so long as (i) such Person's financial results are consolidated with the financial results of the Parent Borrower in accordance with GAAP at such time and (ii) no Sponsor or Frist Shareholder (or any controlling affiliate of any Sponsor or of any Frist Shareholder) holds any Stock or Stock Equivalents of such Person at such time.

"**Consolidated Total Assets**" shall mean, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of the Parent Borrower and the Restricted Subsidiaries at such date.

"**Consolidated Total Debt**" shall mean, as of any date of determination, (a) the sum of all Indebtedness of the types described in clause (a), clause (c) (but, in the case of clause (c), only to the extent of any unreimbursed drawings under any letter of credit) and clause (e) of the definition thereof actually owing by the Parent Borrower and the Restricted Subsidiaries on such date to the extent appearing on the balance sheet of the Parent Borrower determined on a consolidated basis in accordance with GAAP (provided that the amount of any Capitalized Lease Obligations or any such Indebtedness issued at a discount to its face value shall be determined in accordance with GAAP) minus (b) the aggregate cash and cash equivalents included in the cash and cash equivalents accounts listed on the balance sheet of the Parent Borrower and the Restricted Subsidiaries as at such date determined on a consolidated basis in accordance with GAAP excluding (x) all cash of HCI and (y) any cash subject to a Lien other than nonconsensual Liens permitted by Section 10.2 and Liens permitted by Section 10.2(m), (n) and (o).

"**Consolidated Total Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the relevant Test Period to (b) Consolidated EBITDA for such Test Period.

"**Continuing Director**" shall mean, at any date, an individual (a) who is a member of the board of directors of the Parent Borrower Original Closing Date, (b) who, as of the date of determination, has been a member of such board of directors for at least the twelve preceding months, (c) who has been nominated to be a member of such board of directors, directly or indirectly, by a Sponsor or Persons nominated by a Sponsor or (d) who has been nominated to be a member of such board of directors by a majority of the other Continuing Directors then in office.

"**Contractual Requirement**" shall have the meaning provided in Section 8.3.

"**Converted Restricted Subsidiary**" shall have the meaning provided in the definition of the term "Consolidated EBITDA."

"**Converted Unrestricted Subsidiary**" shall have the meaning provided in the definition of the term "Consolidated EBITDA."

"**Co-Syndication Agents**" shall mean JPMorgan Chase Bank, N.A. and Citicorp North America, Inc., together with their respective affiliates, as co-syndication agents for the Lenders under this Agreement and the other Credit Documents.

"**Covenant Compliance Event**" shall mean Excess Facility Availability at any time is less than or equal to 10% of the Borrowing Base. For purposes hereof, the occurrence of a Covenant Compliance Event shall be deemed continuing until Excess Facility Availability has exceeded 10% of the Borrowing Base for thirty (30) consecutive days, in which case a Covenant Compliance Event shall no longer be deemed to be continuing for purposes of this Agreement.

"**Credit Card Notifications**" shall have the meaning provided in Section 9.15(e).

"**Credit Documents**" shall mean this Agreement (including the Original Credit Agreement), the Amendment Agreement, the Security Documents, each Letter of Credit and any promissory notes issued by a Borrower hereunder.

"**Credit Event**" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"**Credit Facilities**" shall mean, collectively, each category of Commitments and each extension of credit hereunder.

"**Credit Party**" shall mean the Parent Borrower and each of the Subsidiary Borrowers.

"**Cumulative Consolidated Net Income**" shall mean, for any period, Consolidated Net Income for such period, taken as a single accounting period. Cumulative Consolidated Net Income may be a positive or negative amount.

"**Cure Amount**" shall have the meaning provided in Section 12.

"**Cure Right**" shall have the meaning provided in Section 12.

"**Debt Repayment**" shall mean the repayment, prepayment, repurchase or defeasance of the Indebtedness of the Parent Borrower under the 1993 Indenture that is identified on Schedule 1.1(g) to the Original Credit Agreement and that was repaid, prepaid, repurchased or defeased on the Original Closing Date (or such later date as may be necessary to effect the Debt Repayment in accordance with the tender offers therefor).

"**Default**" shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

"**Defaulting Lender**" shall mean any Lender with respect to which a Lender Default is in effect.

"**Delayed Equity Arrangements**" shall have the meaning provided in Section 8.17.

"**Delayed Equity Amount**" means an amount, in Dollars, equal to the lesser of (x) $100,000,000 and (y) the amount by which the Equity Investment actually made on the Original Closing Date would have to have been increased (assuming (I) a corresponding decrease in the amount of consolidated Indebtedness of the Parent Borrower and its Subsidiaries outstanding on the Original Closing Date and (II) that such consolidated Indebtedness had been further reduced by the Option Note Amount) in order for the sum of (i) the Equity Investment actually made on the Original Closing Date and (ii) the Option Note Amount to have constituted 15% of the aggregate pro forma capitalization of the Parent Borrower on the Original Closing Date. For the avoidance of doubt, no amount deemed received by the Parent Borrower in respect of the Option Note Amount for purposes of the first sentence of Section 10.7(d) shall also be deemed received by the Parent Borrower in respect of the Delayed Equity Amount for purposes of such sentence.

"**Designated Non-Borrower Subsidiary**" shall mean any Restricted Subsidiary of the Parent Borrower that is designated as a Designated Non-Borrower Subsidiary by the Parent Borrower in a written notice to the Administrative Agent, provided that (a) each of (i) an amount equal to the Parent Borrower's direct or indirect equity ownership percentage of the net worth of such Restricted Subsidiary immediately prior to such designation (such net worth to be calculated without regard to any guarantee provided by such designated Restricted Subsidiary) and (ii) without duplication of any amount included in the preceding clause (i), the aggregate principal amount of any Indebtedness owed by such designated Restricted Subsidiary to the Parent Borrower or any other Credit Party immediately prior to such designation, shall be deemed to be an Investment by the Parent Borrower, on the date of such designation, in a Restricted Subsidiary that is not a Credit Party, all calculated, except as set forth in the parenthetical to clause (i) above, on a consolidated basis in accordance with GAAP and (b) no Default or Event of Default would result from such designation after giving effect thereto. The Parent Borrower may, by written notice to the Administrative Agent, re-designate any Designated Non-Borrower Subsidiary as a Borrower, and thereafter, such Subsidiary shall no longer constitute a Designated Non-Borrower Subsidiary, but only if (x) no Default or Event of Default would result from such re-designation and (y) such Subsidiary becomes a party to this

Agreement by executing a joinder hereto and to the applicable Security Documents in order to become a Borrower and pledgor, as applicable, thereunder.

"**Designated Non-Cash Consideration**" shall mean the fair market value of non-cash consideration received by the Parent Borrower or a Restricted Subsidiary in connection with a Disposition pursuant to Section 10.4(b) or Section 10.4(c) that is designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Parent Borrower, setting forth the basis of such valuation (which amount will be reduced by the fair market value of the portion of the non-cash consideration converted to cash within 180 days following the consummation of the applicable Disposition).

"**Disbursement Account**" shall have the meaning provided in Section 9.15(a).

"**Disposed EBITDA**" shall mean, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Parent Borrower and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its respective Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as the case may be.

"**Disposition**" shall have the meaning provided in Section 10.4(b).

"**Disqualified Equity Interests**" shall mean any Stock or Stock Equivalent which, by its terms (or by the terms of any security or other Stock or Stock Equivalent into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except (i) as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments or (ii) pursuant to any put option with respect to any Stock or Stock Equivalent of a Subsidiary granted in favor of any Facility Syndication Partner in connection with syndications of ambulatory surgery centers, outpatient diagnostic or imaging centers, hospitals or other healthcare businesses operated or conducted by such Subsidiary (collectively, "**Syndications**")), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provides for scheduled payments of dividends in cash (other than, in the case of Stock or Stock Equivalents of a Subsidiary issued to a Facility Syndication Partner in connection with a Syndication or held by a Restricted Subsidiary, periodic distributions of available cash (determined in good faith by the Parent Borrower) to the holders of such class of Stock or Stock Equivalents on a pro rata basis), or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Stock or Stock Equivalent that would constitute Disqualified Equity Interests, in each case, prior to the date that is 180 days after the Final Maturity Date.

"**Dividends**" or "**dividends**" shall have the meaning provided in Section 10.6.

"**Documentation Agent**" shall mean Merrill Lynch Capital Corporation.

"**Dollars**" and "**$**" shall mean dollars in lawful currency of the United States of America.

"**Dollar Equivalent**" shall mean, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any other currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such other currency.

"**Domestic Subsidiary**" shall mean each Subsidiary of the Parent Borrower that is organized under the laws of the United States, any state or territory thereof, or the District of Columbia.

"**Drawing**" shall have the meaning provided in Section 3.4(b).

"**Eligible Accounts**" shall mean, at any date of determination thereof, the aggregate amount of all Accounts at such date due to a Borrower except to the extent that (determined without duplication):

(a) such Account does not arise from the sale of goods or the performance of services by such Borrower (or, in the case of an ABL Entity, does not arise from the sale of goods or the performance of services by a 1993 Indenture Restricted Subsidiary) in the ordinary course of its business;

(b) (i) such Borrower's right to receive payment is not absolute or is contingent upon the fulfillment of any condition whatsoever (other than the preparation and delivery of an invoice) or (ii) as to which such Borrower is not able to bring suit or otherwise enforce its remedies against the Account Debtor through judicial process;

(c) any defense, counterclaim, set-off or dispute exists as to such Account, but only to the extent of such defense, counterclaim, setoff or dispute;

(d) such Account is not a true and correct statement of bona fide indebtedness incurred in the amount of the Account for merchandise sold to or services rendered and accepted by the applicable Account Debtor (or, in the event that the Account Debtor is a Third Party Payor, merchandise sold to or services rendered and accepted by the intended beneficiary);

(e) an invoice, reasonably acceptable to the Administrative Agent in form and substance or otherwise in the form otherwise required by any Account Debtor, has not been sent to the applicable Account Debtor in respect of such Account within 30 days after the earlier of (i) the date the patient as to which such Account relates has been discharged or (ii) the date as of which such Account is first included in the Borrowing Base Certificate or otherwise reported to the Administrative Agent as Collateral;

(f) such Account (i) is not owned by such Borrower or (ii) is subject to any Lien, other than Liens permitted hereunder pursuant to Sections 10.2(a), (b), (c) and (d);

(g) such Account is the obligation of an Account Debtor that is a director, officer, other employee or Affiliate of any Borrower (other than Accounts arising from the provision of medical care delivered to such Account Debtor in the ordinary course of business), or to any entity (other than Third Party Payor) that has any common officer or director with any Borrower;

(h) except for Government Accounts that are otherwise Eligible Accounts, such Account is the obligation of an Account Debtor that is the United States government or a political subdivision thereof, or department, agency or instrumentality thereof unless the Administrative Agent, in its sole discretion, has agreed to the contrary in writing and such Borrower, if necessary or desirable, has complied with respect to such obligation with the Federal Assignment of Claims Act of 1940, or any applicable state, county or municipal law restricting assignment thereof;

(i) [Reserved];

(j) such Borrower is liable for goods sold or services rendered by the applicable Account Debtor to such Borrower but only to the extent of the potential offset;

(k) upon the occurrence of any of the following with respect to such Account:

(i) the Account is not paid within 180 days following the original invoice date (it being understood that with respect to Medicaid Accounts that were formerly Potential Medicaid Accounts, the 180-day period begins on the date of the first invoice sent to Medicaid);

(ii) the Account Debtor obligated upon such Account suspends business, makes a general assignment for the benefit of creditors or fails to pay its debts generally as they come due;

(iii) any Account Debtor obligated upon such Account is a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any provincial) receivership, insolvency relief or other law or laws for the relief of debtors; provided that Potential Medicaid Accounts shall not be excluded from Eligible Accounts solely as a result of this clause (k)(iii);

(l) such Account is the obligation of an Account Debtor from whom 50% or more of the dollar amount of all Accounts owing by that Account Debtor are ineligible under the criteria set forth in this definition;

(m) such Account in one as to which the Collateral Agent's Lien thereon, on behalf of itself and the Lenders, is not a first priority perfected Lien, subject to Permitted Liens;

(n) any of the representations or warranties in the Credit Documents with respect to such Account are untrue in any material respect with respect to such Account (or, with respect to representations or warranties that are qualified by materiality, any of such representations and warranties are untrue);

(o) such Account is evidenced by a judgment, Instrument or Chattel Paper (each such term as defined in the UCC) (other than Instruments or Chattel Paper that are held by any Borrower or that have been delivered to the Collateral Agent);

(p) except with respect to Government Accounts that are otherwise Eligible Accounts, such Account, together with all other Accounts owing by such Account Debtor and its Affiliates as of any date of determination, exceeds 20% of all Eligible Accounts (but only the extent of such excess);

(q) such Account is payable in any currency other than Dollars;

(r) such Account is otherwise unacceptable to the Administrative Agent in its Permitted Discretion;

(s) such Account has been redated, extended, compromised, settled or otherwise modified or discounted, except (i) discounts or modifications that are granted by a Borrower in the ordinary course of business and that are reflected in the calculation of the Borrowing Base and (ii) Medicaid Accounts converted from Potential Medicaid Accounts;

(t) if such Borrower is or has been audited by any Third Party Payor either (i) any of such audits provides for adjustments in reimbursable costs or asserts claims for reimbursement or repayment by such Borrower of costs and/or payments theretofore made by such Third Party Payor that, if adversely determined, in the aggregate could reasonably be expected to have a Material Adverse Effect or (ii) such Borrower has had requests or assertions of claims for reimbursement or repayment by it of costs and/or payments theretofore made by any Third Party Payor that, if adversely determined, in the aggregate could reasonably be expected to have a Material Adverse Effect;

(u) such Account exceeds the amount such Borrower is entitled to receive under any capitation arrangement, fee schedule, discount formula, cost-based reimbursement or other adjustment or limitation to such Person's usual charges (to the extent of such excess);

(v) such Account is of an Account Debtor that is located in a state requiring the filing of a notice of business activities report or similar report in order to permit a Borrower to seek judicial enforcement in such state of payment of such Account, unless such Borrower has qualified to do business in such state or has filed a notice of business activities report or equivalent report for the then-current year or if such failure to file and inability to seek judicial enforcement is capable of being remedied without any material delay or material cost;

(w) such Accounts were acquired or originated by a Person acquired in a Permitted Acquisition (until such time as the Administrative Agent has completed a customary due diligence investigation as to such Accounts and such Person, which investigation may, at the sole discretion of the Administrative Agent, include a field examination, and the Administrative Agent is reasonably satisfied with the results thereof); or

(x) such Borrower is subject to an event of the type described in Section 11.5.

"**Eligible Credit Card Receivables**" shall mean, as of any date of determination, Accounts due to a Borrower from major credit card and debit card processors (including, but not limited to, VISA, Mastercard, American Express, Diners Club, DiscoverCard, Interlink, NYCE, Star/Mac, Tyme, Pulse, Accel, AFF, Shazam, CU244, Alaska Option and Maestro) that arise in the ordinary course of business and which have been earned by performance and that are not excluded as ineligible by virtue of one or more of the criteria set forth below. None of the following shall be deemed to be Eligible Credit Card Receivables:

(a) Accounts that have been outstanding for more than five (5) Business Days from the date of sale, or for such longer period(s) as may be approved by the Administrative Agent in its reasonable discretion;

(b) Accounts with respect to which a Borrower does not have good, valid and marketable title, free and clear of any Lien (other than Liens permitted hereunder pursuant to Sections 10.2(a), (b), (c) and (d));

(c) Accounts as to which the Collateral Agent's Lien attached thereon on behalf of itself and the Lenders, is not a first priority perfected Lien, subject to Permitted Liens;

(d) Accounts which are disputed, or with respect to which a claim, counterclaim, offset or chargeback (other than chargebacks in the ordinary course by the credit card processors) has been asserted, by the related credit card processor (but only to the extent of such dispute, counterclaim, offset or chargeback);

(e) Except as otherwise approved by the Administrative Agent, Accounts as to which the credit card processor has the right under certain circumstances to require a Borrower to repurchase the Accounts from such credit card or debit card processor;

(f) Except as otherwise approved by the Administrative Agent, Accounts arising from any private label credit card program of the Borrower; and

(g) Accounts due from major credit card and debit card processors (other than JCB, Visa, Mastercard, American Express, Diners Club, DiscoverCard, Interlink, NYCE, Star/Mac, Tyme, Pulse, Accel, AFF, Shazam, CU244, Alaska Option and Maestro) which the Administrative Agent in its Permitted Discretion determines to be unlikely to be collected.

"**Environmental Claims**" shall mean any and all actions, suits, orders, decrees, demands, demand letters, claims, liens, notices of noncompliance, violation or potential responsibility or investigation (other than internal reports prepared by the Parent Borrower or any of the Subsidiaries (a) in the ordinary course of such Person's business or (b) as required in connection with a financing transaction or an acquisition or disposition of real estate) or proceedings relating in any way to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, "**Claims**"), including, without limitation, (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief relating to the presence, release or threatened release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, ambient air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands.

"**Environmental Law**" shall mean any applicable Federal, state, foreign or local statute, law, rule, regulation, ordinance, code and rule of common law in effect on the Original Closing Date or thereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree or judgment, relating to the protection of environment, including, without limitation, ambient air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands, or human health or safety (to the extent relating to human exposure to Hazardous Materials), or Hazardous Materials.

"**Epic Properties**" shall mean Epic Properties, Inc., a Texas corporation.

"**Equity Investments**" shall have the meaning provided in the preamble to this Agreement.

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time. Section references to ERISA are to ERISA as in effect at the date of this Agreement and any subsequent provisions of ERISA amendatory thereof, supplemental thereto or substituted therefor.

"**ERISA Affiliate**" shall mean each person (as defined in Section 3(9) of ERISA) that together with the Parent Borrower would be deemed to be a "single employer" within the meaning of Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"**Event of Default**" shall have the meaning provided in Section 11.

"**Excess Amount**" shall have the meaning provided in Section 2.14.

"**Excess Facility Availability**" shall mean, as of any date of determination thereof by the Administrative Agent, (x) the lesser of (1) the Borrowing Base and (2) the aggregate New Revolving Credit Commitment, minus (y) the aggregate New Revolving Exposure.

"**Excess Global Availability**" shall mean, as of any date of determination thereof by the Administrative Agent, the sum of:

(A) (x) the lesser of (1) the Borrowing Base and (2) the aggregate New Revolving Credit Commitment hereunder minus (y) the aggregate New Revolving Exposure hereunder,

plus

(B) the aggregate Revolving Credit Commitment (as defined in the CF Agreement) under the CF Revolving Credit Facility minus the aggregate Revolving Credit Exposure (as defined in the CF Agreement) under the CF Revolving Credit Facility.

"**Exchange**" shall have the meaning provided in the recitals hereto.

"**Excluded Subsidiary**" shall mean (a) each Domestic Subsidiary listed on Schedule 1.1(d) to the Original Credit Agreement and each future Domestic Subsidiary, in each case, for so long as any such Subsidiary does not (on a consolidated basis with its Restricted Subsidiaries) have property, plant and equipment with a book value in excess of $5,000,000 or a contribution to Consolidated EBITDA for any four fiscal quarter period that includes any date on or after the Original Closing Date in excess of $5,000,000 (provided that no Domestic Subsidiary listed on Schedule 1.1(d) to the Original Credit Agreement that is identified on such Schedule as a Subsidiary with respect which the Parent Borrower intends to conduct a Syndication shall cease to be an Excluded Subsidiary pursuant to this clause (a) for so long as the Parent Borrower intends to conduct such Syndication), (b) each Domestic Subsidiary that is not a wholly-owned Subsidiary on any date such Subsidiary would otherwise be required to become a Subsidiary Borrower pursuant to the requirements of Section 9.11 (for so long as such Subsidiary remains a non-wholly-owned Restricted Subsidiary), (c) each Domestic Subsidiary that is prohibited by any applicable Contractual Requirement or Requirement of Law from guaranteeing or incurring, directly or indirectly, the Obligations at the time such Subsidiary becomes a Restricted Subsidiary (and for so long as such restriction or any replacement or renewal thereof is in effect), (d) each Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary, (e) each other Domestic Subsidiary acquired pursuant to a Permitted Acquisition financed with secured Indebtedness incurred pursuant to Section 10.1(j) or Section 10.1(k) and permitted by the proviso to subclause (y) of such Sections and each Restricted Subsidiary thereof that guarantees such Indebtedness to the extent and so long as the financing documentation relating to such Permitted Acquisition to which such Restricted Subsidiary is a party prohibits such Restricted Subsidiary from guaranteeing, or granting a Lien on any of its assets to secure, the Obligations, (f) any other Domestic Subsidiary with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to the Parent Borrower), the cost or other consequences (including any adverse tax consequences) of providing a guarantee of or incurring, directly or indirectly, the Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (g) each Unrestricted Subsidiary, (h) each 1993 Indenture Restricted Subsidiary for so long as the 1993 Indenture is in effect and such Subsidiary is a "Restricted Subsidiary" under the 1993 Indenture, (i) any Designated Non-Borrower Subsidiary and (k) HCA Health Services of New Hampshire, Inc., a New Hampshire corporation.

"**Excluded Taxes**" shall mean, with respect to any Agent or any Lender, (a) (i) net income taxes and franchise and excise taxes (imposed in lieu of net income taxes) imposed on such Agent or Lender and, to the extent not duplicative, any Taxes imposed on such Agent or Lender where that Tax is imposed upon or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Agent or Lender and (ii) any Taxes imposed on any Agent or any Lender as a result of any current or former connection between such Agent or Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising from such Agent or Lender having executed, delivered or performed its obligations or received a payment under, or having been a party to or having enforced, this Agreement or any other Credit Document) and (b) in the case of a Non-U.S. Lender, (i) any U.S. federal withholding tax that is imposed on amounts payable to such Non-U.S. Lender under the law in effect at the time such Non-U.S. Lender becomes a party to this Agreement (or, in the case of a Non-U.S. Participant, on the date such Non-U.S. Participant became a Participant hereunder); provided that this subclause (b)(i) shall not apply to the extent that (x) the indemnity payments or additional amounts any Lender (or Participant) would be entitled to receive (without regard to this subclause (b)(i)) do not exceed the indemnity payment or additional amounts that the person making the assignment, participation or transfer to such Lender (or Participant) would have been entitled to receive in the absence of such assignment, participation or transfer or (y) any Tax is imposed on a Lender in connection with an interest or participation in any Loan or other obligation that such Lender was required to acquire pursuant to Section 14.8(a) or that such Lender acquired pursuant to Section 14.7 (it being understood and agreed, for the avoidance of doubt, that any withholding tax imposed on a Non-U.S. Lender as a result of a Change in Law occurring after the time such Non-U.S. Lender became a party to this Agreement (or designates a new lending office) shall not be an Excluded Tax) or (ii) any Tax to the extent attributable to such Non-U.S. Lender's failure to comply with Section 5.4(d).

"**Facility Syndication Partners**" shall mean, with respect to any Subsidiary, a Physician or employee performing services with respect to a facility operated by such Subsidiary or a not-for-profit entity.

"**Federal Funds Effective Rate**" shall mean, for any day, the weighted average of the *per annum* rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (a) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"**Fees**" shall mean all amounts payable pursuant to, or referred to in, Section 4.1.

"**Final Maturity Date**" shall mean November 16, 2012, or, if such date is not a Business Day, the next preceding Business Day.

"**Financial Officer**" shall mean the Chief Financial Officer, the Vice President-Finance, the Treasurer, Assistant Treasurer, the officer in charge of cash management or any other senior financial officer of the Parent Borrower.

"First Amendment Date" shall mean the date upon which the amendments hereto (as reflected herein) provided for in Amendment No. 1 hereto dated as of March 2, 2009 become operative in accordance with the terms thereof.

"**Foreign Currencies**" shall mean any currency other than Dollars.

"**Foreign Subsidiary**" shall mean each Subsidiary of the Parent Borrower that is not a Domestic Subsidiary.

"**Frist Shareholders**" shall mean (i) Thomas F. Frist, Jr. and any executor, administrator, guardian, conservator or similar legal representative thereof, (ii) any member of the immediate family of Thomas F. Frist, Jr., (iii) any person directly or indirectly controlled by one or more of the immediate family members of Thomas F. Frist, Jr., (iv) any Person acting as agent for any Person described in clauses (i) through (iii) hereof and (v) the HCA Foundation so long as a majority of the members of its board of directors consist of (a) Frist Shareholders, (b) Continuing Directors, (c) Management Investors and/or (d) any other member of management of the Parent Borrower (provided in the case of this subclause (v)(d) that no Change of Control under clause (a) of the definition thereof (with any reference in such clause (a) to the Frist Shareholders determined without regard to this subclause (v)(d)) shall have occurred on the date such person became a member of management of the Parent Borrower).

"**Fronting Fee**" shall have the meaning provided in Section 4.1(c).

"**Fund**" shall mean any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

"**Funded Debt**" shall mean all indebtedness of the Parent Borrower and the Restricted Subsidiaries (and, solely for purposes of determining Consolidated Interest Expense, Holdings) for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of the Parent Borrower or any Restricted Subsidiary (and, solely for purposes of determining Consolidated Interest Expense, Holdings), to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all amounts of Funded Debt required to be paid or prepaid within one year from the date of its creation and, in the case of any Borrower, Indebtedness in respect of the Loans.

"Future Secured Notes" shall mean senior secured notes or other senior secured Indebtedness (which notes or other Indebtedness may either have the same lien priority as the CF Facilities or may be a junior lien) in each case issued by the Parent Borrower or a U.S. Guarantor (as defined in the CF Agreement), (a) the terms of which do not provide for any scheduled repayment (other than de minimis amortization not to

exceed 1% per annum in the event that such Indebtedness is in the form of a Loan), mandatory redemption or sinking fund obligations prior to the Tranche B Term Loan Maturity Date (as defined in the CF Agreement as in effect on the Original Closing Date) (other than customary offers to repurchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default in the case of senior secured notes and other than customary mandatory prepayment and customary acceleration rights after an event of default consistent with those in the CF Agreement as in effect on the Original Closing Date if such Indebtedness is in the form of a Loan), (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to the Parent Borrower and the Subsidiaries than those in the CF Facilities; provided that a certificate of an Authorized Officer of the Parent Borrower delivered to the Administrative Agent at least three Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Parent Borrower within two Business Days after receipt of such certificate that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), and (c) of which no Subsidiary of the Parent Borrower (other than U.S. Guarantor (as defined in the CF Agreement)) is an obligor.

"**GAAP**" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time; provided, however, that if there occurs after the Original Closing Date any change in GAAP that affects in any respect the calculation of any covenant contained in Section 10, the Lenders and the Parent Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to the calculation of such covenant with the intent of having the respective positions of the Lenders and the Parent Borrower after such change in GAAP conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, the covenants in Section 10 shall be calculated as if no such change in GAAP has occurred.

"**Government Accounts**" shall mean, collectively, any and all Accounts which are (a) Medicare Accounts, (b) Medicaid Accounts, (c) TRICARE Accounts, (d) CHAMPVA Accounts or (e) any other Account payable by a Governmental Authority acceptable to the Administrative Agent in its Permitted Discretion.

"**Government Receivables Bank**" shall have the meaning provided in Section 9.15(a).

"**Government Receivables Deposit Account**" shall have the meaning provided in Section 9.15(a).

"**Government Receivables Deposit Account Agreement**" shall have the meaning ascribed to it in Section 9.15(a).

"**Governmental Authority**" shall mean any nation, sovereign or government, any state, province, territory or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange.

"**Guarantee Obligations**" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term "Guarantee Obligations" shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations in effect on the Original Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Guarantee Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"**Hazardous Materials**" shall mean (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing regulated levels of polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "toxic pollutants," "contaminants" or "pollutants," or words of similar import, under any applicable Environmental Law; and (c) any other chemical, material or substance, which is prohibited, limited or regulated by any Environmental Law.

"**HCA**" shall have the meaning provided in the preamble to this Agreement.

"**HCI**" shall mean Health Care Indemnity, Inc., an insurance company formed under the laws of the State of Colorado.

"**Healthtrust**" shall mean Healthtrust, Inc. — The Hospital Company, a Delaware corporation, and its successors and assigns.

"**Hedge Agreements**" shall mean interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements, and other similar agreements entered into by the Parent Borrower or any Restricted Subsidiary in the ordinary course of business (and not for speculative purposes) for the principal purpose of protecting the Parent Borrower or any of the Restricted Subsidiaries against fluctuations in interest rates, currency exchange rates or commodity prices.

"**Hedge Bank**" shall mean any Person that either (x) at the time it enters into a Secured Hedge Agreement or (y) on the Original Closing Date, is a Lender or an Affiliate of a Lender, in its capacity as a party to such Secured Hedge Agreement.

"**HIPAA**" shall have the meaning provided in Section 9.2.

"**Historical Financial Statements**" shall mean the audited consolidated balance sheets of the Parent Borrower as of December 31, 2004 and December 31, 2005 and the audited consolidated statements of income, stockholders' equity and cash flows of the Parent Borrower for each of the fiscal years in the three year period ending on December 31, 2005.

"**Holdings**" shall mean Hercules Holdings II, LLC, a Delaware limited liability company, and its successors.

"**Increased Amount Date**" shall have the meaning provided in Section 2.14.

"**Incremental Revolving Credit Commitments**" shall have the meaning provided in Section 2.14.

"**Incremental Revolving Loan Lender**" shall have the meaning provided in Section 2.14.

"**Incremental Revolving Loans**" shall have the meaning provided in Section 2.14.

"**Indebtedness**" of any Person shall mean (a) all indebtedness of such Person for borrowed money, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder, (d) all Indebtedness of any other Person secured by any Lien on any property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (e) the principal component of all Capitalized Lease Obligations of such Person, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements, (g) all obligations of such Person in respect of Disqualified Equity Interests and (h) without duplication, all Guarantee Obligations of such Person, provided that Indebtedness shall not include (i) trade payables and accrued expenses arising in the ordinary course of business, (ii) deferred or prepaid revenue, (iii) purchase price holdbacks in respect of a portion of the purchase

price of an asset to satisfy warranty or other unperformed obligations of the respective seller and (iv) all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll over or extensions of terms) and incurred in the ordinary course of business.

"**Indemnified Taxes**" shall mean all Taxes (including Other Taxes) other than (i) Excluded Taxes and (ii) any interest, penalties or expenses caused by an Agent's or Lender's gross negligence or willful misconduct.

"**Intercreditor Agreement**" shall mean that certain Receivables Intercreditor Agreement, dated as of the Original Closing Date, among the Collateral Agent, the CF Collateral Agent and the Trustee under the Junior Lien Notes Indenture, as the same may be amended, restated, modified or waived from time to time.

~~"**Interest Gross-Up Date**" shall have the meaning provided in Section 2.8(d).~~

~~"**Interest Payment**" shall have the meaning provided in Section 2.8(d).~~

"**Interest Period**" shall mean, with respect to any New Revolving Credit Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"**Investment**" shall mean, for any Person: (a) the acquisition (whether for cash, property, services or securities or otherwise) of Stock, Stock Equivalents (or any other capital contribution), bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person (including any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such sale); (b) the making of any deposit with, or advance, loan or other extension of credit or capital contribution to, any other Person (including the purchase of property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such property to such Person), but excluding any such advance, loan or extension of credit having a term not exceeding 364 days (inclusive of any rollover or extension of terms) arising in the ordinary course of business; or (c) the entering into of any guarantee of, or other contingent obligation with respect to, Indebtedness; or (d) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person; provided that, in the event that any Investment is made by the Parent Borrower or any Restricted Subsidiary in any Person through substantially concurrent interim transfers of any amount through one or more other Restricted Subsidiaries, then such other substantially concurrent interim transfers shall be disregarded for purposes of Section 10.5.

"**Investors**" shall mean the Sponsors, the Management Investors, the Frist Shareholders and each other investor providing a portion of the Equity Investments on the Original Closing Date.

"**ISP**" shall mean, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

"**Issuer Documents**" shall mean with respect to any Letter of Credit, the Letter of Credit Request, and any other document, agreement and instrument entered into by the Letter of Credit Issuer and the Parent Borrower (or any Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"**Joinder Agreement**" shall mean an agreement substantially in the form of Exhibit L to the Original Credit Agreement.

"**Joint Bookrunners**" shall mean Deutsche Bank Securities Inc. and Wachovia Capital Markets, LLC.

"**Joint Lead Arrangers and Bookrunners**" shall mean Banc of America Securities LLC, J.P. Morgan Securities Inc., Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"**Junior Indebtedness**" shall have the meaning provided in Section 10.7(a).

"**Junior Lien Notes**" shall have the meaning set forth in the preamble.

"**Junior Lien Notes Collateral**" shall mean the U.S. Collateral (as defined in the CF Agreement) (other than any Principal Properties except to the extent that the 1993 Indenture has ceased to be in effect as a result of a satisfaction and discharge thereof or defeasance thereof in accordance with its terms at any time prior to the repayment in full of the Obligations (as defined in the CF Agreement)).

"**Junior Lien Notes Indenture**" shall mean the Indenture dated as of the Original Closing Date, among the Parent Borrower, the guarantors party thereto and The Bank of New York, as trustee, pursuant to which the Junior Lien Notes are issued, as the same may be amended, supplemented or otherwise modified from time to time in accordance therewith.

"**Junior Lien Notes Offering**" shall have the meaning provided in the recitals hereto.

"**JV Distribution Amount**" means, at any time, the aggregate amount of cash distributed to the Parent Borrower or any Restricted Subsidiary by any joint venture that is not a Subsidiary (regardless of the form of legal entity) since the Original Closing Date and prior to such time (without duplication of any amount treated as a reduction in the outstanding amount of Investments by the Parent Borrower or any Restricted Subsidiary pursuant to clause (d), (i) or (v) of Section 10.5) and only to the extent that neither the Parent Borrower nor any Restricted Subsidiary is under any obligation to repay such amount to such joint venture.

"**KKR**" shall mean each of Kohlberg Kravis Roberts & Co., L.P. and KKR Associates, L.P.

"**L/C Borrowing**" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

~~"**L/C Fee Gross-Up Date**" shall have the meaning provided in Section 4.1(b).~~

~~"**L/C Fee Payment**" shall have the meaning provided in Section 4.1(b).~~

"**L/C Maturity Date**" shall mean the date that is five Business Days prior to the Final Maturity Date.

"**L/C Obligations**" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"**L/C Participant**" shall have the meaning provided in Section 3.3(a).

"**L/C Participation**" shall have the meaning provided in Section 3.3(a).

"**Lender**" shall have the meaning provided in the preamble to this Agreement.

"**Lender Default**" shall mean (a) the failure (which has not been cured) of a Lender to make available its portion of any Borrowing, to fund its portion of any unreimbursed payment under Section 3.3 or to fund its participation in a Protective Advance or (b) a Lender having notified the Administrative Agent and/or the Parent Borrower that it does not intend to comply with the obligations under Section 2.1(b), 2.1(d) or 3.3, in the case of either clause (a) or (b) above or (c) a Lender becoming the subject of a bankruptcy or insolvency proceeding.

"**Letter of Credit**" shall mean each letter of credit issued pursuant to Section 3.1.

"**Letter of Credit Commitment**" shall mean $200,000,000, as the same may be reduced from time to time pursuant to Section 3.1.

"**Letter of Credit Exposure**" shall mean, with respect to any Lender, at any time, the sum of (a) the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) at such time and (b) such Lender's New Revolving Credit Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

"**Letter of Credit Fee**" shall have the meaning provided in Section 4.1(b).

"**Letter of Credit Issuer**" shall mean Bank of America, any of its Affiliates or any replacement or successor pursuant to Section 3.6. The Letter of Credit Issuer may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Letter of Credit Issuer, and in each such case the term "Letter of Credit Issuer" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. In the event that there is more

than one Letter of Credit Issuer at any time, references herein and in the other Credit Documents to the Letter of Credit Issuer shall be deemed to refer to the Letter of Credit Issuer in respect of the applicable Letter of Credit or to all Letter of Credit Issuers, as the context requires.

"**Letters of Credit Outstanding**" shall mean, at any time, the sum of, without duplication, (a) the aggregate Stated Amount of all outstanding Letters of Credit and (b) the aggregate principal amount of all Unpaid Drawings in respect of all Letters of Credit.

"**Letter of Credit Request**" shall have the meaning provided in Section 3.2.

"**Level I Status**" shall mean, on any date, the circumstance that the Consolidated Total Debt to Consolidated EBITDA Ratio is greater than or equal to 6.00 to 1.00 as of such date.

"**Level II Status**" shall mean, on any date, the circumstance that Level I Status does not exist and the Consolidated Total Debt to Consolidated EBITDA Ratio is greater than or equal to 4.50 to 1.00 as of such date.

"**Level III Status**" shall mean, on any date, the circumstance that the Consolidated Total Debt to Consolidated EBITDA Ratio is less than 4.50 to 1.00 as of such date.

"**LIBOR Loan**" shall mean any New Revolving Credit Loan bearing interest at a rate determined by reference to the LIBOR Rate.

"**LIBOR Rate**" shall mean, for any Interest Period with respect to a LIBOR Loan, the rate per annum equal to the British Bankers Association LIBOR Rate ("**BBA LIBOR**"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for deposits in Dollars (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the "LIBOR Rate" for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the LIBOR Loan being made, continued or converted by the Administrative Agent and with a term equivalent to such Interest Period would be offered by the Administrative Agent's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

"**Lien**" shall mean any mortgage, pledge, security interest, hypothecation, assignment, lien (statutory or other) or similar encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof).

"**Loan**" shall mean any New Revolving Credit Loan, Swingline Loan, Incremental Revolving Loan or Protective Advance made by any Lender hereunder.

"**Lock Boxes**" shall have the meaning provided in Section 9.15(a).

"**Management Investors**" shall mean the directors, management officers and employees of the Parent Borrower and its Subsidiaries on the Original Closing Date.

"**Mandatory Borrowing**" shall have the meaning provided in Section 2.1(d).

"**Material Adverse Change**" shall mean any event, state of facts, circumstance, development, change, effect or occurrence (an "**Effect**") that is materially adverse to the business, financial condition or results of operations of HCA and its Subsidiaries, taken as a whole, other than (i) any Effect resulting from (A) changes in general economic or political conditions or the securities, credit or financial markets in general, (B) general changes or developments in the industries in which HCA and its Subsidiaries operate, including general changes in law or regulation across such industries, (C) the announcement of the Acquisition Agreement or the pendency or consummation of the Merger, including any labor union activities related thereto, (D) the identity of Holdings or any of its Affiliates as the acquirer of HCA, (E) compliance with the terms of, or the taking of any action required by, the Acquisition Agreement or consented to by Holdings, (F) any acts of terrorism or war (other than any of the foregoing that causes any damage or destruction to or renders unusable any facility or property of HCA or any of its Subsidiaries), (G) changes in generally accepted accounting principles or the interpretation thereof, or (H) any weather-related event, except, in the case of the foregoing clauses (A) and (B), to the extent such changes or developments referred to therein would reasonably be expected to have a materially disproportionate impact on HCA and its Subsidiaries, taken as a whole, relative to other for-profit participants in the industries and in the geographic markets in which HCA conducts its businesses after taking into account the size of HCA relative to such other for-profit participants, or (ii) any failure to meet internal or published projections, forecasts or revenue or earning predictions for any period (provided that the underlying causes of such failure shall be considered in determining whether there is a Material Adverse Change).

"**Material Adverse Effect**" shall mean a circumstance or condition affecting the business, assets, operations, properties or financial condition of the Parent Borrower and the Subsidiaries, taken as a whole, that would materially adversely affect (a) the ability of the Parent Borrower and the other Credit Parties, taken as a whole, to perform their payment obligations under this Agreement or any of the other Credit Documents or (b) the rights and remedies of the Administrative Agent and the Lenders under this Agreement or any of the other Credit Documents.

"**Material Subsidiary**" shall mean, at any date of determination, (i) each Restricted Subsidiary of the Parent Borrower (a) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 1% of the consolidated total assets of the Parent Borrower and the Restricted Subsidiaries at such date or (b) whose revenues during such Test Period were equal to or greater than 1% of the consolidated revenues of the Parent Borrower and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP and (ii) solely for purposes of Sections 11.5 and 11.9, each other Restricted Subsidiary

that is the subject of an Event of Default under one or more of such Sections and that, when such Restricted Subsidiary's total assets and revenues are aggregated with the total assets or revenues, as applicable, of each other Restricted Subsidiary that is the subject of an Event of Default under one or more of such Sections, would constitute a Material Subsidiary under clause (i) above using a 4% threshold in replacement of the 1% threshold in such clause (i).

"**Medicaid**" shall mean, collectively, the healthcare assistance program established by Title XIX of the Social Security Act (42 U.S.C. §§ 1396 *et seq.*) and any statutes succeeding thereto, and all law, rules, regulations, manuals, orders, guidelines or requirements (whether or not having the force of law) pertaining to such program, in each case as the same may be amended, supplemented or otherwise modified from time to time.

"**Medicaid Account**" shall mean an Account payable pursuant to an agreement entered into between a state agency or other entity administering Medicaid in such state and a healthcare facility or physician under which the healthcare facility or physician agrees to provide services or merchandise for Medicaid patients. Any Potential Medicaid Account shall become a Medicaid Account at such time as such agency or entity assigns an identification number to the Account Debtor with respect to such Potential Medicaid Account or otherwise provides documentation confirming that such Account Debtor has qualified for Medicaid benefits.

"**Medicare**" shall mean, collectively, the health insurance program for the aged and disabled established by Title XVIII of the Social Security Act (42 U.S.C. §§ 1395 *et seq.*) and any statutes succeeding thereto, and all laws, rules, regulations manuals, orders or guidelines (whether or not having the force of law) pertaining to such program, in each case as the same may be amended, supplemented or otherwise modified from time to time.

"**Medicare Account**" means an Account payable pursuant to an agreement entered into between a state agency or other entity administering Medicare in such state and a healthcare facility or physician under which the healthcare facility or physician agrees to provide services or merchandise for Medicare patients.

"**Merger**" shall have the meaning provided in the preamble to this Agreement.

"**Merger Sub**" shall mean Hercules Acquisition Corporation, a Delaware corporation.

"**Minimum Borrowing Amount**" shall mean (a) with respect to a Borrowing of LIBOR Loans, $10,000,000 (or, if less, the entire remaining Commitments at the time of such Borrowing), (b) with respect to a Borrowing of ABR Loans, $1,000,000 (or, if less, the entire remaining Commitments at the time of such Borrowing), and (c) with respect to a Borrowing of Swingline Loans, $500,000 (or, if less, the entire remaining Commitments at the time of such Borrowing).

"**MLGP**" shall mean Merrill Lynch Global Partners.

"**Monthly Borrowing Base Certificate**" shall have the meaning provided in Section 9.1(i).

"**Moody's**" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"**New Revolving Credit Commitment**" shall mean, (a) with respect to each Lender that is a Lender on the Amendment and Restatement Date, the amount set forth opposite such Lender's name on Schedule 1 to the Amendment Agreement as such Lender's "New Revolving Credit Commitment" and (b) in the case of any Lender that becomes a Lender after the Amendment and Restatement Date, the amount specified as such Lender's "New Revolving Credit Commitment" in the Assignment and Acceptance pursuant to which such Lender assumed a portion of the Total New Revolving Credit Commitment, in each case of the same may be changed from time to time pursuant to terms hereof. The aggregate amount of the New Revolving Credit Commitment as of the Amendment and Restatement Date is $2,000,000,000.

"**New Revolving Credit Commitment Percentage**" shall mean at any time, for each Lender, the percentage obtained by dividing (a) such Lender's New Revolving Credit Commitment at such time by (b) the amount of the Total New Revolving Credit Commitments at such time, provided that at any time when the Total New Revolving Credit Commitment shall have been terminated, each Lender's New Revolving Credit Commitment Percentage shall be the percentage obtained by dividing (a) such Lender's New Revolving Exposure at such time by (b) the New Revolving Exposure of all Lenders at such time.

"**New Revolving Credit Loans**" shall have the meaning provided in Section 2.1(b).

"**New Revolving Exposure**" shall mean, with respect to any Lender at any time, the sum of (a) the aggregate principal amount of the New Revolving Credit Loans of such Lender then outstanding, (b) such Lender's Letter of Credit Exposure at such time, (c) such Lender's New Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Swingline Loans and (d) with respect to Protective Advances, such Lender's New Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Protective Advances; provided that clause (d) of this definition shall be disregarded with respect to any Protective Advance solely for purposes of calculating Excess Global Availability and Excess Facility Availability and solely to the extent that the making of such Protective Advance would result in the occurrence of a Cash Dominion Event or a Covenant Compliance Event.

"**New Revolving Lender**" shall mean, at any time, any Lender that has a New Revolving Credit Commitment at such time.

"**New Revolving Termination Date**" shall mean the date on which the New Revolving Credit Commitments shall have terminated, no New Revolving Credit Loans shall be outstanding and the Letters of Credit Outstanding shall have been reduced to zero or Cash Collateralized.

"**1993 Indenture**" shall mean the Indenture dated as of December 16, 1993 between HCA and First National Bank of Chicago, as Trustee, as may be amended, supplemented or modified from time to time.

"**1993 Indenture Restricted Subsidiary**" shall mean any Subsidiary that on the Original Closing Date constitutes a Restricted Subsidiary under (and as defined in) the 1993 Indenture, as in effect on the Original Closing Date.

"**Non-Cash Charges**" shall mean (a) losses on asset sales, disposals or abandonments, (b) any impairment charge or asset write-off related to intangible assets (including goodwill), long-lived assets, and investments in debt and equity securities pursuant to GAAP, (c) all losses from investments recorded using the equity method, (d) stock-based awards compensation expense, including any such charges arising from stock options, restricted stock grants or other equity incentive grants, and any cash compensation charges associated with the rollover or acceleration of stock-based awards or payment of stock options in connection with the Transactions, and (e) other non-cash charges (provided that if any non-cash charges referred to in this clause (e) represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA to such extent).

"**Non-Consenting Lender**" shall have the meaning provided in Section 14.7(b).

"**Non-Defaulting Lender**" shall mean and include each Lender other than a Defaulting Lender.

"**Non-Extension Notice Date**" shall have the meaning provided in Section 3.2(d).

"**Non-Reinstatement Deadline**" shall have the meaning provided in Section 3.2(e).

"**Non-U.S. Lender**" shall mean any Agent or Lender that is not, for United States federal income tax purposes, (a) an individual who is a citizen or resident of the United States, (b) a corporation, partnership or entity treated as a corporation or partnership created or organized in or under the laws of the United States, or any political subdivision thereof, (c) an estate whose income is subject to U.S. federal income taxation regardless of its source or (d) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more United States persons have the authority to control all substantial decisions of such trust or a trust that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

"**Non-U.S. Participant**" shall mean any Participant that if it were a Lender would qualify as a Non-U.S. Lender.

"**Notice of Borrowing**" shall have the meaning provided in Section 2.3(b).

"**Notice of Conversion or Continuation**" shall have the meaning provided in Section 2.6.

"**Obligations**" shall mean all advances to, and debts, liabilities, obligations, covenants and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Commitment, Loan or Letter of Credit or under any Secured Cash Management

Agreement or Secured Hedge Agreement, in each case, entered into with the Parent Borrower or any of its Domestic Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, existing on the Original Closing Date or thereafter existing and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"**Option Note**" shall mean the promissory note, dated as of November 14, 2006, in a principal amount equal to the Option Note Amount issued by The Community Foundation of Middle Tennessee in favor of the Parent Borrower.

"**Option Note Amount**" shall mean $63,160,680.

"**Original Closing Date**" shall mean November 17, 2006.

"**Original Credit Agreement**" shall have the meaning set forth in the recitals hereto.

"**Original Lenders**" shall have the meaning set forth in the recitals hereto.

"**Other Taxes**" shall mean any and all present or future stamp, registration, documentary or any other excise, property or similar taxes (including interest, fines, penalties, additions to tax and related expenses with regard thereto) arising from any payment made or required to be made under this Agreement or any other Credit Document or from the execution or delivery of, registration or enforcement of, consummation or administration of, or otherwise with respect to, this Agreement or any other Credit Document.

"**Overnight Rate**" shall mean, for any day, the greater of (i) the Federal Funds Effective Rate and (ii) an overnight rate determined by the Administrative Agent, the Letter of Credit Issuer, or the Swingline Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"**Parent Borrower**" shall have the meaning set forth in the preamble hereto.

"**Participant**" shall have the meaning provided in Section 14.6(c).

"**Patriot Act**" shall have the meaning provided in Section 14.18.

"**PBGC**" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"**Perfection Certificate**" shall mean a certificate of each Borrower in the form of Exhibit D to the Original Credit Agreement or any other form approved by the Administrative Agent.

"**Permitted Acquisition**" shall mean the acquisition, by merger or otherwise, by the Parent Borrower or any of the Restricted Subsidiaries of assets or Stock or Stock Equivalents, so long as (a) such acquisition and all transactions related thereto shall be consummated in accordance with applicable law; (b) such acquisition shall result in the issuer of such Stock or Stock Equivalents becoming a Restricted Subsidiary and a Subsidiary Borrower, to the extent required by Section 9.11; (c) after giving effect to such acquisition, no Default or Event of Default shall have occurred and be continuing; (d) the aggregate fair market value (as determined in good faith by the Parent Borrower) of all Investments funded or financed in any Persons that do not become Guarantors (as defined in the CF Agreement as in effect on the Original Closing Date) in connection with all such acquisitions following the Original Closing Date in reliance on Section 10.5(h) shall not exceed $1,500,000,000 (it being understood that additional Investments in Persons that are not Credit Parties (as defined in the CF Agreement) may be made in connection with Permitted Acquisitions in reliance on any exception in Section 10.5 other than clause (h) thereof); and (e) the Parent Borrower shall be in compliance, on a Pro Forma Basis after giving effect to such acquisition (including any Indebtedness assumed or permitted to exist or incurred pursuant to Sections 10.1(j) and 10.1(k), respectively, and any related Pro Forma Adjustment), with the covenant set forth in Section 10.9 of the CF Agreement for the most recently ended Test Period under such section as if such acquisition had occurred on the first day of such Test Period.

"**Permitted Additional Debt**" shall mean senior unsecured or senior subordinated notes or other Indebtedness or, subject to compliance with Section 10.2, junior lien secured notes or other junior lien secured Indebtedness, issued by the Parent Borrower or a U.S. Guarantor (as defined in the CF Agreement), (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to the date on which the final maturity of the Junior Lien Notes occurs (as in effect on the Original Closing Date) (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) to the extent the same are senior subordinated notes, provide for customary subordination to the Obligations under the Credit Documents, (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to the Parent Borrower and the Subsidiaries than those in the Junior Lien Notes; provided that a certificate of an Authorized Officer of the Parent Borrower ~~is~~ delivered to the Administrative Agent at least ~~five~~**three** Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Parent Borrower ~~prior to such incurrence~~ **within two Business Days after receipt of such certificate** that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), and (c) of which no Subsidiary of the Parent Borrower (other than U.S. Guarantor (as defined in the CF Agreement)) is an obligor.

"**Permitted Discretion**" shall mean, the Administrative Agent's commercially reasonable judgment, exercised in good faith in accordance with customary business practices for comparable asset-based lending transactions, as to any factor, event, condition or other circumstance arising after the Original Closing Date or based on facts not known to the Administrative Agent as of the Original Closing Date which the Administrative Agent reasonably determines: (a) will or reasonably could be expected to adversely affect in any material respect the value of any Eligible Accounts, the enforceability or priority of the Collateral Agent's Liens thereon or the amount which the Administrative Agent, the Lenders or the Letter of Credit Issuer would be likely to receive (after giving consideration to delays in payment and costs of enforcement) in the liquidation of such Eligible Accounts or (b) evidences that any collateral report or financial information delivered to the Administrative Agent by any Person on behalf of the Parent Borrower is incomplete, inaccurate or misleading in any material respect. In exercising such judgment, the Administrative Agent may consider, without duplication, factors already included in or tested by the definition of Eligible Accounts, and any of the following: (i) changes after the Original Closing Date in any material respect in any concentration of risk with respect to Eligible Accounts and (ii) any other factors arising after the Original Closing Date that change in any material respect the credit risk of lending to the Borrowers on the security of the Eligible Accounts.

"**Permitted Investments**" shall mean:

(a) securities issued or unconditionally guaranteed by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 24 months from the date of acquisition thereof;

(b) securities issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than 24 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);

(c) commercial paper issued by any Lender or any bank holding company owning any Lender;

(d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A-2 or P-2 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(e) domestic and LIBOR certificates of deposit or bankers' acceptances maturing no more than two years after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than $250,000,000 in the case of domestic banks and $100,000,000 (or the Dollar Equivalent thereof) in the case of foreign banks;

(f) repurchase agreements with a term of not more than 30 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;

(g) marketable short-term money market and similar funds (x) either having assets in excess of $250,000,000 or (y) having a rating of at least A-2 or P-2 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above;

(i) in the case of Investments by any Restricted Foreign Subsidiary, other customarily utilized high-quality Investments in the country where such Restricted Foreign Subsidiary is located or in which such Investment is made; and

(j) investments made by HCI that are permitted or required by any Requirement of Law or otherwise consistent with past practice, including without limitation investments in exchange-traded funds, common stocks and bonds.

"**Permitted Junior Lien Debt**" shall mean the Junior Lien Notes and any other Indebtedness secured by a Lien on the Junior Lien Notes Collateral permitted by Section 10.2(c) or (r).

"**Permitted Liens**" shall mean:

(a) Liens for taxes, assessments or governmental charges or claims not yet delinquent or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP;

(b) Liens in respect of property or assets of the Parent Borrower or any of the Subsidiaries imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.11;

(d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;

(e) ground leases in respect of real property on which facilities owned or leased by the Parent Borrower or any of its Subsidiaries are located;

(f) easements, rights-of-way, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of the Parent Borrower and its Subsidiaries, taken as a whole;

(g) any interest or title of a lessor or secured by a lessor's interest under any lease permitted by this Agreement;

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(i) Liens on goods the purchase price of which is financed by a documentary letter of credit issued for the account of the Parent Borrower or any of its Subsidiaries, provided that such Lien secures only the obligations of the Parent Borrower or such Subsidiaries in respect of such letter of credit to the extent permitted under Section 10.1;

(j) leases or subleases granted to others not interfering in any material respect with the business of the Parent Borrower and its Subsidiaries, taken as a whole;

(k) Liens arising from precautionary Uniform Commercial Code financing statement or similar filings made in respect of operating leases entered into by the Parent Borrower or any of its Subsidiaries; and

(l) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts of the Parent Borrower and the Restricted Subsidiaries held at such banks or financial institutions, as the case may be, to facilitate the operation of cash pooling and/or interest set-off arrangements in respect of such bank accounts in the ordinary course of business.

"**Permitted Receivables Financing**" shall mean any customary accounts receivable financing facility (including customary back-to-back intercompany arrangements in respect thereof) to the extent (i) the amount thereof does not exceed the amount permitted by Section 10.1(a) and (ii) either (x) the Accounts contributed, sold or otherwise financed thereby are Accounts that immediately prior to being contributed, sold or otherwise financed thereunder did not constitute Collateral or (y) after giving effect thereto, any Borrower that shall have contributed, sold or otherwise financed any of its Accounts in connection therewith shall thereafter cease to be a Borrower for all purposes hereunder and no Accounts originated or owned by such Borrower shall thereafter be included in the Borrowing Base at any time.

"**Permitted Sale Leaseback**" shall mean any Sale Leaseback consummated by the Parent Borrower or any of the Restricted Subsidiaries after the Original Closing Date, provided that any such Sale Leaseback not between (i) a Credit Party and another Credit Party, (ii) a Restricted Subsidiary that is not a Credit Party or a 1993 Indenture Restricted Subsidiary to another Restricted Subsidiary that is not a Credit Party or a 1993 Indenture Restricted Subsidiary or (iii) a 1993 Indenture Restricted Subsidiary to another 1993 Indenture Restricted Subsidiary is

consummated for fair value as determined at the time of consummation in good faith by the Parent Borrower or such Restricted Subsidiary and, in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed $250,000,000 the board of directors of the Parent Borrower or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of the Parent Borrower or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback).

"**Person**" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority.

"**Physician**" shall mean a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatric medicine, a doctor of optometry or a chiropractor.

"**PIK Interest Amount**" shall mean the aggregate principal amount of all increases in outstanding principal amount of Toggle Notes and issuances of PIK Notes (as defined in the Junior Lien Notes Indenture) in connection with an election by the Parent Borrower to pay interest on the Toggle Notes in kind.

"**Plan**" shall mean any multiemployer or single-employer plan, as defined in Section 4001 of ERISA and subject to Title IV of ERISA, that is or was within any of the preceding six plan years maintained or contributed to by (or to which there is or was an obligation to contribute or to make payments to) the Parent Borrower or an ERISA Affiliate.

"**Platform**" shall have the meaning provided in Section 14.17(b).

"**Post-Acquisition Period**" shall mean, with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the sixth full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

"**Potential Medicaid Account**" shall mean any Account for which the Account Debtor is a natural person and for which the Borrowers in good faith and consistent with past practice, have submitted an application to have such Accounts of such Account Debtor made eligible to become a valid Medicaid Account. Once an identification number has been obtained for the patient or the applicable State agency or other entity administering Medicaid in such State has provided documentation confirming that such Account Debtor has qualified for Medicaid benefits, such patient's Accounts shall no longer be Potential Medicaid Accounts.

"**Prime Rate**" shall mean the "prime rate" referred to in the definition of ABR.

"**Principal Properties**" shall mean each acute care hospital providing general medical and surgical services (excluding equipment, personal property and hospitals that primarily provide specialty medical services, such as psychiatric and obstetrical and gynecological services) owned solely by the Parent Borrower and/or one or more of its Subsidiaries (as defined in the 1993 Indenture as in effect on the Original Closing Date) and

located in the United States of America for so long as the 1993 Indenture is in effect and such acute care hospital is a "Principal Property" under the 1993 Indenture.

"**Private Accounts**" shall mean, collectively, any and all Accounts that are not Government Accounts.

"**Pro Forma Adjustment**" shall mean, for any Test Period that includes all or any part of a fiscal quarter included in any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or the Consolidated EBITDA of the Parent Borrower, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Parent Borrower in good faith as a result of (a) actions taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (b) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business with the operations of the Parent Borrower and the Restricted Subsidiaries; provided that (i) at the election of the Parent Borrower, such Pro Forma Adjustment shall not be required to be determined for any Acquired Entity or Business to the extent the aggregate consideration paid in connection with such acquisition was less than $100,000,000 and (ii) so long as such actions are taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that the applicable amount of such cost savings will be realizable during the entirety of such Test Period, or the applicable amount of such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided further that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

"**Pro Forma Adjustment Certificate**" shall mean any certificate of an Authorized Officer of the Parent Borrower delivered pursuant to Section 9.1(h) or Section 9.1(d).

"**Pro Forma Basis**," "**Pro Forma Compliance**" and "**Pro Forma Effect**" shall mean, with respect to compliance with any test or covenant hereunder, that (A) to the extent applicable and other than for purposes of determining the Applicable Amount, the Applicable ABR Margin, the Applicable LIBOR Margin and the Commitment Fee Rate, the Pro Forma Adjustment shall have been made and (B) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (i) in the case of a sale, transfer or other disposition of all or substantially all Capital Stock in any Subsidiary of the Parent Borrower or any division, product line, or facility used for operations of the Parent Borrower or any of its Subsidiaries, shall be excluded, and (ii) in the case of a Permitted Acquisition or Investment described in the definition of "Specified Transaction," shall be included, (b) any retirement of Indebtedness, and (c) any incurrence or assumption of Indebtedness by the Parent Borrower or any of the Restricted Subsidiaries in connection

therewith (it being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to (A) above (but without duplication thereof), the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to events (including operating expense reductions) that are (i) (x) directly attributable to such transaction, (y) expected to have a continuing impact on the Parent Borrower and the Restricted Subsidiaries and (z) factually supportable or (ii) otherwise consistent with the definition of Pro Forma Adjustment.

"**Protective Advance**" shall have the meaning provided in Section 2.1(e).

"**Public Lender**" shall have the meaning provided in Section 14.17(b).

"**Qualified Equity Interest**" shall mean any Stock or Stock Equivalent that does not constitute a Disqualified Equity Interest.

"**Qualified Holdings Debt**" shall mean (1) any Indebtedness issued by Holdings (a) that does not provide for any cash interest payments thereon prior to the fifth anniversary of the date of issuance thereof, (b) that does not have any scheduled payment of principal prior to the Final Maturity Date (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), and (c) that is not guaranteed by, or secured by a Lien on any assets of, the Parent Borrower or any of the Restricted Subsidiaries.

"**Real Estate**" shall have the meaning provided in Section 9.1(f).

"**Receivables Reserves**" shall mean, without duplication of any other reserves or items that are otherwise addressed or excluded through eligibility criteria, such reserves, subject to Section 2.15, as the Administrative Agent in the Administrative Agent's Permitted Discretion determines as being appropriate with respect to the determination of the collectability in the ordinary course of business of Eligible Accounts, including, without limitation, on account of bad debts and dilution.

"**Register**" shall have the meaning provided in Section 14.6(b)(iv).

"**Regulation D**" shall mean Regulation D of the Board as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"**Regulation T**" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation U**" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation X**" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Reimbursement Date**" shall have the meaning provided in Section 3.4(a).

"**Related Parties**" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"**Related Person**" shall have the meaning provided in Section 9.15(a).

"**Repayment**" shall have the meaning provided in the recitals hereto.

"**Reportable Event**" shall mean an event described in Section 4043 of ERISA and the regulations thereunder, other than any event as to which the thirty day notice period has been waived.

"**Reports**" shall have the meaning ascribed to it in Section 13.11(a).

"**Required Lenders**" shall mean, at any date, (a) Non-Defaulting Lenders having or holding a majority of the Adjusted Total New Revolving Credit Commitment at such date or (b) if the Total New Revolving Credit Commitment has been terminated or for the purposes of acceleration pursuant to Section 11, Non-Defaulting Lenders having or holding a majority of the outstanding principal amount of the Loans (other than Protective Advances) and Letter of Credit Exposure (excluding the Loans and Letter of Credit Exposure of Defaulting Lenders) in the aggregate at such date.

"**Requirement of Law**" shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

~~"**Reserve Amount**" shall mean:~~

~~(a) with respect to any New Revolving Credit Loan or Swingline Loan, for any period, (i) if Level I Status is in effect as of the beginning of such period, an amount equal to 0.50% per annum on the average daily principal amount of such Loan over such period, (ii) if Level II Status is in effect as of the beginning of such period, an amount equal to 0.25% per annum on the average daily principal amount of such Loan over such period and (iii) if Level III Status is in effect as of the beginning of such period, zero;~~

~~(b) with respect to any Letter of Credit Fee on any Letter of Credit for any period, (i) if Level I Status is in effect as of the beginning of such period, an amount equal to 0.50% *per annum* on the average daily Stated Amount of such Letter of Credit~~

~~during such period, (ii) if Level II Status is in effect as of the beginning of such period, an amount equal to 0.25% per annum on the average daily Stated Amount of such Letter of Credit during such period and (iii) if Level III Status is in effect as of the beginning of such period, zero;~~

~~(c) with respect to any Commitment Fee on any Available Commitment for any period, (i) if Level I Status or Level II Status is in effect as of the beginning of such period, an amount equal to 0.125% *per annum* on the average daily amount of such Available Commitment over such period and (ii) if Level III Status is in effect at the beginning of such period, zero;~~

~~provided that notwithstanding the foregoing, during the fiscal quarter during which the Final Maturity Date is scheduled to occur, the Reserve Amount for such Loan, Letter of Credit Fee or Commitment Fee, as applicable, shall be zero.~~

~~For the avoidance of doubt, the *per annum* rate to be used in the determination of the Reserve Amount for any interest, Letter of Credit Fee or Commitment Fee shall be determined in the same manner as the underlying interest or fee in accordance with Section 5.5.~~

"**Reserves**" shall mean all (if any) Availability Reserves and Receivables Reserves it being understood that Reserves on the Original Closing Date were equal to $0.

"**Restricted Subsidiary**" shall mean any Subsidiary of the Parent Borrower other than an Unrestricted Subsidiary; provided that, solely for purposes of calculating any financial definition set forth in this agreement for the Parent Borrower and its Restricted Subsidiaries on a consolidated basis and clauses (a), (b) and (d) of Section 9.1, each Consolidated Person shall be deemed to be a Restricted Subsidiary.

"**Retained Indebtedness**" shall mean the debt securities issued under the 1993 Indenture that are identified on Schedule 1.1(f) to the Original Credit Agreement.

"**S&P**" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"**Sale Leaseback**" shall mean any transaction or series of related transactions pursuant to which the Parent Borrower or any of the Restricted Subsidiaries (a) sells, transfers or otherwise disposes of any property, real or personal, whether owned as of the Original Closing Date or thereafter acquired, and (b) as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or disposed.

"**SEC**" shall mean the Securities and Exchange Commission or any successor thereto.

"**Section 9.1 Financials**" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or (b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 9.1(d).

"**Secured Cash Management Agreement**" shall mean any Cash Management Agreement that is entered into by and between the Parent Borrower or any of its Subsidiaries and any Cash Management Bank.

"**Secured Hedge Agreement**" shall mean any Hedge Agreement that is entered into by and between the Parent Borrower or any of its Subsidiaries and any Hedge Bank.

"**Secured Parties**" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer, each Lender, each Hedge Bank that is party to any Secured Hedge Agreement with the Parent Borrower or any Domestic Subsidiary, each Cash Management Bank that is party to a Secured Cash Management Agreement with the Parent Borrower or any Domestic Subsidiary and each sub-agent pursuant to Section 13 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or the Collateral Agent with respect to matters relating to any Security Document.

"**Securitization**" shall mean a public or private offering by a Lender or any of its Affiliates or their respective successors and assigns of securities or notes which represent an interest in, or which are collateralized, in whole or in part, by the Loans and the Lenders' rights under the Credit Documents.

"**Security Agreement**" shall mean the Security Agreement dated as of November 17, 2006 entered into by the Borrowers, any other grantors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit F to the Original Credit Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"**Security Documents**" shall mean, collectively, (a) the Security Agreement, (b) the Intercreditor Agreement, (c) Government Receivables Deposit Account Agreements, (d) Blocked Account Agreements, (e) Credit Card Notifications and (f) each other security agreement or other instrument or document executed and delivered pursuant to Section 9.11 or 9.14 or pursuant to any other such Security Documents to secure all of the Obligations.

"**Self-Pay Account**" shall mean any Account for which a Third Party Payor is not the Account Debtor other than Potential Medicaid Accounts and other than Accounts for which the Account Debtor is a credit card or debit card processor.

"**Shared Receivables Collateral**" shall have the definition set forth in the Intercreditor Agreement.

"**Sold Entity or Business**" shall have the meaning provided in the definition of the term "Consolidated EBITDA."

"**Solvent**" shall mean, with respect to any Person, that as of the Original Closing Date, (a) (i) the sum of such Person's debt (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets; (ii) such Person's capital is not unreasonably small in relation to its business as contemplated on the Original Closing Date; and (iii) such Person has not incurred and does not intend to incur, or believe that it will incur, debts

including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"**Specified Subsidiary**" shall mean, at any date of determination (a) any Material Subsidiary or (b) any Unrestricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 6% of the consolidated total assets of the Parent Borrower and the Subsidiaries at such date, or (ii) whose revenues during such Test Period were equal to or greater than 6% of the consolidated revenues of the Parent Borrower and the Subsidiaries for such period, in each case determined in accordance with GAAP, and (c) each other Unrestricted Subsidiary that is the subject of an Event of Default under Section 11.5 and that, when such Subsidiary's total assets or revenues are aggregated with the total assets or revenues, as applicable, of each other Subsidiary that is the subject of an Event of Default under Section 11.5, would constitute a Specified Subsidiary under clause (b) above using a 10% threshold in replacement of the 6% threshold in such clause (b).

"**Specified Transaction**" shall mean, with respect to any period, any Investment, sale, transfer or other disposition of assets, incurrence or repayment of Indebtedness, Dividend, Subsidiary designation, Incremental Revolving Credit Commitment or other event that by the terms of this Agreement requires "Pro Forma Compliance" with a test or covenant hereunder or requires such test or covenant to be calculated on a "Pro Forma Basis".

"**Sponsor**" shall mean any of KKR, Bain and MLGP and their respective Affiliates but excluding portfolio companies of any of the foregoing.

"**Spot Rate**" for a currency shall mean the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rate for the purchase by the Administrative Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if it does not have as of the date of determination a spot buying rate for any such currency.

"**Stated Amount**" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met; provided, however, that with respect to any Letter of Credit that by its terms or the terms of any Issuer Document provides for one or more automatic increases in the stated amount thereof, the Stated Amount shall be deemed to be the maximum

stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"**Status**" shall mean, as to the Parent Borrower as of any date, the existence of Level I Status, Level II Status or Level III Status, as the case may be, on such date. Changes in Status resulting from changes in the Consolidated Total Debt to Consolidated EBITDA Ratio shall become effective as of the first day **of the calendar month immediately** following each date that (a) Section 9.1 Financials are **required to be** delivered to the Lenders under Section 9.1 and (b) an officer's certificate is delivered by the Parent Borrower to the Lenders setting forth, with respect to such Section 9.1 Financials, the then-applicable Status, and shall remain in effect until the next change to be effected pursuant to this definition, provided that each determination of the Consolidated Total Debt to Consolidated EBITDA Ratio pursuant to this definition shall be made as of the end of the Test Period ending at the end of the fiscal period covered by the relevant Section 9.1 Financials.

"**Stock**" shall mean shares of capital stock or shares in the capital, as the case may be (whether denominated as common stock or preferred stock or ordinary shares or preferred shares, as the case may be), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or non-voting.

"**Stock Equivalents**" shall mean all securities convertible into or exchangeable for Stock and all warrants, options or other rights to purchase or subscribe for any Stock, whether or not presently convertible, exchangeable or exercisable.

"**Subordinated Indebtedness**" shall mean Indebtedness of any Borrower that is by its terms subordinated in right of payment to the obligations of such Borrower, under this Agreement.

"**Subsidiary**" of any Person shall mean and include (a) any corporation more than 50% of whose Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any limited liability company, partnership, association, joint venture or other entity of which such Person (i) directly or indirectly through Subsidiaries owns or controls more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partner interests and (ii) is a controlling general partner or otherwise controls such entity at such time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Parent Borrower.

"**Subsidiary Borrowers**" shall mean (a) each Domestic Subsidiary that was a party to the Original Credit Agreement as of the Original Closing Date, (b) each Domestic Subsidiary that became party to the Original Credit Agreement after the Original Closing Date and prior to the Amendment and Restatement Date pursuant to Section 9.11 of the Original Credit Agreement and (c) each Domestic Subsidiary that becomes a party to this Agreement on or after the Amendment Restatement Date pursuant to Section 9.11 or otherwise.

"**Successor Borrower**" shall have the meaning provided in Section 10.3(a).

"**Successor Parent Borrower**" shall have the meaning provided in Section 10.3(a).

"**Supermajority Lenders**" shall mean, at any date, (a) Non-Defaulting Lenders having or holding at least 75% of the Adjusted Total New Revolving Credit Commitment at such date or (b) if the Total New Revolving Credit Commitment has been terminated, Non-Defaulting Lenders having or holding at least 75% of the outstanding principal amount of the Loans and Letter of Credit Exposure (excluding the Loans and Letter of Credit Exposure of Defaulting Lenders) in the aggregate at such date.

"**Swap Contract**" shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "**Master Agreement**"), including any such obligations or liabilities under any Master Agreement.

"**Swingline Commitment**" shall mean $100,000,000.

"**Swingline Lender**" shall mean Bank of America, in its capacity as lender of Swingline Loans hereunder.

"**Swingline Loans**" shall have the meaning provided in Section 2.1(c).

"**Swingline Maturity Date**" shall mean, with respect to any Swingline Loan, the date that is five Business Days prior to the Final Maturity Date.

"**Syndications**" shall have the meaning provided in the definition of Disqualified Equity Interests.

"**Taxes**" shall mean any and all present or future taxes, duties, levies, imposts, assessments, deductions, withholdings or other similar charges imposed by any Governmental Authority whether computed on a separate, consolidated, unitary, combined or other basis and any interest, fines, penalties or additions to tax with respect to the foregoing.

"**Test Period**" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Parent Borrower then last ended.

"**Third Party Payor**" shall mean any governmental entity, insurance company, health maintenance organization, professional provider organization or similar entity that is obligated to make payments on any Account.

"**Toggle Notes**" shall have the meaning set forth in the preamble hereto.

"**Total New Revolving Exposure**" shall mean, at any date, the Total New Revolving Credit Commitment at such date (or, if the Total New Revolving Credit Commitment shall have terminated on such date, the aggregate New Revolving Exposure of all Lenders at such date).

"**Total New Revolving Credit Commitment**" shall mean the sum of the New Revolving Credit Commitments of all the Lenders.

"**Transaction Expenses**" shall mean any fees or expenses incurred or paid by the Parent Borrower or any of its Subsidiaries in connection with the Transactions, this Agreement and the other Credit Documents (including fees and expenses related to the Amendment Agreement and the amendment and restatement of this Agreement) and the transactions contemplated hereby and thereby.

"**Transactions**" shall mean, collectively, the transactions contemplated by (i) this Agreement to be made on the Amendment and Restatement Date, and (ii) the transactions contemplated by the Original Credit Agreement, the CF Agreement, the Junior Lien Notes Indenture, the Debt Repayment, the Merger and the Equity Investments and the intercompany transfers of the proceeds of the CF Facilities, Junior Lien Notes and Loans made on the Original Closing Date.

"**Transferee**" shall have the meaning provided in Section 14.6(e).

"**TRICARE**" shall mean, collectively, a program of medical benefits covering former and active members of the uniformed services and certain of their dependents, financed and administered by the United States Departments of Defense, Health and Human Services and Transportation, which program was formerly know as the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), and all laws, rules, regulations, manuals, orders and administrative, reimbursement and other guidelines of all Governmental Authorities promulgated in connection with such program (whether or not having the force of law), in each case as the same may be amended, supplemented or otherwise modified from time to time.

"**TRICARE Account**" shall mean an Account payable pursuant to TRICARE.

"**Trigger Date**" shall mean the day following the date on which Section 9.1 Financials are delivered to the Lenders for the fiscal ~~year~~**quarter** ending ~~on December 31, 2007~~**after the First Amendment Date.**

"**2014 Cash Pay Notes**" shall have the meaning provided in the preamble to this Agreement.

"**2016 Cash Pay Notes**" shall have the meaning provided in the preamble to this Agreement.

"**Type**" shall mean as to any New Revolving Credit Loan, its nature as an ABR Loan or a LIBOR Loan.

"**UCC**" shall mean the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

"**UFCA**" shall have the meaning provided in Section 14.20.

"**UFTA**" shall have the meaning provided in Section 14.20.

"**Unfunded Current Liability**" of any Plan shall mean the amount, if any, by which the Accumulated Benefit Obligation (as defined under Statement of Financial Accounting Standards No. 87 ("**SFAS 87**")) under the Plan as of the close of its most recent plan year, determined in accordance with SFAS 87 as in effect on the Original Closing Date, exceeds the fair market value of the assets allocable thereto.

"**Unpaid Drawing**" shall have the meaning provided in Section 3.4(a).

"**Unrestricted Subsidiary**" shall mean (a) any Subsidiary of the Parent Borrower that is formed or acquired after the Original Closing Date, provided that at such time (or promptly thereafter) the Parent Borrower designates such Subsidiary an Unrestricted Subsidiary in a written notice to the Administrative Agent, (b) any Restricted Subsidiary subsequently designated as an Unrestricted Subsidiary by the Parent Borrower in a written notice to the Administrative Agent, provided that in the case of (b), no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it previously had been designated as an Unrestricted Subsidiary; and provided further in the case of (a) and (b), (x) such designation shall be deemed to be an Investment (or reduction in an outstanding Investment, in the case of a designation of an Unrestricted Subsidiary as a Restricted Subsidiary), on the date of such designation in an amount equal to the sum of (i) the Parent Borrower's direct or indirect equity ownership percentage of the net worth of such designated Restricted Subsidiary immediately prior to such designation (such net worth to be calculated without regard to any guarantee provided by such designated Restricted Subsidiary) and (ii) without duplication, the aggregate principal amount of any Indebtedness owed by such designated Restricted Subsidiary to the Parent Borrower or any other Restricted Subsidiary immediately prior to such designation, all calculated, except as set forth in the parenthetical to clause (i), on a consolidated basis in accordance with GAAP and (y) no Default or Event of Default would result from such designation after giving Pro Forma Effect thereto and the Parent Borrower shall be in compliance with the covenant set forth in Section 10.9 determined on a Pro Forma Basis after giving effect to such designation and (c) each Subsidiary of an Unrestricted Subsidiary. The Parent Borrower may, by written notice to the Administrative Agent, re-designate any Unrestricted Subsidiary as a Restricted Subsidiary, and

thereafter, such Subsidiary shall no longer constitute an Unrestricted Subsidiary, but only if no Default or Event of Default would result from such re-designation. On or promptly after the date of its formation, acquisition, designation or re-designation, as applicable, each Unrestricted Subsidiary (other than an Unrestricted Subsidiary that is a Foreign Subsidiary) shall have entered into a tax sharing agreement containing terms that, in the reasonable judgment of the Administrative Agent, provide for an appropriate allocation of tax liabilities and benefits.

"**Voting Stock**" shall mean, with respect to any Person, such Person's Stock or Stock Equivalents having the right to vote for the election of directors of such Person under ordinary circumstances.

9.2. Other Interpretive Provisions. With reference to this Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein," "hereto," "hereof" and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Article, Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(f) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including."

(g) Section headings herein and in the other Credit Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Credit Document.

9.3. Accounting Terms. (a) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP.

(b) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Total Debt to

Consolidated EBITDA Ratio shall be calculated with respect to such period and such Specified Transaction on a Pro Forma Basis.

9.4. Rounding. Any financial ratios required to be maintained by the Parent Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

9.5. References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational documents, agreements (including the Credit Documents) and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are permitted by any Credit Document; and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Requirement of Law.

9.6. Exchange Rates. For purposes of determining compliance under Sections 10.4, 10.5 and 10.6 with respect to any amount in a currency other than Dollars (other than with respect to (x) any amount derived from the financial statements of Holdings, the Parent Borrower or its Subsidiaries, or (y) any Indebtedness denominated in a currency other than Dollars), such amount shall be deemed to equal the Dollar Equivalent thereof based on the average Spot Rate for such currency other than Dollars for the most recent twelve-month period immediately prior to the date of determination determined in a manner consistent with that used in calculating Consolidated EBITDA for the related period. For purposes of determining compliance with Sections 10.1, 10.2 and 10.5, with respect to any amount of Indebtedness denominated in a currency other than Dollars, compliance will be determined at the time of incurrence or advancing thereof using the Dollar Equivalent thereof at the Spot Rate in effect at the time of such incurrence or advancement.

9.7. ~~Reserve Amounts~~**[Reserved]**. ~~The provisions of Section 2.8 and Section 4.1 relating to the establishment of Reserve Amounts are intended to give the Borrowers, the Lenders and the L/C Participants the practical benefits of any change in Status (whether resulting in an increase or decrease in the fees payable hereunder from time to time) resulting from delivery of Section 9.1 Financials with respect to the immediately preceding fiscal quarter within certain time periods following the commencement of a fiscal quarter as though any such change of Status had occurred on the first day of such fiscal quarter. The Administrative Agent and the Borrowers may amend the provisions of Section 2.8 and Section 4.1 without the consent of any Lender in any manner reasonably believed by the Administrative Agent and the Borrowers to be not materially adverse the Lenders in order to better effectuate the provisions set forth therein for achieving such benefits.~~

SECTION 10. Amount and Terms of Credit

10.1. Commitments.[Reserved].

(b) (i) Subject to and upon the terms and conditions herein set forth, each Lender having a New Revolving Credit Commitment severally agrees to make a loan or loans denominated in Dollars (each a "**New Revolving Credit Loan**" and, collectively, the "**New Revolving Credit Loans**") to the Parent Borrower on behalf of the Borrowers, which New Revolving Credit Loans (A) shall be made at any time and from time to time on and after the Amendment and Restatement Date and prior to the Final Maturity Date, (B) may, at the option of the Parent Borrower on behalf of the Borrowers be incurred and maintained as, and/or converted into, ABR Loans or LIBOR Loans, provided that all New Revolving Credit Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of New Revolving Credit Loans of the same Type, (C) may be repaid and reborrowed in accordance with the provisions hereof, (D) shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's New Revolving Exposure at such time exceeding such Lender's New Revolving Credit Commitment at such time and (E) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' New Revolving Exposures at such time exceeding the lesser of the Borrowing Base and the Total New Revolving Credit Commitment, in each case as then in effect (subject to Section 2.1(e)).

(ii) Each Lender may at its option make any LIBOR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan, provided that (A) any exercise of such option shall not affect the obligation of the Borrowers to repay such Loan and (B) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to the Borrowers resulting therefrom (which obligation of the Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply). On the Final Maturity Date, all New Revolving Credit Loans shall be repaid in full.

(c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Original Closing Date and prior to the Swingline Maturity Date, to make a loan or loans (each a "**Swingline Loan**" and, collectively, the "**Swingline Loans**") to the Parent Borrower on behalf of the Borrowers, which Swingline Loans (i) shall be ABR Loans, (ii) shall have the benefit of the provisions of Section 2.1(d), (iii) shall not exceed at any time outstanding the Swingline Commitment, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' New Revolving Exposures at such time exceeding the lesser of the Borrowing Base and the Total New Revolving Credit Commitment then in effect and (v) may be repaid and reborrowed in accordance with the provisions hereof. Each outstanding Swingline Loan shall be repaid in full on the earlier of (a) 15 Business Days after such Swingline Loan is initially Borrowed and (b) the Swingline Maturity Date. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Parent Borrower on behalf of the Borrowers or any Lender stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall

have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 14.1.

(d) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to each New Revolving Lender that all then-outstanding Swingline Loans shall be funded with a Borrowing of New Revolving Credit Loans, in which case New Revolving Credit Loans constituting ABR Loans (each such Borrowing, a "**Mandatory Borrowing**") shall be made on the immediately succeeding Business Day by each New Revolving Lender *pro rata* based on each Lender's New Revolving Credit Commitment Percentage, and the proceeds thereof shall be applied directly to the Swingline Lender to repay the Swingline Lender for such outstanding Swingline Loans. Each New Revolving Lender hereby irrevocably agrees to make such New Revolving Credit Loans upon one Business Day's notice pursuant to each Mandatory Borrowing in the amount and in the manner specified in the preceding sentence and on the date specified to it in writing by the Swingline Lender notwithstanding (i) that the amount of the Mandatory Borrowing may not comply with the minimum amount for each Borrowing specified in Section 2.2, (ii) whether any conditions specified in Section 7 are then satisfied, (iii) whether a Default or an Event of Default has occurred and is continuing, (iv) the date of such Mandatory Borrowing or (v) any reduction in the Total New Revolving Credit Commitment or the Borrowing Base after any such Swingline Loans were made. In the event that, in the sole judgment of the Swingline Lender, any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under the Bankruptcy Code in respect of any Borrower), each New Revolving Lender hereby agrees that it shall forthwith purchase from the Swingline Lender (without recourse or warranty) such participation of the outstanding Swingline Loans as shall be necessary to cause the Lenders to share in such Swingline Loans ratably based upon their respective New Revolving Credit Commitment Percentages, provided that all principal and interest payable on such Swingline Loans shall be for the account of the Swingline Lender until the date the respective participation is purchased and, to the extent attributable to the purchased participation, shall be payable to such Lender purchasing same from and after such date of purchase.

(e) Subject to the limitations set forth below (and notwithstanding anything to the contrary in Section 2.1(b)(i)(E) or in Section 7) the Administrative Agent is authorized by the Parent Borrower on behalf of the Borrowers and the Lenders, from time to time in the Administrative Agent's sole discretion (but shall have absolutely no obligation), to make New Revolving Credit Loans that are ABR Loans on behalf of all Lenders to the Parent Borrower on behalf of the Borrowers, at any time that any condition precedent set forth in Section 7 has not been satisfied or waived, which the Administrative Agent, in its Permitted Discretion, deems necessary or desirable (x) to preserve or protect the Collateral, or any portion thereof or (y) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations (each such loan, a "**Protective Advance**"). Any Protective Advance may be made in a principal amount that would cause the aggregate amount of the Lenders' New Revolving Exposures to exceed the Borrowing Base; provided that no Protective Advance may be made to the extent that, after giving effect to such Protective Advance (together with the outstanding principal amount of any outstanding Protective Advances) the aggregate principal amount of all Protective Advances outstanding hereunder would exceed 5% of the Borrowing Base as

determined on the date of such proposed Protective Advance; provided further that the aggregate amount of outstanding Protective Advances plus the aggregate New Revolving Exposures at such time shall not exceed the Total New Revolving Credit Commitment as then in effect. Each Protective Advance shall be secured by the Liens in favor of the Collateral Agent on behalf of the Secured Parties in and to the Collateral and shall constitute Obligations hereunder. The Administrative Agent's authorization to make Protective Advances may be revoked at any time by the Required Lenders. Any such revocation must be in writing and will become effective prospectively upon the Administrative Agent's receipt thereof. The making of a Protective Advance on any one occasion shall not obligate the Administrative Agent to make any Protective Advance on any other occasion and under no circumstance shall the Parent Borrower have the right to require that a Protective Advance be made. At any time that the conditions precedent set forth in Section 7 have been satisfied or waived, the Administrative Agent may request the New Revolving Lenders to make a New Revolving Credit Loan to repay a Protective Advance. At any other time, the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.1(f).

(f) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default or an Event of Default), each Lender shall be deemed, without further action by any party hereto, unconditionally and irrevocably to have purchased from the Administrative Agent, without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its New Revolving Credit Commitment Percentage. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's New Revolving Credit Commitment Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Protective Advance.

10.2. Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of (i) each Borrowing of New Revolving Credit Loans shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $1,000,000 in excess thereof and (ii) Swingline Loans shall be in a minimum amount of $500,000 and in a multiple of $100,000 in excess thereof (except that Mandatory Borrowings and Protective Advances shall be made in the amounts required by Sections 2.1(d) and 2.1(e), respectively, and New Revolving Credit Loans to reimburse the Letter of Credit Issuer with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable). More than one Borrowing may be incurred on any date, provided that at no time shall there be outstanding more than 30 Borrowings of LIBOR Loans under this Agreement.

10.3. Notice of Borrowing.

(a) [Reserved].

(b) Whenever any Borrower desires to incur New Revolving Credit Loans (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings), the Parent Borrower on behalf of the Borrowers shall give the Administrative Agent at the Administrative

Agent's Office, (i) prior to 12:00 Noon (New York City Time) at least three Business Days' prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of LIBOR Loans (or prior to 9:00 a.m. (New York City time) two Business Days' prior written notice in the case of a Borrowing of New Revolving Credit Loans to be made on the Amendment and Restatement Date initially as LIBOR Loans) and (ii) prior to 10:00 a.m. (New York City time) on the date of such Borrowing prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of New Revolving Credit Loans that are ABR Loans. Each such notice (together with each notice of a Borrowing of Swingline Loans pursuant to Section 2.3(c), a "**Notice of Borrowing**"), except as otherwise expressly provided in Section 2.10, shall specify (i) the aggregate principal amount of the New Revolving Credit Loans to be made pursuant to such Borrowing, (ii) the date of Borrowing (which shall be a Business Day) and (iii) whether the respective Borrowing shall consist of ABR Loans or LIBOR Loans and, if LIBOR Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall promptly give each New Revolving Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of New Revolving Credit Loans, of such Lender's New Revolving Credit Commitment Percentage thereof and of the other matters covered by the related Notice of Borrowing.

(c) Whenever any Borrower desires to incur Swingline Loans hereunder, the Parent Borrower on behalf of the Borrowers shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of each Borrowing of Swingline Loans prior to 2:30 p.m. (New York City time) on the date of such Borrowing. Each such notice shall specify (i) the aggregate principal amount of the Swingline Loans to be made pursuant to such Borrowing and (ii) the date of Borrowing (which shall be a Business Day). The Administrative Agent shall promptly give the Swingline Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Swingline Loans and of the other matters covered by the related Notice of Borrowing.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d), with the Parent Borrower on behalf of the Borrowers irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(e) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(f) Without in any way limiting the obligation of any Borrower to confirm in writing any notice it may give hereunder by telephone, the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of such Borrower.

10.4. Disbursement of Funds.

(a) No later than 2:00 p.m. (New York City time) on the date specified in each Notice of Borrowing (including Mandatory Borrowings), each Lender will make available its *pro rata* portion, if any, of each Borrowing requested to be made on such date in the manner provided below, provided that all Swingline Loans shall be made available in the full amount

thereof by the Swingline Lender no later than 3:00 p.m. (New York City time) on the date requested.

(b) Each Lender shall make available all amounts it is to fund to the Parent Borrower on behalf of the Borrowers under any Borrowing for its applicable Commitments, and in immediately available funds to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Mandatory Borrowings and Borrowings to repay Unpaid Drawings) make available to the Parent Borrower on behalf of the Borrowers, by depositing to an account designated by the Parent Borrower on behalf of the Borrowers to the Administrative Agent the aggregate of the amounts so made available. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Parent Borrower on behalf of the Borrowers a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Parent Borrower on behalf of the Borrowers, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrowers and the Borrowers shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent shall also be entitled to recover from such Lender or the Borrowers interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrowers to the date such corresponding amount is recovered by the Administrative Agent, at a rate *per annum* equal to (i) if paid by such Lender, the Federal Funds Effective Rate or (ii) if paid by the Borrowers, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that any Borrower may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

10.5. Repayment of Loans; Evidence of Debt.

(a) The Parent Borrower on behalf of the Borrowers shall repay to the Administrative Agent, for the benefit of the applicable Lenders, on the Final Maturity Date, the then-outstanding New Revolving Credit Loans made to the Borrowers. The Parent Borrower on behalf of the Borrowers shall repay to the Administrative Agent, for the account of the Swingline Lender, on the Swingline Maturity Date, the then-outstanding Swingline Loans.

(b) The Parent Borrower on behalf of the Borrowers shall repay to the Administrative Agent the then unpaid amount of each Protective Advance on the Final Maturity Date.

(c) [Reserved].

(d) [Reserved].

(e) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(f) The Administrative Agent shall maintain the Register pursuant to Section 14.6(b), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a New Revolving Credit Loan, Protective Advance or Swingline Loan, as applicable, the Type of each Loan made, and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender or the Swingline Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrowers and each Lender's share thereof.

(g) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (e) and (f) of this Section 2.5 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrowers therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the applicable Borrower to repay (with applicable interest) the Loans made to the Borrowers by such Lender in accordance with the terms of this Agreement.

10.6. Conversions and Continuations

(a) Subject to the penultimate sentence of this clause (a), the Parent Borrower on behalf of the Borrowers shall have the option on any Business Day to convert all or a portion equal to at least $10,000,000 of the outstanding principal amount of New Revolving Credit Loans made to the Parent Borrower on behalf of the Borrowers of one Type into a Borrowing or Borrowings of another Type and the Parent Borrower, on behalf of the Borrowers, shall have the option on any Business Day to continue the outstanding principal amount of any LIBOR Loans as LIBOR Loans for an additional Interest Period, provided that (i) no partial conversion of LIBOR Loans shall reduce the outstanding principal amount of LIBOR Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into LIBOR Loans if a Default or Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversion, (iii) LIBOR Loans may not be continued as LIBOR Loans for an additional Interest Period if a Default or Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, (iv) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2 and (v) Swingline Loans and Protective Advances may not be converted to LIBOR

Loans under any circumstances. Each such conversion or continuation shall be effected by the Parent Borrower by giving the Administrative Agent at the Administrative Agent's Office prior to 12:00 Noon (New York City time) at least three Business Days' (or one Business Day's in the case of a conversion into ABR Loans) prior written notice (or telephonic notice promptly confirmed in writing) (each, a "**Notice of Conversion or Continuation**") specifying the New Revolving Credit Loans to be so converted or continued, the Type of New Revolving Credit Loans to be converted or continued and, if such New Revolving Credit Loans are to be converted into or continued as LIBOR Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its New Revolving Credit Loans.

(b) If any Default or Event of Default is in existence at the time of any proposed continuation of any LIBOR Loans and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, such LIBOR Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of LIBOR Loans, the Parent Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a) above, the Parent Borrower shall be deemed to have elected to continue such Borrowing of LIBOR Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

10.7. Pro Rata Borrowings. Each Borrowing of New Revolving Credit Loans under this Agreement shall be made by the Lenders *pro rata* on the basis of their then-applicable New Revolving Credit Commitment Percentages. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) other than as expressly provided herein with respect to a Defaulting Lender, failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation under any Credit Document.

10.8. Interest.

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate *per annum* that shall at all times be the Applicable ABR Margin plus the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each LIBOR Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate *per annum* that shall at all times be the Applicable LIBOR Margin plus the relevant LIBOR Rate, in each case, in effect from time to time.

(c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate *per annum* that is (the "**Default Rate**") (x) in the case of overdue principal, the rate that would otherwise be applicable thereto plus 2% or (y) in the case of any overdue interest, to the extent permitted by

applicable law, the rate described in Section 2.8(a) plus 2% from the date of such non-payment to the date on which such amount is paid in full (after as well as before judgment).

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof. ~~Except as provided below, interest~~ **and** shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each LIBOR Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three-month intervals after the first day of such Interest Period, (iii) in respect of each Loan, (A) on any prepayment (on the amount prepaid but excluding in any event prepayments of ABR Loans), (B) at maturity (whether by acceleration or otherwise) and (C) after such maturity, on demand. ~~Notwithstanding the foregoing, with respect to any fiscal quarter of the Parent Borrower beginning on or after January 1, 2008 (each, an "**Applicable Quarter**"), on any date during such Applicable Quarter (I) that is prior to the date on which Section 9.1 Financials are due with respect to the fiscal quarter immediately preceding such Applicable Quarter and (II) on which interest is payable on any Loan pursuant to this subclause (d) (other than pursuant to subclause (iii)(B) above) in respect of any period (including any portion of an Interest Period) included in such Applicable Quarter (commencing on the first day of such Applicable Quarter), the amount of such interest required to be paid on such date in respect of any Loan for such period (as to any Loan, an "**Interest Payment**") shall be reduced by an amount equal to the Reserve Amount with respect to such Loan for such period; provided that, if the amount of any Interest Payment on any Loan shall have been reduced during any Applicable Quarter pursuant to the foregoing provisions, then, on the date (the "**Interest Gross-Up Date**") that is the earlier of (x) the Applicable Date in respect of such Applicable Quarter and (y) the Final Maturity Date, the applicable Borrower shall pay additional interest on such Loan in an amount equal to the aggregate of the Reserve Amounts for such Loan so deducted during such Applicable Quarter unless:~~

~~(1) the Parent Borrower shall have delivered, at least four Business Days prior to such Interest Gross-Up Date, Section 9.1 Financials for the fiscal quarter immediately preceding such Applicable Quarter and~~

~~(2) either:~~

~~(A) such Section 9.1 Financials reveal a change in Status that results in a decrease in the Applicable ABR Margin and Applicable LIBOR Margin for such Loan, in which case, in lieu of paying the aggregate of the Reserve Amounts for such Loan for such period as provided above, such Borrower shall pay on such Interest Gross-Up Date an amount equal to the excess (if any) of (I) the aggregate amount of interest that would have been payable on such Loan during such Applicable Quarter in respect of any period included therein if such change of Status had taken effect on the first day of such Applicable Quarter over (II) the aggregate amount of all interest payments actually made on such Loan during such Applicable Quarter in respect of any period included therein; or~~

~~(B) such Section 9.1 Financials reveal a change in Status that results in an increase in the Applicable ABR Margin and Applicable LIBOR Margin for such Loan, in which case, such Borrower shall pay the aggregate of the Reserve Amounts for such Loan for such period as provided above, and shall also pay additional interest in respect of such Loan on such Interest Gross-Up Date in an amount equal to the amount (if any) by which (I) the sum of (x) the aggregate amount of all interest payments actually made on such Loan during such Applicable Quarter in respect of any period included therein plus (y) the aggregate of the Reserve Amounts for such Loan for such Applicable Quarter is less than (II) the aggregate amount of interest that would have been payable on such Loan during such Applicable Quarter in respect of any period included therein if such change of Status had taken effect on the first day of such Applicable Quarter.~~

(e) All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of LIBOR Loans, shall promptly notify the Parent Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

10.9. Interest Periods. At the time the Parent Borrower gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of LIBOR Loans in accordance with Section 2.6(a), the Parent Borrower shall have the right to elect by giving the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Parent Borrower be a one, two, three, six or (in the case of New Revolving Credit Loans, if available to all the Lenders making such loans as determined by such Lenders in good faith based on prevailing market conditions) a nine or twelve month period (or such other period of less than six months as to which the Administrative Agent may consent).

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of LIBOR Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of LIBOR Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day, provided that if any Interest Period in respect of a LIBOR Loan would otherwise expire

on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; and

(d) no Borrower shall be entitled to elect any Interest Period in respect of any LIBOR Loan if such Interest Period would extend beyond the Final Maturity Date.

10.10. Increased Costs, Illegality, Etc.

(a) In the event that (x) in the case of clause (i) below, the Administrative Agent or (y) in the case of clauses (ii) and (iii) below, any Lender shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the LIBOR Rate for any Interest Period that (x) Dollar deposits in the principal amounts of the Loans comprising such LIBOR Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Original Closing Date affecting the interbank LIBOR market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of LIBOR Rate; or

(ii) at any time, that such Lender shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any LIBOR Loans (other than any increase or reduction attributable to Taxes) because of (x) any change since the Original Closing Date in any applicable law, governmental rule, regulation, guideline or order (or in the interpretation or administration thereof and including the introduction of any new law or governmental rule, regulation, guideline or order), such as, for example, without limitation, a change in official reserve requirements, and/or (y) other circumstances affecting the interbank LIBOR market or the position of such Lender in such market; or

(iii) at any time, that the making or continuance of any LIBOR Loan has become unlawful by compliance by such Lender in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Original Closing Date that materially and adversely affects the interbank LIBOR market;

then, and in any such event, such Lender (or the Administrative Agent, in the case of clause (i) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Parent Borrower on behalf of the Borrowers and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (i) above, LIBOR Loans shall no longer be available until such time as the Administrative Agent notifies the Parent Borrower and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such

circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion given by the Parent Borrower with respect to LIBOR Loans that have not yet been incurred shall be deemed rescinded by the Parent Borrower, (y) in the case of clause (ii) above, the Borrowers shall pay to such Lender, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its reasonable discretion shall determine) as shall be required to compensate such Lender for such increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Parent Borrower by such Lender shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto) and (z) in the case of subclause (iii) above, the Borrowers shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by law.

(b) At any time that any LIBOR Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Parent Borrower on behalf of the Borrowers may (and in the case of a LIBOR Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if the affected LIBOR Loan is then being made pursuant to a Borrowing, cancel such Borrowing by giving the Administrative Agent telephonic notice (confirmed promptly in writing) thereof on the same date that the Parent Borrower was notified by a Lender pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected LIBOR Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such LIBOR Loan into an ABR Loan, provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Original Closing Date, any Change in Law relating to capital adequacy of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy occurring after the Original Closing Date, has or would have the effect of reducing the rate of return on such Lender's or its parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy), then from time to time, promptly after demand by such Lender (with a copy to the Administrative Agent), the Borrowers shall pay to such Lender such additional amount or amounts as will compensate such Lender or its parent for such reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Original Closing Date. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Parent Borrower, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the Borrowers' obligations to pay additional amounts pursuant to this Section 2.10(c) upon receipt of such notice.

(d) It is understood that this Section 2.10 shall not apply to (i) Taxes indemnifiable under Section 5.4, (ii) net income taxes and franchise and excise taxes (imposed in

lieu of net income taxes) imposed on any Agent or Lender or (iii) Taxes included under clause (b) of the definition of "Excluded Taxes".

10.11. Compensation. If (a) any payment of principal of any LIBOR Loan is made by any Borrower to or for the account of a Lender other than on the last day of the Interest Period for such LIBOR Loan as a result of a payment or conversion pursuant to Section 2.5, 2.6, 2.10, 5.1, 5.2 or 14.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of LIBOR Loans is not made as a result of a withdrawn Notice of Borrowing, (c) any ABR Loan is not converted into a LIBOR Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any LIBOR Loan is not continued as a LIBOR Loan, as the case may be, as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of any LIBOR Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 5.1 or 5.2, the Borrowers shall, after the Parent Borrower's receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such LIBOR Loan.

10.12. Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10(a)(ii), 2.10(a)(iii), 2.10(b), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Parent Borrower use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event, provided that such designation is made on such terms that such Lender and its lending office suffer no economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrowers or the right of any Lender provided in Section 2.10, 3.5 or 5.4.

10.13. Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 120 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, tax or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the 121st day prior to the giving of such notice to the Parent Borrower.

10.14. Incremental Facilities.

(a) The Parent Borrower on behalf of the Borrowers may by written notice to Administrative Agent elect to request the establishment of one or more increases in New Revolving Credit Commitments (the "**Incremental Revolving Credit Commitments**"), by an

aggregate amount not in excess of (when taken together with the aggregate amount (the "**Excess Amount**") of New Loan Commitments (as defined in the CF Agreement as in effect on the Original Closing Date) under the CF Facility on the date such Incremental Revolving Credit Commitments become effective) $1,500,000,000 in the aggregate and not less than $100,000,000 individually (or such lesser amount as (x) may be approved by the Administrative Agent or (y) shall constitute the difference between $1,500,000,000 and all such Incremental Revolving Credit Commitments (when taken together with the Excess Amount on the date such Incremental Revolving Credit Commitments become effective) obtained on or prior to such date). Each such notice shall specify the date (each, an "**Increased Amount Date**") on which the Parent Borrower on behalf of the Borrowers proposes that the Incremental Revolving Credit Commitments shall be effective, which shall be a date not less than ten Business Days after the date on which such notice is delivered to the Administrative Agent. The Parent Borrower may approach any Lender or any other Person (other than a natural person) to provide all or a portion of the Incremental Revolving Credit Commitments; provided that any Lender offered or approached to provide all or a portion of the Incremental Revolving Credit Commitments may elect or decline, in its sole discretion, to provide a Incremental Revolving Credit Commitment. In each case, such Incremental Revolving Credit Commitments shall become effective, as of the applicable Increased Amount Date; provided that (i) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such Incremental Revolving Credit Commitments, as applicable; (ii) both before and after giving effect to the making of any Incremental Revolving Loans, each of the conditions set forth in Section 7 shall be satisfied; (iii) the Parent Borrower and its Restricted Subsidiaries shall be in Pro Forma Compliance with the covenant set forth in Section 10.9 of the CF Agreement as of the last day of the most recently ended fiscal quarter after giving effect to such Incremental Revolving Credit Commitments and any Investment to be consummated in connection therewith; (iv) the Incremental Revolving Credit Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrowers and Administrative Agent, and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Sections 5.4(d) and (e); (v) the Parent Borrower on behalf of the Borrowers shall make any payments required pursuant to Section 2.11 in connection with the Incremental Revolving Credit Commitments, as applicable; and (vi) the Parent Borrower shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by Administrative Agent in connection with any such transaction. The Parent Borrower on behalf of the Borrowers shall give the Administrative Agent prompt written notice of any increase in the aggregate amount committed in respect of the CF Facility.

(b) On any Increased Amount Date on which Incremental Revolving Loan Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (a) each of the Lenders with New Revolving Credit Commitments shall assign to each Lender with a Incremental Revolving Credit Commitment (each, a "**Incremental Revolving Loan Lender**") and each of the Incremental Revolving Loan Lenders shall purchase from each of the Lenders with New Revolving Credit Commitments, at the principal amount thereof (together with accrued interest), such interests in the New Revolving Credit Loans outstanding on such Increased Amount Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such New Revolving Credit Loans will be held by existing New Revolving Lenders and Incremental Revolving Loan Lenders ratably in accordance with their

New Revolving Credit Commitments after giving effect to the addition of such Incremental Revolving Credit Commitments to the New Revolving Credit Commitments, (b) each Incremental Revolving Credit Commitment shall be deemed for all purposes a New Revolving Credit Commitment and each Loan made thereunder (a "**Incremental Revolving Loan**") shall be deemed, for all purposes, a New Revolving Credit Loan and (c) each Incremental Revolving Loan Lender shall become a Lender with respect to the Incremental Revolving Loan Commitment and all matters relating thereto.

(c) [Reserved].

(d) The terms and provisions of the Incremental Revolving Loans and Incremental Revolving Credit Commitments shall be identical to the New Revolving Credit Loans and the New Revolving Credit Commitments.

(e) Each Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.14.

10.15. Reserves. Notwithstanding anything to the contrary, the Administrative Agent may at any time and from time to time in the exercise of its Permitted Discretion establish and increase or decrease Reserves; provided that the Administrative Agent shall have provided the Parent Borrower at least 3 Business Days' prior written notice of any such establishment or increase; and provided further that the Administrative Agent may only establish or increase a Reserve after the Original Closing Date based on an event, condition or other circumstance arising after the Original Closing Date or based on facts not known to the Administrative Agent as of the Original Closing Date. The amount of any Reserve established by the Administrative Agent shall have a reasonable relationship to the event, condition, other circumstance or new fact that is the basis for the Reserve. Upon delivery of such notice, the Administrative Agent shall be available to discuss the proposed Reserve or increase, and the Borrowers may take such action as may be required so that the event, condition, circumstance or new fact that is the basis for such Reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Administrative Agent in the exercise of its Permitted Discretion. In no event shall such notice and opportunity limit the right of the Administrative Agent to establish or change such Reserve, unless the Administrative Agent shall have determined in its Permitted Discretion that the event, condition, other circumstance or new fact that is the basis for such new Reserve or such change no longer exists or has otherwise been adequately addressed by the Borrowers.

SECTION 11. Letters of Credit.

11.1. Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time after the Amendment and Restatement Date and prior to the L/C Maturity Date, the Letter of Credit Issuer agrees, in reliance upon the agreements of the New Revolving Lenders set forth in this Section 3, to issue from time to time from the Amendment and Restatement Date through the L/C Maturity Date upon the request of the Parent Borrower, and

for the direct or indirect benefit of, the Borrowers and the Restricted Subsidiaries, a letter of credit or letters of credit (the "**Letters of Credit**" and each, a "**Letter of Credit**") in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion; provided that the Parent Borrower shall be a co-applicant, and jointly and severally liable with respect to, each Letter of Credit issued for the account of a Restricted Subsidiary that is not a Borrower.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Letter of Credit Commitment then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate amount of the Lenders' New Revolving Exposures at such time to exceed the lesser of the Borrowing Base and the New Revolving Credit Commitment then in effect; (iii) each Letter of Credit shall have an expiration date occurring no later than one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer, provided that in no event shall such expiration date occur later than the L/C Maturity Date; (iv) each Letter of Credit shall be denominated in Dollars; (v) no Letter of Credit shall be issued if it would be illegal under any applicable law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor; and (vi) no Letter of Credit shall be issued by a Letter of Credit Issuer after it has received a written notice from any Credit Party or any Lender stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (x) rescission of such notice from the party or parties originally delivering such notice or (y) the waiver of such Default or Event of Default in accordance with the provisions of Section 14.1.

(c) Upon at least one Business Day's prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the applicable Lenders), the Parent Borrower on behalf of the Borrowers shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part, provided that, after giving effect to such termination or reduction, the Letters of Credit Outstanding shall not exceed the Letter of Credit Commitment.

(d) [Reserved].

(e) The Letter of Credit Issuer shall not be under any obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Letter of Credit Issuer from issuing such Letter of Credit, or any law applicable to the Letter of Credit Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Letter of Credit Issuer shall prohibit, or request that the Letter of Credit Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Letter of Credit Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Letter of Credit Issuer is not otherwise compensated hereunder) not in effect on the Original

Closing Date, or shall impose upon the Letter of Credit Issuer any unreimbursed loss, cost or expense which was not applicable on the Original Closing Date and which the Letter of Credit Issuer in good faith deems material to it;

(ii) the issuance of such Letter of Credit would violate one or more policies of the Letter of Credit Issuer applicable to letters of credit generally;

(iii) except as otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is in an initial Stated Amount less than $100,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) such Letter of Credit is to be denominated in a currency other than Dollars;

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder; or

(vi) a default of any New Revolving Lender's obligations to fund under Section 3.3 exists or any New Revolving Lender is at such time a Defaulting Lender hereunder, unless, in each case, the Letter of Credit Issuer has entered into satisfactory arrangements with the Parent Borrower or such New Revolving Lender to eliminate the Letter of Credit Issuer's risk with respect to such New Revolving Lender.

(f) The Letter of Credit Issuer shall not amend any Letter of Credit if the Letter of Credit Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(g) The Letter of Credit Issuer shall be under no obligation to amend any Letter of Credit if (A) the Letter of Credit Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(h) The Letter of Credit Issuer shall act on behalf of the New Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the Letter of Credit Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Section 13 with respect to any acts taken or omissions suffered by the Letter of Credit Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Section 13 included the Letter of Credit Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Letter of Credit Issuer.

11.2. Letter of Credit Requests.

(a) Whenever any Borrower desires that a Letter of Credit be issued for its account or amended, the Parent Borrower on behalf of such Borrower shall give the

Administrative Agent and the Letter of Credit Issuer a Letter of Credit Request by no later than 11:00 a.m. (New York City time) at least two (or such lesser number as may be agreed upon by the Administrative Agent and the Letter of Credit Issuer) Business Days prior to the proposed date of issuance or amendment. Each notice shall be executed by the Parent Borrower and shall be in the form of Exhibit G to the Original Credit Agreement (each a "**Letter of Credit Request**").

(b) In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail satisfactory to the Letter of Credit Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (G) such other matters as the Letter of Credit Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail satisfactory to the Letter of Credit Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the Letter of Credit Issuer may reasonably require. Additionally, the Parent Borrower shall furnish to the Letter of Credit Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the Letter of Credit Issuer or the Administrative Agent may require.

(c) Promptly after receipt of any Letter of Credit Request, the Letter of Credit Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Request from the Parent Borrower on behalf of the applicable Borrower and, if not, the Letter of Credit Issuer will provide the Administrative Agent with a copy thereof. Unless the Letter of Credit Issuer has received written notice from any New Revolving Lender, the Administrative Agent or any Credit Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Sections 6 and 7 shall not then be satisfied, then, subject to the terms and conditions hereof, the Letter of Credit Issuer shall, on the requested date, issue a Letter of Credit for the account of the applicable Borrower (or the applicable Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the Letter of Credit Issuer's usual and customary business practices.

(d) If the Parent Borrower on behalf of any Borrower so requests in any applicable Letter of Credit Request, the Letter of Credit Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "**Auto-Extension Letter of Credit**"); provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "**Non-Extension Notice Date**") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued.

Unless otherwise directed by the Letter of Credit Issuer, the Parent Borrower shall not be required to make a specific request to the Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Maturity Date; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (b) or (e) of Section 3.1 or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the Parent Borrower that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied, and in each such case directing the Letter of Credit Issuer not to permit such extension.

(e) If the Parent Borrower on behalf of any Borrower so requests in any applicable Letter of Credit Request, the Letter of Credit Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that permits the automatic reinstatement of all or a portion of the stated amount thereof after any drawing thereunder (each, an "**Auto-Reinstatement Letter of Credit**"). Unless otherwise directed by the Letter of Credit Issuer, the Parent Borrower shall not be required to make a specific request to the Letter of Credit Issuer to permit such reinstatement. Once an Auto-Reinstatement Letter of Credit has been issued, except as provided in the following sentence, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to reinstate all or a portion of the stated amount thereof in accordance with the provisions of such Letter of Credit. Notwithstanding the foregoing, if such Auto-Reinstatement Letter of Credit permits the Letter of Credit Issuer to decline to reinstate all or any portion of the stated amount thereof after a drawing thereunder by giving notice of such non-reinstatement within a specified number of days after such drawing (the "**Non-Reinstatement Deadline**"), the Letter of Credit Issuer shall not permit such reinstatement if it has received a notice (which may be by telephone or in writing) on or before the day that is five Business Days before the Non-Reinstatement Deadline (A) from the Administrative Agent that the Required Lenders have elected not to permit such reinstatement or (B) from the Administrative Agent, any Lender or the Parent Borrower that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied (treating such reinstatement as the issuance of a Letter of Credit for purposes of this clause) and, in each case, directing the Letter of Credit Issuer not to permit such reinstatement.

(f) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the Letter of Credit Issuer will also deliver to the Parent Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. On the last Business Day of each March, June, September and December, each Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit issued by it that are outstanding at such time.

(g) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the applicable Borrower that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1(b).

11.3. Letter of Credit Participations.

(a) Immediately upon the issuance by the Letter of Credit Issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each New Revolving Lender (each such New Revolving Lender, in its capacity under this Section 3.3, an "**L/C Participant**"), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an "**L/C Participation**"), to the extent of such L/C Participant's New Revolving Credit Commitment Percentage, in each Letter of Credit, each substitute therefor, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto; provided that the Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the L/C Participants as provided in Section 4.1(b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees.

(b) In determining whether to pay under any Letter of Credit, the relevant Letter of Credit Issuer shall have no obligation relative to the L/C Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct, shall not create for the Letter of Credit Issuer any resulting liability.

(c) In the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the Borrowers shall not have repaid such amount in full to the respective Letter of Credit Issuer pursuant to Section 3.4(a), the Letter of Credit Issuer shall promptly notify the Administrative Agent and each L/C Participant of such failure, and each such L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of the Letter of Credit Issuer, the amount of such L/C Participant's New Revolving Credit Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds; provided, however, that no L/C Participant shall be obligated to pay to the Administrative Agent for the account of the Letter of Credit Issuer its New Revolving Credit Commitment Percentage of such unreimbursed amount arising from any wrongful payment made by the Letter of Credit Issuer under any such Letter of Credit as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer. If the Letter of Credit Issuer so notifies, prior to 11:00 a.m. (New York City time) on any Business Day, any L/C Participant required to fund a payment under a Letter of Credit, such L/C Participant shall make available to the Administrative Agent for the account of the Letter of Credit Issuer such L/C Participant's New Revolving Credit Commitment Percentage of the amount of such payment no later than 1:00 p.m. (New York City time) on such Business Day in immediately available funds. If and to the extent such L/C Participant shall not have so made its

New Revolving Credit Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the Letter of Credit Issuer, such L/C Participant agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, such amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at a rate per annum equal to the Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees customarily charged by the Letter of Credit Issuer in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer its New Revolving Credit Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit Issuer its New Revolving Credit Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's New Revolving Credit Commitment Percentage of any such payment.

(d) Whenever the Letter of Credit Issuer receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to clause (c) above, the Letter of Credit Issuer shall pay to the Administrative Agent and the Administrative Agent shall promptly pay to each L/C Participant that has paid its New Revolving Credit Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the principal amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of a Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances, including under any of the following circumstances:

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that a Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between a Borrower and the beneficiary named in any such Letter of Credit);

(iii) any draft, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents; or

(v) the occurrence of any Default or Event of Default;

provided, however, that no L/C Participant shall be obligated to pay to the Administrative Agent for the account of the Letter of Credit Issuer its New Revolving Credit Commitment Percentage of any unreimbursed amount arising from any wrongful payment made by the Letter of Credit Issuer under a Letter of Credit as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer.

11.4. Agreement to Repay Letter of Credit Drawings.

(a) The Borrowers hereby agree to reimburse the Letter of Credit Issuer, by making payment in Dollars to the Administrative Agent in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an "**Unpaid Drawing**") no later than the date that is one Business Day after the date on which the Parent Borrower receives notice of such payment or disbursement (the "**Reimbursement Date**"), with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (New York City time) on the Reimbursement Date, from the Reimbursement Date to the date the Letter of Credit Issuer is reimbursed therefor at a rate *per annum* that shall at all times be the Applicable ABR Margin plus the ABR as in effect from time to time, provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Parent Borrower shall have notified the Administrative Agent and the relevant Letter of Credit Issuer prior to 12:00 noon (New York City time) on the Reimbursement Date that the Parent Borrower on behalf of the Borrowers intends to reimburse the relevant Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Parent Borrower on behalf of the Borrowers shall be deemed to have given a Notice of Borrowing requesting that, with respect to Letters of Credit, the Lenders with New Revolving Credit Commitments make New Revolving Credit Loans (which shall be ABR Loans) on the Reimbursement Date in the amount of such drawing and (ii) the Administrative Agent shall promptly notify each relevant L/C Participant of such drawing and the amount of its New Revolving Credit Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a New Revolving Credit Loan to the Parent Borrower on behalf of the Borrowers in the manner deemed to have been requested in the amount of its New Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 2:00 p.m. (New York City time) on such Reimbursement Date by making the amount of such New Revolving Credit Loan available to the Administrative Agent. Such New Revolving Credit Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such New Revolving Credit Loans solely for purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. In the event that the Parent Borrower fails to Cash Collateralize any Letter of Credit that is outstanding on the Final

Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed to be an Unpaid Drawing subject to the provisions of this Section 3.4 except that the Letter of Credit Issuer shall hold the proceeds received from the L/C Participants as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds first, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Maturity Date, second, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any New Revolving Credit Loans that have not paid at such time and third, to the Parent Borrower or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Parent Borrower's obligation to repay all outstanding New Revolving Credit Loans when due in accordance with the terms of this Agreement.

(b) The obligations of the Borrowers under this Section 3.4 to reimburse the Letter of Credit Issuer with respect to Unpaid Drawings (including, in each case, interest thereon) shall be absolute and unconditional under any and all circumstances and irrespective of any set-off, counterclaim or defense to payment that any Borrower or any other Person may have or have had against the Letter of Credit Issuer, the Administrative Agent or any Lender (including in its capacity as an L/C Participant), including any defense based upon the failure of any drawing under a Letter of Credit (each a "**Drawing**") to conform to the terms of the Letter of Credit or any non-application or misapplication by the beneficiary of the proceeds of such Drawing, provided that the Borrowers shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer.

11.5. Increased Costs.

If after the Original Closing Date, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit Issuer or any L/C Participant with any request or directive made or adopted after the Original Closing Date (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (a) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (b) impose on the Letter of Credit Issuer or any L/C Participant any other conditions affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the amount of any sum received or receivable by the Letter of Credit Issuer or such L/C Participant hereunder (other than any such increase or reduction attributable to (i) taxes indemnified under Section 5.4, (ii) net income taxes and franchise and excise taxes (imposed in lieu of net income taxes) imposed on any Agent or Lender and, to the extent not duplicative, any Taxes imposed on any Agent or Lender where that Tax is imposed

upon or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Agent or Lender or (iii) Taxes included under clause (b) of the definition of "Excluded Taxes") in respect of Letters of Credit or L/C Participations therein, then, promptly after receipt of written demand to the Parent Borrower by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), the Borrowers shall pay to the Letter of Credit Issuer or such L/C Participant such additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction, it being understood and agreed, however, that the Letter of Credit Issuer or an L/C Participant shall not be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Original Closing Date. A certificate submitted to the Parent Borrower by the relevant Letter of Credit Issuer or an L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such additional amount or amounts necessary to compensate the Letter of Credit Issuer or such L/C Participant as aforesaid shall be conclusive and binding on the Borrowers absent clearly demonstrable error.

11.6. New or Successor Letter of Credit Issuer.

(a) The Letter of Credit Issuer may resign as a Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders and the Parent Borrower. The Parent Borrower may replace the Letter of Credit Issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer. The Parent Borrower may add Letter of Credit Issuers at any time upon notice to the Administrative Agent. If the Letter of Credit Issuer shall resign or be replaced, or if the Parent Borrower shall decide to add a new Letter of Credit Issuer under this Agreement, then the Parent Borrower may appoint from among the Lenders a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld), another successor or new issuer of Letters of Credit, whereupon such successor issuer shall succeed to the rights, powers and duties of the replaced or resigning Letter of Credit Issuer under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit shall be granted the rights, powers and duties of a Letter of Credit Issuer hereunder, and the term "Letter of Credit Issuer" shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. At the time such resignation or replacement shall become effective, the Parent Borrower, on behalf of the Borrowers, shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees pursuant to Sections 4.1(c) and 4.1(d). The acceptance of any appointment as a Letter of Credit Issuer hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form satisfactory to the Parent Borrower and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become a "Letter of Credit Issuer" hereunder. After the resignation or replacement of a Letter of Credit Issuer hereunder, the resigning or replaced Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of a Letter of Credit Issuer under this

Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letters of Credit shall have been appointed), either (i) the Parent Borrower, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Letter of Credit Issuer replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Parent Borrower shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Letter of Credit Issuer, to issue "back-stop" Letters of Credit naming the resigning or replaced Letter of Credit Issuer as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Letter of Credit Issuer, which new Letters of Credit shall have a face amount equal to the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit. After any resigning or replaced Letter of Credit Issuer's resignation or replacement as Letter of Credit Issuer, the provisions of this Agreement relating to a Letter of Credit Issuer shall inure to its benefit as to any actions taken or omitted to be taken by it (A) while it was a Letter of Credit Issuer under this Agreement or (B) at any time with respect to Letters of Credit issued by such Letter of Credit Issuer.

(b) To the extent that there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including, without limitation, any obligations related to the payment of Fees or the reimbursement or funding of amounts drawn), except that the Parent Borrower, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

11.7. Role of Letter of Credit Issuer. Each Lender and the Parent Borrower agree that, in paying any drawing under a Letter of Credit, the Letter of Credit Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrowers hereby assume all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude the Borrowers' pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable or responsible for any of the

matters described in Section 3.3(e); provided that anything in such Section to the contrary notwithstanding, the Borrowers may have a claim against the Letter of Credit Issuer, and the Letter of Credit Issuer may be liable to the Borrowers, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the any Borrower which any Borrower proves were caused by the Letter of Credit Issuer's willful misconduct or gross negligence or the Letter of Credit Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the Letter of Credit Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Letter of Credit Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

11.8. Cash Collateral.

(a) Upon the request of the Administrative Agent, (A) if the Letter of Credit Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (B) if, as of the L/C Maturity Date, there are any Letters of Credit Outstanding, the Parent Borrower, on behalf of the Borrowers, shall, in each case, immediately Cash Collateralize the then Letters of Credit Outstanding.

(b) The Administrative Agent may, at any time and from time to time after the initial deposit of Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations.

(c) If any Event of Default shall occur and be continuing, the Administrative Agent or New Revolving Lenders with Letter of Credit Exposure representing greater than 50% of the total Letter of Credit Exposure may require that the L/C Obligations be Cash Collateralized.

(d) For purposes of this Section 3.8, "**Cash Collateralize**" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Letter of Credit Issuer and the Lenders, as collateral for the applicable L/C Obligations, cash or deposit account balances in an amount equal to the amount of the Letters of Credit Outstanding required to be Cash Collateralized pursuant to documentation in form and substance satisfactory to the Administrative Agent and the Letter of Credit Issuer (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. The Parent Borrower hereby grants to the Administrative Agent, for the benefit of the Letter of Credit Issuer and the L/C Participants, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash Collateral shall be maintained in blocked, non-interest bearing deposit accounts with the Administrative Agent.

11.9. Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the Parent Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs

and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each commercial Letter of Credit.

11.10. Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

11.11. Letters of Credit Issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Restricted Subsidiary that is not a Borrower, the Parent Borrower shall be obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Parent Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Restricted Subsidiaries that are not Borrowers inures to the benefit of the Parent Borrower, and that the Parent Borrower's business derives substantial benefits from the businesses of such Restricted Subsidiaries.

SECTION 12. Fees; Commitments

12.1. Fees.

(a) The Borrowers agree to pay to the Administrative Agent in Dollars, for the account of each New Revolving Lender (in each case *pro rata* according to the respective New Revolving Credit Commitments of all such Lenders), a commitment fee (the "**Commitment Fee**") for each day from the Amendment and Restatement Date to the New Revolving Termination Date. ~~Except as set forth below, each~~**Each** Commitment Fee shall be payable by the Parent Borrower on behalf of the Borrowers (x) quarterly in arrears on the last Business Day of each March, June, September and December (for the three-month period (or portion thereof) ended on such day for which no payment has been received) and (y) on the New Revolving Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (x) above), and shall be computed for each day during such period at a rate *per annum* equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day. ~~Notwithstanding the foregoing, with respect to any Applicable Quarter, on any date during such Applicable Quarter (I) that is prior to the date on which Section 9.1 Financials are due with respect to the fiscal quarter immediately preceding such Applicable Quarter and (II) on which any Commitment Fee is payable on any Available Commitment pursuant to this subclause (a) (other than pursuant to subclause (y) above) in respect of any period included in such Applicable Quarter, the amount of such Commitment Fee required to be paid on such date in respect of such Available Commitment and such period (as to any Available Commitment, a "**Commitment Fee Payment**") shall be reduced by an amount equal to the Reserve Amount with respect to such Commitment Fee for such period; provided that, if the amount of any Commitment Fee Payment on any Available Commitment shall have been reduced during any Applicable Quarter pursuant to the foregoing provisions, then, on the date (the "**Commitment Fee Gross-Up Date**") that is the earlier of (x) the Applicable Date in respect of such Applicable Quarter and (y) the date on which all New Revolving Credit Commitments have been terminated in full, the Parent Borrower shall pay an additional commitment fee on such Available Commitment in an amount equal to the aggregate of the~~

~~Reserve Amounts for such Available Commitment so deducted during such Applicable Quarter unless:~~

~~(1) the Parent Borrower shall have delivered, at least four Business Days prior to such Commitment Fee Gross-Up Date, Section 9.1 Financials for the fiscal quarter immediately preceding such Applicable Quarter and~~

~~(2) either:~~

~~(A) such Section 9.1 Financials reveal a change in Status that results in a decrease in the Commitment Fee Rate, in which case, no payment of any such Reserve Amounts for such Available Commitment shall be required; or~~

~~(B) such Section 9.1 Financials reveal a change in Status that results in an increase in the Commitment Fee Rate, in which case, the Parent Borrower shall pay the aggregate of the Reserve Amounts for such Available Commitment for such period as provided above, and shall also pay an additional commitment fee in respect of such Available Commitment on such Commitment Fee Gross-Up Date in an amount equal to the amount (if any) by which (I) the sum of (x) the aggregate amount of all Commitment Fees actually paid during such Applicable Quarter in respect of such Available Commitment for any period included therein plus (y) the aggregate of the Reserve Amounts for such Available Commitment for such Applicable Quarter is less than (II) the aggregate amount of Commitment Fees that would have been payable on such Available Commitment during such Applicable Quarter in respect of any period included therein if such change of Status had taken effect on the first day of such Applicable Quarter.~~

(b) The Borrowers agree to pay to the Administrative Agent in Dollars for the account of the Lenders *pro rata* on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit (the "**Letter of Credit Fee**"), for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit computed at the *per annum* rate for each day equal to the Applicable LIBOR Margin for New Revolving Credit Loans minus 0.125% *per annum* on the average daily Stated Amount of such Letter of Credit. ~~Except as provided below, such~~**Such** Letter of Credit Fees shall be due and payable (x) quarterly in arrears on the last Business Day of each March, June, September and December and (y) on the date upon which the Total New Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero. ~~Notwithstanding the foregoing, with respect to any Applicable Quarter, on any date during such Applicable Quarter (I) that is prior to the date on which Section 9.1 Financials are due with respect to the fiscal quarter immediately preceding such Applicable Quarter and (II) on which any Letter of Credit Fee is payable on any Letter of Credit pursuant to this subclause (b) (other than pursuant to subclause (y) above) in respect of any period included in such Applicable Quarter, the amount of such Letter of Credit Fee required to be paid on such date in respect of such Letter of Credit for such period (as to any Letter of Credit, an "**L/C Fee Payment**") shall be reduced by an amount equal to the Reserve Amount with respect to such Letter of Credit Fee for such period; provided that, if the amount of any L/C Fee Payment on any Letter of Credit shall have been reduced during any Applicable Quarter~~

pursuant to the foregoing provisions, then, on the date (the "**L/C Fee Gross-Up Date**") that is the earlier of (x) the Applicable Date in respect of such Applicable Quarter and (y) the New Revolving Termination Date, the Parent Borrower shall pay an additional letter of credit fee on such Letter of Credit in an amount equal to the aggregate of the Reserve Amounts for such Letter of Credit so deducted during such Applicable Quarter unless:

(1) the Parent Borrower shall have delivered, at least four Business Days prior to such L/C Fee Gross-Up Date, Section 9.1 Financials for the fiscal quarter immediately preceding such Applicable Quarter and

(2) either:

(A) such Section 9.1 Financials reveal a change in Status that results in a decrease in the Letter of Credit Fee rate with respect to such Letter of Credit, in which case, in lieu of paying the aggregate of the Reserve Amount for such Letter of Credit for such period as provided above, the Parent Borrower shall pay on such L/C Fee Gross-Up Date an amount equal to the excess (if any) of (I) the aggregate amount of Letter of Credit Fees that would have been payable on such Letter of Credit during such Applicable Quarter in respect of any period included therein if such change of Status had taken effect on the first day of such Applicable Quarter over (II) the aggregate amount of all Letter of Credit Fee payments actually made on such Letter of Credit during such Applicable Quarter in respect of any period included therein; or

(B) such Section 9.1 Financials reveal a change in Status that results in an increase in the Letter of Credit Fee rate, in which case, the Parent Borrower shall pay the aggregate of the Reserve Amounts for such Letter of Credit for such period as provided above, and shall also pay additional letter of credit fees in respect of such Letter of Credit on such L/C Fee Gross-Up Date in an amount equal to the amount (if any) by which (I) the sum of (x) the aggregate amount of all Letter of Credit Fees actually paid during such Applicable Quarter in respect of such Letter of Credit for any period included therein plus (y) the aggregate of the Reserve Amounts for such Letter of Credit for such Applicable Quarter is less than (II) the aggregate amount of Letter of Credit Fees that would have been payable on such Letter of Credit during such Applicable Quarter in respect of any period included therein if such change of Status had taken effect on the first day of such Applicable Quarter.

(c) The Borrowers agree to pay to each Letter of Credit Issuer a fee in respect of each Letter of Credit issued by it (the "**Fronting Fee**"), for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit, computed at the rate for each day equal to 0.125% *per annum* on the average daily Stated Amount of such Letter of Credit. Such Fronting Fees shall be due and payable by the Parent Borrower on behalf of the Borrowers (x) quarterly in arrears on the last Business Day of each March, June, September and December and (y) on the date upon which the Total New Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(d) The Parent Borrower on behalf of the Borrowers agrees to pay directly to the Letter of Credit Issuer upon each issuance of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as the Letter of Credit Issuer and the Parent Borrower shall have agreed upon for issuances of, drawings under or amendments of, letters of credit issued by it.

(e) Notwithstanding the foregoing, the Borrowers shall not be obligated to pay any amounts to any Defaulting Lender pursuant to this Section 4.1.

12.2. Voluntary Reduction of New Revolving Credit Commitments. Upon at least one Business Day's prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Parent Borrower (on behalf of itself) shall have the right, without premium or penalty, on any day, permanently to terminate or reduce the New Revolving Credit Commitments in whole or in part, provided that (a) any such reduction shall apply proportionately and permanently to reduce the New Revolving Credit Commitment of each of the Lenders, (b) any partial reduction pursuant to this Section 4.2 shall be in the amount of at least $10,000,000 and (c) after giving effect to such termination or reduction and to any prepayments of the Loans made on the date thereof in accordance with this Agreement (including pursuant to Section 5.2(b)(i)), the aggregate amount of the Lenders' New Revolving Exposures shall not exceed the Total New Revolving Credit Commitment.

12.3. Mandatory Termination of Commitments.

(a) The New Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Final Maturity Date.

(b) The Swingline Commitment shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

SECTION 13. Payments

13.1. Voluntary Prepayments. The Borrowers shall have the right to prepay New Revolving Credit Loans and Swingline Loans, in each case, without premium or penalty, in whole or in part from time to time on the following terms and conditions: (a) the Parent Borrower, on behalf of the Borrowers, shall give the Administrative Agent at the Administrative Agent's Office written notice (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and (in the case of LIBOR Loans) the specific Borrowing(s) pursuant to which made, which notice shall be given by the Parent Borrower, on behalf of the Borrowers, no later than 12:00 noon (New York City time) (i) in the case of LIBOR Loans, three Business Days prior to, (ii) in the case of ABR Loans (other than Swingline Loans and Protective Advances), one Business Day prior to or (iii) in the case of Swingline Loans and Protective Advances, on, the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders or the Swingline Lender, as the case may be; (b) each partial prepayment of (i) any Borrowing of LIBOR Loans shall be in a minimum amount of

$10,000,000 and in multiples of $1,000,000 in excess thereof, (ii) any ABR Loans (other than Swingline Loans and Protective Advances) shall be in a minimum amount of $1,000,000 and in multiples of $1,000,000 in excess thereof and (iii) Swingline Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof, provided that no partial prepayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the Minimum Borrowing Amount for LIBOR Loans and (c) any prepayment of LIBOR Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Parent Borrower with the applicable provisions of Section 2.11. At the Parent Borrower's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any New Revolving Credit Loan of a Defaulting Lender.

13.2. Mandatory Prepayments.

(a) [Reserved].

(b) Repayment of New Revolving Credit Loans. (i) If on any date the aggregate amount of the Lenders' New Revolving Exposures (collectively, the **"Aggregate New Revolving Outstandings"**) for any reason exceeds 100% of the Total New Revolving Credit Commitment then in effect, the Borrowers shall forthwith repay on such date the principal amount of any Protective Advances and after all Protective Advances have been paid in full, Swingline Loans and, after all Swingline Loans have been paid in full, New Revolving Credit Loans in an amount equal to such excess. If, after giving effect to the prepayment of all outstanding Protective Advances, Swingline Loans and New Revolving Credit Loans, the Aggregate New Revolving Outstandings exceed the Total New Revolving Credit Commitment then in effect, the Borrowers shall Cash Collateralize the L/C Obligations to the extent of such excess.

(ii) Except for Protective Advances, if on any date the Aggregate New Revolving Outstandings for any reason exceed 100% of the Borrowing Base then in effect, the Borrowers shall forthwith repay on such date the principal amount of Swingline Loans and, after all Swingline Loans have been paid in full, New Revolving Credit Loans in an amount equal to such excess. If, after giving effect to the prepayment of all outstanding Swingline Loans and New Revolving Credit Loans, the Aggregate New Revolving Outstandings exceed the Borrowing Base then in effect, the Borrowers shall Cash Collateralize the L/C Obligations to the extent of such excess.

(c) At all times following the establishment of the Cash Management Systems pursuant to Section 9.15(a) and after the occurrence and during the continuation of a Cash Dominion Event and notification thereof by the Administrative Agent to the Parent Borrower (subject to the provisions of the Security Agreement and the Intercreditor Agreement), on each Business Day, at or before 1:00 p.m. New York City time, the Administrative Agent shall apply all immediately available funds credited to the Collection Account, first to pay any fees or expense reimbursements then due to the Administrative Agent, the Letter of Credit Issuer and the Lenders (other than in connection with Secured Cash Management Agreements or Secured Hedge Agreements), pro rata, second to pay interest due and payable in respect of any Loans (including Swingline Loans and Protective Advances) that may be outstanding, pro rata, third to

prepay the principal of any Protective Advances that may be outstanding, pro rata, fourth to prepay the principal of the New Revolving Credit Loans and Swingline Loans and to Cash Collateralize outstanding Letter of Credit Exposure, pro rata and fifth to pay any fees or expense reimbursements then due to any Cash Management Bank or Hedge Bank, pro rata. **Notwithstanding the foregoing (x) if a Cash Dominion Event arose under clause (ii) of the definition thereof, then at the Parent Borrower's election and (y) if an Event of Default under Section 11.1 or 11.5 has occurred and is continuing, then at the Administrative Agent's election, in each case in connection with any application of funds credited to the Collection Account under this clause (c), such application of funds shall not be applied to any fees, expenses, reimbursements, interest or principal due in respect of any New Revolving Credit Loan of a Defaulting Lender.**

(d) [Reserved].

(e) Application to New Revolving Credit Loans. With respect to each prepayment of New Revolving Credit Loans required by Section 5.2(b), the Parent Borrower may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the New Revolving Credit Loans to be prepaid, provided that (y) each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clause (y), no prepayment of New Revolving Credit Loans shall be applied to the New Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Parent Borrower. In the absence of a designation by the Parent Borrower as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(f) LIBOR Interest Periods. In lieu of making any payment pursuant to this Section 5.2 in respect of any LIBOR Loan other than on the last day of the Interest Period therefor so long as no Event of Default shall have occurred and be continuing, the Parent Borrower at its option may deposit on behalf of the Borrowers with the Administrative Agent an amount equal to the amount of the LIBOR Loan to be prepaid and such LIBOR Loan shall be repaid on the last day of the Interest Period therefor in the required amount. Such deposit shall be held by the Administrative Agent in a corporate time deposit account established on terms reasonably satisfactory to the Administrative Agent, earning interest at the then-customary rate for accounts of such type. Such deposit shall constitute cash collateral for the LIBOR Loans to be so prepaid, provided that the Parent Borrower may at any time direct that such deposit be applied to make the applicable payment required pursuant to this Section 5.2.

13.3. Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Parent Borrower on behalf of the Borrowers, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto, the Letter of Credit Issuer or the Swingline Lender entitled thereto, as the case may be, not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at

such other office as the Administrative Agent shall specify for such purpose by notice to the Parent Borrower, it being understood that written or facsimile notice by the Parent Borrower to the Administrative Agent to make a payment from the funds in the Parent Borrower's account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All payments under each Credit Document shall, unless otherwise specified in such Credit Document be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day), in like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) Any payments under this Agreement that are made later than 2:00 p.m. (New York City time) shall be deemed to have been made on the next succeeding Business Day. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

13.4. Net Payments.

(a) Any and all payments made by or on behalf of any Borrower under this Agreement or any other Credit Document shall be made free and clear of, and without deduction or withholding for or on account of, any Indemnified Taxes; provided that if any Borrower shall be required by applicable Requirements of Law to deduct or withhold any Indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions and withholdings (including deductions or withholdings applicable to additional sums payable under this Section 5.4) the Administrative Agent, the Collateral Agent or any Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the applicable Borrower shall make such deductions or withholdings and (iii) the applicable Borrower shall timely pay the full amount deducted or withheld to the relevant Governmental Authority within the time allowed and in accordance with applicable Requirements of Law. Whenever any Indemnified Taxes are payable by any Borrower, as promptly as possible thereafter, such Borrower shall send to the Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt (or other evidence acceptable to such Lender, acting reasonably) received by such Borrower showing payment thereof.

(b) The Borrowers shall timely pay and shall indemnify and hold harmless the Administrative Agent, each Collateral Agent and each Lender (whether or not such Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority) with regard to any Other Taxes.

(c) The Borrowers shall indemnify and hold harmless the Administrative Agent, the Collateral Agent and each Lender within 15 Business Days after written demand therefor, for the full amount of any Indemnified Taxes imposed on the Administrative Agent, the

Collateral Agent or such Lender as the case may be, on or with respect to any payment by or on account of any obligation of any Borrower hereunder or under any other Credit Document (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the amount of such payment or liability delivered to the Parent Borrower by a Lender, the Administrative Agent or the Collateral Agent (as applicable) on its own behalf or on behalf of a Lender shall be conclusive absent manifest error.

(d) Each Non-U.S. Lender shall, to the extent it is legally entitled to do so:

(i) deliver to the Parent Borrower and the Administrative Agent two copies of either (x) in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest," United States Internal Revenue Service Form W-8BEN (together with a certificate representing that such Non-U.S. Lender is not a bank for purposes of Section 881(c) of the Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Parent Borrower and is not a controlled foreign corporation related to the Parent Borrower (within the meaning of Section 864(d)(4) of the Code)), or (y) Internal Revenue Service Form W-8BEN or Form W-8ECI, in each case properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or reduced rate of, U.S. Federal withholding tax on payments by the Parent Borrower under this Agreement; and

(ii) deliver to the Parent Borrower and the Administrative Agent two further copies of any such form or certification (or any applicable successor form) on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form previously delivered by it to the Parent Borrower;

unless in any such case any Change in Law has occurred prior to the date on which any such delivery would otherwise be required that renders any such form inapplicable or would prevent such Non-U.S. Lender from duly completing and delivering any such form with respect to it and such Non-U.S. Lender promptly so advises the Parent Borrower and the Administrative Agent. Each Person that shall become a Participant pursuant to Section 14.6 or a Lender pursuant to Section 14.6 shall, upon the effectiveness of the related transfer, be required to provide all the forms and statements required pursuant to this Section 5.4(d), provided that in the case of a Participant such Participant shall furnish all such required forms and statements to the Lender from which the related participation shall have been purchased.

(e) Each Lender and Agent that is entitled to an exemption from or reduction of non-U.S. withholding tax under the laws of the jurisdiction in which any Borrower is organized, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement or any other Credit Document by such Borrower shall deliver to such Borrower (with a copy to the applicable Administrative Agent), as applicable, at the time or times prescribed by

applicable law and as reasonably requested by such Borrower, as applicable, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without such withholding or at such reduced rate, provided that such Lender or Agent is legally entitled to complete, execute and deliver such documentation and such documentation is necessary in order for such exemption or reduction to apply.

(f) If any Lender, the Administrative Agent or the Collateral Agent, as applicable, determines, in its sole discretion, that it had received and retained a refund of an Indemnified Tax or Other Tax for which a payment has been made by any Borrower pursuant to this Agreement, which refund in the good faith judgment of such Lender, the Administrative Agent or the Collateral Agent, as the case may be, is attributable to such payment made by such Borrower, then the Lender, the Administrative Agent or the Collateral Agent, as the case may be, shall reimburse such Borrower for such amount (together with any interest received thereon) as the Lender, Administrative Agent or the Collateral Agent, as the case may be, determines in its sole discretion to be the proportion of the refund as will leave it, after such reimbursement, in no better or worse position (taking into account expenses or any taxes imposed on the refund) than it would have been in if the payment had not been required; provided that such Borrower, upon the request of the Lender, the Administrative Agent or the Collateral Agent, agrees to repay the amount paid over to such Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Lender, the Administrative Agent or the Collateral Agent in the event the Lender, the Administrative Agent or the Collateral Agent is required to repay such refund to such Governmental Authority. A Lender, the Administrative Agent or the Collateral Agent shall claim any refund that it determines is available to it, unless it concludes in its sole discretion that it would be adversely affected by making such a claim. Neither the Lender, the Administrative Agent nor the Collateral Agent shall be obliged to disclose any information regarding its tax affairs or computations to any Credit Party in connection with this clause (f) or any other provision of this Section 5.4.

(g) If the Parent Borrower determines that a reasonable basis exists for contesting a Tax, each Lender or Agent, as the case may be, shall use reasonable efforts to cooperate with the Borrowers as the Parent Borrower may reasonably request in challenging such Tax. Subject to the provisions of Section 2.12, each Lender and Agent agrees to use reasonable efforts to cooperate with the Borrowers as the Parent Borrower may reasonably request to minimize any amount payable by any Borrower or Guarantor pursuant to this Section 5.4. The Borrowers shall indemnify and hold each Lender and Agent harmless against any out-of-pocket expenses incurred by such Person in connection with any request made by the Parent Borrower pursuant to this Section 5.4(g). Nothing in this Section 5.4(g) shall obligate any Lender or Agent to take any action that such Person, in its sole judgment, determines may result in a material detriment to such Person.

(h) Each Lender and Agent that is a United States person under Section 7701(a)(30) of the Code shall, at the reasonable request of the Parent Borrower or the Administrative Agent, deliver to the Parent Borrower and the Administrative Agent two United States Internal Revenue Service Forms W-9 (or substitute or successor form), properly completed and duly executed, certifying that such Lender or Agent is exempt from United States backup withholding; provided that, for the avoidance of doubt, the failure to deliver such forms

shall not subject any Lender that may be treated as an exempt recipient based on the indicators described in Treasury Regulation 1.6049-4(c)(i)(ii) to backup withholding.

(i) The agreements in this Section 5.4 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

13.5. Computations of Interest and Fees.

(a) Interest on LIBOR Loans and, except as provided in the next succeeding sentence, ABR Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans in respect of which the rate of interest is calculated on the basis of the Administrative Agent's prime rate and interest on overdue interest shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

13.6. Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrowers shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If any Borrower is not obliged to make a payment that it would otherwise be required to make, as a result of Section 5.6(a), such Borrower shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate any Borrower to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable law, rule or regulation, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by such Borrower to the affected Lender under Section 2.8.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from any Borrower an amount in excess of the maximum permitted by any applicable law, rule or regulation, then such Borrower shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to such Borrower.

SECTION 14. Conditions Precedent to Amendment and Restatement

The initial Borrowing under this Agreement on the Amendment and Restatement Date is subject to the satisfaction of the following conditions precedent, except as otherwise agreed between the Parent Borrower and the Administrative Agent.

14.1. Credit Documents. The Administrative Agent shall have received:

(a) this Agreement, executed and delivered by a duly authorized officer of the Parent Borrower, each Subsidiary Borrower and each Lender;

(b) a Borrowing Base Certificate, certified as complete and correct in all material respects, which calculates the Borrowing Base as of the last Business Day of the most recent month ended at least 25 days prior to the Amendment and Restatement Date.

14.2. Amendment Agreement Conditions. All conditions in Section 4 of the Amendment Agreement shall have been satisfied or waived.

SECTION 15. Conditions Precedent to All Credit Events

The agreement of each Lender to make any Loan requested to be made by it on any date (excluding Mandatory Borrowings, Protective Advances and New Revolving Credit Loans to be made by the New Revolving Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4) and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date is subject to the satisfaction of the following conditions precedent:

15.1. No Default; Representations and Warranties. At the time of each Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

15.2. Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each New Revolving Credit Loan (other than any New Revolving Credit Loan made pursuant to Section 3.4(a) or 2.1(e)) and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing (whether in writing or by telephone) meeting the requirements of Section 2.3.

(b) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

SECTION 16. Representations, Warranties and Agreements

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, each Borrower makes the following representations and warranties to, and agreements with, the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit (it being understood that the following representations and warranties shall be deemed made with respect to any Foreign Subsidiary only to the extent relevant under applicable law):

16.1. Corporate Status. Each of the Parent Borrower and each Material Subsidiary (a) is a duly organized and validly existing corporation or other entity in good standing under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect.

16.2. Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

16.3. No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the Merger and the other transactions contemplated hereby or thereby will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of such Credit Party or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents or Liens subject to the Intercreditor Agreement) pursuant to the terms of any material indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other material instrument to which such Credit Party or any of the Restricted Subsidiaries is a party or by which it or any of its property or assets is bound (any such term, covenant, condition or provision, a "**Contractual Requirement**") or (c) violate any provision of the certificate of incorporation, by-laws or other organizational documents of such Credit Party or any of the Restricted Subsidiaries.

16.4. Litigation. Except as set forth on Schedule 8.4 to the Original Credit Agreement, there are no actions, suits or proceedings (including Environmental Claims) pending or, to the knowledge of the Parent Borrower, threatened with respect to the Parent Borrower or any of its Subsidiaries that could reasonably be expected to result in a Material Adverse Effect.

16.5. Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board.

16.6. Governmental Approvals. The execution, delivery and performance of the Acquisition Agreement or any Credit Document do not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect, (ii) filings and recordings in respect of the Liens created pursuant to the Security Agreement and (iii) such licenses, approvals, authorizations or consents the failure to obtain or make could not reasonably be expected to have a Material Adverse Effect.

16.7. Investment Company Act. No Borrower is an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

16.8. True and Complete Disclosure.

(a) None of the written factual information and written data (taken as a whole) furnished by or on behalf of the Parent Borrower on or before the Original Closing Date, any of the Subsidiaries or any of their respective authorized representatives to the Administrative Agent, any Joint Lead Arranger and/or any Lender on or before the Original Closing Date (including all such information and data contained in (i) the Confidential Information Memorandum (as updated prior to the Original Closing Date) and (ii) the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of any material fact or omitted to state any material fact necessary to make such information and data (taken as a whole) not misleading at such time in light of the circumstances under which such information or data was furnished, it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include projections (including financial estimates, forecasts and other forward-looking information) and information of a general economic or general industry nature.

(b) The projections (including financial estimates, forecasts and other forward-looking information) contained in the information and data referred to in clause (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results.

16.9. Financial Condition; Financial Statements. (a) The unaudited historical consolidated financial information of HCA as set forth in the Confidential Information Memorandum, and (b) the Historical Financial Statements, in each case present fairly in all material respects the consolidated financial position of HCA at the respective dates of said information, statements and results of operations for the respective periods covered thereby. The

financial statements referred to in clause (b) of this Section 8.9 have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements. After the Original Closing Date, there has been no Material Adverse Effect since December 31, 2005.

16.10. Tax Matters. Each of the Parent Borrower and the Subsidiaries has filed all federal income tax returns and all other material tax returns, domestic and foreign, required to be filed by it and all such tax returns are true and correct in all material respects and has paid all material taxes payable by it that have become due, other than those (a) not yet delinquent or (b) contested in good faith as to which adequate reserves have been provided to the extent required by law and in accordance with GAAP and which could not reasonably be expected to result in a Material Adverse Effect. Each Borrower and each of the Subsidiaries have paid, or have provided adequate reserves to the extent required by law and in accordance with GAAP for the payment of, all material federal, state, provincial and foreign taxes applicable for the current fiscal year to the Original Closing Date.

16.11. Compliance with ERISA. Each Plan is in compliance with ERISA, the Code and any applicable Requirement of Law; no Reportable Event has occurred (or is reasonably likely to occur) with respect to any Plan; no Plan is insolvent or in reorganization (or is reasonably likely to be insolvent or in reorganization), and no written notice of any such insolvency or reorganization has been given to the Parent Borrower or any ERISA Affiliate; no Plan (other than a multiemployer plan) has an accumulated or waived funding deficiency (or is reasonably likely to have such a deficiency); none of the Parent Borrower or any ERISA Affiliate has incurred (or is reasonably likely to incur) any liability to or on account of a Plan pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code or has been notified in writing that it will incur any liability under any of the foregoing Sections with respect to any Plan; no proceedings have been instituted (or are reasonably likely to be instituted) to terminate or to reorganize any Plan or to appoint a trustee to administer any Plan, and no written notice of any such proceedings has been given to the Parent Borrower or any ERISA Affiliate; and no lien imposed under the Code or ERISA on the assets of the Parent Borrower or any ERISA Affiliate exists (or is reasonably likely to exist) nor has the Parent Borrower or any ERISA Affiliate been notified in writing that such a lien will be imposed on the assets of the Parent Borrower or any ERISA Affiliate on account of any Plan, except to the extent that a breach of any of the representations, warranties or agreements in this Section 8.11 would not result, individually or in the aggregate, in an amount of liability that would be reasonably likely to have a Material Adverse Effect. No Plan (other than a multiemployer plan) has an Unfunded Current Liability that would, individually or when taken together with any other liabilities referenced in this Section 8.11, be reasonably likely to have a Material Adverse Effect. With respect to Plans that are multiemployer plans (as defined in Section 3(37) of ERISA), the representations and warranties in this Section 8.11, other than any made with respect to (i) liability under Section 4201 or 4204 of ERISA or (ii) liability for termination or reorganization of such Plans under ERISA, are made to the best knowledge of each Borrower.

16.12. Subsidiaries. Schedule 8.12 to the Original Credit Agreement lists each Subsidiary of the Parent Borrower (and the direct and indirect ownership interest of the Parent

Borrower therein), in each case existing on the Original Closing Date and the Amendment and Restatement Date. Each Material Subsidiary (under clause (i) of the definition thereof) and each 1993 Indenture Restricted Subsidiary as of the Original Closing Date has been so designated on Schedule 8.12 to the Original Credit Agreement.

16.13. Intellectual Property. The Parent Borrower and each of the Restricted Subsidiaries have obtained all intellectual property, free from burdensome restrictions, that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to obtain any such rights could not reasonably be expected to have a Material Adverse Effect.

16.14. Environmental Laws.

(a) Except as could not reasonably be expected to have a Material Adverse Effect: (i) the Parent Borrower and each of the Subsidiaries and all Real Estate are in compliance with all Environmental Laws; (ii) neither the Parent Borrower nor any Subsidiary is subject to any Environmental Claim or any other liability under any Environmental Law; (iii) neither the Parent Borrower nor any Subsidiary is conducting any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location; and (iv) no underground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by the Parent Borrower or any of its Subsidiaries.

(b) Neither the Parent Borrower nor any of the Subsidiaries has treated, stored, transported, released or disposed or arranged for disposal or transport for disposal of Hazardous Materials at, on, under or from any currently or formerly owned or leased Real Estate or facility in a manner that could reasonably be expected to have a Material Adverse Effect.

16.15. Properties. The Parent Borrower and each of the Subsidiaries have good and marketable title to or leasehold interests in all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement) and except where the failure to have such good title could not reasonably be expected to have a Material Adverse Effect.

16.16. Solvency. On the Original Closing Date (after giving effect to the Transactions described in clause (ii) of the definition thereof), immediately following the making of each Loan and after giving effect to the application of the proceeds of such Loans, the Parent Borrower on a consolidated basis with its Subsidiaries will be Solvent.

16.17. Delayed Equity Arrangements. On the Original Closing Date, (i) the Parent Borrower received a written commitment from Holdings to contribute the Delayed Equity Amount to the Parent Borrower, to the extent not otherwise received by the Parent Borrower, on or prior to March 31, 2007 and (ii) Holdings has received written commitments from certain of the Investors to provide the Delayed Equity Amount to Holdings, to the extent not otherwise received on or prior to March 31, 2007 (the commitments referred to in subclauses (i) and (ii) being referred to collectively as the **"Delayed Equity Arrangements"**).

SECTION 17. Affirmative Covenants.

Each Borrower hereby covenants and agrees that on the Original Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder, are paid in full:

17.1. Information Covenants. The Parent Borrower will furnish to the Administrative Agent (which shall make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within 5 days after the date on which such financial statements are required to be filed with the SEC or, if earlier, on the date such financial statements are delivered to the holders of Junior Lien Notes (or, if such financial statements are not required to be filed with the SEC or delivered to the holders of the Junior Lien Notes, on or before the date that is 90 days (or, in the case of the fiscal year ending December 31, 2006, 120 days) after the end of each such fiscal year), the consolidated balance sheets of the Parent Borrower and the Subsidiaries and, if different, the Parent Borrower and the Restricted Subsidiaries, in each case as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year, setting forth comparative consolidated figures for the preceding fiscal years (or, in lieu of such audited financial statements of the Parent Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Parent Borrower and the Restricted Subsidiaries, on the one hand, and the Parent Borrower and the Subsidiaries, on the other hand), and certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Parent Borrower or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern, together in any event with a certificate of such accounting firm stating that in the course of either (i) its regular audit of the consolidated business of the Parent Borrower, which audit was conducted in accordance with generally accepted auditing standards or (ii) performing certain other procedures permitted by professional standards, such accounting firm has obtained no knowledge of any Event of Default relating to Section 10.9 that has occurred and is continuing or, if in the opinion of such accounting firm such an Event of Default has occurred and is continuing, a statement as to the nature thereof.

(b) Periodic Financial Statements. As soon as available and in any event within 5 days after the date on which such financial statements are required to be filed with the SEC or, if earlier, on the date on which such financial statements are delivered to the holders of the Junior Lien Notes with respect to each of the first three quarterly accounting periods in each fiscal year of the Parent Borrower (or, if such financial statements are not required to be filed with the SEC or delivered to the holders of the Junior Lien Notes, on or before the date that is 45 days after the end of each such quarterly accounting period), the consolidated balance sheets of the Parent Borrower and the Subsidiaries and, if different, the Parent Borrower and the Restricted Subsidiaries, in

each case as at the end of such quarterly period and the related consolidated statements of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the prior fiscal year (or, in lieu of such unaudited financial statements of the Parent Borrower and the Restricted Subsidiaries, a detailed reconciliation, reflecting such financial information for the Parent Borrower and the Restricted Subsidiaries, on the one hand, and the Parent Borrower and the Subsidiaries, on the other hand), all of which shall be certified by an Authorized Officer of the Parent Borrower, subject to changes resulting from audit and normal year-end audit adjustments.

(c) Budgets. Within 90 days after the commencement of each fiscal year of the Parent Borrower, a budget of the Parent Borrower in reasonable detail for such fiscal year as customarily prepared by management of the Parent Borrower for their internal use consistent in scope with the financial statements provided pursuant to Section 9.1(a), setting forth the principal assumptions upon which such budget is based.

(d) Officer's Certificates. At the time of the delivery of the financial statements provided for in Sections 9.1(a) and (b), a certificate of an Authorized Officer of the Parent Borrower to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth (i) the calculations required to establish whether the Parent Borrower and the Subsidiaries were in compliance with the provisions of Section 10.9 (whether or not such covenant is then applicable) as at the end of such fiscal year or period, as the case may be, (ii) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Original Closing Date or the most recent fiscal year or period, as the case may be, (iii) the then applicable Status and (iv) the amount of any Pro Forma Adjustment not previously set forth in a Pro Forma Adjustment Certificate or any change in the amount of a Pro Forma Adjustment set forth in any Pro Forma Adjustment Certificate previously provided and, in either case, in reasonable detail, the calculations and basis therefor. At the time of the delivery of the financial statements provided for in Section 9.1(a), (i) a certificate of an Authorized Officer of the Parent Borrower setting forth in reasonable detail the Applicable Amount as at the end of the fiscal year to which such financial statements relate and (ii) a certificate of an Authorized Officer of the Parent Borrower setting forth the information required pursuant to Section 1(a) of the Perfection Certificate or confirming that there has been no change in such information since the Original Closing Date or the date of the most recent certificate delivered pursuant to this clause (d), as the case may be.

(e) Notice of Default or Litigation. Promptly after an Authorized Officer of the Parent Borrower or any of the Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes a Default or Event of Default, which notice

shall specify the nature thereof, the period of existence thereof and what action the Parent Borrower proposes to take with respect thereto and (ii) any litigation or governmental proceeding pending against the Parent Borrower or any of the Subsidiaries that could reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect.

(f) Environmental Matters. Promptly after obtaining knowledge of any one or more of the following environmental matters, unless such environmental matters would not, individually or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect, notice of:

(i) any pending or threatened Environmental Claim against any Credit Party or any Real Estate;

(ii) any condition or occurrence on any Real Estate that (x) could reasonably be expected to result in noncompliance by any Credit Party with any applicable Environmental Law or (y) could reasonably be anticipated to form the basis of an Environmental Claim against any Credit Party or any Real Estate;

(iii) any condition or occurrence on any Real Estate that could reasonably be anticipated to cause such Real Estate to be subject to any restrictions on the ownership, occupancy, use or transferability of such Real Estate under any Environmental Law; and

(iv) the conduct of any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, release or threatened release of any Hazardous Material on, at, under or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and the response thereto. The term "**Real Estate**" shall mean land, buildings and improvements owned or leased by any Credit Party, but excluding all operating fixtures and equipment, whether or not incorporated into improvements.

(g) Other Information. Promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Parent Borrower or any of the Subsidiaries (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Lenders and the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices and reports that the Parent Borrower or any of the Subsidiaries shall send to the holders of any publicly issued debt of the Parent Borrower and/or any of the Subsidiaries (including the Junior Lien Notes (whether publicly issued or not)) and lenders and agents under the CF Facility, in each case in their capacity as such holders, lenders or agents (in each case to the extent not theretofore delivered to the

Lenders and the Administrative Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time.

(h) Pro Forma Adjustment Certificate. Not later than any date on which financial statements are delivered with respect to any Test Period in which a Pro Forma Adjustment is made as a result of the consummation of the acquisition of any Acquired Entity or Business by the Parent Borrower or any Restricted Subsidiary for which there shall be a Pro Forma Adjustment, a certificate of an Authorized Officer of the Parent Borrower setting forth the amount of such Pro Forma Adjustment and, in reasonable detail, the calculations and basis therefor.

(i) Borrowing Base Certificate. On the 25th day of each calendar month, a Borrowing Base Certificate showing the Borrowing Base and the calculation of Excess Facility Availability in each case as of the close of business on the last day of the immediately preceding calendar month, each such Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Parent Borrower by a Financial Officer of the Parent Borrower (each a "**Monthly Borrowing Base Certificate**"). In addition, solely (i) during the continuance of a Cash Dominion Event or (ii) if any Event of Default has occurred and is continuing, a Borrowing Base Certificate showing the Parent Borrower's reasonable estimate (which shall be based on the most current accounts receivable aging reasonably available and shall be calculated in a consistent manner with the most recent Monthly Borrowing Base Certificates delivered pursuant to this Section) of the Borrowing Base (but not the calculation of Excess Facility Availability) as of the close of business on the last day of the immediately preceding calendar week, unless the Administrative Agent otherwise agrees, shall be furnished on Wednesday of each week (or, if Wednesday is not a Business Day, on the next succeeding Business Day).

(j) Collateral Reporting.

(i) At the time of the delivery of the financial statements provided for in Section 9.1(b), a certificate of an Authorized Officer setting forth (x) the amount of Potential Medicaid Accounts at the end of such period and the aggregate amount of Potential Medicaid Accounts that became Medicaid Accounts during such period and (y) the collection history of Self-Pay Accounts for the immediately preceding 12 month period.

(ii) At the time of the delivery of the Monthly Borrowing Base Certificate provided for in Section 9.1(i), the Parent Borrower shall provide a current accounts receivable aging for the Borrowers along with a reconciliation between the amounts that appear on such aging and the amount of accounts receivable presented on the concurrently delivered balance sheet.

(k) Change of Name, Locations, Etc. Not later than 60 days following the occurrence of any change referred to in subclauses (i) through (iv) below, written notice

of any change (i) in the legal name of any Credit Party, (ii) in the jurisdiction of organization or location of any Credit Party for purposes of the Uniform Commercial Code, (iii) in the identity or type of organization of any Credit Party or (iv) in the Federal Taxpayer Identification Number or organizational identification number of any Credit Party. The Parent Borrower shall also promptly provide the Collateral Agent with certified organizational documents reflecting any of the changes described in the first sentence of this clause (k).

Notwithstanding the foregoing, the obligations in clauses (a) and (b) of this Section 9.1 may be satisfied with respect to financial information of the Parent Borrower and the Restricted Subsidiaries by furnishing (A) the applicable financial statements of any direct or indirect parent of the Parent Borrower or (B) the Parent Borrower's (or any direct or indirect parent thereof), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, with respect to each of subclauses (A) and (B) of this paragraph, to the extent such information relates to a parent of the Parent Borrower, such information is accompanied by consolidating or other information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Parent Borrower and the Restricted Subsidiaries on a standalone basis, on the other hand.

17.2. Books, Records and Inspections.

(a) The Parent Borrower will, and will cause each Restricted Subsidiary to, permit officers and designated representatives of the Administrative Agent or the Required Lenders to visit and inspect any of the properties or assets of the Parent Borrower and any such Subsidiary in whomsoever's possession to the extent that it is within such party's control to permit such inspection, and to examine the books and records of the Parent Borrower and any such Subsidiary and discuss the affairs, finances and accounts of the Parent Borrower and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Administrative Agent or the Required Lenders may desire (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agent on behalf of the Required Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 9.2 and only one such visit shall be at the Parent Borrower's expense; provided further that when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Parent Borrower at any time during normal business hours and upon reasonable advance notice. The Administrative Agent and the Lenders shall give the Parent Borrower the opportunity to participate in any discussions with the Parent Borrower's independent public accountants. During the course of the above-described visits, inspections, examinations and discussions, representatives of the Agents and the Lenders may encounter individually identifiable healthcare information as defined under the Administrative Simplification (including privacy and security) regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended (collectively, **"HIPAA"**), or other confidential information relating to healthcare patients (collectively, the **"Confidential Healthcare Information"**). The Parent Borrower or the

Restricted Subsidiary maintaining such Confidential Healthcare Information shall, consistent with HIPAA's "minimum necessary" provisions, permit such disclosure for their "healthcare operations" purposes. Unless otherwise required by law, the Agents, the Lenders and their respective representatives shall not require or perform any act that would cause the Parent Borrower or any of its Subsidiaries to violate any laws, regulations or ordinances intended to protect the privacy rights of healthcare patients, including, without limitation, HIPAA.

(b) Independently of or in connection with the visits and inspections provided for in clause (a) above, but not more than twice a year (unless required by applicable law or an Event of Default has occurred and is continuing in which case the Administrative Agent may cause additional appraisals and field examinations to be undertaken at the expense of the Borrowers) upon the request of the Administrative Agent after reasonable prior notice, the Parent Borrower will, and will cause each Subsidiary Borrower to, permit the Administrative Agent or professionals reasonably acceptable to the Parent Borrower (including investment bankers, consultants, accountants, lawyers and appraisers) retained by the Administrative Agent to conduct appraisals, commercial finance examinations and other evaluations, including, without limitation, (i) of the Parent Borrower's practices in the computation of the Borrowing Base, and (ii) inspecting, verifying and auditing the Collateral. The Borrowers shall pay the fees and expenses of the Administrative Agent or such professionals with respect to such evaluations and appraisals.

17.3. Maintenance of Insurance. The Parent Borrower will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Parent Borrower believes (in the good faith judgment of the management of the Parent Borrower) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts and against at least such risks (and with such risk retentions) as are usually insured against in the same general area by companies engaged in the same or a similar business; and will furnish to the Lenders, upon written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried.

17.4. Payment of Taxes. The Parent Borrower will pay and discharge, and will cause each of the Subsidiaries to pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any properties of the Parent Borrower or any of the Restricted Subsidiaries, provided that neither the Parent Borrower nor any of the Subsidiaries shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves with respect thereto to the extent required by law and in accordance with GAAP and the failure to pay could not reasonably be expected to result in a Material Adverse Effect.

17.5. Consolidated Corporate Franchises. The Parent Borrower will do, and will cause each Material Subsidiary to do, or cause to be done, all things necessary to preserve and keep in full force and effect its existence, corporate rights and authority, except to the extent

that the failure to do so could not reasonably be expected to have a Material Adverse Effect; provided, however, that the Parent Borrower and its Subsidiaries may consummate any transaction permitted under Section 10.3, 10.4 or 10.5.

17.6. Compliance with Statutes, Regulations, Etc. The Parent Borrower will, and will cause each Subsidiary to, comply with all applicable laws, rules, regulations and orders applicable to it or its property, including all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, in each case except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

17.7. ERISA. Promptly after the Parent Borrower or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect, the Parent Borrower will deliver to the Administrative Agent and each of the Lenders a certificate of an Authorized Officer or any other senior officer of the Parent Borrower setting forth details as to such occurrence and the action, if any, that the Parent Borrower or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by the Parent Borrower such ERISA Affiliate, the PBGC, a Plan participant (other than notices relating to an individual participant's benefits) or the Plan administrator with respect thereto: that a Reportable Event has occurred; that an accumulated funding deficiency has been incurred or an application is to be made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code with respect to a Plan; that a Plan having an Unfunded Current Liability has been or is to be terminated, reorganized, partitioned or declared insolvent under Title IV of ERISA (including the giving of written notice thereof); that a Plan has an Unfunded Current Liability that has or will result in a lien under ERISA or the Code; that proceedings will be or have been instituted to terminate a Plan having an Unfunded Current Liability (including the giving of written notice thereof); that a proceeding has been instituted against the Parent Borrower or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Plan; that the PBGC has notified the Parent Borrower or any ERISA Affiliate of its intention to appoint a trustee to administer any Plan; that the Parent Borrower or any ERISA Affiliate has failed to make a required installment or other payment pursuant to Section 412 of the Code with respect to a Plan; or that the Parent Borrower or any ERISA Affiliate has incurred or will incur (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) to or on account of a Plan pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code.

17.8. Maintenance of Properties. The Parent Borrower will, and will cause each of the Restricted Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent that the failure to do so could reasonably be expected to have a Material Adverse Effect.

17.9. Transactions with Affiliates. The Parent Borrower will conduct, and cause each of the Restricted Subsidiaries to conduct, all transactions with any of its Affiliates (other than the Parent Borrower and the Restricted Subsidiaries) on terms that are substantially as favorable to the Parent Borrower or such Restricted Subsidiary as it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, provided that the foregoing restrictions shall not apply to (a) the payment of customary fees to the Sponsors for management, consulting and financial services rendered to the Parent Borrower and the Subsidiaries and customary investment banking fees paid to the Sponsors for services rendered to the Parent Borrower and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions, (b) transactions permitted by Section 10.6, (c) the payment of the Transaction Expenses, (d) the issuance of Stock or Stock Equivalents of Holdings to the management of the Parent Borrower (or any direct or indirect parent thereof) or any of its Subsidiaries in connection with the Transactions or pursuant to arrangements described in clause (f) of this Section 9.9, (e) loans, advances and other transactions between or among the Parent Borrower, any Subsidiary or any joint venture (regardless of the form of legal entity) in which the Parent Borrower or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Parent Borrower but for the Parent Borrower's or a Subsidiary's ownership of Stock or Stock Equivalents in such joint venture or Subsidiary) to the extent permitted under Section 10, (f) employment and severance arrangements between the Parent Borrower and the Subsidiaries and their respective officers and employees in the ordinary course of business, (g) payments by the Parent Borrower (and any direct or indirect parent thereof) and the Subsidiaries pursuant to the tax sharing agreements among the Parent Borrower (and any such parent) and the Subsidiaries on customary terms to the extent attributable to the ownership or operation of the Parent Borrower and the Subsidiaries; provided that in each case the amount of such payments in any fiscal year does not exceed the amount that the Parent Borrower and its Restricted Subsidiaries would be required to pay in respect of federal, state and local taxes for such fiscal year were the Parent Borrower and its Restricted Subsidiaries (to the extent described above) to pay such taxes separately from any such parent entity, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers and employees of the Parent Borrower and the Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Parent Borrower and the Subsidiaries and (i) transactions pursuant to permitted agreements in existence on the Original Closing Date and set forth on Schedule 9.9 to the Original Credit Agreement or any amendment thereto to the extent such an amendment is not adverse, taken as a whole, to the Lenders in any material respect. The Parent Borrower will not permit any Consolidated Entity to engage in any transaction with any Sponsor or any Frist Shareholder (or any controlling Affiliate of any Sponsor or Frist Shareholder), to the extent that such Consolidated Entity would be prohibited from engaging in such transaction if it was a Restricted Subsidiary for purposes of this Section 9.9.

17.10. End of Fiscal Years; Fiscal Quarters. The Parent Borrower will, for financial reporting purposes, cause (a) each of its, and each of its Subsidiaries', fiscal years to end on December 31 of each year and (b) each of its, and each of its Subsidiaries', fiscal quarters to end on dates consistent with such fiscal year-end and the Parent Borrower's past practice; provided, however, that the Parent Borrower may, upon written notice to the Administrative Agent change the financial reporting

convention specified above to any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Parent Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

17.11. Additional Borrowers. Except as otherwise provided in Section 10.1(j) or 10.1(k) and subject to any applicable limitations set forth in the Security Documents, the Parent Borrower will cause each direct or indirect Domestic Subsidiary (excluding any Excluded Subsidiary) formed or otherwise purchased or acquired after the Original Closing Date (including pursuant to a Permitted Acquisition) and each other Domestic Subsidiary that ceases to constitute an Excluded Subsidiary), to execute a joinder to this Agreement in order to become a Subsidiary Borrower and a supplement to the Security Agreement in order to become a grantor under the Security Agreement or, to the extent reasonably requested by the Collateral Agent, enter into a new Security Document substantially consistent with the analogous existing Security Documents and otherwise in form and substance reasonably satisfactory to such Collateral Agent and take all other action reasonably requested by the Collateral Agent to grant a perfected security interest in its assets to substantially the same extent as the Credit Parties on the Original Closing Date.

17.12. [Reserved].

17.13. Use of Proceeds. The Borrowers will use Letters of Credit, New Revolving Credit Loans and Swingline Loans for general corporate purposes (including Permitted Acquisitions). The Borrowers will also use the proceeds of the New Revolving Credit Loans to effect the Exchange and the Repayment and to pay fees and expenses related thereto.

17.14. Further Assurances. The Parent Borrower will, and will cause each other Credit Party to, execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents) that may be required under any applicable law, or that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the security interests created or intended to be created by the Security Agreement, all at the expense of the Parent Borrower and the Restricted Subsidiaries.

17.15. Cash Management Systems.

(a) The Credit Parties will establish and maintain the cash management systems described below (the **"Cash Management Systems"**):

(i) Within 60 calendar days after the Original Closing Date (or such later date as the Administration Agent may, in its sole reasonable discretion, consent to in writing), (x) the Parent Borrower will, or will cause each of the applicable Subsidiaries to, request in writing and otherwise take reasonable steps to provide that all Account Debtors in respect of Governmental Accounts that constitute Collateral forward payment directly to an account of a Borrower designated as a Government Receivables Deposit Account on Schedule 9.15(a) to the Original Credit Agreement (such schedule to be delivered to the

Administrative Agent on or before the 60th calendar day after the Original Closing Date (or such later date as the Administration Agent may, in its sole reasonable discretion, consent to in writing)) (each a **"Government Receivables Deposit Account"**), (y) the Credit Parties will, or will cause each of their Subsidiaries to, establish lock boxes **("Lock Boxes")** or, at the Administrative Agent's discretion, blocked accounts (**"Blocked Accounts"**) listed on Schedule 9.15(c) to the Original Credit Agreement (such schedule to be delivered to the Administrative Agent on or before the 60th calendar day after the Original Closing Date (or such later date as the Administrative Agent may, in its sole reasonable discretion, consent to in writing)) at one or more banks that are reasonably acceptable to the Collateral Agent, and shall request in writing and otherwise take reasonable steps to provide that all Account Debtors with respect to Private Accounts that constitute Collateral forward payments directly to such Lock Boxes or Blocked Accounts and (z) each Borrower will deposit and cause its Subsidiaries to deposit or cause to be deposited promptly, and in any event no later than the first Business Day after the date of receipt thereof, all cash, checks, drafts or other similar items of payment relating to or constituting payments made in respect of any and all Collateral (whether or not otherwise delivered to a Lock Box) into the Blocked Accounts. Until so deposited, all such payments shall be held in trust by each Borrower and any of its Subsidiaries for the Administrative Agent and shall not be commingled with any other funds or property of any Borrower. Within 60 calendar days after the Original Closing Date (or such later date as the Administrative Agent may, in its sole reasonable discretion, consent to in writing), the Parent Borrower shall have established a concentration account in its name (the **"Concentration Account"**) (with a bank reasonably acceptable to the Administrative Agent (it being agreed that Wachovia Bank is acceptable to the Administrative Agent)) that shall be designated as the Concentration Account for the Parent Borrower listed on Schedule 9.15(a) to the Original Credit Agreement.

(ii) The Parent Borrower may maintain, in its name, one or more accounts (any such account, a **"Disbursement Account"**) at any bank reasonably acceptable to the Administrative Agent into which the Administrative Agent shall, from time to time, deposit proceeds of Loans made to the Parent Borrower pursuant to Section 2.1 for use by the Parent Borrower solely in accordance with the provisions of Section 9.13 (it being understood that the Administrative Agent may also deposit or wire proceeds of Loans into any other account designated by the Parent Borrower at any time other than during the continuance of any Cash Dominion Event). The Parent Borrower may also maintain, in its name, one or more accounts that (x) do not contain any funds that are proceeds of Accounts that otherwise constitute Collateral or (y) include funds that are proceeds of Accounts that otherwise constitute Collateral and that are neither Government Receivables Deposit Accounts nor subject to a Blocked Account Agreement ,but solely (in the case of this clause (y) only) to the extent that any such accounts are not subject to a blocked account or control agreement with any other party (each a **"Non-Controlled Account"**).

(iii) Within 60 calendar days after the Original Closing Date (or such later date as the Administrative Agent may, in its sole discretion, consent to in writing), each

Borrower that owns or originates Government Accounts shall deliver to the Collateral Agent (x) for each Government Receivables Deposit Account established or maintained by such Borrower, a tri-party deposit account agreement between the Collateral Agent, the bank at which such Government Receivables Deposit Account (each a **"Government Receivables Bank"**) is maintained and such Borrower, in form and substance reasonably satisfactory to the Collateral Agent (each a **"Government Receivables Deposit Account Agreement"**), and (y) for the accounts of any Borrower designated as a Blocked Account on Schedule 9.15(c) to the Original Credit Agreement and for the Concentration Account and any Disbursement Accounts, a tri-party blocked account agreement or lockbox account agreement between the Collateral Agent, the bank at which each such Blocked Account, Concentration Account or Disbursement Account is maintained and the relevant Borrowers, in form and substance reasonably satisfactory to the Collateral Agent (each a **"Blocked Account Agreement"**). Each such Blocked Account Agreement with respect to any Blocked Account shall provide, among other things, that from and after the date thereof the bank at which any such Blocked Account is maintained, agrees to forward immediately all amounts in each such account to the Concentration Account. In addition, any such Blocked Account Agreement shall provide, among other things, that at all times following the establishment of the Cash Management Systems pursuant to this Section 9.15(a), upon the occurrence and during the continuation of a Cash Dominion Event, the bank at which such Blocked Account, Concentration Account or Disbursement Account is maintained shall, upon receipt of notice by the Collateral Agent of such Cash Dominion Event, commence the process of daily sweeps from such accounts into the Collection Account (it being understood that any such daily sweep in respect of any cash or other amount in a Disbursement Account shall be subject to the rights of the Borrowers to transfer, apply or otherwise use the proceeds of any Loans hereunder for any purpose in accordance with Section 9.13 by moving any cash or other amount on deposit in any Disbursement Account out of such account for any such purpose); provided that any amounts in the Concentration Accounts reasonably identified (with reasonably detailed written support) to the Administrative Agent as not constituting Collateral will be distributed as directed by the Administrative Agent as requested by the Parent Borrower, including to one or more Non-Controlled Accounts. Notwithstanding anything to the contrary herein or in any other Credit Document, no cash or other amount that is disbursed or otherwise transferred from the Disbursement Account (other than to the extent swept back into the Collection Account) shall constitute Collateral.

(iv) Following the establishment of the Cash Management Systems pursuant to Section 9.15(a), by 10:00 a.m. (New York time) on each Business Day, each Borrower will cause the entire available balance in each Government Receivables Deposit Account to be transferred by ACH or book entry transfer to the Concentration Account. The Borrowers will not transfer any funds out of the Government Receivables Deposit Account or any Blocked Account except to the Concentration Account. The balance from time to time standing to the credit of the Blocked Accounts shall be distributed as directed in accordance with the provisions of the Blocked Account Agreements. Prior to the occurrence of any first Cash Dominion Event, the balance from time to time standing to the credit of the Concentration Account shall be distributed as directed by the Parent Borrower, including to one or more Non-Controlled Accounts. The Parent Borrower

shall not, and shall not cause or permit any Subsidiary thereof to, accumulate or maintain cash (other than cash that is not proceeds of any Collateral) in disbursement accounts or payroll accounts as of any date of determination in excess of checks outstanding against such accounts as of the date and amounts necessary to meet minimum balance, near-term funding requirements or near-term operating requirements. Notwithstanding anything to the contrary, cash held in overnight deposit or investment accounts shall be deemed to be in the Concentration Account overnight.

(v) So long as no Default or Event of Default has occurred and is continuing, the Parent Borrower, following the establishment of the Cash Management Systems pursuant to Section 9.15 and the delivery of the applicable schedules related thereto, may amend Schedules 9.15(a) and (c) to the Original Credit Agreement to add or replace a bank, any Government Receivables Deposit Account, the Concentration Account, any Blocked Account or any Disbursement Account; provided that (x) the Administrative Agent shall have consented in writing in advance to the opening of such new or replacement account with the relevant bank (which consent shall not be unreasonably withheld) and (y) prior to the time of the opening of such account, the applicable Borrower and such bank shall have executed and delivered to the Collateral Agent a tri-party agreement, in form and substance reasonably satisfactory to the Collateral Agent in it sole discretion. Each Borrower shall cease using any account to hold proceeds of Collateral promptly and in any event within 30 days (or such later date as the Administrative Agent may, in its sole reasonable discretion, consent to in writing) following notice from the Administrative Agent to the Parent Borrower that the creditworthiness of the bank holding such account is no longer acceptable in the Administrative Agent's reasonable credit judgment, or as promptly as practicable and in any event within 60 days (or such later date as the Administrative Agent may, in its sole reasonable discretion, consent to in writing) following notice from the Administrative Agent to the Parent Borrower that the operating performance, funds transfer or availability procedures or performance with respect to accounts or lockboxes of the bank holding such account or Agent's liability under any tri-party blocked account agreement with such bank is no longer acceptable in the Administrative Agent's reasonable credit judgment.

(vi) The Government Receivables Deposit Accounts, the Concentration Account, the Blocked Accounts and the Disbursement Accounts (subject to the last two sentences of Section 9.15(a)(iii)) shall be cash collateral accounts, with all cash, checks and other similar items of payment in such accounts (to the extent constituting proceeds of Accounts otherwise constituting Collateral) securing payment of the Loans and all other Obligations, and in which the applicable Borrower shall have granted a Lien to the Collateral Agent, on behalf of itself and Lenders, pursuant to the Security Agreement. The Borrowers shall use commercially reasonable efforts to ensure that all cash, checks and other similar items of payment in the Government Receivables Deposit Accounts, the Concentration Account and the Blocked Accounts are solely in respect of Accounts that otherwise constitute Collateral; provided that following the establishment of the Cash Management Systems pursuant to Section 9.15(a) credit card, debit card and internet bill inquiry and payment system (IBIP) payments received in the Concentration Account that

do not constitute proceeds of Accounts otherwise constituting Collateral shall be permitted in the Concentration Account so long as the Borrowers use their commercially reasonable efforts to distribute such amounts to a Non-Controlled Account within three (3) Business Days of receipt thereof.

(vii) All amounts deposited in the Collection Account shall be deemed received by the Administrative Agent in accordance with Section 5 and shall be applied (and allocated) by the Administrative Agent in accordance with Section 5. In no event shall any amount be so applied unless and until such amount shall have been credited in immediately available funds to the Collection Account.

(viii) The Borrowers shall and shall cause their respective Affiliates, officers, employees, agents, directors or other Persons acting for or in concert with a Borrower (each a "**Related Person**") to (x) hold in trust for the Administrative Agent, for the benefit of itself and Lenders, all checks, cash and other items of payment received by a Borrower or by a Related Person on behalf of a Borrower in respect of Accounts that constitute Collateral, and (y) following the establishment of the Cash Management Systems pursuant to Section 9.15(a), within 1 Business Day after receipt by a Borrower or by a Related Person on behalf of a Borrower of any checks, cash or other items of payment in respect of Accounts that constitute Collateral, deposit the same into a Blocked Account or the Concentration Account. Each Borrower and each Related Person thereof acknowledges and agrees that all cash, checks or other items of payment constituting proceeds of Collateral are part of the Collateral. Following the establishment of the Cash Management Systems pursuant to Section 9.15(a), all proceeds of the sale or other disposition of any Collateral, shall be deposited directly into a Blocked Account or the Concentration Account (or if proceeds of Government Accounts, into a Government Receivables Deposit Account).

(b) (i) During the continuance of a Cash Dominion Event following the establishment of the Cash Management Systems pursuant to Section 9.15(a), the Borrowers shall provide the Collateral Agent with an accounting of the contents of the Government Receivables Deposit Accounts, the Blocked Accounts and the Concentration Account, which shall identify, to the reasonable satisfaction of the Collateral Agent, the proceeds from the Collateral which were deposited into a Blocked Account and swept to the Concentration Account.

(ii) Within 1 Business Day of the occurrence of a Cash Dominion Event following the establishment of the Cash Management Systems pursuant to Section 9.15(a), the Borrowers shall deposit into the Collection Account an amount equal to the entire amount of cash constituting Collateral held in any Non-Controlled Account.

(c) Upon the occurrence and during the continuance of a Cash Dominion Event following the establishment of the Cash Management Systems pursuant to Section 9.15(a), the Concentration Account and each Blocked Account shall at all times be under the sole dominion and control of the Collateral Agent. The Borrowers hereby acknowledge and agree that during the continuance of a Cash Dominion Event following the establishment of the Cash Management Systems pursuant to Section 9.15(a), (i) the Borrowers have no right of withdrawal

from the Concentration Account (subject to the proviso to the last sentence of Section 9.15(a)(iii)), (ii) the funds on deposit in the Concentration Account shall at all times be collateral security for all of the Obligations (other than to the extent such funds do not constitute proceeds of Accounts that are otherwise Collateral) and (iii) the funds on deposit in the Concentration Account shall be applied as provided in this Agreement. In the event that, notwithstanding the provisions of this Section 9.15, any Borrower receives or otherwise has dominion and control of any proceeds or collections of Accounts that otherwise constitute Collateral outside of the Government Receivables Deposit Accounts, the Concentration Account, any Blocked Account and any Disbursement Account, such proceeds and collections shall be held in trust by such Borrower for the Collateral Agent and shall, not later than the Business Day after receipt thereof, be deposited into the Concentration Account or dealt with in such other fashion as such Borrower may be instructed by the Collateral Agent.

(d) [Intentionally Omitted].

(e) (i) Annexed as Schedule 9.15(e) to the Original Credit Agreement (such schedule to be delivered to the Administrative Agent on or before the 60th calendar day after the Original Closing Date (or such later date as the Administration Agent may, in its sole reasonable discretion, consent to in writing)) is a list as of the date such Schedule is or was delivered, of all arrangements to which any Borrower is a party with respect to the payment to such Borrower of the proceeds of all credit card charges for services by such Borrower.

(ii) Within 60 calendar days after the Original Closing Date (or such later date as the Administrative Agent may, in its sole discretion, consent in writing), each Borrower shall deliver to the Collateral Agent notifications (each, a **"Credit Card Notification"**) in form and substance reasonably satisfactory to the Collateral Agent which have been executed on behalf of such Borrower and addressed to such Borrower's credit card clearinghouses and processors listed on Schedule 9.15(e) to the Original Credit Agreement. Each Credit Card Notification shall provide, among other things, that from and after the date thereof, all amounts owing to a Borrower and constituting proceeds of Collateral shall be forwarded immediately to the Concentration Account.

(iii) Unless consented to in writing by the Collateral Agent, after the delivery of Schedule 9.15(e) to the Original Credit Agreement the Borrowers shall not enter into any agreements with credit card processors other than the ones expressly contemplated herein unless contemporaneously therewith, a Credit Card Notification, is executed and delivered to the Collateral Agent.

(f) After the occurrence of any first Cash Dominion Event following the establishment of the Cash Management Systems pursuant to Section 9.15(a), the Borrowers will be prohibited from depositing cash constituting Collateral in any deposit account other than Government Receivables Deposit Accounts, Blocked Accounts, the Concentration Account, Disbursement Accounts and the Collection Account.

SECTION 18. Negative Covenants.

The Parent Borrower hereby covenants and agrees that on the Original Closing Date (immediately after consummation of the Merger) and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder, are paid in full:

18.1. Limitation on Indebtedness. The Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, except:

(a) (w) Indebtedness arising under the Credit Documents, (x) Indebtedness arising under any Permitted Receivables Financing in an aggregate principal amount not to exceed, together with Indebtedness arising under the Credit Documents, $2,000,000,000, (y) Indebtedness arising under the CF Facility in an aggregate principal amount not to exceed $14,800,000,000 at any time outstanding **minus the net cash proceeds received from any Indebtedness incurred under Section 10.1(y)(i)** (plus additional Indebtedness under subclauses (x) or (y) above or under any amendment thereto, which together with any Incremental Revolving Credit Commitments incurred pursuant to Section 2.14 of this Agreement, do not exceed $1,500,000,000 in aggregate principal amount) and (z) intercompany Indebtedness of Restricted Subsidiaries, and any Guarantee Obligations in respect thereof, to allocate the Parent Borrower's cost of borrowing with respect to Indebtedness referred to in subclauses (w), (x) and (y) to such Subsidiaries;

(b) Subject to compliance with Section 10.5, Indebtedness of the Parent Borrower or any Restricted Subsidiary owed to the Parent Borrower or any Restricted Subsidiary; provided that, in each case, all such Indebtedness of any Credit Party owed to any Person that is not a Credit Party shall be subordinated to the Obligations of such Credit Party on customary terms;

(c) Indebtedness in respect of any bankers' acceptance, bank guarantees, letter of credit, warehouse receipt or similar facilities entered into in the ordinary course of business (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims);

(d) subject to compliance with Section 10.5, Guarantee Obligations incurred by (i) Restricted Subsidiaries in respect of Indebtedness of the Parent Borrower or other Restricted Subsidiaries that is permitted to be incurred under this Agreement (except to the extent of any express restriction on Guarantee Obligations relating to such Indebtedness provided for herein) and (ii) the Parent Borrower in respect of Indebtedness of Restricted Subsidiaries that is permitted to be incurred under this Agreement, provided that, except as provided in clauses (j) and (k) below, there shall be no guarantee by a Restricted Subsidiary that is not a Subsidiary Borrower of any Indebtedness of a Credit Party;

(e) Guarantee Obligations (i) incurred in the ordinary course of business in respect of obligations of (or to) suppliers, customers, franchisees, lessors and licensees or (ii) otherwise constituting Investments permitted by Sections 10.5(g)(ii), 10.5(i), or 10.5(q);

(f) (i) Indebtedness (including Indebtedness arising under Capital Leases) incurred within 270 days of the acquisition, construction or improvement of fixed or capital assets to finance the acquisition, construction or improvement of such fixed or capital assets, (ii) Indebtedness arising under Capital Leases entered into in connection with Permitted Sale Leasebacks and (iii) Indebtedness arising under Capital Leases, other than Capital Leases in effect on the Original Closing Date and Capital Leases entered into pursuant to subclauses (i) and (ii) above, provided that the aggregate amount of Indebtedness incurred pursuant to this subclause (iii) at any time outstanding shall not exceed $300,000,000, and (iv) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i), (ii) or (iii) above, provided that, except to the extent otherwise expressly permitted hereunder, the principal amount thereof does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension;

(g) (i) Indebtedness outstanding on the Original Closing Date listed on Schedule 10.1 to the Original Credit Agreement (other than Retained Indebtedness with a stated final maturity (as of the Original Closing Date) prior to the Final Maturity Date), (ii) Indebtedness existing on the Original Closing Date (after giving effect to the Transactions described in clause (ii) of the definition thereof) and owed by the Parent Borrower or any Restricted Subsidiary to the Parent Borrower or any Restricted Subsidiary, and any Guarantee Obligations in respect thereof, but only for so long as such Indebtedness or any refinancing, refunding or renewal thereof permitted by this subclause(ii) is held by the Parent Borrower, such Restricted Subsidiary or a Credit Party and, in the case of each of the preceding subclauses (i) and (ii), any modification, replacement, refinancing, refunding, renewal or extension thereof (or, in the case of this subclause (ii) only, any intercompany transfer of creditor positions in respect thereof pursuant to intercompany debt restructurings); provided that all such Indebtedness arising as a result of any such transfer of creditor positions as contemplated by subclause (ii) of any Credit Party owed to any Person that is not a Credit Party shall be subordinated to the Obligations of such Credit Party on customary terms; provided, further, that, except to the extent otherwise expressly permitted hereunder, in the case of any such modification, replacement, refinancing, refunding, renewal or extension (but not any such transfer or creditor positions), (x) the principal amount thereof does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension, except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension, (y) the direct and contingent obligors with respect to such Indebtedness are not

changed (except that any refinancing of Retained Indebtedness may provide for guarantees by the Subsidiary Borrowers on a subordinated basis to such Subsidiary Borrowers' obligations hereunder), and (z) no portion of such Indebtedness matures prior to the Final Maturity Date (except in the case of a refinancing of Indebtedness pursuant to subclause (ii)) and (iii) Retained Indebtedness with a stated final maturity (as of the Original Closing Date) prior to the Final Maturity Date and any modification, refinancing, refunding renewal or extension thereof; provided that (x) the principal amount thereof does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension, except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension, (y) no portion of such Indebtedness matures prior to the stated final maturity of such Retained Indebtedness as of the Original Closing Date and (z) no portion of such Indebtedness shall be issued by or guaranteed by any Restricted Subsidiary unless such Restricted Subsidiary is a Subsidiary Borrower;

(h) Indebtedness in respect of Hedge Agreements;

(i) Indebtedness in respect of (i) Junior Lien Notes in an aggregate principal amount not to exceed $5,700,000,000 plus, in respect of the Toggle Notes, the PIK Interest Amount, (ii) any modification, replacement, refinancing, refunding, renewal or extension of Indebtedness referred to in the foregoing subclause (i) that constitutes Permitted Junior Lien Debt; provided that the principal amount thereof does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension, except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension and (z) intercompany Indebtedness of Restricted Subsidiaries, and any Guarantee Obligations in respect thereof, to allocate the Parent Borrower's cost of borrowing with respect to Indebtedness referred to in subclauses (x) and (y) to such Subsidiaries;

(j) (i) Indebtedness of a Person or Indebtedness attaching to assets of a Person that, in either case, becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger with such Person) or Indebtedness attaching to assets that are acquired by the Parent Borrower or any Restricted Subsidiary, in each case after the Original Closing Date as the result of a Permitted Acquisition; provided that

(w) such Indebtedness existed at the time such Person became a Restricted Subsidiary or at the time such assets were acquired and, in each case, was not created in anticipation thereof,

(x) such Indebtedness is not guaranteed in any respect by the Parent Borrower or any Restricted Subsidiary (other than by any such Person that so

becomes a Restricted Subsidiary or is the survivor of a merger with such Person or any of its Subsidiaries),

(y) such Person executes a joinder hereto to become a Subsidiary Borrower, a supplement to the Security Agreement (or an alternative security agreement in relation to the Obligations reasonably acceptable to the Collateral Agent) and a supplemental acknowledgement to the Intercreditor Agreement, in each case to the extent required under Section 9.11; provided that the requirements of this subclause (y) shall not apply to (I) an aggregate amount at any time outstanding of up to $600,000,000 of the sum of (1) such Indebtedness (and modifications, replacements, refinancing, refundings, renewals and extensions thereof pursuant to subclause (ii) below) and (2) all Indebtedness as to which the proviso to clause (k)(i)(y) below then applies and (II) any Indebtedness of the type that could have been incurred under subclause (i) or (ii) of Section 10.1(f); and

(z) (A) after giving Pro Forma Effect to the incurrence of such Indebtedness and the application of proceeds thereof, the Parent Borrower is in compliance with Section 10.9 of the CF Agreement for the most recently ended Test Period and (B) except for Indebtedness consisting of Capital Lease Obligations, revenue bonds, purchase money Indebtedness or mortgages or other Liens on specific assets, (1) no portion of such Indebtedness matures prior to the Final Maturity Date, and (2) except for Indebtedness permitted by the proviso to subclause (y) above, no portion of such Indebtedness is issued or guaranteed by a Person that is, or as a result of such acquisition becomes, a Restricted Subsidiary that is not a Subsidiary Borrower; and

(ii) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above, provided that, except to the extent otherwise expressly permitted hereunder, (x) the principal amount of any such Indebtedness does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension, (y) the direct and contingent obligors with respect to such Indebtedness are not changed and (z) if the Indebtedness being refinanced, or any guarantee thereof, constituted Subordinated Indebtedness, then such replacement or refinancing Indebtedness, or such guarantee, respectively, shall be subordinated to the Obligations to substantially the same extent;

(k) (i)(A) Permitted Additional Debt incurred to finance a Permitted Acquisition and (B) Indebtedness of the Parent Borrower or any Restricted Subsidiary to finance a Permitted Acquisition as to which the proviso to subclause (y) below applies and that is not incurred or guaranteed in any respect by any Restricted

Subsidiary (other than by any Person acquired as a result of such Permitted Acquisition or the Restricted Subsidiary incurring such Indebtedness) or, in the case of Indebtedness of any Restricted Subsidiary, by the Parent Borrower; provided that

(x) such acquired Person executes a joinder to this Agreement to become a Subsidiary Borrower and a supplement to the Security Agreement (or an alternative security agreement in relation to the Obligations reasonably acceptable to the Collateral Agent) and a supplemental acknowledgement to the Intercreditor Agreement, in each case to the extent required under Section 9.11; provided that the requirements of this subclause (x) shall not apply to (I) an aggregate amount at any time outstanding of up to $600,000,000 of the sum of (1) such Indebtedness (and modifications, replacements, refinancing, refundings, renewals and extensions thereof pursuant to subclause (ii) below) and (2) all Indebtedness as to which clause (I) of the proviso to clause (j)(i)(y) above then applies, and

(y) (A) after giving Pro Forma Effect to the incurrence of such Indebtedness and the application of proceeds thereof, the Parent Borrower is in compliance with Section 10.9 of the CF Agreement for the most recently ended Test Period and (B) (1) no portion of such Indebtedness matures prior to the Final Maturity Date, and (2) except for Indebtedness permitted by the proviso to subclause (x) above, no portion of such Indebtedness is issued or guaranteed by a Person that is, or as a result of such acquisition becomes, a Restricted Subsidiary that is not a Subsidiary Borrower; and

(ii) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above, provided that, except to the extent otherwise expressly permitted hereunder, (w) the principal amount of any such Indebtedness does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension, (x) the direct and contingent obligors with respect to such Indebtedness are not changed, (y) there is no scheduled repayment, mandatory redemption or sinking fund obligation with respect to such Indebtedness prior to the Final Maturity Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (z) if the Indebtedness being refinanced, or any guarantee thereof, constituted Subordinated Indebtedness, then such replacement or refinancing Indebtedness, or such guarantee, respectively, shall be subordinated to the Obligations to substantially the same extent;

(l) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations not in connection with money borrowed, in each case provided in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(m) (i) Indebtedness incurred in connection with any Permitted Sale Leaseback (provided that the Net Cash Proceeds (as defined in the CF Agreement) thereof are promptly applied to permanently reduce Indebtedness of one or more Borrowers to the extent required by the CF Agreement and (ii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above, provided that, except to the extent otherwise permitted hereunder, (x) the principal amount of any such Indebtedness is not increased above the principal amount thereof outstanding immediately prior to such refinancing, refunding, renewal or extension and (y) the direct and contingent obligors with respect to such Indebtedness are not changed;

(n) (i) additional Indebtedness and (ii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above; provided that the aggregate amount of Indebtedness incurred and remaining outstanding pursuant to this clause (n) shall not at any time exceed $1,500,000,000 (of which amount, no more than $500,000,000 shall be Indebtedness of any Restricted Subsidiary that is not a Borrower);

(o) Indebtedness in respect of (i) Permitted Additional Debt to the extent that the Net Cash Proceeds (as defined in the CF Agreement) therefrom are, immediately after the receipt thereof, applied to permanently reduce Indebtedness of one or more Borrowers to the extent required by the CF Agreement and (ii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above, provided that, except to the extent otherwise permitted hereunder, (x) the principal amount of any such Indebtedness is not increased above the principal amount thereof outstanding immediately prior to such refinancing, refunding, renewal or extension, (y) the direct and contingent obligors with respect to such Indebtedness are not changed and (z) if the Indebtedness being refinanced, or any guarantee thereof, constituted Subordinated Indebtedness, then such replacement or refinancing Indebtedness, or such guarantee, respectively, shall be subordinated to the Obligations to substantially the same extent;

(p) Indebtedness in respect of overdraft facilities, employee credit card programs, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;

(q) unsecured Indebtedness in respect of obligations of the Parent Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services, provided that such obligations are incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business and not in connection with the borrowing of money or Hedge Agreements;

(r) Indebtedness arising from agreements of the Parent Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations, in each case entered into in connection with the disposition of any business, assets or Stock permitted hereunder, other than Guarantee Obligations incurred by any Person acquiring all or any portion of such business, assets or Stock for the

purpose of financing such acquisition, provided that such amount is not Indebtedness required to be reflected on the balance sheet of the Parent Borrower or any Restricted Subsidiary in accordance with GAAP (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this proviso);

(s) Indebtedness of the Parent Borrower or any Restricted Subsidiary consisting of (i) obligations to pay insurance premiums or (ii) take or pay obligations contained in supply agreements, in each case arising in the ordinary course of business and not in connection with the borrowing of money or Hedge Agreements;

(t) Indebtedness representing deferred compensation to employees of the Parent Borrower (or any direct or indirect parent thereof) and the Restricted Subsidiaries incurred in the ordinary course of business;

(u) Indebtedness consisting of promissory notes issued by any Borrower or any Guarantor (as defined in the CF Agreement) to current or former officers, managers, consultants, directors and employees (or their respective spouses, former spouses, successors, executors, administrators, heirs, legatees or distributees) to finance the purchase or redemption of Stock or Stock Equivalents of the Parent Borrower (or any direct or indirect parent thereof) permitted by Section 10.6(b);

(v) Indebtedness consisting of obligations of the Parent Borrower and the Restricted Subsidiaries under deferred compensation or other similar arrangements to officers, employees and directors incurred by such Person in connection with the Transactions described in clause (ii) of the definition thereof and Permitted Acquisitions or any other Investment expressly permitted hereunder;

(w) additional Indebtedness of Foreign Subsidiaries in an aggregate principal amount that at the time of incurrence does not cause the aggregate principal amount of Indebtedness incurred in reliance on this clause (w) to exceed 2.5% of Consolidated Total Assets at such time; provided that for purposes of this clause (w) only, "Consolidated Total Assets" shall be determined only with reference to the assets of Foreign Subsidiaries; and

(x) Indebtedness of the Parent Borrower or any Restricted Subsidiary to any joint venture (regardless of the form of legal entity) that is not a Subsidiary arising in the ordinary course of business in connection with the cash management operations (including with respect to intercompany self-insurance arrangements) of the Parent Borrower and its Restricted Subsidiaries; and

(y) Indebtedness in respect of (i) Future Secured Notes to the extent that such Indebtedness is incurred no earlier than 90 days before the First Amendment Date and the net cash proceeds therefrom are, within three (3) Business Days (or within 180 days in the case of any such Indebtedness incurred prior to the First Amendment Date) after the receipt thereof, applied to permanently repay Term Loans (as defined in the CF Agreement) under the CF Agreement on a pro rata

basis across the several tranches thereof and (ii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) above; provided that, except to the extent otherwise permitted hereunder, (x) the principal amount of any such Indebtedness is not increased above the principal amount thereof outstanding immediately prior to such refinancing, refunding, renewal or extension (except for any original issue discount thereon and the amount of fees, expenses and premium in connection with such refinancing), (y) the direct and contingent obligors with respect to such Indebtedness are not changed and (z) such Indebtedness otherwise complies with clauses (a) and (b) of the definition of Future Secured Notes.

Notwithstanding the foregoing, the Parent Borrower shall not permit any 1993 Indenture Restricted Subsidiary to create, incur, assume or suffer to exist any Indebtedness, except that the 1993 Indenture Restricted Subsidiaries (other than Healthtrust, except in the case of Indebtedness owing to any Credit Party) may create, incur, assume or suffer to exist (x) Indebtedness under clause (b) above that is owed to a Credit Party or another 1993 Indenture Restricted Subsidiary to the extent permitted under section 1107 of the 1993 Indenture and (y) Indebtedness that is otherwise permitted in accordance with an exception set forth above in an aggregate principal amount outstanding at any time that, when aggregated (without duplication) with (i) the aggregate principal amount of all other Indebtedness (other than Indebtedness permitted by subclause (x) above) secured by Liens on any assets of 1993 Indenture Restricted Subsidiaries and (ii) the aggregate principal amount of all Indebtedness (other than the Obligations) secured by Liens on Principal Properties, does not exceed at any time outstanding the lesser of (A) $600,000,000 and (B) 5% of Consolidated Net Tangible Assets (as defined in the 1993 Indenture as in effect on the Original Closing Date) determined as of the date of such incurrence, in each case, to the extent permitted by Section 1107 or 1108 of the 1993 Indenture.

18.2. Limitation on Liens. The Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Parent Borrower or any Restricted Subsidiary, whether owned as of the Original Closing Date or thereafter acquired, except:

(a) Liens arising under the Credit Documents;

(b) Liens securing the CF Facility arising under CF Documents **and Liens securing the Indebtedness permitted by Section 10.1(y)**; provided that, with respect to any such Liens on the Shared Receivables Collateral, at the time such Liens are created, the holders of the Indebtedness secured thereby (or a representative thereof on behalf of such holders) shall have entered into the Intercreditor Agreement **with such obligations as Subordinated Lien Obligations (as defined in the Intercreditor Agreement) or an Additional Receivables Intercreditor Agreement** (it being understood that this condition is**as to the Liens securing the CF Facility arising under the CF Documents was** satisfied as a result of the receipt by the Administrative Agent of the Intercreditor Agreement pursuant to Section 6.1(d) of the Original Credit Agreement);

(c) Liens on the Junior Lien Notes Collateral securing the Junior Lien Notes and other Permitted Additional Debt permitted by clauses (i), (k) or (o) of Section 10.1; provided that, with respect to any such Liens on the Shared Receivables Collateral, at the time such Liens are incurred, the holders of the Indebtedness secured thereby (or a representative thereof on behalf of such holders) shall have entered into the Intercreditor Agreement (or, in the case of Permitted Additional Debt that is not of the same series as any Junior Lien Notes, **either the Intercreditor Agreement or** an intercreditor agreement reasonably acceptable to the Collateral Agent providing that the Lien on the Shared Receivables Collateral securing such Indebtedness shall rank junior to the Lien on the Shared Receivables Collateral securing the Obligations on a basis at least as substantially favorable to the Lenders as the basis on which the Lien securing the Junior Lien Notes ranks junior to the Lien on the Shared Receivables Collateral securing the Obligations on the Original Closing Date pursuant to the Intercreditor Agreement) (it being understood that, with respect to the Junior Lien Notes, this condition is satisfied as a result of the receipt by the Administrative Agent of the Intercreditor Agreement pursuant to Section 6.1(d) of the Original Credit Agreement);

(d) Permitted Liens;

(e) (i) Liens securing Indebtedness permitted pursuant to Section 10.1(f), provided that (x) such Liens attach at all times only to the assets so financed except for accessions to the property financed with the proceeds of such Indebtedness and the proceeds and the products thereof and (y) that individual financings of equipment provided by one lender may be cross collateralized to other financings of equipment provided by such lender, and (ii) Liens on the assets of Restricted Subsidiaries that are Foreign Subsidiaries securing Indebtedness permitted pursuant to Sections 10.1(n), (p) and (w);

(f) Liens existing on the Original Closing Date and listed on Schedule 10.2 to the Original Credit Agreement;

(g) the replacement, extension or renewal of any Lien permitted by clauses (d) through (f) and clause (h) of this Section 10.2 upon or in the same assets theretofore subject to such Lien (or upon or in after-acquired property that is affixed or incorporated into the property covered by such Lien) or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(h) Liens existing on the assets of any Person that becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger with such Person), or existing on assets acquired, pursuant to a Permitted Acquisition to the extent the Liens on such assets secure Indebtedness permitted by Section 10.1(j) or other obligations permitted by this Agreement; provided that such Liens attach at all times only to the same assets to which such Liens attached (and after-acquired property that is affixed or incorporated into the property covered by such Lien), and secure only the same Indebtedness or obligations that such Liens secured, immediately prior to such Permitted

Acquisition and any modification, replacement, refinancing, refunding, renewal or extension thereof permitted by Section 10.1(j);

(i) (x) Liens placed upon the Stock and Stock Equivalents of any Restricted Subsidiary acquired pursuant to a Permitted Acquisition to secure Indebtedness incurred pursuant to Section 10.1(k) in connection with such Permitted Acquisition and (y) Liens placed upon the assets of such Restricted Subsidiary to secure Indebtedness of such Restricted Subsidiary or a guarantee by such Restricted Subsidiary of any Indebtedness of the Parent Borrower or any other Restricted Subsidiary incurred pursuant to Section 10.1(k), in each case, in an aggregate amount not to exceed the amount permitted by the proviso to subclause (y) of such Section 10.1(k);

(j) Liens securing Indebtedness or other obligations (i) of the Parent Borrower or a Restricted Subsidiary in favor of a Credit Party and (ii) of any Restricted Subsidiary that is not either a Credit Party or a 1993 Indenture Restricted Subsidiary in favor of any Restricted Subsidiary that is not a Credit Party;

(k) Liens (i) of a collecting bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);

(l) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.5 to be applied against the purchase price for such Investment, and (ii) consisting of an agreement to sell, transfer, lease or otherwise dispose of any property in a transaction permitted under Section 10.4, in each case, solely to the extent such Investment or sale, disposition, transfer or lease, as the case may be, would have been permitted on the date of the creation of such Lien;

(m) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale or purchase of goods entered into by the Parent Borrower or any of the Restricted Subsidiaries in the ordinary course of business permitted by this Agreement;

(n) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(o) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Parent Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Borrower and the Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Borrower or any Restricted Subsidiary in the ordinary course of business;

(p) Liens solely on any cash earnest money deposits made by the Parent Borrower or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(q) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto incurred in the ordinary course of business;

(r) additional Liens so long as the aggregate principal amount of the obligations secured thereby does not exceed $1,000,000,000 at any time outstanding (including second Liens on the Junior Lien Notes Collateral but only to the extent the holders (or a representative thereof) of the obligations secured by such junior Liens on the Shared Receivable Collateral comply with the proviso to clause (c) above); and

(s) Liens on accounts receivable and related assets incurred in connection with a Permitted Receivables Financing.

Notwithstanding the foregoing, (A) the Parent Borrower will not, and will not permit any Restricted Subsidiary to, create, incur, assume or suffer to exist any Lien on any Collateral other than (i) Liens securing the Obligations, (ii) Liens otherwise permitted by Sections 10.2(b), (c), (d), (h), (k) and (o) and (iii) additional Liens permitted hereunder pursuant to any other clause of Section 10.2 (other than clause (s)) attaching to Collateral having an aggregate fair value not to exceed $20.0 million at any time outstanding, and (B) the Parent Borrower will not permit any 1993 Indenture Restricted Subsidiary to create, incur, assume or suffer to exist any Lien on any of its assets other than (i) Liens permitted by the definition of "Permitted Liens," (ii) Liens in favor of the Credit Parties to the extent permitted under section 1107 of the 1993 Indenture and (iii) additional Liens otherwise permitted by this Section 10.2 so long as the aggregate principal amount of the obligations secured thereby, when aggregated (without duplication) with (I) the aggregate principal amount of Indebtedness of 1993 Indenture Restricted Subsidiaries (other than Indebtedness owing to a U.S. Credit Party (as defined in the CF Agreement) or another 1993 Indenture Restricted Subsidiary to the extent permitted under section 1107 of the 1993 Indenture) and (II) the aggregate principal amount of Indebtedness (other than the Obligations (as defined in the CF Agreement) secured by Liens on Principal Properties, does not exceed at any time outstanding the lesser of (x) $600,000,000 and (y) 5% of Consolidated Net Tangible Assets (as defined in the 1993 Indenture as in effect on the Original Closing Date) determined as of the date of such incurrence.

18.3. Limitation on Fundamental Changes. Except as expressly permitted by Section 10.4 or 10.5, the Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Default or Event of Default would result therefrom, any Subsidiary of the Parent Borrower or any other Person may be merged, amalgamated or consolidated with or into the Parent Borrower, provided that (i) except as permitted by

subclause (ii) below, the Parent Borrower shall be the continuing or surviving corporation, (ii) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Parent Borrower (such other Person, the "**Successor Borrower**"), the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Parent Borrower or such Successor Borrower, as the case may be, being herein referred to as the "**Successor Parent Borrower**"), (iii) any Successor Borrower shall expressly assume all the obligations of the Parent Borrower under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (iv) each Subsidiary Borrower, unless it is the other party to such merger or consolidation, shall have by a supplement to this Agreement confirmed that its obligation hereunder shall apply to any Successor Borrower's obligations under this Agreement, (v) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger or consolidation, shall have by a supplement to the Security Agreement confirmed that its obligations thereunder shall apply to any Successor Borrower's obligations under this Agreement, (vi) the Successor Parent Borrower shall be in compliance, on a Pro Forma Basis after giving effect to such merger or consolidation, with the covenant set forth in Section 10.9 of the CF Agreement for the most recent Test Period, and (vii) the Successor Parent Borrower shall have delivered to the Administrative Agent (x) an officer's certificate stating that such merger or consolidation complies with this Agreement and such supplements (if any) preserve the enforceability of this Agreement and the perfection and priority of the Liens under the applicable Security Documents and (y) if reasonably requested by the Administrative Agent, an opinion of counsel to the effect that the merger and consolidation does not violate this Agreement or any other Credit Document (it being understood that if the foregoing are satisfied, the Successor Parent Borrower will succeed to, and be substituted for, the Parent Borrower under this Agreement);

(b) any Subsidiary of the Parent Borrower or any other Person (in each case, other than the Parent Borrower) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Parent Borrower, provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Parent Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Subsidiary Borrowers, a Subsidiary Borrower shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Subsidiary Borrower) shall execute a joinder to this Agreement to become a Subsidiary Borrower and a supplement to the relevant Security Documents in form and substance reasonably satisfactory to the Administrative Agent in order to become a grantor thereunder for the benefit of the Secured Parties, (iii) in the case of any merger, amalgamation or consolidation involving one or more 1993 Indenture Restricted Subsidiaries (other than any such transaction subject to subclause (ii) above), a 1993 Indenture Restricted Subsidiary shall be the continuing or surviving Person, (iv) no Default or Event of

Default would result from the consummation of such merger, amalgamation or consolidation, (v) the Parent Borrower shall be in compliance, on a Pro Forma Basis after giving effect to such merger, amalgamation or consolidation, with the covenant set forth in Section 10.9 of the CF Agreement for the most recently ended Test Period, and (vi) Parent Borrower shall have delivered to the Administrative Agent an officers' certificate stating that such merger, amalgamation or consolidation complies with this Agreement and, in the case of any merger, amalgamation or consolidation involving any Borrower, any such supplements to any Credit Document as necessary to preserve the perfection and priority of the Liens under the applicable Security Documents;

(c) any Restricted Subsidiary that is not a Borrower or a 1993 Indenture Restricted Subsidiary may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Parent Borrower or any other Restricted Subsidiary;

(d) any Subsidiary may sell, lease, transfer or otherwise dispose of any or all of its assets (other than any Principal Property owned by a Subsidiary that is not a Subsidiary Borrower) (upon voluntary liquidation or otherwise) to any Borrower, provided that the consideration for any such disposition by any Person other than a Subsidiary Borrower shall not exceed the fair value of such assets; and

(e) any Restricted Subsidiary may liquidate or dissolve if (i) the Parent Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Parent Borrower and is not materially disadvantageous to the Lenders, (ii) to the extent such Restricted Subsidiary is a Borrower or a 1993 Indenture Restricted Subsidiary, any assets or business not otherwise disposed of or transferred in accordance with Section 10.4 or 10.5 or, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, a Borrower (or, in the case of a liquidation or dissolution of a 1993 Indenture Restricted Subsidiary, another 1993 Indenture Restricted Subsidiary) after giving effect to such liquidation or dissolution.

18.4. Limitation on Sale of Assets. (i) The Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, convey, sell, lease, assign, transfer or otherwise dispose of any of its property, business or assets (including receivables, Stock and Stock Equivalents of any other Person and leasehold interests), whether owned as of the Original Closing Date or thereafter acquired (other than any such sale, transfer, assignment or other disposition resulting from any casualty or condemnation, of any assets of the Parent Borrower or the Restricted Subsidiaries) and (ii) the Parent Borrower will not permit any Restricted Subsidiary to issue any Stock and Stock Equivalents, except, in each case:

(a) the Parent Borrower and the Restricted Subsidiaries may sell, transfer or otherwise dispose of (i) inventory, used or surplus equipment, vehicles and other assets in the ordinary course of business and (ii) Permitted Investments;

(b) Restricted Subsidiaries may issue Stock and Stock Equivalents and the Parent Borrower and the Restricted Subsidiaries may sell, transfer or otherwise dispose of assets (each of the foregoing, a "**Disposition**"), excluding a Disposition of accounts

receivable, except in connection with the Disposition of any business to which such accounts receivable relate, for fair value in an aggregate amount pursuant to this clause (b), when aggregated with the amount of Permitted Sale Leaseback Transactions consummated pursuant to Section 10.4(h), not to exceed $6,600,000,000, provided that (i) with respect to any Disposition pursuant to this clause (b) for a purchase price in excess of $100,000,000, the Parent Borrower or a Restricted Subsidiary shall receive not less than 75% of such consideration in the form of cash or Permitted Investments; provided that for the purposes of this clause (i) the following shall be deemed to be cash: (A) any liabilities (as shown on the Parent Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of the Parent Borrower or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which the Parent Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing, (B) any securities received by the Parent Borrower or such Restricted Subsidiary from such transferee that are converted by the Parent Borrower or such Restricted Subsidiary into cash (to the extent of the cash received) within 180 days following the closing of the applicable Disposition and (C) any Designated Non-Cash Consideration received by the Parent Borrower or such Restricted Subsidiary in respect of such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this Section 10.4(b) and Section 10.4(c) that is at that time outstanding, shall not be in excess of the sum of (x) 1.5% of Consolidated Total Assets at the time of the receipt of such Designated Non-Cash Consideration, plus (y) $100,000,000, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value, (ii) with respect to any such sale, transfer or disposition (or series of related sales, transfers or dispositions), the Parent Borrower shall be in compliance, on a Pro Forma Basis after giving effect to such sale, transfer or disposition, with the covenant set forth in Section 10.9 of the CF Agreement for the most recently ended Test Period and (iii) after giving effect to any such sale, transfer or disposition, no Default or Event of Default shall have occurred and be continuing;

(c) the Parent Borrower and the Restricted Subsidiaries may make Dispositions to the Parent Borrower or to any Restricted Subsidiary, provided that with respect to any such Dispositions (x) from Borrowers to Restricted Subsidiaries that are not Borrowers, (y) from 1993 Indenture Restricted Subsidiaries to the Parent Borrower or any Restricted Subsidiary that is not a 1993 Indenture Restricted Subsidiary or (z) from Restricted Subsidiaries that are not Borrowers or 1993 Indenture Restricted Subsidiaries to any Borrower or 1993 Indenture Restricted Subsidiary (i) such sale, transfer or disposition shall be for fair value and (ii) with respect to any Disposition pursuant to this clause (c) for a purchase price in excess of $100,000,000, the Person making such Disposition shall receive not less than 75% of such consideration in the form of cash or Permitted Investments; provided that for the purposes of this subclause (ii) the following shall be deemed to be cash: (A) any liabilities (as shown on the Parent Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of the Parent Borrower or such Restricted Subsidiary, other than

liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which the Parent Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing, (B) any securities received by the Person making such Disposition from the purchaser that are converted by such Person into cash (to the extent of the cash received) within 180 days following the closing of the applicable Disposition, and (C) any Designated Non-Cash Consideration received by the Person making such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this Section 10.4(c) and Section 10.4(b) that is at that time outstanding, shall not be in excess of the sum of (x) 1.5% of Consolidated Total Assets at the time of the receipt of such Designated Non-Cash Consideration, plus (y) $100,000,000, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value;

(d) the Parent Borrower and any Restricted Subsidiary may effect any transaction permitted by Section 10.3, 10.5 or 10.6 (including the making of any "dividend" (as defined in Section 10.6) by any Subsidiary);

(e) Dispositions of accounts receivable and related assets of 1993 Indenture Restricted Subsidiaries to ABL Entities;

(f) the Parent Borrower and the Restricted Subsidiaries may lease, sublease, license or sublicense (on a non-exclusive basis with respect to any intellectual property) real, personal or intellectual property in the ordinary course of business;

(g) Dispositions of property (including like-kind exchanges) to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property, in each case under section 1031 of the Code or otherwise;

(h) Dispositions of property pursuant to Permitted Sale Leaseback transactions in an aggregate amount pursuant to this clause (h) when aggregated with the amount of Dispositions made pursuant to clause (b) above not to exceed $6,600,000,000;

(i) Dispositions of Investments in joint ventures (regardless of the form of legal entity) to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(j) customary Dispositions in connection with any Permitted Receivables Financing;

(k) dispositions of Stock and Stock Equivalents of any Subsidiary or joint venture for fair market value to Facility Syndication Partners in connection with any Syndication; provided that the fair market value of the aggregate amount of Stock and

Stock Equivalents disposed of pursuant to this clause (k) with respect to any individual Subsidiary (and not subsequently repurchased or redeemed by the Parent Borrower or any Restricted Subsidiary) shall not exceed $5,000,000; and

(l) a Disposition of any asset between or among the Parent Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition in connection with a Disposition otherwise permitted pursuant to clauses (a) through (k) above.

18.5. Limitation on Investments. The Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, make any Investment except:

(a) extensions of trade credit and asset purchases in the ordinary course of business;

(b) Permitted Investments;

(c) loans and advances to officers, directors and employees of the Parent Borrower (or any direct or indirect parent thereof) or any of its Subsidiaries or to Physicians with whom the Parent Borrower or any of its Subsidiaries have contractual relationships (i) for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances), (ii) in connection with such Person's purchase of Stock or Stock Equivalents of the Parent Borrower (or any direct or indirect parent thereof) to the extent that the amount of such loans and advances are directly or indirectly contributed to the Parent Borrower in cash and (iii) for purposes not described in the foregoing subclauses (i) and (ii), in an aggregate principal amount outstanding pursuant to this subclause (iii) not to exceed $20,000,000;

(d) Investments existing on, or contemplated as of, the Original Closing Date and either (x) constituting Indebtedness that is permitted pursuant to Section 10.1(g)(ii) or (y) listed on Schedule 10.5 to the Original Credit Agreement and any extensions, renewals or reinvestments thereof, so long as the aggregate amount of all Investments pursuant to this clause (d) is not increased at any time above the amount of such Investments existing on the Original Closing Date;

(e) Investments received in connection with the bankruptcy or reorganization of suppliers or customers and in settlement of delinquent obligations of, and other disputes with, customers arising in the ordinary course of business or upon foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;

(f) Investments to the extent that payment for such Investments is made with Stock or Stock Equivalents of Holdings;

(g) Investments (i) (a) by the Parent Borrower or any Restricted Subsidiary in any Subsidiary Borrower, (b) between or among 1993 Indenture Restricted Subsidiaries, (c) between or among Restricted Subsidiaries that are neither Subsidiary Borrowers nor

1993 Indenture Restricted Subsidiaries and (d) consisting of intercompany Investments incurred in the ordinary course of business in connection with the cash management operations (including with respect to intercompany self-insurance arrangements) among the Parent Borrower and the Restricted Subsidiaries (provided that any such intercompany Investment in connection with cash management arrangements by a Credit Party in a Subsidiary that is not a Credit Party is in the form of an intercompany loan or advance) and (ii) (a) by Credit Parties in any Restricted Subsidiary that is not a Credit Party, (b) by 1993 Indenture Restricted Subsidiaries in any Restricted Subsidiary that is not a 1993 Indenture Restricted Subsidiary or (c) by any Restricted Subsidiary that is neither a Credit Party nor a 1993 Indenture Restricted Subsidiary in any 1993 Indenture Restricted Subsidiary, in each case valued at the fair market value (determined by the Parent Borrower acting in good faith) of such Investment at the time each such Investment was made, in an aggregate amount pursuant to this subclause (ii) that, at the time each such Investment is made, would not exceed (x) the excess of (A) $1,500,000,000 over (B) the amount of Investments outstanding at such time in reliance on Section 10.5(i)(ii)(x) at such time plus (y) the Applicable Amount at such time;

(h) Investments constituting Permitted Acquisitions;

(i) Investments (including, but not limited to (i) minority Investments and Investments in Unrestricted Subsidiaries and (ii) Investments in joint ventures (regardless of the form of legal entity) or similar Persons that do not constitute Restricted Subsidiaries), in each case, as valued at the fair market value (determined by the Parent Borrower acting in good faith) of such Investment at the time each such Investment is made, in an aggregate amount pursuant to this clause (i) that, at the time each such Investment is made, would not exceed the sum of (x) the excess of (A) $1,500,000,000 over (B) the amount of Investments outstanding at such time in reliance on Section 10.5(g)(ii)(x) at such time, plus (y) the Applicable Amount at such time plus (z) without duplication of any amount that increased the JV Distribution Amount, an amount equal to any repayments, interest, returns, profits, distributions, income and similar amounts actually received in cash in respect of any such Investment (which amount referred to in this subclause (z) shall not exceed the amount of such Investment valued at the fair market value of such Investment at the time such Investment was made);

(j) Investments constituting non-cash proceeds of Dispositions of assets to the extent permitted by Section 10.4;

(k) Investments made to repurchase or retire Stock or Stock Equivalents of the Parent Borrower or any direct or indirect parent thereof owned by any employee or any employee stock ownership plan or key employee stock ownership plan of the Parent Borrower (or any direct or indirect parent thereof);

(l) Investments permitted under Section 10.6;

(m) loans and advance to any direct or indirect parent of the Parent Borrower in lieu of, and not in excess of the amount of, dividends to the extent permitted to be made to such parent in accordance with Section 10.6;

(n) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other credits to suppliers in the ordinary course of business;

(o) Investments in the ordinary course of business consisting of endorsements for collection or deposit and customary trade arrangements with customers consistent with past practices;

(p) advances of payroll payments to employees in the ordinary course of business;

(q) Guarantee Obligations of the Parent Borrower or any Restricted Subsidiary of leases (other than Capital Leases) or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

(r) Investments held by a Person acquired (including by way of merger or consolidation) after the Original Closing Date otherwise in accordance with this Section 10.5 to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(s) Investments by 1993 Indenture Restricted Subsidiaries of accounts receivable and related assets in ABL Entities;

(t) Investments arising out of or in connection with any Permitted Receivables Financing;

(u) Investments by the Parent Borrower in the European Subsidiary Borrower (as defined in the CF Agreement) arising as a result of any payment made by the Parent Borrower in respect of European Tranche Term Loans (as defined in the CF Agreement) pursuant to Section 5.2(a)(ii) of the CF Agreement;

(v) Investments by the Parent Borrower and the Restricted Subsidiaries in any joint venture (regardless of the form of legal entity) or Restricted Subsidiary in an aggregate amount at any time outstanding not to exceed the sum of (A) $600,000,000 plus (B) the JV Distribution Amount plus (C) without duplication of any amount that increased the JV Distribution Amount, an amount equal to any repayments, interest, returns, profits, distributions, income and similar amounts actually received in cash in respect of any such Investment (which amount referred to in this subclause (C) shall not exceed the amount of such Investment valued at the fair market value of such Investment at the time such Investment was made); provided, that the aggregate amount of Investments made in reliance on subclause (B) or (C) above by Credit Parties shall not exceed the aggregate of the amounts referred to in such subclauses that were directly or indirectly received by Credit Parties;

(w) any redemption by Healthtrust, or transfer to Healthtrust or the Parent Borrower, of shares of Stock of Healthtrust held by Columbia SDH and Epic Properties;

(x) intercompany transfers of creditor positions in respect of Indebtedness outstanding pursuant to Sections 10.1(a), 10.1(g)(ii) or 10.1(i); and

(y) Investments constituting Indebtedness outstanding pursuant to Section 10.1(a)(z) and 10.1(i)(z);

18.6. Limitation on Dividends. The Parent Borrower will not declare or pay any dividends (other than dividends payable solely in its Qualified Equity Interests) or return any capital to its stockholders (including any option holders) or make any other distribution, payment or delivery of property or cash to its stockholders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any shares of any class of its Stock or Stock Equivalents or the Stock or Stock Equivalents of any direct or indirect parent outstanding as of the Original Closing Date or thereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of the Restricted Subsidiaries to purchase or otherwise acquire for consideration (other than in connection with an Investment permitted by Section 10.5) any Stock or Stock Equivalents of the Parent Borrower, outstanding as of the Original Closing Date or thereafter outstanding (all of the foregoing, "**dividends**"), provided that, so long as no Default or Event of Default exists or would exist after giving effect thereto:

(a) the Parent Borrower may (or may pay dividends to permit any direct or indirect parent thereof to) redeem in whole or in part any of its (or such parent's) Stock or Stock Equivalents for another class of its Stock or Stock Equivalents or with proceeds from substantially concurrent equity contributions or issuances of new Stock or Stock Equivalents (other than any amount received by the Parent Borrower in satisfaction of the requirements of the first sentence of Section 10.7(d)), provided that such new Stock or Stock Equivalents contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Stock or Stock Equivalents redeemed thereby;

(b) the Parent Borrower may (or may pay dividends to permit any direct or indirect parent thereof to) repurchase shares of its (or such parent's) Stock or Stock Equivalents held by officers, directors and employees of the Parent Borrower and its Subsidiaries (other than the Frist Shareholders), so long as such repurchase is pursuant to, and in accordance with the terms of, management and/or employee stock plans, stock subscription agreements or shareholder agreements;

(c) the Parent Borrower may pay dividends on the Stock or Stock Equivalents, provided that the amount of any such dividends pursuant to this clause (c) shall not exceed an amount equal to (i) $600,000,000, less (ii) the amount of Junior Indebtedness purchased in reliance on Section 10.7(a)(i)(x), plus (iii) the Applicable Amount at such time;

(d) the Parent Borrower may pay dividends:

(i) the proceeds of which will be used to pay (or to pay dividends to allow any direct or indirect parent of the Parent Borrower to pay) (A) the tax liability to each relevant jurisdiction in respect of consolidated, combined, unitary or affiliated returns for the relevant jurisdiction of such parent attributable to the Parent Borrower or its Restricted Subsidiaries determined as if the Parent Borrower and its Restricted Subsidiaries filed separately and (B) for as long as Holdings is a direct or indirect parent of the Parent Borrower, distributions equal to any taxable income of Holdings resulting from the hedging arrangements entered into by Holdings on or about September 13, 2006 and with respect to which the Parent Borrower will be a counterparty multiplied by 45%;

(ii) the proceeds of which shall be used to allow any direct or indirect parent of the Parent Borrower to pay (A) its operating expenses incurred in the ordinary course of business and other corporate overhead costs and expenses (including administrative, legal, accounting and similar expenses provided by third parties), which are reasonable and customary and incurred in the ordinary course of business, in an aggregate amount not to exceed $10,000,000 in any fiscal year of the Parent Borrower plus any reasonable and customary indemnification claims made by directors or officers of the Parent Borrower (or any parent thereof) attributable to the ownership or operations of the Parent Borrower and its Restricted Subsidiaries or (B) fees and expenses otherwise due and payable by the Parent Borrower or any of its Restricted Subsidiaries and permitted to be paid by the Parent Borrower or such Restricted Subsidiary under this Agreement;

(iii) the proceeds of which shall be used to pay franchise and excise taxes and other fees, taxes and expenses required to maintain the corporate existence of any of its direct or indirect parent of the Parent Borrower;

(iv) to any direct or indirect parent of the Parent Borrower to finance any Investment permitted to be made by the Parent Borrower or a Restricted Subsidiary pursuant to Section 10.5; provided that (A) such dividend shall be made substantially concurrently with the closing of such Investment, (B) such parent shall, immediately following the closing thereof, cause (1) all property acquired (whether assets, Stock or Stock Equivalents) to be contributed to the Parent Borrower or such Restricted Subsidiary or (2) the merger (to the extent permitted in Section 10.5) of the Person formed or acquired into the Parent Borrower or its Restricted Subsidiaries and (C) the Parent Borrower shall comply with Section 9.11 to the extent applicable; and

(e) the Parent Borrower may pay cash dividends to Holdings for Holdings to pay cash dividends, after the fifth anniversary of the date of issuance of any Qualified Holdings Debt, solely for the purpose of paying regularly scheduled interest payments with respect to such Qualified Holdings Debt, so long as on a Pro Forma Basis after

giving effect to the payments of such dividends, (i) the Parent Borrower shall be in compliance with the covenant set forth in Section 10.9 of the CF Agreement for the most recently ended Test Period and (ii) the Consolidated EBITDA to Consolidated Interest Expense Ratio would be greater than or equal to 1.75 to 1.00 for the most recently ended Test Period.

18.7. Limitations on Debt Payments and Amendments; Matters Relating to Required Additional Equity Investments.

(a) The Parent Borrower will not, and will not permit any Restricted Subsidiary to, prepay, repurchase or redeem or otherwise defease or acquire prior to the scheduled maturity thereof any Subordinated Indebtedness, Retained Indebtedness (except as permitted in clause (b) below) or Permitted Junior Lien Debt (collectively, "**Junior Indebtedness**"); provided, however, that so long as no Default or Event of Default shall have occurred and be continuing at the date of such prepayment, repurchase, redemption or other defeasance or would result therefrom, the Parent Borrower or any Restricted Subsidiary may prepay, repurchase or redeem Junior Indebtedness (i) for an aggregate price not in excess of (x) $600,000,000 less (y) the amount of Restricted Payments made pursuant to Section 10.6(c)(i), plus (z) the Applicable Amount at the time of such prepayment, repurchase or redemption (ii) in the case of Subordinated Indebtedness, with the proceeds of Subordinated Indebtedness that (I) is permitted by Section 10.1 (other than Section 10.1(o)) and (II) if such Junior Indebtedness being repaid, repurchased or redeemed is Subordinated Indebtedness, has terms not materially less advantageous to the Lenders than those of the Indebtedness being refinanced or (iii) in the case of Permitted Junior Lien Debt, with the proceeds of refinancing Indebtedness otherwise permitted by Section 10.1 constituting Permitted Additional Debt or Permitted Junior Lien Debt. Notwithstanding the foregoing, nothing in this Section 10.7 shall prohibit (A) the repayment or prepayment of intercompany Subordinated Indebtedness owed among the Parent Borrower and, the Restricted Subsidiaries, in either case unless an Event of Default has occurred and is continuing and the Parent Borrower has received a notice from the Collateral Agent instructing it not to make or permit any such repayment or prepayment, or (B) transfers of creditor positions in connection with intercompany debt restructurings so long as such Indebtedness is permitted by Section 10.1 after giving effect to such transfers. For the avoidance of doubt, nothing in this Section 10.7 shall restrict the making of any "AHYDO catch up payment" in respect of the Junior Lien Notes.

(b) Except as permitted pursuant to clause (a) above, the Parent Borrower will not, and will not permit any Restricted Subsidiary to, prepay, repurchase, or redeem or otherwise defease or acquire any Retained Indebtedness (other than pursuant to any tender offer in effect on the Original Closing Date in connection with the Debt Repayment) prior to the stated final maturity date thereof (as in effect on the Original Closing Date); provided, however, that so long as no Default or Event of Default shall have occurred and be continuing at the date of such prepayment, repurchase, defeasance or acquisition or would result therefrom, (i) Retained Indebtedness may be prepaid, repurchased, redeemed or defeased prior to its stated maturity if, as of the Original Closing Date, such Retained Indebtedness to be repaid has a stated final maturity occurring on any date on or between January 1, 2010 and December 31, 2011, (ii) the Parent Borrower may prepay, repurchase, redeem, defease or acquire, prior to the stated final

maturity thereof Retained Indebtedness with a stated final maturity (as of the Original Closing Date) prior to the Tranche A Term Loan Maturity Date (as defined in the CF Agreement) (and if at such time all Tranche A Term Loans (as defined in the CF Agreement) have been repaid in full, the Tranche B Term Loan Maturity Date (as defined in the CF Agreement)) if on a Pro Forma Basis after giving effect to such repayment the Consolidated First Lien Debt to Consolidated EBITDA Ratio for the most recent Test Period is no greater than 4.0:1 and (iii) Retained Indebtedness may be refinanced with the proceeds of refinancing Indebtedness with respect to such Retained Indebtedness that is permitted under Section 10.1(g).

(c) The Parent Borrower will not waive, amend, modify, terminate or release any Junior Indebtedness or any Retained Indebtedness to the extent that any such waiver, amendment, modification, termination or release would be adverse to the Lenders in any material respect.

(d) The Parent Borrower shall have received (i) the Option Note Amount from either (x) the repayment or prepayment of the Option Note (including through the cancellation pursuant to the Merger of Stock or Stock Equivalents of the Parent Borrower owned by the issuer of, and having a value equivalent to, the Option Note) or (y) contributions to its common equity, in either case no later than December 2, 2006 and (ii) additional common equity in an amount equal to the Delayed Equity Amount no later than March 31, 2007. Prior to the satisfaction of the requirements of clause (i) of the first sentence of this Section 10.7(d), the Parent Borrower will not permit any waiver, amendment, modification or termination of the Option Note or fail to enforce its right under the Option Note if the result of any of the foregoing would be adverse in any material respect to the Lenders. Prior to the satisfaction of the requirements of clause (ii) of the fist sentence of this Section 10.7 (d), the Parent Borrower will not permit any waiver, amendment, modification or termination of the Delayed Equity Arrangements or fail to enforce its right under the Delayed Equity Arrangements if the result of any of the foregoing would be adverse in any material respect to the Lenders.

(e) Epic Properties and Columbia—SDH shall not permit any consensual Liens to exist on any shares of Stock of Healthtrust owned by them (other than Liens in favor of the Parent Borrower or Healthtrust). Following the occurrence and during the continuance of an Event of Default, the Parent Borrower shall not permit Healthtrust to make any distribution on, or redemption of, Stock of Healthtrust owned by Epic Properties or Columbia—SDH unless the Collateral Agent shall have consented thereto.

18.8. Limitations on Sale Leasebacks. The Parent Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into or effect any Sale Leasebacks, other than Permitted Sale Leasebacks.

18.9. Minimum Interest Coverage Ratio. During the continuance of a Covenant Compliance Event, the Parent Borrower will not permit the Consolidated EBITDA to Consolidated Interest Coverage Ratio, calculated as of the last day of the fiscal quarter for the Test Period most recently then ended for which the Administrative Agent has received financial statements of the Parent Borrower, to be less than 1.50:1.00.

18.10. Changes in Business.

(a) The Parent Borrower and the Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Parent Borrower and the Subsidiaries, taken as a whole, on the Original Closing Date and other business activities incidental or related to any of the foregoing.

(b) Healthtrust shall not engage in any business other than (i) owning (x) its ownership in the Stock and Stock Equivalents of Subsidiaries of the Parent Borrower and activities and properties incidental thereto and (y) other assets owned by it on the Original Closing Date and (ii) performing its obligations pursuant to agreements in effect on the Original Closing Date and any automatic extensions thereof.

18.11. 1993 Indenture Restricted Subsidiaries. The Parent Borrower shall not designate any additional Subsidiary as a "Restricted Subsidiary" under the 1993 Indenture or reorganize or change the ownership structure of any of its Subsidiaries such that after giving effect to such reorganization or change a Subsidiary that constituted an "Unrestricted Subsidiary" under the 1993 Indenture subsequently constitutes a "Restricted Subsidiary" thereunder.

SECTION 19. Events of Default.

Upon the occurrence of any of the following specified events (each an "Event of **Default"**):

19.1. Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default, and such default shall continue for five or more days, in the payment when due of any interest on the Loans or any Fees or any Unpaid Drawings or of any other amounts owing hereunder or under any other Credit Document; or

19.2. Representations, Etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any Credit Document or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or

19.3. Covenants. Any Credit Party shall: (a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(e) or Section 10; or

(b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) or (c) of this Section 11.3) contained in this Agreement, any Security Document, the Fee Letter dated July 24, 2006 between Holdings and the Agents or the Fee Letter dated June 20, 2007 between Holdings and Banc of America Securities LLC and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Parent Borrower from any Administrative Agent or the Required Lenders; or

(c) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.15 (other than any such default resulting solely from actions taken by one or more Persons not controlled directly or indirectly by the Parent Borrower or such Person's (or Persons') failure to act in accordance with the instructions of the Parent Borrower or the Administrative Agent) and such default shall continue unremedied for a period of at least 15 Business Days after an Authorized Officer obtaining knowledge of such default; or

19.4. Default Under Other Agreements.

(a) The Parent Borrower or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations) in excess of $150,000,000 in the aggregate, for the Parent Borrower and such Restricted Subsidiaries, beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements), prior to the stated maturity thereof; or

19.5. Bankruptcy, Etc. The Parent Borrower or any Specified Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title 11 of the United States Code entitled "Bankruptcy," or (b) in the case of any Foreign Subsidiary that is a Specified Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, reorganization, administration or relief of debtors legislation of its jurisdiction of incorporation, in each case as in effect as of the Original Closing Date or thereafter in effect, or any successor thereto (collectively, the "**Bankruptcy Code**"); or an involuntary case, proceeding or action is commenced against the Parent Borrower or any Specified Subsidiary and the petition is not controverted within 30 days after commencement of the case, proceeding or action; or an involuntary case, proceeding or action is commenced against the Parent Borrower or any Specified Subsidiary and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or a custodian (as defined in the Bankruptcy Code), judicial manager, receiver, receiver manager, trustee, administrator or similar person is appointed for, or takes charge of, all or substantially all of the property of the Parent Borrower or any Specified Subsidiary; or the Parent Borrower or any Specified Subsidiary commences any other voluntary proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, administration or liquidation or similar law of any jurisdiction whether in effect as of the Original Closing Date or thereafter in effect relating to the Parent

Borrower or any Specified Subsidiary; or there is commenced against the Parent Borrower or any Specified Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; or the Parent Borrower or any Specified Subsidiary is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding or action is entered; or the Parent Borrower or any Specified Subsidiary suffers any appointment of any custodian receiver, receiver manager, trustee, administrator or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or the Parent Borrower or any Specified Subsidiary makes a general assignment for the benefit of creditors; or any corporate action is taken by the Parent Borrower or any Specified Subsidiary for the purpose of effecting any of the foregoing; or

19.6. ERISA. (a) Any Plan shall fail to satisfy the minimum funding standard required for any plan year or part thereof or a waiver of such standard or extension of any amortization period is sought or granted under Section 412 of the Code; any Plan is or shall have been terminated or is the subject of termination proceedings under ERISA (including the giving of written notice thereof); an event shall have occurred or a condition shall exist in either case entitling the PBGC to terminate any Plan or to appoint a trustee to administer any Plan (including the giving of written notice thereof); any Plan shall have an accumulated funding deficiency (whether or not waived); the Parent Borrower or any ERISA Affiliate has incurred or is likely to incur a liability to or on account of a Plan under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code (including the giving of written notice thereof); (b) there could result from any event or events set forth in clause (a) of this Section 11.6 the imposition of a lien, the granting of a security interest, or a liability, or the reasonable likelihood of incurring a lien, security interest or liability; and (c) such lien, security interest or liability will or would be reasonably likely to have a Material Adverse Effect; or

19.7. [Reserved]; or

19.8. [Reserved]; or

19.9. Security Agreement. The Security Agreement pursuant to which the assets of the Borrowers are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Collateral Agent or any Lender) or any grantor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's obligations under the Security Agreement (or any of the foregoing shall occur with respect to Collateral provided by a Subsidiary that is not a Material Subsidiary and shall continue unremedied for a period of at least 30 days after receipt of written notice by the Parent Borrower from the Administrative Agent, the Collateral Agent or the Required Lenders); or

19.10. [Reserved]; or

19.11. Judgments. One or more judgments or decrees shall be entered against the Parent Borrower or any of the Restricted Subsidiaries involving a liability of $150,000,000 or more in the aggregate for all such judgments and decrees for the Parent Borrower and the Restricted Subsidiaries (to the extent not paid or covered by insurance provided by a carrier not

disputing coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 days after the entry thereof; or

19.12. Change of Control. A Change of Control shall occur;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Parent Borrower, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrowers, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5 shall occur with respect to the Parent Borrower, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii) and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total New Revolving Credit Commitment and Swingline Commitment terminated, whereupon the New Revolving Credit Commitment and Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations owing hereunder and thereunder to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Parent Borrower; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms; and/or (iv) direct the Parent Borrower to pay (and the Parent Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 11.5 with respect to the Parent Borrower, it will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash, to be held as security for the Parent Borrower's respective reimbursement obligations for Drawings that may subsequently occur thereunder, equal to the aggregate Stated Amount of all Letters of Credit issued and then outstanding.

Any amount received by the Administrative Agent or the Collateral Agent from any Credit Party following any acceleration of the Obligations under this Agreement or any Event of Default with respect to the Parent Borrower under Section 11.5 shall be applied:

(i) first, to the payment of all reasonable and documented costs and expenses incurred by the Administrative Agent or Collateral Agent in connection with such collection or sale or otherwise in connection with any Credit Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all advances made by the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document on behalf of any Credit Party and any other reasonable and documented costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Credit Document (other than in connection with Secured Cash Management Agreements or Secured Hedge Agreements);

(ii) second, to the repayment of all Protective Advances;

(iii) third, to the Secured Parties, an amount (x) equal to all Obligations (other than Secured Cash Management Agreements and Secured Hedge Agreements) owing to them on the date of any distribution and (y) sufficient to Cash Collateralize all Letters of Credit Outstanding on the date of any distribution, and, if such moneys shall be insufficient to pay such amounts in full and Cash Collateralize all Letters of Credit Outstanding, then ratably (without priority of any one over any other) to such Secured Parties in proportion to the unpaid amounts thereof and to Cash Collateralize the Letters of Credit Outstanding;

(iv) fourth, to any Cash Management Bank or Hedge Bank, an amount equal to all Obligations in respect of Secured Cash Management Agreements or Secured Hedge Agreements, as the case may be, owing to them on the date of any distribution; and

(v) fifth, any surplus then remaining shall be paid to the applicable Credit Parties or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

19.13. Certain Amendments and Waivers to CF Agreement. In the event that (A) Section 10.9 of the CF Agreement (or the definition of "Consolidated Total Debt to Consolidated Total EBITDA Ratio" or any of its constituent definitions) is amended or the applicability thereof waived and (B) the agents or lenders under the CF Facility are paid fees in respect of any such amendment or waiver, then no such amendment or waiver shall be binding upon the parties to this Agreement (and each reference to Section 10.9 of the CF Agreement hereunder shall read as if such amendment or waiver had not been executed) unless and until a proportionate fee (based on the relative aggregate principal amounts of the loans, letters of credit and commitments outstanding under the CF Facility, on the one hand, and the Loans, Letters of Credit, Protective Advances and Commitments outstanding hereunder, on the other hand and assuming that each Lender under the CF Facility consented to such amendment or waiver) is paid to the Administrative Agent for the benefit of the Lenders hereunder.

SECTION 20. Investors' Right To Cure.

(a) Notwithstanding anything to the contrary contained in Section 11.3(a), in the event that the Parent Borrower fails to comply with the requirement of the covenant set forth in Section 10.9, until the expiration of the tenth day after the date on which Section 9.1 Financials with respect to the Test Period in which the covenant set forth in such Section is being measured are required to be delivered pursuant to Section 9.1, any of the Investors shall have the right to make a direct or indirect equity investment (other than any amount invested in satisfaction of the requirements set forth in the first sentence of Section 10.7(d)) in the Parent Borrower in cash (the "**Cure Right**"), and upon the receipt by the Parent Borrower of net cash proceeds pursuant to the exercise of the Cure Right (including through the capital contribution of any such net cash proceeds to such person, the "**Cure Amount**"), the covenant set forth in such Section shall be recalculated, giving effect to a pro forma increase to Consolidated EBITDA for such Test Period in an amount equal to such net cash proceeds; provided that such pro forma adjustment to Consolidated EBITDA shall be given solely for the purpose of determining the existence of a Default or an Event of Default under the covenant set forth in such Section with

respect to any Test Period that includes the fiscal quarter for which such Cure Right was exercised and not for any other purpose under any Credit Document.

(b) If, after the exercise of the Cure Right and the recalculations pursuant to clause (a) above, the Parent Borrower shall then be in compliance with the requirements of the covenant set forth in Section 10.9 during such Test Period (including for purposes of Section 7.1), the Parent Borrower shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Default or Event of Default under Section 11.3 that had occurred shall be deemed cured; provided that (i) in each Test Period there shall be at least one fiscal quarter in which no Cure Right is exercised and (ii) with respect to any exercise of the Cure Right, the Cure Amount shall be no greater than the amount required to cause the Parent Borrower to be in compliance with the covenant set forth in Section 10.9.

SECTION 21. The Agents

21.1. Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent.

(b) The Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders, the Swingline Lender or the Letter of Credit Issuers, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) Each of the Co-Syndication Agents, Joint Lead Arrangers and Bookrunners, Joint Bookrunners and the Documentation Agent, each in its capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 13.

21.2. Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

21.3. Exculpatory Provisions. No Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct) or (b) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any of any Borrower, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document or for any failure of any Borrower or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party. The Collateral Agent shall not be under any obligation to the Administrative Agent, any Lender, the Swingline Lender or any Letter of Credit Issuer to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

21.4. Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or instruction believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to any Borrower), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of

taking or continuing to take any such action. The Administrative Agent and the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

21.5. Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or Collateral Agent has received notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders, provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval of the Required Lenders or each of the Lenders, as applicable).

21.6. Non-Reliance on Administrative Agent, Collateral Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent or Collateral Agent hereinafter taken, including any review of the affairs of any Borrower or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or Collateral Agent to any Lender, the Swingline Lender or any Letter of Credit Issuer. Each Lender, the Swingline Lender and each Letter of Credit Issuer represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, Collateral Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of each Borrower and other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, Collateral Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrowers and any other Credit Party. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of any Borrower or any other Credit Party that may come into the possession of

the Administrative Agent or Collateral Agent any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

21.7. Indemnification. The Lenders agree to indemnify the Administrative Agent and the Collateral Agent, each in its capacity as such (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so), ratably according to their respective portions of the Total New Revolving Exposure in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their respective portions of the Total New Revolving Exposure in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against the Administrative Agent or the Collateral Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in connection with any of the foregoing, provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's or the Collateral Agent's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. The agreements in this Section 13.7 shall survive the payment of the Loans and all other amounts payable hereunder.

21.8. Administrative Agent in its Individual Capacity. The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Borrower, and any other Credit Party as though the Administrative Agent were not the Administrative Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, the Administrative Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not the Administrative Agent, and the terms "Lender" and "Lenders" shall include the Administrative Agent in its individual capacity.

21.9. Successor Agents. Each of the Administrative Agent and Collateral Agent may at any time give notice of its resignation to the Lenders, the Letter of Credit Issuer and the Parent Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the reasonable consent of the Parent Borrower so long as no Default under Section 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders and the Letter of Credit Issuer, appoint a successor Agent meeting the qualifications set forth above; provided that if the retiring Agent shall notify the Parent Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the

other Credit Documents (except in the case of the Collateral Agent holding collateral security on behalf of any Secured Parties, the retiring Collateral Agent shall continue to hold such collateral security as nominee until such time as a successor Collateral Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through such Agent shall instead be made by or to each Lender and the Letter of Credit Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as the Administrative Agent or Collateral Agent, as the case may be, hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers (following the effectiveness of such appointment) to such Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Parent Borrower and such successor. After the retiring Agent's resignation hereunder and under the other Credit Documents, the provisions of this Section 13 (including 13.7) and Section 14.5 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as an Agent.

Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as Letter of Credit Issuer and Swing Line Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Letter of Credit Issuer and Swing Line Lender, (b) the retiring Letter of Credit Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor Letter of Credit Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Letter of Credit Issuer to effectively assume the obligations of the retiring Letter of Credit Issuer with respect to such Letters of Credit.

21.10. Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any interest payment to any Lender an amount equivalent to any applicable withholding tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender (because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason), such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so) and/or the Borrowers fully for all amounts paid, directly or indirectly, by the Administrative Agent or a Borrower as tax or otherwise, including penalties and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses.

21.11. Reports and Financial Statements. By signing this Agreement, each Lender:

(a) is deemed to have requested that the Administrative Agent furnish such Lender, promptly after they become available, copies of all financial statements required to be delivered by the Parent Borrower hereunder and all field examinations, audits and appraisals of the Collateral received by the Agents (collectively, the "**Reports**");

(b) expressly agrees and acknowledges that the Administrative Agent (i) makes no representation or warranty as to the accuracy of the Reports, and (ii) shall not be liable for any information contained in any Report;

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that the Administrative Agent or any other party performing any audit or examination will inspect only specific information regarding the Credit Parties and will rely significantly upon the Credit Parties' books and records, as well as on representations of the Credit Parties' personnel;

(d) agrees to keep all Reports confidential and strictly for its internal use, and not to distribute except to its participants, or use any Report in any other manner; and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold the Administrative Agent and any such other Lender preparing a Report harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with any Loans or Letters of Credit that the indemnifying Lender has made or may make to the Parent Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a Loan or Loans of the Parent Borrower; and (ii) to pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including attorney costs) incurred by the Agents and any such other Lender preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

SECTION 22. Miscellaneous

22.1. Amendments and Waivers. Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 14.1. The Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders or the Administrative Agent and/or Collateral Agent, as the case may be, may specify in such instrument, any of the requirements of

this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall directly (i) forgive or reduce any portion of any Loan or extend the final scheduled maturity date of any Loan or reduce the stated rate (it being understood that any change to the definition of Consolidated Total Debt to Consolidated EBITDA Ratio or in the component definitions thereof shall not constitute a reduction in the rate and only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrowers to pay interest at the "default rate" or amend Section 2.8(c)), or forgive any portion, or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates or any amendment contemplated by Section 1.7), or extend the final expiration date of any Lender's Commitment or extend the final expiration date of any Letter of Credit beyond the L/C Maturity Date, or increase the aggregate amount of the Commitments of any Lender (it being understood that the making of any Protective Advance, so long as it is in compliance with the provisions of Section 2.1(e), shall not constitute an increase of any Commitment of any Lender), or amend or modify any provisions of Section 5.3(a) (with respect to the ratable allocation of any payments only) and 14.8(a), or make any Loan, interest, Fee or other amount payable in any currency other than Dollars in each case without the written consent of each Lender directly and adversely affected thereby, or (ii) amend, modify or waive any provision of this Section 14.1 or reduce the percentages specified in the definitions of the term "Required Lenders" or "Supermajority Lenders", consent to the assignment or transfer by any Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.3) or alter the order of application set forth in the final paragraph of Section 11, in each case without the written consent of each Lender directly and adversely affected thereby, or (iii) amend, modify or waive any provision of Section 13 without the written consent of the then-current Administrative Agent and Collateral Agent, or (iv) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit without the written consent of the Letter of Credit Issuer, or (v) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of the Swingline Lender, or (vi) [Reserved], or (vii) release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents or this Agreement) without the prior written consent of each Lender, or (viii) amend Section 2.9 so as to permit Interest Period intervals greater than six months without regard to availability to Lenders, without the written consent of each Lender directly and adversely affected thereby, or (ix) change the definition of the term "Borrowing Base" or any component definition thereof if as a result thereof the amounts available to be borrowed by the Parent Borrower would be increased, without the written consent of the Supermajority Lenders, provided that the foregoing shall not limit the discretion of the Administrative Agent to change, establish or eliminate any Reserves without the consent of any Lenders. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrowers, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, the Borrowers, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

Notwithstanding the foregoing, in addition to any credit extensions and related Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2.14, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Parent Borrower (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the New Revolving Credit Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new New Revolving Credit Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the payment of the Obligations (other than contingent Obligations that survive in accordance with their terms) in cash upon the termination of this Agreement, (ii) upon the sale or other disposition such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with this Section 14.1), (iv) to the extent the property constituting Collateral is owned by any Subsidiary Borrower, upon the release of such Subsidiary Borrower from its obligations hereunder (in accordance with the following sentence) and (v) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Collateral Documents. Any such release shall not in any manner discharge, affect or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that the Subsidiary Borrowers shall be released from the (i) Obligations upon the consummation of any transaction resulting in such Subsidiary Borrower ceasing to constitute a Restricted Subsidiary or (ii) including upon the designation of such Subsidiary Borrower as a Designated Non-Borrower Subsidiary (in accordance with the definition thereof)). The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any

Subsidiary Borrower or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

22.2. Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to the Parent Borrower, any Subsidiary Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 14.2 to the Original Credit Agreement or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the Parent Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Swingline Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three (3) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9, 4.2 and 5.1 shall not be effective until received.

22.3. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

22.4. Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

22.5. Payment of Expenses. The Borrowers agree (a) to pay or reimburse the Agents for all their reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to,

this Agreement and the other Credit Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable fees, disbursements and other charges of Cahill Gordon & Reindel LLP and one counsel in each local jurisdiction to the extent consented to by the Parent Borrower (such consent not to be unreasonably withheld), (b) to pay or reimburse the Agent for all its reasonable and documented costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and any such other documents, including the reasonable fees, disbursements and other charges of counsel to the Agent, (c) to pay, indemnify, and hold harmless each Lender and Agent from, any and all recording and filing fees, (d) to pay, indemnify, and hold harmless each Lender and Agent and their respective directors, officers, employees, trustees, investment advisors and agents from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever, including reasonable and documented fees, disbursements and other charges of counsel, with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Credit Documents and any such other documents, including, without limitation, any of the foregoing relating to the violation of, noncompliance with or liability under, any Environmental Law (other than by such indemnified person or any of its Related Parties) or to any actual or alleged presence, release or threatened release of Hazardous Materials involving or attributable to the operations of the Parent Borrower, any of its Subsidiaries or any of the Real Estate (all the foregoing in this clause (d), collectively, the "**indemnified liabilities**") and (e) to pay for up to two appraisals and field examinations and the preparation of Reports related thereto in each calendar year based on the fees charged by third parties retained by the Administrative Agent (notwithstanding any reference to "out-of-pocket" above in this Section 14.5); provided that the Borrowers shall have no obligation hereunder to any Administrative Agent or any Lender nor any of their respective Related Parties with respect to indemnified liabilities to the extent attributable to (i) the gross negligence, bad faith or willful misconduct of the party to be indemnified or any of its Related Parties, (ii) any material breach of any Credit Document by the party to be indemnified or (iii) disputes among the Administrative Agent, the Lenders and/or their transferees. All amounts payable under this Section 14.5 shall be paid within ten Business Days of receipt by the Parent Borrower of an invoice relating thereto setting forth such expense in reasonable retail. The agreements in this Section 14.5 shall survive repayment of the Loans and all other amounts payable hereunder.

22.6. Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Letter of Credit Issuer that issues any Letter of Credit), except that (i) except as expressly permitted by Section 10.3, no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 14.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Letter of

Credit Issuer that issues any Letter of Credit), Participants (to the extent provided in clause (c) of this Section 14.6) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in clause (b)(ii) below, any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations or Swingline Loans) at the time owing to it) with the prior written consent (such consent not be unreasonably withheld or delayed; it being understood that, without limitation, the Parent Borrower shall have the right to withhold or delay its consent to any assignment if, in order for such assignment to comply with applicable law, any Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority) of:

(A) the Parent Borrower (which consent shall not be unreasonably withheld or delayed), provided that, subject to clause (g) below, no consent of the Parent Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender (unless increased costs would result therefrom unless an Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing), an Approved Fund or, if an Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing, any other assignee; and

(B) the Administrative Agent (which consent shall not be unreasonably withheld or delayed), the Swingline Lender and the applicable Letter of Credit Issuer.

Notwithstanding the foregoing, no such assignment shall be made to a natural person.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000, and increments of $1,000,000 in excess thereof, or unless each of the Parent Borrower and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed), provided that no such consent of the Parent Borrower shall be required if an Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing; provided, further, that contemporaneous assignments to a single assignee made by Affiliates of Lenders and related Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of

all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form approved by the Administrative Agent (the "**Administrative Questionnaire**").

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 14.6, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4 and 14.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 14.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (c) of this Section 14.6.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans and any payment made by the Letter of Credit Issuer under any Letter of Credit owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). Further, each Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers, the Collateral Agent, the Letter of Credit Issuer and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 14.6 and any written consent to such

assignment required by clause (b) of this Section 14.6, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register.

(c) (i) Any Lender may, without the consent of any Borrower, any Administrative Agent, the Letter of Credit Issuer or the Swingline Lender, sell participations to one or more banks or other entities (each, a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it), provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrowers, the Administrative Agent, the Letter of Credit Issuer and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document, provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clause (i) of the proviso to Section 14.1 that affects such Participant. Subject to clause (c)(ii) of this Section 14.6, the Borrowers agree that each Participant shall be entitled to the benefits of Sections 2.10, 2.11 and 5.4 to the same extent as if it were a Lender, provided that such Participant agrees to be subject to the requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 14.6. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 14.8(b) as though it were a Lender, provided such Participant agrees to be subject to Section 14.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11 or 5.4 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Parent Borrower's prior written consent (which consent shall not be unreasonably withheld).

(d) Any Lender may, without the consent of any Borrower or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 14.6 shall not apply to any such pledge or assignment of a security interest, provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. In order to facilitate such pledge or assignment, the Borrowers hereby agree that, upon request of any Lender at any time and from time to time after any Borrower has made its initial borrowing hereunder, each Borrower shall provide to such Lender, at such Borrower's own expense, a promissory note, substantially in the form of Exhibit K evidencing the New Revolving Credit Loans and Swingline Loans, respectively, owing to such Lender.

(e) Subject to Section 14.16, the Borrowers authorize each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a "**Transferee**") and any prospective Transferee any and all financial information in such Lender's possession concerning a Borrower and its Affiliates that has been delivered to such Lender by or on behalf of such Borrower and its Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of such Borrower and its Affiliates in connection with such Lender's credit evaluation of such Borrower and its Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Acceptance shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) Notwithstanding anything to the contrary in clause (b) above, unless an Event of Default under Section 11.1 or Section 11.5 has occurred and is continuing, no assignment by any Lender of all or any portion of its rights and obligations under this Agreement shall be permitted without the consent of the Parent Borrower if, after giving effect to such assignment, the assignee in respect thereof, taken together with its Affiliates and Approved Funds, would hold in the aggregate more than 25% of the Total New Revolving Exposure.

22.7. Replacements of Lenders under Certain Circumstances.

(a) The Borrowers shall be permitted to replace any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.10, 3.5 or 5.4, (b) is affected in the manner described in Section 2.10(a)(iii) and as a result thereof any of the actions described in such Section is required to be taken or (c) becomes a Defaulting Lender, with a replacement bank or other financial institution, provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing at the time of such replacement, (iii) the Borrowers shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts (other than any disputed amounts), pursuant to Section 2.10, 2.11, 3.5 or 5.4, as the case may be) owing to such replaced Lender prior to the date of replacement, (iv) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 14.6 (provided that the Borrowers shall be obligated to pay the registration and processing fee referred to therein) and (vi) any such replacement shall not be deemed to be a waiver of any rights that the Borrowers, the Administrative Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (such Lender, a "**Non-Consenting Lender**") has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 14.1 requires the consent of all of the Lenders affected or the Supermajority Lenders and

with respect to which the Required Lenders shall have granted their consent, then provided no Event of Default then exists, the Borrowers shall have the right (unless such Non-Consenting Lender grants such consent) to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans, and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent, provided that: (a) all Obligations of the Borrowers owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment, and (b) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon. In connection with any such assignment, the Borrowers, Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 14.6.

22.8. Adjustments; Set-off.

(a) If any Lender (a "**benefited Lender**") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by law, except as provided in the last sentence of this subclause (b), each Lender shall have the right, without prior notice to any Borrower, any such notice being expressly waived by each Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by any Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrowers. Each Lender agrees promptly to notify such Borrower (and the Parent Borrower, if other) and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application. Notwithstanding anything to the contrary in any Credit Document, any Secured Party and its Affiliates (and each Participant of any Lender or any of its Affiliates) that is a Government Receivables Bank shall not have the right and hereby expressly waives any rights it might otherwise have, to set-off or appropriate and apply any or all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or

claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Secured Party or its Affiliates (and each Participant of any Lender or any of its Affiliates) or any branch or agency thereof in a Government Receivables Deposit Account (but no other deposit account or any subsequent accounts to which the proceeds of Government Accounts may be transferred) to or for the credit or the account of the Borrowers, in each case to the extent necessary for the Credit Parties and each Secured Party and its Affiliates (and each Participant of any Lender and its Affiliates) to remain in compliance with Medicare, Medicaid, TRICARE, CHAMPVA or any other applicable laws, rules or regulations of a Government Agency.

22.9. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrowers and the Administrative Agent.

22.10. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

22.11. Integration. This Agreement and the other Credit Documents represent the agreement of the Borrowers, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any Borrower, the Administrative Agent, the Collateral Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

22.12. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

22.13. Submission to Jurisdiction; Waivers. Each Borrower irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may have had as of the Original Closing Date or thereafter have to the venue of any such action or proceeding in any such court or that

such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 14.2 to the Original Credit Agreement at such other address of which the Administrative Agent shall have been notified pursuant to Section 14.2;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 14.13 any special, exemplary, punitive or consequential damages.

22.14. Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrowers, on the one hand, and the Administrative Agent, the Lender and the other Agents on the other hand, and the Borrowers and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent and the other Agents, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for any of the Borrowers, any other Credit Parties or any of their respective Affiliates, stockholders, creditors or employees or any other Person; (iii) neither the Administrative Agent nor any other Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Borrower or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or other Agent has advised or is currently advising any of the Borrowers, the other Credit Parties or their respective Affiliates on other matters) and neither the Administrative Agent or other Agent has any obligation to any of any Borrowers, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their respective Affiliates, and neither the Administrative Agent nor

other Agent has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) neither the Administrative Agent nor any other Agent has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and each Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent or any other Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among any Borrower on the one hand, and any Lender on the other hand.

22.15. **WAIVERS OF JURY TRIAL**. EACH BORROWER, EACH AGENT AND EACH LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

22.16. Confidentiality. The Administrative Agent and each Lender shall hold all non-public information furnished by or on behalf of the Parent Borrower or any of its Subsidiaries in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender or the Administrative Agent pursuant to the requirements of this Agreement ("**Confidential Information**"), confidential in accordance with its customary procedure for handling confidential information of this nature and (in the case of a Lender that is a bank) in accordance with safe and sound banking practices and in any event may make disclosure as required or requested by any governmental agency or representative thereof or pursuant to legal process or (a) to such Lender's or the Administrative Agent's attorneys, professional advisors, independent auditors, trustees or Affiliates, (b) to an investor or prospective investor in a Securitization that agrees its access to information regarding the Credit Parties, the Loans and the Credit Documents is solely for purposes of evaluating an investment in a Securitization and who agrees to treat such information as confidential, (c) to a trustee, collateral manager, servicer, backup servicer, noteholder or secured party in connection with the administration, servicing and reporting on the assets serving as collateral for a securitization and who agrees to treat such information as confidential and (d) to a nationally recognized ratings agency that requires access to information regarding the Credit Parties, the Loans and Credit Documents in connection with ratings issued with respect to a Securitization; provided that unless specifically prohibited by applicable law or court order, each Lender and the Administrative Agent shall notify the Parent Borrower of any request made to such Lender or the Administrative Agent by any governmental agency or representative thereof (other than any such request in connection with an examination of the financial condition of such Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information, and provided, further, that in no event shall any Lender or the Administrative Agent be obligated or required to return any materials furnished by the Parent Borrower or any Subsidiary. Each Lender and the Administrative Agent agrees that it will not provide to

prospective Transferees or to any pledgee referred to in Section 14.6 or to prospective direct or indirect contractual counterparties in swap agreements to be entered into in connection with Loans made hereunder any of the Confidential Information unless such Person is advised of and agrees to be bound by the provisions of this Section 14.16.

22.17. Direct Website Communications.

(a) (i) Any Borrower may, at its option, provide to the Administrative Agent any information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents, including, without limitation, all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (A) relates to a request for a new, or a conversion of an existing, borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (B) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (C) provides notice of any default or event of default under this Agreement or (D) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit thereunder (all such non-excluded communications being referred to herein collectively as "**Communications**"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to the Administrative Agent at liliana.claar@bankofamerica.com. Nothing in this Section 14.17 shall prejudice the right of the Borrowers, the Administrative Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

(ii) The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (A) to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(b) The Borrowers hereby acknowledge that (a) the Administrative Agent and/or the other Agents will make available to the Lenders and the Letter of Credit Issuer materials and/or information provided by or on behalf of the Borrowers hereunder (collectively, "**Borrower Materials**") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "**Platform**") and (b) certain of the Lenders may be "public-side" Lenders (*i.e.*, Lenders that do not wish to receive material non-public information with respect to the Borrowers or their securities) (each, a "**Public Lender**"). Each Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that do not contain any material non-public information and that may be distributed to the Public Lenders and that (x) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently

on the first page thereof and (y) by marking Borrower Materials "PUBLIC," the Parent Borrower shall be deemed to have authorized the Administrative Agent and the other Agents to make such Borrower Materials available through a portion of the Platform designated "Public Investor". Notwithstanding the foregoing or any other provision of this Agreement to the contrary, neither the Parent Borrower nor any of its Related Parties shall be liable, or responsible in any manner, for the use by any Agent, any Lender, any Participant or any of their Related Parties of the Borrower Materials. In addition, it is agreed that (i) to the extent any Borrower Materials constitute Confidential Information, they shall be subject to the confidentiality provisions of Section 14.16 and (ii) the Borrowers shall be under no obligation to designate any Borrower Materials as "PUBLIC".

(c) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**") have any liability to any Borrower, any Lender, the Letter of Credit Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's or the Administrative Agent's transmission of Borrower Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Parties') gross negligence, bad faith or willful misconduct or material breach of the Credit Documents.

22.18. USA Patriot Act. Each Lender hereby notifies the Borrowers that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Patriot Act**"), it is required to obtain, verify and record information that identifies each Borrower, which information includes the name and address of each Borrower and other information that will allow such Lender to identify each Borrower in accordance with the Patriot Act.

22.19. Joint and Several Liability. All Loans, upon funding, shall be deemed to be jointly funded to and received by the Borrowers. Each Borrower is jointly and severally liable under this Agreement for all Obligations, regardless of the manner or amount in which proceeds of Loans are used, allocated, shared or disbursed by or among the Borrowers themselves, or the manner in which an Agent and/or any Lender accounts for such Loans or other extensions of credit on its books and records. Each Borrower shall be liable for all amounts due to an Agent and/or any Lender from the Borrowers under this Agreement, regardless of which Borrower actually receives Loans or other extensions of credit hereunder or the amount of such Loans and extensions of credit received or the manner in which such Agent and/or such Lender accounts for such Loans or other extensions of credit on its books and

records. Each Borrower's Obligations with respect to Loans and other extensions of credit made to it, and such Borrower's Obligations arising as a result of the joint and several liability of such Borrower hereunder with respect to Loans made to the other Borrowers hereunder shall be separate and distinct obligations, but all such Obligations shall be primary obligations of such Borrower. The Borrowers acknowledge and expressly agree with the Agents and each Lender that the joint and several liability of each Borrower is required solely as a condition to, and is given solely as inducement for and in consideration of, credit or accommodations extended or to be extended under the Credit Documents to any or all of the other Borrowers and is not required or given as a condition of extensions of credit to such Borrower. Each Borrower's Obligations under this Agreement shall, to the fullest extent permitted by law, be unconditional irrespective of (i) the validity or enforceability, avoidance, or subordination of the Obligations of any other Borrower or of any promissory note or other document evidencing all or any part of the Obligations of any other Borrower, (ii) the absence of any attempt to collect the Obligations from any other Borrower, or any other security therefor, or the absence of any other action to enforce the same, (iii) the waiver, consent, extension, forbearance, or granting of any indulgence by an Agent and/or any Lender with respect to any provision of any instrument evidencing the Obligations of any other Borrower, or any part thereof, or any other agreement executed as of the Original Closing Date or thereafter executed by any other Borrower and delivered to an Agent and/or any Lender, (iv) the failure by an Agent and/or any Lender to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for the Obligations of any other Borrower, (v) an Agent's and/or any Lender's election, in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code, (vi) any borrowing or grant of a security interest by any other Borrower, as debtor-in-possession under Section 364 of the Bankruptcy Code, (vii) the disallowance of all or any portion of an Agent's and/or any Lender's claim(s) for the repayment of the Obligations of any other Borrower under Section 502 of the Bankruptcy Code, or (viii) any other circumstances which might constitute a legal or equitable discharge or defense of a guarantor or of any other Borrower. With respect to any Borrower's Obligations arising as a result of the joint and several liability of the Borrowers hereunder with respect to New Revolving Credit Loans or other extensions of credit made to any of the other Borrowers hereunder, such Borrower waives, until the Obligations shall have been paid in full and this Agreement shall have been terminated, any right to enforce any right of subrogation or any remedy which an Agent and/or any Lender had as of the Original Closing Date or may have thereafter against any other Borrower, any endorser or any guarantor of all or any part of the Obligations, and any benefit of, and any right to participate in, any security or collateral given to an Agent and/or any Lender to secure payment of the Obligations or any other liability of any Borrower to an Agent and/or any Lender. Upon any Event of Default, the Agents may proceed directly and at once, without notice, against any Borrower to collect and recover the full amount, or any portion of the Obligations, without first proceeding against any other Borrower or any other Person, or against any security or collateral for the Obligations. Each Borrower consents and agrees that the Agents shall be under no obligation to marshal any assets in favor of any Borrower or against or in payment of any or all of the Obligations. Notwithstanding anything to the contrary in the foregoing, none of the foregoing provisions of this Section 14.19 shall apply to any Person released from its Obligations as a Borrower in accordance with Section 14.1.

22.20. Contribution and Indemnification Among the Borrowers. Each Borrower is obligated to repay the Obligations as a joint and several obligor under this Agreement. To the extent that any Borrower shall, under this Agreement as a joint and several obligor, repay any of the Obligations constituting Loans made to another Borrower hereunder or other Obligations incurred directly and primarily by any other Borrower (an "**Accommodation Payment**"), then the Borrower making such Accommodation Payment shall be entitled to contribution and indemnification from, and be reimbursed by, each of the other Borrowers in an amount, for each of such other Borrowers, equal to a fraction of such Accommodation Payment, the numerator of which fraction is such other Borrower's Allocable Amount (as defined below) and the denominator of which is the sum of the Allocable Amounts of all of the Borrowers. As of any date of determination, the "**Allocable Amount**" of each Borrower shall be equal to the maximum amount of liability for Accommodation Payments which could be asserted against such Borrower hereunder without (a) rendering such Borrower "insolvent" within the meaning of Section 101(31) of the Bankruptcy Code, Section 2 of the Uniform Fraudulent Transfer Act ("**UFTA**") or Section 2 of the Uniform Fraudulent Conveyance Act ("**UFCA**"), (b) leaving such Borrower with unreasonably small capital or assets, within the meaning of Section 548 of the Bankruptcy Code, Section 4 of the UFTA, or Section 5 of the UFCA, or (c) leaving such Borrower unable to pay its debts as they become due within the meaning of Section 548 of the Bankruptcy Code or Section 4 of the UFTA, or Section 5 of the UFCA. All rights and claims of contribution, indemnification, and reimbursement under this Section shall be subordinate in right of payment to the prior payment in full of the Obligations. The provisions of this Section shall, to the extent expressly inconsistent with any provision in any Credit Document, supersede such inconsistent provision.

22.21. Agency of the Parent Borrower for Each Other Borrower. Each of the other Borrowers irrevocably appoints the Parent Borrower as its agent for all purposes relevant to this Agreement, including the giving and receipt of notices and execution and delivery of all documents, instruments, and certificates contemplated herein (including, without limitation, execution and delivery to the Agents of Borrowing Base Certificates, Borrowing Requests and Notices of Conversion or Continuation) and all modifications hereto. Any acknowledgment, consent, direction, certification, or other action which might otherwise be valid or effective only if given or taken by all or any of the Borrowers or acting singly, shall be valid and effective if given or taken only by the Parent Borrower, whether or not any of the other Borrowers join therein, and the Agents and the Lenders shall have no duty or obligation to make further inquiry with respect to the authority of the Parent Borrower under this Section 14.21; provided that nothing in this Section 14.21 shall limit the effectiveness of, or the right of the Agents and the Lenders to rely upon, any notice (including without limitation a Borrowing Request or Notices of Conversion or Continuation), document, instrument, certificate, acknowledgment, consent, direction, certification or other action delivered by any Borrower pursuant to this Agreement.

22.22. Reinstatement . This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any other Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Parent Borrower or any Subsidiary Borrower, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any

Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

22.23. Express Waivers by Borrowers in Respect of Cross Guaranties and Cross Collateralization. Each Borrower agrees as follows:

(a) Each Borrower hereby waives: (i) notice of acceptance of this Agreement; (ii) notice of the making of any Loans, the issuance of any Letter of Credit or any other financial accommodations made or extended under the Credit Documents or the creation or existence of any Obligations; (iii) notice of the amount of the Obligations, subject, however, to such Borrower's right to make inquiry of the Administrative Agent to ascertain the amount of the Obligations at any reasonable time; (iv) notice of any adverse change in the financial condition of any other Borrower or of any other fact that might increase such Borrower's risk with respect to such other Borrower under the Credit Documents; (v) notice of presentment for payment, demand, protest, and notice thereof as to any promissory notes or other instruments among the Credit Documents; and (vii) all other notices (except if such notice is specifically required to be given to such Borrower hereunder or under any of the other Credit Documents to which such Borrower is a party) and demands to which such Borrower might otherwise be entitled;

(b) Each Borrower hereby waives the right by statute or otherwise to require an Agent or any Lender to institute suit against any other Borrower or to exhaust any rights and remedies which an Agent or any Lender has or may have against any other Borrower. Each Borrower further waives any defense arising by reason of any disability or other defense of any other Borrower (other than the defense of payment in full) or by reason of the cessation from any cause whatsoever of the liability of any such Borrower in respect thereof.

(c) Each Borrower hereby waives and agrees not to assert against any Agent, any Lender, or any Letter of Credit Issuer: (i) any defense (legal or equitable) other than a defense of payment, set-off, counterclaim, or claim which such Borrower may have had as of the Original Closing Date or may have at any time thereafter against any other Borrower or any other party liable under the Loan Documents; (ii) any defense, set-off, counterclaim, or claim of any kind or nature available to any other Borrower (other than a defense of payment) against any Agent, any Lender, or any Letter of Credit Issuer, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Obligations or any security therefor; (iii) any right or defense arising by reason of any claim or defense based upon an election of remedies by any Agent, any Lender, or any Letter of Credit Issuer under any applicable law; (iv) the benefit of any statute of limitations affecting any other Borrower's liability hereunder;

(d) Each Borrower consents and agrees that, without notice to or by such Borrower and without affecting or impairing the obligations of such Borrower hereunder, the Agents may (subject to any requirement for consent of any of the Lenders to the extent required by this Agreement), by action or inaction: (i) compromise, settle, extend the duration or the time for the payment of, or discharge the performance of, or may

refuse to or otherwise not enforce the Letter of Credit Issuer documents; (ii) release all or any one or more parties to any one or more of the Letter of Credit Issuer documents or grant other indulgences to any other Borrower in respect thereof; (iii) amend or modify in any manner and at any time (or from time to time) any of the Letter of Credit Issuer documents; or (iv) release or substitute any Person liable for payment of the Obligations, or enforce, exchange, release, or waive any security for the Obligations;

(e) Each Borrower represents and warrants to the Agents and the Lenders that such Borrower is currently informed of the financial condition of all other Borrowers and all other circumstances which a diligent inquiry would reveal and which bear upon the risk of nonpayment of the Obligations. Each Borrower further represents and warrants that such Borrower has read and understands the terms and conditions of the Credit Documents. Each Borrower agrees that neither the Agents, any Lender, nor any Letter of Credit Issuer has any responsibility to inform any Borrower of the financial condition of any other Borrower or of any other circumstances which bear upon the risk of nonpayment or nonperformance of the Obligations.

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

HCA INC.

By: _____
Name:
Title:

The SUBSIDIARY BORROWERS listed on
Schedule 1 to the Original Credit Agreement

By: _____
Name:
Title:

BANK OF AMERICA, N.A., as Administrative Agent, as Collateral Agent, as Swingline Lender, as Letter of Credit Issuer and as a Lender

By: _____
Name:
Title:

[ABL Credit Agreement Signature Page]

JPMORGAN CHASE BANK, N.A., as
Co-Syndication Agent and as a Lender

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC., as
Joint Lead Arranger, Joint Bookrunner and
Co-Syndication Agent

By: _____
Name:
Title:

BANC OF AMERICA SECURITIES, LLC, as Joint Lead Arranger and Bookrunner

By: _____
Name:
Title:

J.P. MORGAN SECURITIES INC., as Joint
Lead Arranger and Bookrunner

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC., as Joint Lead Arranger and Bookrunner

By: _____
Name:
Title:

[ABL Credit Agreement Signature Page]

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED, as Joint Lead Arranger and Bookrunner

By: _____
Name:
Title:

Exhibit 10.17

FORM OF
STOCK OPTION AGREEMENT

THIS AGREEMENT, dated as of _____, 2009 (the "Grant Date") is made by and between HCA Inc., a Delaware corporation (hereinafter referred to as the "Company"), and the individual whose name is set forth on the signature page hereof, who is an employee of the Company or a Subsidiary or Affiliate of the Company, hereinafter referred to as the "Optionee". Any capitalized terms herein not otherwise defined in Article I shall have the meaning set forth in the 2006 Stock Incentive Plan for Key Employees of HCA Inc. and its Affiliates (the "Plan").

WHEREAS, the Company wishes to carry out the Plan, the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (or, if no such committee is appointed, the Board of Directors of the Company) (the "Committee") has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Option provided for herein to the Optionee as an incentive for increased efforts during his term of office with the Company or its Subsidiaries or Affiliates, and has advised the Company thereof and instructed the undersigned officers to issue said Option;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary.

Section 1.1. Base Price

"Base Price" shall mean $51.00.

Section 1.2. Cause

"Cause" shall mean "Cause" as such term may be defined in any employment agreement or change-in-control agreement in effect at the time of termination of employment between the Optionee and the Company or any of its Subsidiaries or Affiliates, or, if there is no such employment or change-in-control agreement, "Cause" shall mean (i) willful and continued failure by Optionee (other than by reason of a Permanent Disability) to perform his or her material duties with respect to the Company or it Subsidiaries which continues beyond ten (10) business days after a written demand for substantial performance is delivered to Optionee by the Company (the

"Cure Period"); (ii) willful or intentional engaging by Optionee in material misconduct that causes material and demonstrable injury, monetarily or otherwise, to the Company, the Investors or their respective Affiliates; (iii) conviction of, or a plea of nolo contendere to, a crime constituting (x) a felony under the laws of the United States or any state thereof or (y) a misdemeanor for which a sentence of more than six months' imprisonment is imposed; or (iv) willful and material breach of the Management Stockholder's Agreement or related agreements, or Optionee's engaging in any action in breach of restrictive covenants made by Optionee under the Management Stockholder's Agreement or any employment or change-in-control agreement between the Optionee and the Company or any of its Subsidiaries, which continues beyond the Cure Period (to the extent that, in the Board's reasonable judgment, such breach can be cured).

Section 1.3. Closing Date

"Closing Date" shall have the same meaning as that term is defined in the Merger Agreement.

Section 1.4. EBITDA Performance Option

"EBITDA Performance Option" shall mean the right and option to purchase, on the terms and conditions set forth herein, all or any part of an aggregate of the number of shares of Common Stock set forth on the signature page hereof opposite the term EBITDA Performance Option.

Section 1.5. Fiscal Year

"Fiscal Year" shall mean each of the 2009, 2010, and 2011 fiscal years of the Company (which, for the avoidance of doubt, ends on December 31 of any given calendar year).

Section 1.6. Good Reason

"Good Reason" shall mean "Good Reason" as such term may be defined in any employment agreement or change-in-control agreement in effect at the time of termination of employment between the Optionee and the Company or any of its Subsidiaries or Affiliates, or, if there is no such employment or change-in-control agreement, "Good Reason" shall mean (i) (A) a reduction in Optionee's base salary (other than a general reduction in base salary that affects all similarly situated employees (defined as all employees within the same Company pay grade as that of Optionee) in substantially the same proportions that the Board implements in good faith after consultation with the Chief Executive Officer ("CEO") and Chief Operating Officer of the Company); (B) a reduction in Optionee's annual incentive compensation opportunity; or (C) the reduction of benefits payable to Optionee under the Company's Supplemental Executive Retirement Plan (if Optionee is a participant in such plan), in each case other than any isolated, insubstantial and inadvertent failure by the Company that is not in bad faith and is cured within ten (10) business days after Optionee gives the Company written notice of such event; provided that the events described in (i)(A) or (i)(B) above will not

be deemed to give rise to Good Reason if employment is terminated, but Optionee declines an offer of employment involving a loss of compensation of less than 15% from a purchaser, transferee, outsourced vendor, new operating entity or affiliated employer; (ii) a substantial diminution in Optionee's title, duties and responsibilities, other than any isolated, insubstantial and inadvertent failure by the Company that is not in bad faith and is cured within ten (10) business days after Optionee gives the Company written notice of such event; or (iii) a transfer of Optionee's primary workplace to a location that is more than twenty (20) miles from his or her workplace as of the date of this Agreement; provided that Good Reason shall not be deemed to occur merely because Optionee's willful decision to change position or status within the Company or any of its Subsidiaries causes one or more of the occurrences described in (i), (ii), or (iii) to come about.

Section 1.7. Investor Return

"Investor Return" shall mean, on any date, as determined on a fully diluted, per Share basis, all cash proceeds actually received by the Investors after the Closing Date in respect of their shares of Common Stock, including the receipt of any cash dividends or other cash distributions thereon. The Fair Market Value of any shares of Common Stock distributed by the Investors to their limited partners shall be deemed to be "cash proceeds" for purposes of this definition.

Section 1.8. Management Stockholder's Agreement

"Management Stockholder's Agreement" shall mean that certain Management Stockholder's Agreement between the Optionee and the Company.

Section 1.9. Option

"Option" shall mean the aggregate of the Time Option, the EBITDA Performance Option, and the Return Performance Option granted under Section 2.1 of this Agreement.

Section 1.10. Merger Agreement

"Merger Agreement" shall mean the Agreement and Plan of Merger by and Among HCA Inc., Hercules Holdings II, LLC, and Hercules Acquisition Corporation, dated July 24, 2006.

Section 1.11 Permanent Disability

"Permanent Disability" shall mean "Disability" as such term is defined in any employment agreement between Optionee and the Company or any of its Subsidiaries, or, if there is no such employment agreement, "Disability" as defined in the long-term disability plan of the Company.

Section 1.12 Retirement

"Retirement" shall mean Optionee's resignation (other than for Good Reason) from service with the Company and its Service Recipients (i) after attaining 65 years of age or (ii) after attaining 60 years of age and completing thirty-six (36) months of service with the Company or any Service Recipients following the Closing Date.

Section 1.13 Return Performance Option

"Return Performance Option" shall mean the option to purchase, on the terms and conditions set forth herein, all or any part of an aggregate of the number of shares of Common Stock set forth on the signature page hereof opposite the term Return Performance Option.

Section 1.14 Secretary

"Secretary" shall mean the Secretary of the Company.

Section 1.15 Time Option

"Time Option" shall mean the right and option to purchase, on the terms and conditions set forth herein, all or any part of an aggregate of the number of shares of Common Stock set forth on the signature page hereof opposite the term Time Option.

ARTICLE II
GRANT OF OPTIONS

Section 2.1. Grant of Options

For good and valuable consideration, on and as of the date hereof the Company irrevocably grants to the Optionee the following Stock Options: (a) the Time Option, (b) the EBITDA Performance Option, and (c) the Return Performance Option, in each case on the terms and conditions set forth in this Agreement.

Section 2.2. Exercise Price

Subject to Section 2.4, the exercise price of the shares of Common Stock covered by the Option (the "Exercise Price") shall be as set forth on the signature page hereof.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ of the Company or any Subsidiary or Affiliate or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries or Affiliates, which are hereby expressly reserved, to terminate the employment of the Optionee at any time for any reason whatsoever, with or without cause, subject to the

applicable provisions of, if any, the Optionee's employment agreement with the Company or offer letter provided by the Company to the Optionee.

Section 2.4. Adjustments to Option

The Option shall be subject to the adjustment provisions of Sections 8 and 9 of the Plan, provided, however, that in the event of the payment of an extraordinary dividend by the Company to its stockholders, then; first, the Exercise Prices of the Option shall be reduced by the amount of the dividend paid, but only to the extent the Committee determines it to be permitted under applicable tax laws and it will not have adverse tax consequences to the Optionee; and, if such reduction cannot be fully effected due to such tax laws, second, the Company shall pay to the Optionee a cash payment, on a per Share basis, equal to the balance of the amount of the dividend not permitted to be applied to reduce the Exercise Price of the applicable Option as follows: (a) for each Share subject to a vested Option, immediately upon the date of such dividend payment; and (b), for each Share subject to an unvested Option, on the date on which such Option becomes vested and exercisable with respect to such Share.

ARTICLE III
PERIOD OF EXERCISABILITY

Section 3.1. Commencement of Exercisability

(a) So long as the Optionee continues to be employed by the Company or any other Service Recipients, the Option shall become exercisable pursuant to the following schedules:

(i) *Time Option*. The Time Option shall become vested and exercisable with respect to 1/3 of the Shares subject to such Option on each of the first three anniversaries of the Grant Date.

(ii) *EBITDA Performance Option*. The EBITDA Performance Option shall be eligible to become vested and exercisable as to 1/3 of the Shares subject to such Option at the end of each of the three Fiscal Years if the Company, on a consolidated basis, achieves its annual EBITDA targets as set forth in Schedule A attached hereto (each an "EBITDA Target") for the given Fiscal Year. Notwithstanding the foregoing, in the event that an EBITDA Target is not achieved in a particular Fiscal Year, then that portion of the EBITDA Performance Option that was eligible to vest but failed to vest due to the Company's failure to achieve its EBITDA Target shall nevertheless vest and become exercisable at the end of any subsequent Fiscal Year (or the 2012 fiscal year) if the cumulative EBITDA Target (each a "Cumulative EBITDA Target") set forth on Schedule A attached hereto is achieved on a cumulative basis at the end of such Fiscal Year (or the 2012 fiscal year) with respect to all then completed Fiscal Years;

(iii) *Return Performance Option*. The Return Performance

Option shall be eligible to become vested and exercisable as to:

(A) 1/6 of the Shares subject to such Option at the end of each of the three Fiscal Years, if and to the extent that on any such date, the Investor Return is at least equal to 2.0 times the Base Price (the "2x Return Performance Option"); and

(B) 1/6 of the Shares subject to such Option at the end of each of the three Fiscal Years, if and to the extent that on any such date, the Investor Return is at least equal to 2.5 times the Base Price (the "2.5x Return Performance Option").

Notwithstanding the foregoing, in the event that the applicable Investor Return is not achieved in a particular Fiscal Year, then any portion of the Return Performance Option that was eligible to vest but failed to vest due to the Investor Return not achieving the applicable multiple (as set forth above) shall nevertheless vest and become exercisable on any subsequent date occurring prior to the eighth anniversary of the Grant Date, if the applicable Investor Return is achieved on such subsequent date, so long as the Optionee remains employed by the Company or any other Service Recipient.

(b) Notwithstanding the foregoing, upon the occurrence of a Change in Control:

(i) the Time Option shall become immediately exercisable as to 100% of the shares of Common Stock subject to such Option immediately prior to a Change in Control (but only to the extent such Option has not otherwise terminated or become exercisable);

(ii) the EBITDA Performance Option shall become immediately exercisable as to 100% of the shares of Common Stock subject to such Option immediately prior to a Change in Control (but only to the extent such Option has not otherwise terminated or become exercisable) if (x) the EBITDA Targets have been achieved for each of the Fiscal Years completed on or prior to such event, (y) on the date of the occurrence of such event, the Company's cumulative EBITDA for all of the Fiscal Years occurring after the Grant Date through such date meets or exceeds the Cumulative EBITDA Target for all such Fiscal Years, or (z) as a result of the Change in Control, the Investors Group achieves an Investor Return of at least 2.5 times the Base Price; provided that for purposes of clause (y) above, if the Change in Control occurs during a fiscal year, the Cumulative EBITDA Target for such fiscal year shall be equitably adjusted in good faith by the Board in consultation with the CEO of the Company to reflect that portion of the then current fiscal year that has elapsed through the date of the Change in Control; and

(iii) the Return Performance Option shall become 100%

immediately exercisable as to the shares of Common Stock subject to such Option immediately prior to a Change in Control (but only to the extent such Option has not otherwise terminated or become exercisable) if, as a result of such event, (x) with respect to the Shares subject to the 2x Return Performance Option, the Investor Group achieves an Investor Return of 2.0 times the Base Price and (y) with respect to the Shares subject to the 2.5x Return Performance Option, the Investor Group achieves an Investor Return of 2.5 times the Base Price.

(c) Notwithstanding the foregoing, no Option shall become exercisable as to any additional shares of Common Stock following the termination of employment of the Optionee for any reason and any Option, which is unexercisable as of the Optionee's termination of employment, shall immediately expire without payment therefor.

Section 3.2. Expiration of Option

Except as otherwise provided in Section 6 or 7 of the Management Stockholder's Agreement, the Optionee may not exercise the Option to any extent after the first to occur of the following events:

(a) The tenth anniversary of the Grant Date so long as the Optionee remains employed with the Company or any Service Recipient through such date;

(b) The third anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients, if the Optionee's employment is terminated by reason of death or Permanent Disability (unless earlier terminated as provided in Section 3.20 below);

(c) Immediately upon the date of the Optionee's termination of employment by the Company and all Service Recipients for Cause;

(d) One hundred and eighty (180) days after the date of an Optionee's termination of employment by the Company and all Service Recipients without Cause (for any reason other than as set forth in Section 3.2(b));

(e) One hundred and eighty (180) days after the date of an Optionee's termination of employment with the Company and all Service Recipients by the Optionee for Good Reason;

(f) One hundred and eighty (180) days after the date of an Optionee's termination of employment with the Company and all Service Recipients by the Optionee upon Retirement.

(g) Thirty (30) days after the date of an Optionee's termination of employment with the Company and all Service Recipients by the Optionee without Good

Reason (except due to Retirement, death or Permanent Disability);

(h) The date the Option is terminated pursuant to Section 6 or 7 of the Management Stockholder's Agreement; or

(i) At the discretion of the Company, if the Committee so determines pursuant to Section 9 of the Plan.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

During the lifetime of the Optionee, only the Optionee (or his or her duly authorized legal representative) may exercise an Option or any portion thereof. After the death of the Optionee, any exercisable portion of an Option may, prior to the time when an Option becomes unexercisable under Section 3.2, be exercised by his personal representative or by any person empowered to do so under the Optionee's will or under the then applicable laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of an Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2; provided, however, that any partial exercise shall be for whole shares of Common Stock only.

Section 4.3. Manner of Exercise

An Option, or any exercisable portion thereof, may be exercised solely by delivering to the Secretary or his office all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2:

(a) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) (i) Full payment (in cash or by check or by a combination thereof) for the shares with respect to which such Option or portion thereof is exercised or (ii) indication that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee reduced by a number of Shares having an equivalent Fair Market Value to the payment that would otherwise be made by Optionee to the Company pursuant to clause (i) of this subsection (b);

(c) (i) Full payment (in cash or by check or by a combination thereof)

to satisfy the minimum withholding tax obligation with respect to which such Option or portion thereof is exercised or (ii) indication that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee upon exercise of such Option (or portion thereof) reduced by a number of Shares having an aggregate Fair Market Value, on the date of such exercise, equal to the payment to satisfy the minimum withholding tax obligation that would otherwise be required to be made by the Optionee to the Company pursuant to clause (i) of this subsection (c);

(d) A bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other person then entitled to exercise such Option or portion thereof, stating that the shares of Common Stock are being acquired for his own account, for investment and without any present intention of distributing or reselling said shares or any of them except as may be permitted under the Securities Act of 1933, as amended (the "Act"), and then applicable rules and regulations thereunder, and that the Optionee or other person then entitled to exercise such Option or portion thereof will indemnify the Company against and hold it free and harmless from any loss, damage, expense or liability resulting to the Company if any sale or distribution of the shares by such person is contrary to the representation and agreement referred to above; provided, however, that the Committee may, in its reasonable discretion, take whatever additional actions it deems reasonably necessary to ensure the observance and performance of such representation and agreement and to effect compliance with the Act and any other federal or state securities laws or regulations; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the option.

Without limiting the generality of the foregoing, the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of shares acquired on exercise of an Option does not violate the Act, and may issue stop-transfer orders covering such shares. Share certificates evidencing stock issued on exercise of this Option shall bear an appropriate legend referring to the provisions of subsection (d) above and the agreements herein. The written representation and agreement referred to in subsection (d) above shall, however, not be required if the shares to be issued pursuant to such exercise have been registered under the Act, and such registration is then effective in respect of such shares.

Section 4.4. Conditions to Issuance of Stock Certificates

The shares of stock deliverable upon the exercise of an Option, or any portion thereof, may be either previously authorized but unissued shares or issued shares, which have then been reacquired by the Company. Such shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any certificate or certificates for shares of stock purchased upon the exercise of an Option or portion thereof prior to fulfillment of all of the following conditions:

(a) The obtaining of approval or other clearance from any state or

federal governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable;

(b) The execution by the Optionee of the Management Stockholder's Agreement and a Sale Participation Agreement; and

(c) The lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience or as may otherwise be required by applicable law.

Section 4.5. Rights as Stockholder

Except as otherwise provided in Section 2.4 of this Agreement, the holder of an Option shall not be, nor have any of the rights or privileges of, a stockholder of the Company in respect of any shares purchasable upon the exercise of the Option or any portion thereof unless and until certificates representing such shares shall have been issued by the Company to such holder.

ARTICLE V
MISCELLANEOUS

Section 5.1. Administration

The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Optionee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Option. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan and this Agreement.

Section 5.2. Option Not Transferable

Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Optionee or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that this Section 5.2 shall not prevent transfers by will or by the applicable laws of descent and distribution.

Section 5.3. Notices

Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Secretary, and any notice to be given to the Optionee shall be addressed to him at the address given beneath his signature hereto. By a notice given pursuant to this Section 5.3, either party may hereafter designate a different address for notices to be given to him. Any notice, which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee's personal representative if such representative has previously informed the Company of his status and address by written notice under this Section 5.3. Any notice shall have been deemed duly given when (i) delivered in person, (ii) enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service, or (iii) enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with fees prepaid) in an office regularly maintained by FedEx, UPS, or comparable non-public mail carrier.

Section 5.4. Titles; Pronouns

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 5.5. Applicability of Plan, Management Stockholder's Agreement and Sale Participation Agreement

The Option and the shares of Common Stock issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan, the Management Stockholder's Agreement and a Sale Participation Agreement, to the extent applicable to the Option and such Shares.

Section 5.6. Amendment

Subject to Section 10 of the Plan, this Agreement may be amended only by a writing executed by the parties hereto, which specifically states that it is amending this Agreement.

Section 5.7 Governing Law

The laws of the State of Delaware shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

Section 5.8 Arbitration

In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement which cannot be settled amicably by the parties, such controversy shall be finally, exclusively and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules, by a single independent arbitrator. Such arbitration process shall take place within the Nashville, Tennessee metropolitan area. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof. Each party shall bear its own legal fees and expenses, unless otherwise determined by the arbitrator. If the Optionee substantially prevails on any of his or her substantive legal claims, then the Company shall reimburse all legal fees and arbitration fees incurred by the Optionee to arbitrate the dispute.

[*Signatures on next page*.]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto.

HCA INC.

By: _____

Its: _____

Option Grants:

Aggregate number of shares of Common Stock for which the **Time Option** granted hereunder is exercisable (100% of number of shares): _____

Aggregate number of shares of Common Stock for which the **EBITDA Performance Option** granted hereunder is exercisable (100% of the number of shares): _____

Aggregate number of shares of Common Stock for which the **Return Performance Option** granted hereunder is exercisable (100% of number of shares): _____

Exercise Price of all options: $_____ per share

Grant Date: _____

OPTIONEE:

_____

_____

Address

_____

[Signature Page of Stock Option Agreement]

HCA
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

HCA Inc. ("Company") hereby adopts this First Restatement of the HCA Supplemental Executive Retirement Plan (the "Plan"), effective January 1, 2007, except as provided in Section 7.12. The Plan was originally adopted effective July 1, 2001. The Plan is an unfunded deferred compensation arrangement for a select group of management or highly compensated employees.

ARTICLE I

Definitions

"Actuarial Factors" means (a) interest at the long-term Applicable Federal Rate under Code section 1274(d) or any successor thereto as of the first day of November preceding the Plan Year in which the Participant's Retirement, death, Disability, or termination with Benefit rights under Section 5.3 or 6.2 occurs, and (b) mortality being the applicable Code section 417(e)(3) mortality table, as specified and changed by the U.S. Treasury Department.

"Benefit" or **"Benefits"** means the amount to which a Participant is entitled pursuant to Article III.

"Benefits Appeals Committee" means the Benefits Appeals Committee of HCA Inc.

"Board" means the Board of Directors of the Company.

"Cause" means the Participant's commission of a felony or other violation of law involving embezzlement, fraud, or other material breach of the Participant's duty of loyalty to the Employer which results in harm to the Employer. The determination of whether Cause exists will be made by the Committee after conducting a reasonable investigation and providing the Participant with an opportunity to present evidence on his behalf.

"Change in Control" means: (a) a change in ownership of the Company; (b) a change in effective control of the Company; or (c) a change in the ownership of a substantial portion of the assets of the Company. For purposes of the preceding sentence: (a) a "change in ownership of the Company" means the acquisition by one person or entity or a group of persons and/or entities of greater than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company (when such acquirer(s) previously owned less than fifty percent (50%) of the value and voting power of such stock); (b) a "change in effective control of the Company" means either: (i) the acquisition by one person or entity or a group of persons and/or entities within a 12-month period of ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power; or (ii) a replacement of a majority of the Board during a 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to such appointment or election; and (c) a "change in ownership of a substantial portion of the assets of the Company" means acquisition by any person or entity or a group of persons and/or entities during a 12-month period of assets from the Company that have

a total gross fair market value equal to or more than 40 percent (40%) of the total gross fair market value of all of the assets of the Company immediately prior to acquisition, provided that a sale to a related person or entity or a group of related persons and/or entities will not constitute a change in ownership of a substantial portion of the assets of the Company. The foregoing provisions will be interpreted in accordance with the applicable final regulations issued under Code Section 409A with respect to the definition of a change in control.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder.

"Committee" means the Compensation Committee of the Company.

"Company" means HCA Inc., a Delaware corporation, and any corporate successor(s) thereto.

"Compensation" means, consistent with the definition of "Pay Average," base compensation (including Code Section 125 and Code Section 401(k) deferrals), including any base compensation payments made pursuant to an employment agreement (whether or not the employee continues to work), and payments from Performance Equity Incentive Plan component of the HCA 2000 Equity Incentive Plan (or predecessor thereof) (regardless of when the benefits vested), and including bonuses paid prior to establishment of the Performance Equity Incentive Plan component of the HCA 2000 Equity Incentive Plan (or predecessor thereto), but excluding severance pay, whether paid pursuant to an employment agreement, a plan or otherwise.

"Disability" or "Disabled" means mental or physical disability as determined under Employer's tax-qualified HCA 401(k) Plan.

"Early Offset" means the sum of the employer-funded portion of (1) the accrued benefits under the Qualified Plans, (2) the Qualified Plans' Distribution Amount, (3) the accrued benefits under the Nonqualified Plans, and (4) the Nonqualified Plans' Distribution Amount, increased by the current interest rate of the Actuarial Factors for each year and fraction thereof between the month coincident with or next following the date of termination of employment and the date that the Participant would attain age 55 if he lived (not increased, if the Participant has already attained age 55 or the Benefit is calculated when the Participant attains age 55), and then converted to a life annuity utilizing the Actuarial Factors. For these purposes, any employer-funded amount paid or payable to a spouse or former spouse in conjunction with a Qualified Domestic Relations Order (QDRO) is deemed to have been paid or to be payable to the Participant.

"Early Retirement" means physical retirement from employment with Employer and all affiliated employers (as defined in applicable Treasury regulations) prior to Normal Retirement but after attaining age 55, and after performing 20 or more Years of Service. The 20 years requirement of the preceding sentence is waived with respect to those individuals who were Participants on July 1, 2001. For purposes of this definition, physical retirement from employment with Employer will be deemed to occur when it is anticipated by Employer that the no future services will be performed by Employee for Employer (as an employee or independent contractor). With respect to a Participant on leave of absence, retirement will be deemed to occur if (and only if) the leave period exceeds six (6) months (and retirement will be deemed to

occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case retirement will not be deemed to occur).

"Employee" means an employee of Employer.

"Employer" means the Company or any Subsidiary.

"Good Reason" means: (a) material diminution of position, as determined by the Committee; (b) material reduction of compensation and/or benefits, as determined by the Committee; or (c) relocation beyond fifty (50) miles from Employee's current office.

"Nonqualified Plan" means the HCA Restoration Plan, and any other nonqualified deferred compensation or pension plan of Employer or a predecessor employer (excluding this Plan), except the Performance Equity Incentive Plan component of the HCA 2000 Equity Incentive Plan (or predecessor thereto).

"Nonqualified Plans' Distribution Amount" means the amount previously distributed to the Participant from any Nonqualified Plan that is attributable to employer contributions, regardless of when distributed, increased for earnings at a rate of return of 7.5 percent per annum for each calendar year (or portion thereof) between the date of distribution and the first day of the month coincident with or next following the date of termination of employment, Retirement, death or Disability.

"Normal Offset" means the sum of the employer-funded portion of (1) the accrued benefits under the Qualified Plans, (2) the Qualified Plans' Distribution Amount, (3) the accrued benefits under the Nonqualified Plans, and (4) the Nonqualified Plans' Distribution Amount, increased by the current interest rate of the Actuarial Factors for each year until the date that the Participant would first be eligible for Normal Retirement (if he lived), and then converted to a life annuity utilizing the Actuarial Factors. For these purposes, any employer-funded amount paid or payable to a spouse or former spouse in conjunction with a QDRO is deemed to have been paid or to be payable to the Participant.

"Normal Retirement" means, subject to the age 60 exception of Section 5.3 (if applicable), physical retirement from employment with Employer and all affiliated employers (as defined in applicable Treasury Regulations) at or after either: (a) age 65; or (b) age 62 and performance of ten (10) Years of Service. The 10 years requirement of the preceding sentence is waived with respect to individuals who were Participants on July 1, 2001. For purposes of this definition, physical retirement with Employer will be deemed to occur when it is anticipated by Employer that no future services will be performed by Employee for Employer and affiliated employers (as an employee or independent contractor). With respect to a Participant on leave of absence, retirement will be deemed to occur if (and only if) the leave period exceeds six (6) months (and retirement will be deemed to occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case retirement will not be deemed to occur).

"Participant" means an Employee listed at any time on Schedule A, as amended from time to time by the Committee or the Board, or a former Employee who has not received all of the

benefits to which he/she is entitled under the Plan, as determined by the Committee. If an annuity contract has been purchased for a Participant to supply his Benefits, and ownership of the annuity contract is transferred to the Participant, such individual shall cease to be a Participant following the transfer of ownership of such annuity contract.

"Pay Average" means the total Compensation during the 60 consecutive month period within the 120 consecutive month period immediately preceding Retirement (or other termination of employment with Benefit rights) for which the total Compensation is greatest, divided by five (5). For this purpose, all payments made from the Performance Equity Incentive Plan component of the HCA 2000 Equity Incentive Plan (or predecessor thereto) within a calendar year will be considered to have been made in March of such year.

"Plan" means this HCA Supplemental Executive Retirement Plan, as it may be amended from time to time.

"Plan Sponsor" means HCA Inc. and any successor(s) thereto.

"Plan Year" means the calendar year.

"Qualified Plans" means, collectively, the HCA Retirement Plan (prior to its merger into the HCA 401(k) Plan), the HCA 401(k) Plan (including benefits of plans previously merged into the HCA 401(k) Plan) and any other tax-qualified plan (as defined in Code section 401(a)) maintained by Employer or a predecessor employer, as amended from time to time.

"Qualified Plans' Distribution Amount" means the amount previously distributed to the Participant from the Qualified Plans, increased for earnings at a rate of return of 7.5 percent per annum for each calendar year (or portion thereof) between the date of distribution and the first day of the month coincident with or next following the date of termination of employment, Retirement, Disability or death.

"Retirement" means Normal Retirement or Early Retirement.

"Subsidiary" means a company or an unincorporated organization with which Company is affiliated under Code Sections 414(b), (c), or (m).

"Year of Service" means any Plan Year during which a Participant performs 1,000 or more hours of service for Employer, as determined under the HCA 401(k) Plan. Years of Service shall include years of service prior to 2002 under the former HCA Retirement Plan (or its predecessor), including years of service with a prior employer, as provided in the former HCA Retirement Plan. With approval of the Chairman of the Board or the Committee, Years of Service shall also include any Years of Service agreed to be granted under this Plan in writing to any Participant then holding the position of Division President or Division CFO. With the approval of the Committee, Years of Service shall also include any Years of Service agreed to be granted under this Plan in writing to any Participant who is not then a Division President or a Division CFO. If a Participant is removed prospectively from Schedule A pursuant to the last sentence of Section 8.1 but continues employment with the Employer, he shall continue to accrue Years of Service credit in accordance with the provisions hereof for purposes of determining his eligibility for Retirement, but will receive no further Years of Service credit for purposes of

calculating the amount of his Benefit under Section 3.1 unless and until he is again listed on Schedule A (in which case he shall resume the accrual of Years of Service for Benefit purposes as of the date he is again listed). In no event will any Participant's number of Years of Service exceed twenty-five (25).

ARTICLE II

Participation

2.1 **General.** The Plan is intended to qualify as a "top hat" plan under 29 U.S.C. § 1051(2). Accordingly, only a select group of management or highly compensated employees of the Employer may participate in the Plan. Any provision of this Plan or any action taken by the Board, the Committee or Employer which would cause the Plan to fail to qualify as a top hat plan under 29 U.S.C. § 1051(2) will be void.

2.2 **Election to Participate Not Necessary.** Only those Employees listed on Schedule A shall be eligible to participate. An Employee chosen by the Board or the Committee to participate need not take any action in order to participate.

ARTICLE III

Amount of Benefits

3.1 **Benefit Amount.**

(a) The amount of a Participant's annual Benefit in the form of a life annuity beginning as of the first day of the month coincident with or next following Normal Retirement will be calculated as follows:

(1) Schedule A Accrual Rate Percentage (i.e., 2.2% or 2.4%) for the Participant multiplied by the Participant's Years of Service, multiplied by the Participant's Pay Average; less

(2) The life annuity amount calculated as of the first day of the month coincident with or next following the Normal Retirement date, produced by the sum of the employer-provided amount for the Participant of (1) the accrued benefits under the Qualified Plans, (2) the Qualified Plans' Distribution Amount, (3) the accrued benefits under the Nonqualified Plans, and (4) the Nonqualified Plans' Distribution Amount, utilizing the Actuarial Factors to convert any amount or benefit to a life annuity.

(b) The amount of a Participant's annual Benefit in the form of a life annuity beginning as of the first day of the month coincident with or next following Early Retirement will be calculated as follows:

(1) Schedule A Accrual Rate Percentage (i.e., 2.2% or 2.4%) for the Participant multiplied by the Participant's Years of Service, multiplied by the Participant's Pay Average; with such amount then reduced by three percent (3%) for each year that Retirement occurs before Normal Retirement but after attainment of age 55, provided that, in the case of a fractional part of a year, this reduction factor will be adjusted by straight-line interpolation; less

(2) The life annuity amount calculated as of the first day of the month coincident with or next following the Early Retirement date, produced by the sum of the employer-provided amount for the Participant of (1) the accrued benefits under the Qualified Plans, (2) the Qualified Plans' Distribution Amount, (3) the accrued benefits under the Nonqualified Plans, and (4) the Nonqualified Plans' Distribution Amount, utilizing the Actuarial Factors to convert any amount or benefit to a life annuity.

(c) If a Benefit is payable for a reason other than Early Retirement, and the Early Retirement three percent (3%) reduction of subsection (b)(1) is used in calculating the Benefit amount, then the Benefit payable is calculated as follows: (a) first, the gross Benefit amount (i.e. pre offset) is calculated at the date the Participant would have attained age 55 (or to the current calculation date, if the Participant has already attained age 55) using the formula supplied in subsection (b)(1) of this section; (b) second, the amount determined under immediately preceding clause (a) is reduced by the Early Offset; and (c), last, for Benefits payable prior to the date the Participant would have attained age 55, the net of immediately preceding clause (a) minus immediately preceding clause (b) is reduced to the present value utilizing the Actuarial Factors.

If a Benefit is payable for a reason other than Normal Retirement and the Early Retirement three percent (3%) reduction of subsection (b)(1) is not used to calculate the Benefit amount, then the Benefit payable is calculated as follows: (a) first, the gross Benefit amount (i.e. pre offset) is calculated at the earliest future date for Normal Retirement assuming the Participant lived to such date using the formula of subsection (a)(1) of this section, (b) second, the amount determined under the immediately preceding clause (a) is reduced by the Normal Offset; and (c) last, the net of immediately preceding clause (a) minus immediately preceding clause (b) is reduced to present value utilizing the Actuarial Factors. For purposes of clause (a) of the preceding sentence and the definition of Normal Offset, Normal Retirement age will be (i) age 62 if the Participant has ten (10) or more Years of Service or was employed on July 1, 2001; (ii) notwithstanding clause (i), age 60 if the Participant was employed by Employer and a Participant on November 16, 2006; and (iii) age 65 if neither clause (i) nor clause (ii) applies.

Subject to the provisions of Article V and the provisions of Section 6.2, should a Participant retire or cease working for the Employer prior to satisfying the Retirement conditions, he shall receive nothing from the Plan. Benefits payments will be made monthly.

3.2 **FICA and Withholding.** A payment will be made to or on behalf of the Participant to pay Federal Insurance Contributions Act (FICA) tax with respect to his Plan Benefit within six months of the termination of employment, Retirement, Disability or death. Such payment will be "grossed-up" (i.e. increased) for federal and state tax withholding. Effective January 1, 2007, the Benefit(s) payable will be reduced by the actuarial equivalent of the payment (as grossed-up), utilizing the Actuarial Factors. Prior to 2007, the Benefits payable will be reduced by the actuarial equivalent of the payment (as grossed-up) utilizing the FAS 87 discount rate in effect for the Plan Year in which the payment is made and the 1983 Group Annuity Mortality Table, weighted 50% male and 50% female.

ARTICLE IV

Optional Benefit Forms, Elections and Timing of Benefit Purchases

4.1 **Benefit Payments**.

(a) Except as otherwise provided in Section 7.11 and subject to subsections (c) and (d) below, a Participant who is entitled to a Benefit pursuant to Section 3.1 upon Early Retirement or Normal Retirement will be paid that Benefit in the form of a monthly-paid life annuity supplied by the Company from its general assets. Except as provided in Sections 5.3 and 7.11, payment of annuity Benefits pursuant to this subsection (a) or subsection (b) will commence during the month the first day of which is coincident with or next following the date that is six (6) months after the date of Retirement. Except as provided in Section 7.11, annuity payments will be calculated as of the first day of the month coincident with or next following the Early or Normal Retirement date, and a lump-sum payment amount of the first six monthly payments plus interest earnings calculated at the interest rate of the Actuarial Factors will be paid with the first annuity payment, to cover the full months after the applicable Early or Normal Retirement date and prior to the first day of the month of the initial payment date.

(b) Except as provided in Section 7.11, if a life annuity is the applicable Retirement Benefit form, in lieu of a life annuity, within the period beginning 90 days prior to the Retirement date and ending 30 days prior to the first day of the month in which annuity payments will begin (pursuant to subsection (a)), a married Participant may elect to receive his Benefit in the form of a joint and 50 percent, 75 percent or 100 percent survivor annuity payable over the joint lives of the Participant and the spouse which is actuarially equivalent (utilizing Actuarial Factors) to the life annuity. In the event of such an election, if the Participant is

not married as of his Retirement date (i.e. due to subsequent divorce or death of the spouse), his Benefit will be paid in the form of a life annuity, and no survivor benefits will be paid to anyone after the death of the Participant.

(c) A Participant who experiences Retirement or a termination with Benefit rights after 2008 will receive his Benefit in the form of a lump-sum distribution in cash if (1) the Participant elects the lump-sum distribution Retirement Benefit prior to 2009 (or prior to the first day of participation, with respect to an individual who first becomes a Participant after 2008), or (2) the Participant fails to elect the annuity form of payment with respect to his Retirement Benefits prior to 2009 (or prior to the first day of participation, with respect to an individual who first becomes a Participant after 2008). If a Participant experiences Retirement or a termination of employment with Benefit rights prior to 2009, and has not elected an annuity form of Retirement Benefits payment prior to 2007, then his Benefits will be paid in the form of a lump-sum distribution. (Distribution election forms were distributed in 2006 for submission prior to 2007, and (again) in 2008 for submission prior to 2009.) Any lump sum will be paid during the month the first day of which is coincident with or next following the date that is six (6) months after the date of Retirement. Any lump-sum distribution payment will be calculated as of the first day of the month coincident with or next following the Early or Normal Retirement date, and the lump-sum payment amount will include interest earnings from such calculation date through the payment date at the interest rate of the Actuarial Factors.

(d) Notwithstanding the preceding provisions of this Section 4.1 or any other provision of the Plan, in the case of a Participant who experiences a Retirement, terminates employment with Benefit rights under Section 5.3, incurs a Disability, or dies on or after January 1, 2006, the Committee shall pay the Participant's Benefit in a lump-sum distribution in cash if the present value of the Benefit, as calculated using Actuarial Factors as the first day of the month coincident with or next following Retirement, termination with Benefit rights under Section 5.3, death or Disability (whichever is applicable), excluding consideration of the FICA tax Benefit adjustment of Section 3.2, does not exceed $1,000,000.

(e) Should a Benefit payment be delayed and the primary cause thereof is not any action(s) or failure(s) to act of the Participant or other payee, then the late payment will bear interest at the interest rate of the Actuarial Factors. If an annuity is elected, in lieu of the Company making payments from its general assets, at its discretion, the Committee may utilize Company assets to purchase an annuity from a commercial annuity supplier to fund the annuity. Benefit payments will be calculated as of the first day of a month.

4.2 **Election of Benefit Forms.** With respect to individuals who are Participants prior to 2009, an election of payment form (lump-sum or annuity) applicable to Benefits payable after 2008 must be separately elected with respect to Retirement, death and Disability prior to 2009 on a form supplied by the Committee. Any election made in accordance with the preceding sentence prior to 2008 (including any election made in 2006) may be changed prior to 2009, and the new election will apply if Retirement or termination of employment with Benefit rights occurs after 2008. With respect to any individual who becomes a Participant after 2008, the Participant will be given the opportunity to elect payment forms with respect to Retirement, death and Disability prior to his first day of participation. If a Participant fails to properly and timely elect how his Benefit should be paid (with respect to Retirement, death or Disability), then his Benefit will be paid in the form of a lump-sum distribution with respect to any event (i.e., Retirement, death or Disability) for which a payment form has not been elected. The provisions of this Section (i.e. the ability to choose the form of payment) are subject to the $1,000,000 automatic lump-sum provision of Section 4.1. Prior to 2007, the sole form of payment was an annuity, except that a lump-sum was potentially payable prior to 2005, as specified under the terms of the original (2001) Plan document.

4.3 **Delay and Acceleration**. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, Benefit payments will be delayed if the Committee believes that delay is necessary to: (a) cause payments not to exceed the limit of Code Section 162(m); (b) prevent a violation of Federal securities laws or other laws; or (c) satisfy the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Delay may also be applied by the Committee due to events and conditions prescribed by the Internal Revenue Service. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, Benefit payments will be accelerated if the Committee believes that acceleration is necessary to: (a) comply with a domestic relations order that is legally binding with respect to the Plan; (b) comply with an ethics agreement with the Federal government; (c) comply with a federal, state, local or foreign ethics law or conflicts of interest law; (d) pay FICA tax or income taxes payable as a result of the FICA tax payment on Plan benefits; or (e) resolve a bona fide dispute as to a right to payment.

ARTICLE V

Death, Disability and Change in Control

5.1 **Death**

(a) Subject to subsection (b) below and Section 4.1(d), in the event of the death of a married Participant prior to Retirement but after attainment of age 55, or after Retirement but before any Benefits are received from the Plan and after attainment of age 55, an annuity will be supplied for the benefit of the Participant's surviving spouse with payments beginning as soon as administratively feasible following death (but no later than the 15th day of the third month following the month of death) which will provide

the surviving spouse with payments for life equal to the 100 percent survivor portion of a joint and 100 percent survivor annuity which could have been provided (assuming eligibility conditions met) for the Participant and spouse with the Participant's Benefit as determined on the day immediately preceding the date of the Participant's death. The Early Retirement factors supplied in Section 3.1(b)(1) will be utilized to calculate the Benefit that would exist if a life annuity was payable. (Such Benefit amount will then be utilized to calculate the actual survivor annuity Benefit.) Subject to subsection (b), in the event of death of a married Employee who is a Participant prior to age 55, an annuity will be supplied for the Participant's surviving spouse with payments beginning as soon as administratively feasible following death (but no later than the 15th day of the third month following the month of death) which will supply the surviving spouse with payments for life equal to the 100% survivor portion of a joint and 100% survivor annuity which could have been provided (assuming eligibility conditions were met) for the Participant and spouse with the Participant's Benefit as determined on the day immediately preceding the date of the Participant's death. The Early Retirement factors supplied in Section 3.1(b)(1) will be utilized to calculate the Benefit at age 55, and the Actuarial Factors will then be utilized to determine the benefit payable on day immediately preceding the date of the Participants death. (Such Benefit amount shall then be utilized to calculate the actual survivor annuity Benefit.) Notwithstanding any provision of the Plan to the contrary, no death Benefits whatsoever will exist or be paid for a single Participant, even if the Participant terminated employment or Retired prior to death.

(b) The death benefit payable pursuant to subsection (a) with respect to a married Participant who dies on or after January 1, 2009 will be paid to the Participant's surviving spouse in a lump sum in cash if (1) the Participant elects the lump-sum distribution death Benefit form prior to 2009 (or prior to the first day of participation, with respect to an individual who first becomes a Participant after 2008), or (2) the Participant fails to elect the annuity form of payment with respect to his death Benefits prior to 2009 (or prior to the first day of participation with respect to an individual who first becomes a Participant after 2008). If a Participant dies in 2007 or 2008 and did not elect an annuity with respect to his death Benefit prior to 2007, then the death benefit will be paid in the form of a lump-sum distribution. (The ability to elect an annuity was provided in 2006 and (again) in 2008.) The lump-sum distribution will be calculated as of the first day of the month coincident with or next following the Participant's death, and it will be actuarially equivalent (based on the Actuarial Factors) to the survivor benefit of the applicable joint and survivor annuity commencing on such date. Any lump sum will be paid as soon as administratively feasible following the date of death (but no later than the 15th day of the third month following the month of death).

Interest earnings will not be paid. If a lump sum election has been made and there is no surviving spouse, no benefits whatsoever will be paid. If the surviving spouse should die before payment of the lump-sum is made, then no death Benefits whatsoever will exist or be paid.

(c) If a married Participant who qualifies for a Benefit under Section 5.3 dies after terminating employment (but prior to Retirement), then his spouse will be entitled to: (a) the lump-sum benefit that he would have received had he lived, if a lump-sum was payable; (b) the survivor benefit of the annuity form chosen, if a joint and survivor annuity was elected; (c) no Benefit, if a life annuity was elected; or (d) the survivor benefit of a 100 percent survivor annuity, if a lump-sum is not the automatic payment form and no payment form was elected.

5.2 Disability

(a) Subject to subsection (b) below, in the event of the Disability of a Participant prior to Retirement, the Benefit amount determined as of the date of Disability will be utilized to supply an annuity (either a life annuity or a joint and survivor annuity) pursuant to the annuity terms of Sections 3.1 and 4.1 with payments to begin at age 55 (or immediately, if the Participant has already attained age 55), provided that if payments begin prior to age 62 (age 60 for Participants entitled to the benefit of the Change in Control provisions of Section 5.3), they will be reduced to age 55 in accordance with the Early Retirement provisions of Section 3.1. Subject to subsection (b), a single Participant shall receive a life annuity, and a married Participant shall receive either a life annuity or a joint and survivor annuity. However, if the present value of the Benefit does not exceed $1,000,000, as calculated pursuant to Section 4.1(d), it will be paid as a lump-sum distribution as administratively feasible following the determination of Disability (but no later than the 15th day of the third month following the month of the determination).

(b) In the case of a Participant who incurs a Disability on or after January 1, 2009, the Disability Benefit payable pursuant to subsection (a) will be paid to the Participant in a lump sum in cash if (1) the Participant elects the lump-sum distribution Disability benefit form prior to 2009 (or prior to the first day of participation, with respect to an individual who first becomes a Participant after 2008), or (2) the Participant fails to elect the annuity form of payment with respect to his Disability Benefit prior to 2009 (or prior to the first day of participation with respect to an individual who first becomes a Participant after 2008). If a Participant becomes Disabled in 2007 or 2008 and did not elect an annuity with respect to his Disability Benefit prior to 2007, then the Disability Benefit will be paid in the form of a lump-sum distribution. (The ability to elect an annuity was provided

in 2006 and (again) in 2008.) The lump-sum distribution will be calculated as of the first day of the month coincident with or next following the date of Disability, and it will be actuarially equivalent (based on the Actuarial Factors) to the life annuity determined under subsection (a). Any lump sum will be paid on or as soon as administratively feasible following the date of notification to the Committee of the determination of Disability by the Social Security Administration (SSA) (but no later than the 15th day of the third month following the month of the determination). The lump-sum payment amount will include interest earnings from the Disability determination date (i.e. the date the Participant was deemed disabled by the SSA), or, if later, the date of termination of employment with the Employer, through the payment date at the interest rate of the Actuarial Factors. In order to be eligible to receive a Disability Benefit, a Participant must file a claim for disability benefits with the SSA within three (3) months of cessation of employment, and must notify the Committee of the SSA's Disability determination within three (3) months of the date of determination.

(c) Notwithstanding the foregoing provisions of this section, if any payment in this section 5.2 would reduce the amount payable to the Participant under any disability program of the Employer, payments hereunder shall not be made or commenced until such time as the payments would not result in a reduction in such disability benefits.

5.3 **Change in Control.** In the event of a Change in Control, with respect to Participants actively employed by Employer on the date of the Change in Control: (a) the Normal Retirement age will be age 60 (instead of age 62 with ten (10) Years of Service or age 65), without reduction of Benefits ordinarily applicable to Early Retirement; (b) all Benefits will be payable beginning at age 60, or prior to age 60 with the reductions ordinarily applicable to Early Retirement in accordance with Section 3.1 for each year or partial year of payments prior to age 60 but after age 54 with respect to individuals who either were Participants on July 1, 2001 or qualify for Early Retirement, and with the reductions of the Actuarial Factors for all other years; (c) the Benefit form provisions of Section 4.1 applicable to Retirement will apply, except that (i) in accordance with the payment provisions of Section 4.1, a Participant who elected to receive a lump-sum distribution for Retirement Benefits will be paid his Benefits in a lump-sum on the first day of the month coincident or next following the date that is six (6) months after his date of termination of employment following a Change in Control, and (ii) in accordance with the lump-sum payment provision of Section 4.1, a Participant who elected to receive annuity Retirement Benefits will be paid his Benefits in a lump-sum distribution on the first day of the month coincident or next following the date that is six (6) months after termination of employment following a Change in Control, if the present value of his Benefit does not exceed $1,000,000, as calculated using the Actuarial Factors on the first day of the month coincident with or next following termination of employment; and (d) subject to the first two sentences of

Section 6.1, all Benefits shall be nonforfeitable. In the event of termination of employment of Employee by Employer (or the successor employer) when Cause does not exist, or a termination of employment by the Employee when Good Reason exists, within six (6) months before or after the Change in Control, in addition to the provisions described in the preceding sentence, an additional three (3) Years of Service shall be granted (not to exceed 25, in total) and the noncompete provisions of Section 6.3 will not apply. In the event of a Change in Control as a result of consummation of the July 24, 2006 merger agreement between HCA Inc., Hercules Holding II, LLC and Hercules Acquisition Corporation, with respect to Plan Participants as of July 24, 2006, except as otherwise required by law, the Plan will not be terminated and, subject to the Plan's limitations on benefit accrual, benefit accruals will not cease, on or after the consummation of such merger, until such time as all such Participants have become fully vested (or have had the opportunity to become fully vested) in the maximum Benefits available as of July 24, 2006.

ARTICLE VI

Rights of Participants; Forfeitability

6.1 **General Creditors.** Participants who are entitled to a Benefit have the status of general unsecured creditors of Employer. The Plan constitutes a mere promise by Employer to supply Benefits in the future. It is the intention of the Employer that the arrangements provided herein be "unfunded" for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"). Benefits shall be paid from the Employer's general assets, except to the extent they are paid from a "rabbi trust" established by Employer.

6.2 **Forfeitability of Benefits Upon Termination of Employment.** Notwithstanding any preceding provision of this Plan to the contrary, a Participant who ceases to be an Employee prior to Early Retirement or Normal Retirement for a cause other than death while married or Disability shall receive no Benefits or anything whatsoever from this Plan. Notwithstanding the preceding sentence, a Participant who terminates employment prior to Retirement, death or Disability with Benefits accrued will be entitled to receive those Benefits, if any, that are granted in writing by (a) with respect to Participants who are not executive officers, the Chairman of the Board; and (b) with respect to any Participant, the Committee. If Benefits are so granted, such Benefits will be paid in a lump-sum distribution in cash on the first day of the month coincident with or next following the date that is six (6) months after the date that the Participant ceased to be an Employee. Such Benefits will include interest earnings calculated at the interest rate of the Actuarial Factors. In addition, with respect to a former Participant who returns to employment and again becomes a Participant: (a) the Chairman of the Board may in his discretion authorize prior Plan service to be credited to any Employee who is not an executive officer; and (b) the Committee may in its discretion authorize prior Plan service to be credited to any Participant.

6.3 **Noncompete.** A Participant shall forfeit his right to any further payments or Benefits from the Plan, and shall repay to the Employer the total amount of payments already

made to him from (or with respect to) the Plan, if the Participant renders services for any health care organization at any time within the five (5) year period immediately following: (a) Disability; (b) Retirement; (c) termination of employment, if Benefits have been granted pursuant to Section 6.2; or (d) unless the waiver provision in Section 5.3 applies, a Change in Control. The Chairman of the Board may waive all or part of the provisions of the preceding sentence with respect to Participants who are not executive officers, and the Committee may waive all or any part of such provisions with respect to any Participant.

ARTICLE VII

Administration and Miscellaneous

7.1 **Administration.** The Committee shall have discretionary authority to administer and interpret this Plan in accordance with the provisions of the Plan. Any determination or decision by the Committee shall be conclusive and binding on all persons who at any time have or claim to have any interest whatever under this Plan. The same powers will apply to the Benefits Appeals Committee, with respect to handling of appeals of denied claims.

7.2 **Liability of Committee and Indemnification.** To the extent permitted by law, no member of the Committee shall be liable to any person for any action taken or omitted in connection with the interpretation and administration of this Plan unless attributable to his own gross negligence or willful misconduct. Employer shall indemnify each member of the Committee against any and all claims, losses, damages and expenses incurred, including counsel fees, and against any liability, including any amounts paid in settlement with the Committee member's approval, arising from action or failure to act, except when the same is judicially determined to be attributable to gross negligence or willful misconduct of the member.

7.3 **Expenses and Books and Records.** The books and records to be maintained for the purpose of the Plan, if any, shall be maintained by the officers and employees of Employer at the Employer's expense and subject to the supervision and control of the Committee. All expenses of administering the Plan shall be paid by Employer.

7.4 **Benefits Not Assignable.** To the extent permitted by law, the right of any Participant in any benefit or to any payment hereunder shall not be subject in any manner to attachment or other legal process for the debts of such Participant; and any such benefit or payment shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of the Participant. Any attempt by Participant to anticipate, alienate, sell, pledge, or encumber benefits shall, unless the Committee directs otherwise, result in forfeiture of entitlement to future Benefits. However, the terms of a domestic relations order that meets the requirements of a Qualified Domestic Relations Order ("QDRO"), as defined in Code section 414(p), will be honored if it provides for payment of a lump-sum distribution within the two month period beginning one month after submission of the order to the Committee.

7.5 **Governing Law.** All rights and benefits hereunder shall be governed and construed in accordance with the laws of the State of Delaware, except to the extent that federal law supercedes or preempts state law.

7.6 **Adoption by Subsidiaries Not Necessary.** Employees of the Company and its Subsidiaries are potentially eligible to participate, and no separate adoption agreements are necessary by an Employee's employer.

7.7 **Severability.** In the event that any provision of this Plan shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Plan but shall be fully severable and this Plan shall be construed and enforced as if said illegal or invalid provision had never been inserted herein. However, after deletion or elimination of any illegal or invalid provision, the remaining provisions of the Plan shall be construed in a manner so as to achieve, as closely as possible, the intent and objectives of the Plan, as provided by reading the Plan in its (pre-deletion) entirety.

7.8 **Construction.** The article and section headings and numbers are included only for convenience of reference and are not to be taken as limiting or extending the meaning of any of the terms and provisions of this Plan. Whenever appropriate, words used in the singular shall include the plural or the plural may be read as the singular.

7.9 **Information to Be Furnished.** Participants shall provide the Employer and the Committee with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.

7.10 **Tax Withholding.** All benefit payments made to or in respect of a Participant under the Plan, as well as other interests of a Participant under the Plan, shall be subject to all income and employment tax withholdings and other deductions required by federal, state or local law.

7.11 **Transition Benefits.** Notwithstanding any contrary provisions in the Plan, the Benefits of Jack Bovender will cease to accrue on March 31, 2009 and will be calculated as of March 31, 2009. After actuarial adjustment and adjustment for FICA tax pursuant to Section 3.2, the Benefits will be paid in the form of a joint and 100 percent survivor annuity (with his spouse as survivor beneficiary) beginning on April 30, 2009, unless a lump-sum distribution or another annuity form of payment available under the Plan is elected by Mr. Bovender and filed with the Committee prior to 2009. If another annuity form is chosen and filed with the Committee prior to 2009, monthly payments will commence on April 30, 2009. If a lump-sum form is chosen and filed with the Committee prior to 2009, a lump-sum payment of Mr. Bovender's Benefits will be paid as soon as administratively practicable during April of 2009. Annuity benefits (if applicable) will be payable on the last day of each month after commencement until the death of the survivor of Mr. Bovender and his spouse. In the event Mr. Bovender dies prior to benefit commencement, then (in lieu of the benefits described above) death benefits will be paid in accordance with the death provisions of Section 5.1. In the event Mr. Bovender becomes Disabled prior to March 31, 2009, then (in lieu of the benefits

described above) Disability benefits will be paid in accordance with the Disability provisions of Section 5.2.

7.12 **Pre-2008 Administration.** Notwithstanding any provision in this Plan to the contrary, prior to 2007, the Plan will be administered pursuant to the terms that applied prior to this restatement, except that: (a) any changes necessitated by the American Jobs Creation Act of 2004 (AJCA) will be effective on the date(s) required by the AJCA, as determined by the Committee; (b) after 2004, except as provided in Section 7.11, in no event will payments to any Participant begin before six (6) months have elapsed after termination of employment; and (c) the last sentence of Section 3.2 of this restated Plan will apply prior to 2008.

ARTICLE VIII

Amendment of Plan

8.1 **Amendment.** The Plan may be amended in any manner in whole or in part from time to time by the Board. However, no amendment may reduce the Benefits accrued through the date of the amendment. For this purpose, an optional form of Benefit or a Benefit payment option shall be considered neither a Benefit accrued nor an accrued Benefit, provided that (a) no amendment may be adopted after a Change in Control (or within six (6) months before a Change in Control) that would defer the timing of when benefits begin, and (b) on and after the date of a Change in Control, the benefit payment methods available to Participants must include a life annuity (subject to the Committee's right to make lump-sum payments under Section 4.1). Subject to the preceding provisions of this Section 8.1, the Committee or the Board may revise Schedule A at will.

ARTICLE IX

Termination of Plan

9.1 **Plan May Be Terminated At Any Time.** The Plan has been created by Employer voluntarily. Employer reserves the right to terminate the Plan at any time. In the event of termination, no additional Benefits will accrue after the date of the Plan's termination. Termination Benefits will be payable if the termination does not occur proximate to a downturn in the financial health of the Company, and (a) all other nonaccount balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) are terminated when the Plan is terminated, and (b) Benefits under the Plan and benefits under all nonaccount balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) that accrued after 2004 will continue to be paid under the ordinary distribution provisions for the 12-month period beginning on the termination date, and remaining post-2004 benefits will be distributed during the 12-month period beginning 12 months after the termination date. In the event that distributions are made pursuant to the preceding sentence, neither the Company nor any affiliated employer (pursuant to Code Sections 414(b), (c) and (m)) will adopt a nonaccount balance plan within three (3) years after the termination date. Benefits that accrued prior to 2005 will

be distributed under the termination provisions that existed on September 30, 2004 as soon as administratively feasible following the termination date. In accordance with the timing rules and requirements of the Code Section 409A regulations, Benefits will also be distributed in the event the Company files bankruptcy, and the bankruptcy court approves of termination in accordance with 11 U.S.C. §503(b)(1)(A). For the foregoing purposes, the Benefit of a Participant who would have qualified for Early Retirement if he had retired on the date of termination of the Plan will be entitled to have his Benefit calculated utilizing the Early Retirement Factors supplied in section 3.1(b)(1). Otherwise, Early Retirement will not be taken into consideration in calculating benefits.

ARTICLE XI

Claims Procedure

11.1 **Filing of Claim**. A Participant or Beneficiary shall make a claim for benefits under the Plan by filing a written request with the Committee upon a form to be furnished to him for such purpose. The Committee shall process claims for benefits on the basis of the records of the Committee and the Company. The Committee shall determine all questions arising in the administration, interpretation and application of the Plan. All such determinations shall be final, conclusive and binding, except to the extent that they are appealed in accordance with the claims procedure provided in this Article.

11.2 **Denial of Claim**. If a claim is wholly or partially denied, the Committee shall furnish the Participant or Beneficiary with written notice of the denial within a reasonable period of time after receipt of the claim by the Committee. This period will not exceed ninety (90) days after the date the original claim was filed, except that if special circumstances require an extension of time for processing, a decision will be rendered as soon as possible, but in no event later than one hundred and eighty (180) days after receipt of the claim. In the event that an extension of time is necessary, the Committee shall notify the claimant of such need; the reason(s) therefore; and the extension period prior to the expiration of the ninety (90) day review period. Any notice of denial shall provide (a) the reason for denial; (b) specific reference to pertinent Plan provisions on which the denial is based; (c) a description of any additional information needed to perfect the claim and an explanation of why such information is necessary; (d) an explanation of the Plan's claims procedure; (e) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claimant's claim; and (f) a statement notifying the claimant of his right to file a civil action under ERISA § 502(a), following an adverse determination on appeal.

11.3 **Review of Denial**. The Participant or Beneficiary shall have sixty (60) days from receipt of a denial notice in which to make a written application for review by the Benefits Appeals Committee. The Participant or Beneficiary shall have the right to (a) representation; (b) review pertinent documents; and (c) submit written comments, documents, records and other information relating to the claim. Upon request, a claimant shall be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. In

considering an appeal, the Benefits Appeals Committee shall review and consider any written comments submitted by the Participant or by the Participant's duly authorized representative, however, the right to appeal does not require the Benefits Appeals Committee to allow the Participant or the Participant's representative to appear in person.

11.4 **Decision Upon Review**. The Benefits Appeals Committee shall issue a decision on such review within a reasonable period of time after receipt of an application for review as provided in Section 10.3. Except to the extent permitted by Department of Labor regulations (including the quarterly meetings exception of 29 CFR §2560.503-1(i)(1)(ii)), the period of time in which a decision shall be issued shall not exceed sixty (60) days after receipt of an application for review, except that if special circumstances require an extension of time for processing, a decision on review will be rendered as soon as possible, but in no event later than one hundred and twenty (120) days after receipt of an application for review. The time frame for response shall be tolled for any period during which the Benefits Appeals Committee is awaiting the receipt of information. In the event that an extension of time is necessary, the Benefits Appeals Committee shall notify the claimant of such need; the reason(s) therefore; and extension period prior to expiration of the sixty (60) day review period. If it is adverse to the claimant, the decision upon review shall set forth: (a) the specific reason(s) for the adverse determination; (b) reference to the specific Plan provision(s) on which the determination is based; (c) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim; and (d) a statement notifying the Participant of his right to file a civil action under ERISA § 502(a).

IN WITNESS WHEREOF, the Company has caused this Plan to be executed this 22nd day of October, 2008.

COMPANY:

HCA Inc.
a Delaware Corporation

By: /s/ Sabrina Ruderer
Vice President Compensation & Benefits

HCA
RESTORATION PLAN

HCA Inc. ("Company") hereby adopts this Restatement of the HCA Restoration Plan (the "Plan") effective January 1, 2008. The Plan was originally adopted effective January 1, 2001. The Plan is an unfunded deferred compensation arrangement for a select group of management or highly compensated employees.

ARTICLE I

Definitions

"Account" means the account, including any subaccounts, established on behalf of each Participant in the Plan.

"Benefits Appeals Committee" means the Benefits Appeals Committee of HCA Inc.

"Board" means the Board of Directors of the Company.

"Cause" means the Participant's commission of a felony or other violation of law involving embezzlement, fraud, or other material breach of the Participant's duty of loyalty to the Employer which results in harm to the Employer. The determination of whether Cause exists will be made by the Committee after conducting a reasonable investigation and providing the Participant with an opportunity to present evidence on his behalf.

"Change in Control" means: (a) a change in ownership of the Company; (b) a change in effective control of the Company; or (c) a change in the ownership of a substantial portion of the assets of the Company. For purposes of the preceding sentence: (a) a "change in ownership of the Company" means the acquisition by one person or entity or a group of persons and/or entities of greater than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company (when such acquirer(s) previously owned less than fifty percent (50%) of the value and voting power of such stock); (b) a "change in effective control of the Company" means either: (i) the acquisition by one person or entity or a group of persons and/or entities within a 12-month period of ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power; or (ii) a replacement of a majority of the Company's board of directors during a 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Company's board of directors prior to such appointment or election; and (c) a "change in ownership of a substantial portion of the assets of the Company" means acquisition by any person or entity or a group of persons and/or entities during a 12-month period of assets from the Company that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of all of the assets of the Company immediately prior to acquisition, provided that a sale to a related person or entity or a group of related persons and/or entities will not constitute a change in ownership of a substantial portion of the assets of the Company. The foregoing provisions will be interpreted in accordance with the applicable final regulations issued under Code Section 409A with respect to the definition of a change in control.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder.

"Committee" means the Compensation Committee of the Board of Directors of the Company.

"Company" means HCA Inc., a Delaware corporation, and any corporate successor(s) thereto.

"Compensation" means compensation as defined in the HCA 401(k) Plan, without consideration of the Code Section 401(a)(17).

"Disability" or **"Disabled"** means mental or physical disability as determined under the HCA 401(k) Plan.

"Employee" means an employee of Employer.

"Employer" means the Company or any Subsidiary.

"Good Reason" means: (a) material diminution of position, as determined by the Committee; (b) material reduction of compensation and/or benefits, as determined by the Committee; or (c) relocation beyond fifty (50) miles from Employee's current office.

"Participant" means an Employee who has satisfied the eligibility criteria of Article II, and has not received all of the benefits to which he/she is entitled under the Plan, as determined by the Committee.

"Participation Date" means the first day of May of the Plan Year following the initial Plan Year for which an individual meets the eligibility criteria of Section 2.2.

"Plan" means this HCA Restoration Plan, as it may be amended from time to time.

"Plan Sponsor" means HCA Inc. or any successor(s) thereto.

"Plan Year" means the calendar year.

"Retirement" means complete physical retirement from employment with Employer and all affiliated employers at or after attainment of age 65. With respect to a Participant on leave of absence, retirement will be deemed to occur if (and only if) the leave period exceeds six (6) months (and retirement will be deemed to occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case retirement will not be deemed to occur).

"SSWB" means the Social Security Wage Base, which is the contribution and benefit base as determined under Section 230 of the Social Security Act, as now or hereafter amended, in effect on the first day of the Plan Year in question.

"Subsidiary" means a company or an unincorporated organization with which the Company is affiliated under Code Sections 414(b), (c), or (m).

"Termination" means a complete cessation of employment with Employer and all affiliated employers for any reason other than Disability, Retirement or death. With respect to a Participant on leave of absence, termination of employment will be deemed to occur if (and only

if) the leave period exceeds six (6) months (and termination will be deemed to occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case termination will not be deemed to occur).

"Year of Service" means a Year of Service, as defined in the HCA 401(k) Plan, performed after 2000, including any Years of Service credited under the HCA 401(k) Plan due to service with a prior employer. Years of Service will also include Years of Service performed prior to 2001 under the former HCA Retirement Plan (or any predecessor plan thereto).

ARTICLE II

Participation

2.1 **General.** The Plan is intended to qualify as a "top hat" plan under 29 U.S.C. § 1051(2). Accordingly, only a select group of management or highly compensated employees of the Company and its Subsidiaries may participate in the Plan. Any provision of this Plan or any action taken by the Board, the Committee or Employer, which would cause the Plan to fail to qualify as a top hat plan, under 29 U.S.C. § 1051(2) will be void.

2.2 **Eligibility**. Except as provided in the next sentence and subject to the timing provision of Section 2.3, an Employee whose Compensation exceeds the Social Security Wage Base for a Plan Year will be a Participant for that Plan Year. With the exceptions of physicians who are contractually entitled to participate in the Plan and physicians with an Account as of December 31, 2007, any person who either is hired (or rehired) after 2007 and works as a physician for a Subsidiary or an affiliate of HCA that is part of the Physician Services Group or was hired (or rehired) before 2008 and works as a physician for a Subsidiary or an affiliate of HCA that is part of the Physician Services Group and did not have an Account on December 31, 2007 will not participate in the Plan. Also, with the exceptions of physicians who are contractually entitled to participate in the Plan and physicians with an Account as of December 31, 2007, any person employed by an Subsidiary or HCA affiliate that is not part of the Physicians Services Group who transfers employment after 2007 to a Subsidiary or affiliate of HCA that is part of the Physician Services Group and works as a physician will not participate in the Plan. An Employee need not take any action in order to participate. No benefit will accrue for a Plan Year for any individual with respect to whom a benefit accrues under the HCA Supplemental Executive Retirement Plan for such Plan Year or any part thereof.

2.3 **Timing.** An individual who meets the eligibility criteria for a Plan Year will become a Participant on Participant's Participation Date.

ARTICLE III

Amounts Credited to Accounts

3.1 **Amounts Credited.** Following the end of each Plan Year, but no later than the 15th day of March following the Plan Year, the Account of each Participant will be credited the following amounts of benefits:

Years of Service	Compensation over the SSWB up to Code §401(a)(17) Limit	Compensation over the Code §401(a)(17) Limit
0-4	1.5%	3.0%
5-9	2.0	4.0
10-14	3.0	6.0
15-19	3.5	7.0
20-24	4.0	8.0
25+	4.5	9.0

In addition to the foregoing contributions, if a Participant could have received greater matching contributions under the HCA 401(k) Plan if the Code section 402(g) limit did not apply with respect to the HCA 401(k) Plan (assuming the Participant would contribute the elective deferrals at the rate necessary to receive the maximum matching contributions), then the Participant's Account will be credited with the excess of the maximum elective deferral contributions that could be credited to his account under the HCA 401(k) Plan if the Code section 402(g) limit did not apply to the HCA 401(k) Plan and the contribution rate necessary to produce the maximum matching contributions possible applied, minus the Code section 402(g) limit.

ARTICLE IV

Optional Benefit Forms, Elections and Timing of Benefit Payments

4.1 **Optional Benefit Forms.** All benefits under the Plan will be paid in cash. As provided in Section 4.2, a Participant may elect to receive his benefits in one of three (3) forms:

(a) a lump-sum distribution;

(b) five (5) installments payable over a five (5) year period; or

(c) ten (10) installments payable over a ten (10) year period.

Installment payments will be calculated by dividing the Participant's Account by the number of installments remaining. Notwithstanding the preceding provisions of this Section, the Committee shall pay a Participant's benefits in a lump-sum distribution in cash if the vested Account that is payable (as calculated within ninety (90) days prior to payment) does not exceed $500,000.

4.2 **Timing of Election of Benefit Forms.** The optional benefit form chosen pursuant to Section 4.1 must be elected, on a Form supplied by the Employer, before the Participant's Participation Date. Separate elections will be available with respect to Retirement or other Termination, death and Disability. Separate elections could be made by Participants in 2006, to apply after 2006. In 2008, Participants were (again) given the power to make separate elections, to apply after 2008. Elections (if made) in 2006 continue to apply after 2006, unless a new election is made in 2008, in which case the 2006 election will apply prior to 2009 and the 2008 election will apply after 2008. Should a Participant fail to elect how his Account is to be distributed, then his Account will be payable in a lump-sum distribution in cash. The foregoing provisions of this Section 4.2 are subject to the last sentence of Section 4.1, concerning lump-sum distributions.

4.3 **Delay and Acceleration**. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, benefit payments will be delayed if the Committee believes that delay is necessary to: (a) cause payments not to exceed the limit of Code Section 162(m); (b) prevent a violation of Federal securities laws or other laws; or (c) satisfy the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Delay may also be applied by the Committee due to events and conditions prescribed by the Internal Revenue Service. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, benefit payments will be accelerated if the Committee believes that acceleration is necessary to: (a) comply with a domestic relations order that is legally binding with respect to the Plan; (b) comply with an ethics agreement with the Federal government; (c) comply with a federal, state, local or foreign ethics law or conflicts of interest law; (d) pay FICA tax or income taxes payable as a result of the FICA tax payment on Plan benefits; or (e) resolve a bona fide dispute as to a right to payment.

ARTICLE V

Accounts, Earnings and Investments

5.1 **Accounts.** Accounts will be created for Participants, to which amounts credited under Section 3.1 will be added. Credits will be made even though amounts are not contributed to an HCA 401(k) trust by Employer. Accounts will be debited (i.e., reduced) by any distributions to, or on account of, the Participant.

5.2 **Earnings.** Accounts will be credited with earnings and debited with losses on the basis (i.e., daily, monthly, etc.) applied under the HCA 401(k) Plan. Accounts will be credited with the earnings (or loss) rate actually earned by the Mix B Fund of the HCA 401(k) Plan or any successor fund thereto.

ARTICLE VI

Timing of Distributions

6.1 **Death.** In the event of the death of a Participant, such Participant's vested Account balance (or remaining Account, if installment payments have begun) will be paid to the payees entitled to death benefits under the 401(k) Plan in the proportions applicable under the 401(k) Plan (whether pursuant to a death beneficiary designation or otherwise) in the form applicable under Sections 4.1 and 4.2. If a lump-sum distribution is payable, it will be paid as soon as administratively feasible following death (but no later than the 15th day of the third month following the month of death). If installment payments are payable, then the first installment will be paid during the month of July of the calendar year following the calendar year during which death occurred. (If installment payments have already begun, the remaining installments will be paid to the death beneficiary(ies).) No additional benefits will be payable thereafter to anyone with respect to such Participant or his benefits.

6.2 **Disability.** In the event of the Disability of a Participant prior to Retirement, such Participant's vested Account balance will be paid (or begin being paid, in the case of an election to receive installments) in the benefit form applicable under Sections 4.1 and 4.2.

If a lump-sum distribution option was elected, then such distribution will be made as soon as administratively feasible following receipt by the Committee of proof of Disability (but no later than the 15th day of the third month following the month of the Disability determination). If the installments option was elected, then the initial installment payment will be paid during the month of July of the calendar year following the calendar year of Disability determination, except that no Disability payment(s) will be made unless the Committee receives proof of Disability. In order to be eligible to receive benefits attributable to being Disabled, a Participant must file a claim for Disability benefits within three (3) months of termination of employment, and must notify the Committee of the Social Security Administration's determination of Disability within three (3) months of the date of determination. If benefits have already been paid to the Participant and supplemental benefits are payable due to the Disability determination, such supplemental benefits will be paid pursuant to the foregoing provisions of this Section 6.2. If a Participant who is receiving installment payments becomes Disabled, no changes will be made to the installment payments he is entitled to receive.

6.3 **Retirement and Termination Distributions.** In the event of Retirement, Termination, or termination of employment for a reason other than death, Retirement or Disability, a Participant's benefits will be paid in the benefit form elected under Article IV. If a lump-sum distribution option was elected, then such distribution will be made during July of the calendar year next following the calendar year in which Termination, Retirement or termination of employment for a reason other than death, Retirement or Disability occurs. If installment payments were elected, then the initial installment payment will be made during July of such next following calendar year. Subsequent installments will be paid during the month of July for each succeeding year. If the Participant elected to receive installments and has terminated employment, subsequent Disability of the Participant will have no impact on the installment payments being made.

6.4 **Change in Control.** In the event of a Change in Control, the Retirement age will be age 60, instead of age 65. In the event of Termination either by Employer (or the successor employer) when Cause does not exist or by Employee when Good Reason exists, within six (6) months before or after the Change in Control, the noncompete provisions of Section 7.3 will not apply.

6.5 **No Other Distributions.** Distributions will be paid only upon the events described in this Article VI that supply a right to a distribution.

ARTICLE VII

Rights of Participants; Forfeitability

7.1 **General Creditors.** Participants have the status of general unsecured creditors of Employer. The Plan constitutes a mere promise by Employer to make benefit payments in the future. It is the intention of the Employer that the arrangements provided herein be "unfunded" for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"). The accounts of Participants will be maintained as bookkeeping entries by the Committee or its agent. Benefits will be paid from the Employer's general assets, except to the extent they are paid from a "rabbi trust" established by the Employer.

7.2 **Vesting of Benefits.** A Participant will be fully vested in his Account if he ceases to be an Employee due to: (a) Retirement; (b) death; or (c) Disability. Otherwise, a Participant will be 20 percent, 40 percent, 60 percent, 80 percent or 100 percent vested in his Account upon completion of 2, 3, 4, 5 and 6 Years of Service, respectively. If a Participant who is partially vested in his Account terminates employment and receives a distribution of his vested Account, the nonvested portion of his Account will be forfeited. In the event a Participant who terminated employment and received a distribution of his vested Account is later rehired, his Years of Service that existed under the Plan prior to termination of employment (but not his prior Account or any portion thereof) will be restored if his prior Years of Service under the HCA 401(k) Plan (as calculated with respect to his matching contributions account) is restored under the HCA 401(k) Plan. For this purpose, a Participant who was zero percent (0%) vested in his Account upon termination of employment will be entitled to have his prior Years of Service under the Plan restored if (and only if) his prior vesting service under the HCA 401(k) Plan is restored. Notwithstanding the foregoing vesting provisions, the Plan Sponsor will be under no obligation to fund the Plan via trust arrangement or otherwise, and benefits will be payable only if the provisions of Article VI so provide.

7.3 **Noncompete.** Subject to the second sentence of Section 6.4, a Participant who renders services for any health care organization at any time within the five (5) year period immediately following Disability, Termination, or Retirement will forfeit his right to any further payments or benefits from the Plan and will repay to the Employer the total amount of payments already made to him from (or with respect to) the Plan. All or part of the provisions of the preceding sentence may be waived by: (a) the Chairman of the Board, with respect to Participants who are not executive officers; and (b) the Committee, with respect to any Participant.

ARTICLE VIII

Administration and Miscellaneous

8.1 **Administration.** The Committee will have discretionary authority to administer and interpret this Plan in accordance with the provisions of the Plan. Any determination or decision by the Committee will be conclusive and binding on all persons who at any time have or claim to have any interest whatsoever under this Plan. The same powers will apply to the Benefits Appeals Committee, with respect to handling of appeals of denied claims.

8.2 **Liability of Committee, Indemnification.** To the extent permitted by law, no member of the Committee will be liable to any person for any action taken or omitted in connection with the interpretation and administration of this Plan unless attributable to his own gross negligence or willful misconduct. Employer shall indemnify each member of the Committee against any and all claims, losses, damages and expenses incurred, including counsel fees, and against any liability, including any amounts paid in settlement with the Committee member's approval, arising from action or failure to act, except when the same is judicially determined to be attributable to gross negligence or willful misconduct of the member.

8.3 **Expenses and Books and Records.** The books and records to be maintained for the purpose of the Plan, if any, shall be maintained by the officers and employees of

Employer at its expense and subject to the supervision and control of the Committee. All expenses of administering the Plan will be paid by Employer.

8.4 **Benefits Not Assignable.** To the extent permitted by law, the right of any Participant in any benefit or to any payment hereunder shall not be subject in any manner to attachment or other legal process for the debts of such Participant; and any such benefit or payment shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of the Participant. Any attempt by Participant to anticipate, alienate, sell, pledge, or encumber benefits will, unless the Committee directs otherwise, result in forfeiture of entitlement to future payments or benefits. However, the terms of a domestic relations order that meets the requirements of a Qualified Domestic Relations Order ("QDRO"), as defined in Code section 414(p), will be honored if it provides for payment of a lump-sum distribution within the two month period beginning one month after submission of the order to the Committee.

8.5 **Governing Law.** All rights and benefits hereunder shall be governed and construed in accordance with the laws of the State of Delaware, except to the extent that federal law supercedes or preempts state law.

8.6 **Adoption by Subsidiaries Not Necessary.** Employees of the Company and its Subsidiaries are potentially eligible to participate, and no separate adoption agreements are necessary by any Employee's employer.

8.7 **Severability.** In the event that any provision of this Plan will be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Plan but will be fully severable and this Plan will be construed and enforced as if said illegal or invalid provision had never been inserted herein. However, after deletion or elimination of any illegal or invalid provisions, the remaining provisions of the Plan will be construed in a manner so as to achieve, as closely as possible, the intent and objectives of the Plan, as provided by reading the Plan in its (pre-deletion) entirety.

8.8 **Construction**. The article and section headings and numbers are included only for convenience of reference and are not to be taken as limiting or extending the meaning of any of the terms and provisions of this Plan. Whenever appropriate, words used in the singular shall include the plural or the plural may be read as the singular.

8.9 **Information to Be Furnished.** Participants shall provide the Employer and the Committee with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.

8.10 **Tax Withholding**. All benefit payments made to or in respect of a Participant under the Plan, as well as other interests of a Participant under the Plan, will be subject to all income and employment tax withholdings and other deductions required by federal, state or local law.

8.11 **Pre-2008 Provisions.** Notwithstanding any provision in this Plan to the contrary except Section 10.1, the Plan will be administered pursuant to the terms the Appendix for 2007, except the cash-out provision of Section 4.1 of the Appendix will apply for the period beginning on July 1, 2006 and ending on December 31, 2007. Prior to 2007, the terms of

the original 2001 Plan will apply, except that: (a) any changes necessitated by the American Jobs Creation Act of 2004 (AJCA) will be effective on the date(s) required by the AJCA, as determined by the Committee; (b) after 2004, for any period during which the common stock of the Company is publicly-traded on an established securities market or otherwise, payments to any Participant will not begin until six (6) months have elapsed after termination of employment; and (c) the cash-out provisions of Section 4.1 as described in the preceding sentence, will apply beginning on July 1, 2006.

8.12 **Errors in Account Statements, Deferrals or Distributions.** In the event of an error in a deferral amount (i.e. employer allocation amount), consistent with and as permitted by any correction procedures provided in regulations or IRS guidance established under IRC Section 409A, the error will be corrected. In the event of an error in a distribution, the over or under payment will be corrected by payment to or collection from the Participant consistent with any correction procedures provided in regulations or IRS guidance established under IRC Section 409A. In the event of an overpayment, the Company may, at its discretion, offset other amounts payable to the Participant from the Company (including but not limited to salary, bonuses, expense reimbursements, severance benefits or other employee compensation benefit arrangements, as allowed by law and subject to compliance with IRC Section 409A) to recoup the amount of such overpayment(s).

8.13 **Employment Not Guaranteed.** Nothing contained in the Plan nor any action taken hereunder will be construed as a contract of employment or as giving any Participant any right to continue the provision of services in any capacity whatsoever to the Company.

8.14 **Successors of the Company.** The rights and obligations of the Company under the Plan will inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

8.15 **Notice.** Any notice of filing required or permitted to be given to the Company or the Participant under this Agreement will be sufficient if in writing and hand-delivered, or sent by registered or certified mail, in the case of the Company, to the principal office of the Company, directed to the attention of the Committee, and in the case of the Participant, to the last known address of the Participant indicated on the employment records of the Company. Such notice will be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Notices to the Company or the Participant may be permitted by electronic communication according to specifications established by the Committee.

ARTICLE IX

Amendment of Plan

9.1 **Amendment.** The Plan may be amended in whole or in part in any manner from time to time by the Board or by the Committee. However, no amendment may reduce the benefits accrued through the date of the amendment. For this purpose, an optional form of benefit or a benefit payment option will be considered neither benefits accrued nor an accrued benefit, provided that (a) no amendment may be adopted after a Change in Control (or within six (6) months before a Change in Control) that would defer the timing of when benefits begin, and (b) on and after the date of a Change in Control, the benefit payment methods available to Participants must include a benefit payout method that

supplies payments that equal or exceed the payments that would be made if installments were paid over ten (10) years.

ARTICLE X

Termination of Plan

10.1 **Plan May Be Terminated At Any Time.** The Plan has been created by Employer voluntarily. Employer reserves the right to terminate the Plan at any time by action of the Board or the Committee. In the event of termination, no additional Benefits will accrue after the date of the Plan's termination. Termination Benefits will be payable if the termination does not occur proximate to a downturn in the financial health of the Company, and (a) all other non-elective account balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) are terminated when the Plan is terminated, and (b) benefits under the Plan and benefits under all non-elective account balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) that accrued after 2004 will continue to be paid under the ordinary distribution provisions for the 12-month period beginning on the termination date, and remaining post-2004 benefits will be distributed during the 12-month period beginning 12 months after the termination date. In the event that distributions are made pursuant to the preceding sentence, neither the Company nor any affiliated employer (pursuant to Code Sections 414(b), (c) and (m)) will adopt a non-elective account balance plan within three (3) years after the termination date. Benefits that accrued prior to 2005 will be distributed under the termination provisions that existed on September 30, 2004 as soon as administratively feasible following the termination date. In accordance with the timing rules and requirements of the Code Section 409A regulations, Benefits will also be distributed in the event the Company files bankruptcy, and the bankruptcy court approves of termination in accordance with 11 U.S.C. §503(b)(1)(A).

ARTICLE XI

Claims Procedure

11.1 **Filing of Claim**. A Participant or Beneficiary shall make a claim for benefits under the Plan by filing a written request with the Committee upon a form to be furnished to him for such purpose. The Committee shall process claims for benefits on the basis of the records of the Committee and the Company. The Committee shall determine all questions arising in the administration, interpretation and application of the Plan. All such determinations will be final, conclusive and binding, except to the extent that they are appealed in accordance with the claims procedure provided in this Article.

11.2 **Denial of Claim**. If a claim is wholly or partially denied, the Committee shall furnish the Participant or Beneficiary with written notice of the denial within a reasonable period of time after receipt of the claim by the Committee. This period will not exceed ninety (90) days after the date the original claim was filed, except that if special circumstances require an extension of time for processing, a decision will be rendered as soon as possible, but in no event later than one hundred and eighty (180) days after receipt of the claim. In the event that an extension of time is necessary, the Committee shall notify the claimant of such need; the reason(s) therefor; and the extension period prior to the

expiration of the ninety (90) day review period. Any notice of denial will provide (a) the reason for denial; (b) specific reference to pertinent Plan provisions on which the denial is based; (c) a description of any additional information needed to perfect the claim and an explanation of why such information is necessary; (d) an explanation of the Plan's claims procedure; (e) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claimant's claim; and (f) a statement notifying the claimant of his right to file a civil action under ERISA § 502(a), following an adverse determination on appeal.

11.3 **Review of Denial**. The Participant or Beneficiary shall have sixty (60) days from receipt of a denial notice in which to make a written application for review by the Benefits Appeals Committee. The Participant or Beneficiary will have the right to (a) representation; (b) review pertinent documents; and (c) submit written comments, documents, records and other information relating to the claim. Upon request, a claimant shall be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. In considering an appeal, the Benefits Appeals Committee shall review and consider any written comments submitted by the Participant or by the Participant's duly authorized representative, however, the right to appeal does not require the Benefits Appeals Committee to allow the Participant or the Participant's representative to appear in person.

11.4 **Decision Upon Review**. The Benefits Appeals Committee shall issue a decision on such review within a reasonable period of time after receipt of an application for review as provided in Section 11.3. Except to the extent permitted by Department of Labor regulations (including the quarterly meetings exception of 29 CFR §2560.503-1(i)(1)(ii)), the period of time in which a decision shall be issued shall not exceed sixty (60) days after receipt of an application for review, except that if special circumstances require an extension of time for processing, a decision on review will be rendered as soon as possible, but in no event later than one hundred and twenty (120) days after receipt of an application for review. The time frame for response will be tolled for any period during which the Benefits Appeals Committee is awaiting the receipt of information. In the event that an extension of time is necessary, the Benefits Appeals Committee shall notify the claimant of such need; the reason(s) therefore; and extension period prior to expiration of the sixty (60) day review period. If it is adverse to the claimant, the decision upon review will set forth: (a) the specific reason(s) for the adverse determination; (b) reference to the specific Plan provision(s) on which the determination is based; (c) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim; and (d) a statement notifying the Participant of his right to file a civil action under ERISA § 502(a).

IN WITNESS WHEREOF, the Company has caused this Plan to be executed this 22nd day of October, 2008.

COMPANY:

HCA Inc.
a Delaware Corporation

By: /s/ Sabrina Ruderer
Vice President Compensation & Benefits

APPENDIX OF THE
HCA
RESTORATION PLAN

This Appendix describes the terms of the Plan for 2007, except the $500,000 cash-out provision of Section 4.1 will apply for the period beginning on July 1, 2006 and ending on December 31, 2007.

ARTICLE I

Definitions

"Account" means the account, including any subaccounts, established on behalf of each Participant in the Plan.

"Benefits Appeals Committee" means the Benefits Appeals Committee of HCA Inc.

"Board" means the Board of Directors of the Company.

"Cause" means the Participant's commission of a felony or other violation of law involving embezzlement, fraud, or other material breach of the Participant's duty of loyalty to the Employer which results in harm to the Employer. The determination of whether Cause exists will be made by the Committee after conducting a reasonable investigation and providing the Participant with an opportunity to present evidence on his behalf.

"Change in Control" means: (a) a change in ownership of the Company; (b) a change in effective control of the Company; or (c) a change in the ownership of a substantial portion of the assets of the Company. For purposes of the preceding sentence: (a) a "change in ownership of the Company" means the acquisition by one person or entity or a group of persons and/or entities of greater than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company (when such acquirer(s) previously owned less than fifty percent (50%) of the value and voting power of such stock); (b) a "change in effective control of the Company" means either: (i) the acquisition by one person or entity or a group of persons and/or entities within a 12-month period of ownership of stock of the Company possessing thirty percent (30%) or more of the total voting power; or (ii) a replacement of a majority of the Company's board of directors during a 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Company's board of directors prior to such appointment or election; and (c) a "change in ownership of a substantial portion of the assets of the Company" means acquisition by any person or entity or a group of persons and/or entities during a 12-month period of assets from the Company that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of all of the assets of the Company immediately prior to acquisition, provided that a sale to a related person or entity or a group of related persons and/or

entities will not constitute a change in ownership of a substantial portion of the assets of the Company. The foregoing provisions will be interpreted in accordance with the applicable final regulations issued under Code Section 409A with respect to the definition of a change in control.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder.

"Committee" means the Compensation Committee of the Company.

"Company" means HCA Inc., a Delaware corporation, and any corporate successor(s) thereto.

"Compensation" means compensation as defined in the Retirement Plan, without consideration of the Code Section 401(a)(17).

"Disability" means mental or physical disability as determined under the Retirement Plan.

"Employee" means an employee of Employer.

"Employer" means the Company or any Subsidiary.

"Good Reason" means: (a) material diminution of position, as determined by the Committee; (b) material reduction of compensation and/or benefits, as determined by the Committee; or (c) relocation beyond fifty (50) miles from Employee's current office.

"Participant" means, except as provided in the second sentence of Section 2.2, an Employee: (a) with respect to whom contributions to his account under the Retirement Plan have been limited for one or more calendar years due to the limitation of Code Section 401(a)(17); and (b) who has not received all of the benefits to which he/she is entitled under the Plan, as determined by the Committee.

"Plan" means this HCA Restoration Plan, as it may be amended from time to time.

"Plan Sponsor" means HCA Inc. or any successor(s) thereto.

"Plan Year" means the calendar year.

"Retirement" means physical retirement from employment with Employer and all affiliated employers at or after attainment of age 65. With respect to a Participant on leave of absence, retirement will be deemed to occur if (and only if) the leave period exceeds six (6) months (and retirement will be deemed to occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case retirement will not be deemed to occur).

"Retirement Plan" means the HCA Retirement Plan, a tax-qualified plan maintained by Employer, as amended from time-to-time.

"Subsidiary" means a company or an unincorporated organization with which the Company is affiliated under Code Sections 414(b), (c), or (m).

"Termination" means cessation of employment with Employer and all affiliated employers for any reason other than Disability, Retirement or death. With respect to a Participant on leave of absence, termination of employment will be deemed to occur if (and only if) the leave period exceeds six (6) months (and termination will be deemed to occur on the first day after expiration of such six-month period), unless the Participant's right to reemployment is guaranteed by law or contract (in which case termination will not be deemed to occur).

"Year of Service" means a Year of Service, as defined in the Retirement Plan, including any Years of Service credited under the Retirement Plan due to service with a prior employer. Years of Service shall include Years of Service performed prior to 2001 under the Retirement Plan (or any predecessor plan thereto).

ARTICLE II

Participation

2.1 **General.** The Plan is intended to qualify as a "top hat" plan under 29 U.S.C. § 1051(2). Accordingly, only a select group of management or highly compensated employees of the Company and its Subsidiaries may participate in the Plan. Any provision of this Plan or any action taken by the Board, the Committee or Employer, which would cause the Plan to fail to qualify as a top hat plan, under 29 U.S.C. § 1051(2) will be void.

2.2 **Election to Participate Not Necessary.** An Employee participating in the Retirement Plan with respect to whom contributions under the Retirement Plan are limited due to Code section 401(a)(17) for a Plan Year will be a Participant with respect to such Plan Year.

ARTICLE III

Amounts Credited to Accounts

3.1 **Amounts Credited.** Following the end of each Plan Year, on the date contributions are made to the Retirement Plan, the Account of each Participant will be credited with the amount which would have been contributed to the Retirement Plan on his behalf in the form of Employer contributions and allocated forfeitures but for Code Section 401(a)(17), less amounts actually credited to his accounts for such Plan Year under the Retirement Plan in the form of Employer contributions and allocated forfeitures. As described in Section 5.2, earnings (or losses) shall be credited at the rate earned (or lost) under the Retirement Plan.

ARTICLE IV

Optional Benefit Forms, Elections and Timing of Benefit Payments

4.1 **Optional Benefit Forms.** All benefits under the Plan will be paid in cash. As provided in Section 4.2, a Participant may elect to receive his benefits in one of three (3) forms:

(d) a lump-sum distribution;

(e) five (5) installments payable over a five (5) year period; or

(f) ten (10) installments payable over a ten (10) year period.

Installment payments shall be calculated by dividing the Participant's Account by the number of installments remaining. Notwithstanding the preceding provisions of this Section, effective July 1, 2006, the Committee will pay a Participant's benefits in a lump-sum distribution in cash if the vested Account that is payable (as calculated within ninety (90) days prior to payment) does not exceed $500,000.

4.2 **Timing of Election of Benefit Forms.** The optional benefit form chosen pursuant to Section 4.1 must be elected, on a Form supplied by the Employer, before the first day of February immediately following the first year of participation. Separate elections will be available with respect to Retirement or other Termination, death and Disability. Separate elections could be made by Participants in 2006, to apply after 2006. Those elections (if made) apply for 2007. Should a Participant fail to elect how his Account is to be distributed, then his Account will be payable in a lump-sum distribution in cash. The foregoing provisions of this Section 4.2 are subject to the last sentence of Section 4.1, concerning lump-sum distributions.

4.3 **Delay and Acceleration**. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, benefit payments will be delayed if the Committee believes that delay is necessary to: (a) cause payments not to exceed the limit of Code Section 162(m); (b) prevent a violation of Federal securities laws or other laws; or (c) satisfy the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Delay may also be applied by the Committee due to events and conditions prescribed by the Internal Revenue Service. Notwithstanding any other provision of this Plan to the contrary, in accordance with applicable Treasury regulations, benefit payments will be accelerated if the Committee believes that acceleration is necessary to: (a) comply with a domestic relations order that is legally binding with respect to the Plan; (b) comply with an ethics agreement with the Federal government; (c) comply with a federal, state, local or foreign ethics law or conflicts of interest law; (d) pay FICA tax or income taxes payable as a result of the FICA tax payment on Plan benefits; or (e) resolve a bona fide dispute as to a right to payment.

ARTICLE V

Accounts, Earnings and Investments

5.1 **Accounts.** Accounts shall be created for Participants, to which amounts credited under Section 3.1 shall be added. Credits shall be made even though amounts are not contributed to a trust by Employer. Accounts shall be debited (i.e., reduced) by any distributions to, or on account of, the Participant.

5.2 **Earnings.** Accounts shall be credited with earnings and debited with losses on the basis (i.e., daily, monthly, etc.) applied under the Retirement Plan. Accounts shall be credited with the earnings (or loss) rate actually earned under the Retirement Plan.

ARTICLE VI

Timing of Distributions

6.1 **Death.** In the event of the death of a Participant, such Participant's vested Account balance (or remaining Account, if installment payments have begun) will be paid to the payees entitled to death benefits under the Retirement Plan in the proportions applicable under the Retirement Plan (whether pursuant to a death beneficiary designation or otherwise) in the form applicable under Sections 4.1 and 4.2. If a lump-sum distribution is payable, it will be paid as soon as administratively feasible following death (but no later than the 15th day of the third month following the month of death). If installment payments are payable, then the first installment will be paid during the month of July of the calendar year following the calendar year during which death occurred. (If installment payments have already begun, the remaining installments will be paid to the death beneficiary(ies).) No additional benefits will be payable thereafter to anyone with respect to such Participant or his benefits.

6.2 **Disability.** In the event of the Disability of a Participant prior to Retirement, such Participant's vested Account balance will be paid (or begin being paid, in the case of an election to receive installments) in the benefit form applicable under Sections 4.1 and 4.2. If a lump-sum distribution option was elected, then such distribution will be made as soon as administratively feasible following receipt by the Committee of proof of Disability (but no later than the 15th day of the third month following the month of the Disability determination). If the installments option was elected, then the initial installment payment will be paid during the month of July of the calendar year following the calendar year of Disability determination, except that no Disability payment(s) will be made until the Committee receives proof of Disability. In order to be eligible to receive benefits attributable to being Disabled, a Participant must file a claim for Disability benefits within three (3) months of termination of employment, and must notify the Committee of the Social Security Administration's determination of Disability within three (3) months of the date of determination. If benefits have already

been paid to the Participant and supplemental benefits are payable due to the Disability determination, such supplemental benefits will be paid pursuant to the foregoing provisions of this Section 6.2. If a Participant who is receiving installment payments becomes Disabled, no changes will be made to the installment payments he is entitled to receive.

6.3 **Retirement and Termination Distributions.** In the event of Retirement or Termination, a Participant's benefits shall be paid in the benefit form elected under Article IV. If a lump-sum distribution option was elected, then such distribution will be made during July of the calendar year next following the calendar year in which Termination or Retirement occurs. If installment payments were elected, then the initial installment payment shall be made during July of such next following calendar year. Subsequent installments will be paid during the month of July for each succeeding year. If the Participant elected to receive installments and has terminated employment, subsequent Disability of the Participant will have no impact on the installment payments being made.

6.4 **Change in Control.** In the event of a Change in Control, the Retirement age shall be age 60, instead of age 65. In the event of Termination either by Employer (or the successor employer) when Cause does not exist or by Employee when Good Reason exists, within six (6) months before or after the Change in Control, the noncompete provisions of Section 7.3 will not apply.

6.5 **No Other Distributions.** Distributions will be paid only upon the events described in this Article VI that supply a right to a distribution.

ARTICLE VII

Rights of Participants; Forfeitability

7.1 **General Creditors.** Participants have the status of general unsecured creditors of Employer. The Plan constitutes a mere promise by Employer to make benefit payments in the future. It is the intention of the Employer that the arrangements provided herein be "unfunded" for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"). The accounts of Participants shall be maintained as bookkeeping entries by the Committee or its agent. Benefits shall be paid from the Employer's general assets, except to the extent they are paid from a "rabbi trust" established by the Employer.

7.2 **Vesting of Benefits.** A Participant shall be fully vested in his Account if he ceases to be an Employee due to: (a) Retirement; (b) death; or (c) Disability. Otherwise, a Participant shall be 20 percent, 40 percent, 60 percent, 80 percent or 100 percent vested in his Account upon completion of 2, 3, 4, 5 and 6 Years of Service, respectively. If a Participant who is partially vested in his Account terminates employment and receives a distribution of his vested Account, the nonvested portion of his Account will be forfeited. In the event a Participant who terminated employment and received a distribution of his vested Account is later

rehired, his vesting service that existed under the Plan prior to termination of employment (but not his prior Account or any portion thereof) will be restored if his prior vesting service under the HCA Retirement Plan is restored under the HCA Retirement Plan. For this purpose, a Participant who was zero percent (0%) vested in his Account upon termination of employment will be entitled to have his prior vesting service under the Plan restored if (and only if) his prior vesting service under the HCA Retirement Plan is restored. Notwithstanding the foregoing vesting provisions, the Plan Sponsor will be under no obligation to fund the Plan via trust arrangement or otherwise, and benefits will be payable only if the provisions of Article VI so provide.

7.3 **Noncompete.** Subject to the second sentence of Section 6.4, a Participant who renders services for any health care organization at any time within the five (5) year period immediately following Disability, Termination, or Retirement shall forfeit his right to any further payments or benefits from the Plan and shall repay to the Employer the total amount of payments already made to him from (or with respect to) the Plan. All or part of the provisions of the preceding sentence may be waived by: (a) the Chairman of the Board, with respect to Participants who are not executive officers; and (b) the Committee, with respect to any Participant.

ARTICLE VIII

Administration and Miscellaneous

8.1 **Administration.** The Committee shall have discretionary authority to administer and interpret this Plan in accordance with the provisions of the Plan. Any determination or decision by the Committee shall be conclusive and binding on all persons who at any time have or claim to have any interest whatsoever under this Plan. The same powers will apply to the Benefits Appeals Committee, with respect to handling of appeals of denied claims.

8.2 **Liability of Committee, Indemnification.** To the extent permitted by law, no member of the Committee shall be liable to any person for any action taken or omitted in connection with the interpretation and administration of this Plan unless attributable to his own gross negligence or willful misconduct. Employer shall indemnify each member of the Committee against any and all claims, losses, damages and expenses incurred, including counsel fees, and against any liability, including any amounts paid in settlement with the Committee member's approval, arising from action or failure to act, except when the same is judicially determined to be attributable to gross negligence or willful misconduct of the member.

8.3 **Expenses and Books and Records.** The books and records to be maintained for the purpose of the Plan, if any, shall be maintained by the officers and employees of Employer at its expense and subject to the supervision and control of the Committee. All expenses of administering the Plan shall be paid by Employer.

8.4 **Benefits Not Assignable.** To the extent permitted by law, the right of any Participant in any benefit or to any payment hereunder shall not be subject in any manner to attachment or other legal process for the debts of such Participant; and any such benefit or payment shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of the Participant. Any attempt by Participant to anticipate, alienate, sell, pledge, or encumber benefits shall, unless the Committee directs otherwise, result in forfeiture of entitlement to future payments or benefits. However, the terms of a domestic relations order that meets the requirements of a Qualified Domestic Relations Order ("QDRO"), as defined in Code section 414(p), will be honored.

8.5 **Governing Law.** All rights and benefits hereunder shall be governed and construed in accordance with the laws of the State of Delaware, except to the extent that federal law supercedes or preempts state law.

8.6 **Adoption by Subsidiaries Not Necessary.** Employees of the Company and its Subsidiaries are potentially eligible to participate, and no separate adoption agreements are necessary by any Employee's employer.

8.7 **Severability.** In the event that any provision of this Plan shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Plan but shall be fully severable and this Plan shall be construed and enforced as if said illegal or invalid provision had never been inserted herein. However, after deletion or elimination of any illegal or invalid provisions, the remaining provisions of the Plan shall be construed in a manner so as to achieve, as closely as possible, the intent and objectives of the Plan, as provided by reading the Plan in its (pre-deletion) entirety.

8.8 **Construction.** The article and section headings and numbers are included only for convenience of reference and are not to be taken as limiting or extending the meaning of any of the terms and provisions of this Plan. Whenever appropriate, words used in the singular shall include the plural or the plural may be read as the singular.

8.9 **Information to Be Furnished.** Participants shall provide the Employer and the Committee with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.

8.10 **Tax Withholding**. All benefit payments made to or in respect of a Participant under the Plan, as well as other interests of a Participant under the Plan, shall be subject to all income and employment tax withholdings and other deductions required by federal, state or local law.

8.11 **Pre-2008 Administration.** Notwithstanding any provision in this Plan to the contrary, prior to 2008, the Plan will be administered pursuant to the terms that

applied prior to this restatement, except that: (a) any changes necessitated by the American Jobs Creation Act of 2004 (AJCA) will be effective on the date(s) required by the AJCA, as determined by the Committee; and (b) after 2004, in no event will payments to any Participant begin before six (6) months have elapsed after termination of employment.

ARTICLE IX

Amendment of Plan

9.1 **Amendment.** The Plan may be amended in whole or in part in any manner from time to time by the Board or by the Committee, provided that the Committee may amend the Plan only with respect to matters that do not have a material financial impact on the Company or any Subsidiary. However, no amendment may reduce the benefits accrued through the date of the amendment. For this purpose, an optional form of benefit or a benefit payment option shall be considered neither benefits accrued nor an accrued benefit, provided that (a) no amendment may be adopted after a Change in Control (or within six (6) months before a Change in Control) that would defer the timing of when benefits begin, and (b) on and after the date of a Change in Control, the benefit payment methods available to Participants must include a benefit payout method that supplies payments that equal or exceed the payments that would be made if installments were paid over ten (10) years.

ARTICLE X

Termination of Plan

10.1 **Plan May Be Terminated At Any Time.** The Plan has been created by Employer voluntarily. Employer reserves the right to terminate the Plan at any time by action of the Board. In the event of termination, no additional Benefits will accrue after the date of the Plan's termination. Termination Benefits will be payable if the termination does not occur proximate to a downturn in the financial health of the Company, and (a) all other non-elective account balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) are terminated when the Plan is terminated, and (b) benefits under the Plan and benefits under all non-elective account balance plans and arrangements of the Company and all employers affiliated thereto (pursuant to Code Sections 414(b), (c) and (m)) that accrued after 2004 will continue to be paid under the ordinary distribution provisions for the 12-month period beginning on the termination date, and remaining post-2004 benefits will be distributed during the 12-month period beginning 12 months after the termination date. In the event that distributions are made pursuant to the preceding sentence, neither the Company nor any affiliated employer (pursuant to Code Sections 414(b), (c) and (m)) will adopt a non-elective account balance plan within three (3) years after the termination date. Benefits that accrued prior to 2005 will be distributed under the termination provisions that existed on

September 30, 2004 as soon as administratively feasible following the termination date. In accordance with the timing rules and requirements of the Code Section 409A regulations, Benefits will also be distributed in the event the Company files bankruptcy, and the bankruptcy court approves of termination in accordance with 11 U.S.C. §503(b)(1)(A).

ARTICLE XI

CLAIMS PROCEDURE

11.1 **Filing of Claim**. A Participant or Beneficiary shall make a claim for benefits under the Plan by filing a written request with the Committee upon a form to be furnished to him for such purpose. The Committee shall process claims for benefits on the basis of the records of the Committee and the Company. The Committee shall determine all questions arising in the administration, interpretation and application of the Plan. All such determinations shall be final, conclusive and binding, except to the extent that they are appealed in accordance with the claims procedure provided in this Article.

11.2 **Denial of Claim**. If a claim is wholly or partially denied, the Committee shall furnish the Participant or Beneficiary with written notice of the denial within a reasonable period of time after receipt of the claim by the Committee. This period will not exceed ninety (90) days after the date the original claim was filed, except that if special circumstances require an extension of time for processing, a decision will be rendered as soon as possible, but in no event later than one hundred and eighty (180) days after receipt of the claim. In the event that an extension of time is necessary, the Committee shall notify the claimant of such need; the reason(s) therefor; and the extension period prior to the expiration of the ninety (90) day review period. Any notice of denial shall provide (a) the reason for denial; (b) specific reference to pertinent Plan provisions on which the denial is based; (c) a description of any additional information needed to perfect the claim and an explanation of why such information is necessary; (d) an explanation of the Plan's claims procedure; (e) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claimant's claim; and (f) a statement notifying the claimant of his right to file a civil action under ERISA § 502(a), following an adverse determination on appeal.

11.3 **Review of Denial**. The Participant or Beneficiary shall have sixty (60) days from receipt of a denial notice in which to make a written application for review by the Benefits Appeals Committee. The Participant or Beneficiary shall have the right to (a) representation; (b) review pertinent documents; and (c) submit written comments, documents, records and other information relating to the claim. Upon request, a claimant shall be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. In considering an appeal, the Benefits Appeals Committee shall review and consider any written comments submitted by the Participant or

by the Participant's duly authorized representative, however, the right to appeal does not require the Benefits Appeals Committee to allow the Participant or the Participant's representative to appear in person.

Decision Upon Review. The Benefits Appeals Committee shall issue a decision on such review within a reasonable period of time after receipt of an application for review as provided in Section 11.3. Except to the extent permitted by Department of Labor regulations (including the quarterly meetings exception of 29 CFR §2560.503-1(i)(1)(ii)), the period of time in which a decision shall be issued shall not exceed sixty (60) days after receipt of an application for review, except that if special circumstances require an extension of time for processing, a decision on review will be rendered as soon as possible, but in no event later than one hundred and twenty (120) days after receipt of an application for review. The time frame for response shall be tolled for any period during which the Benefits Appeals Committee is awaiting the receipt of information. In the event that an extension of time is necessary, the Benefits Appeals Committee shall notify the claimant of such need; the reason(s) therefore; and extension period prior to expiration of the sixty (60) day review period. If it is adverse to the claimant, the decision upon review shall set forth: (a) the specific reason(s) for the adverse determination; (b) reference to the specific Plan provision(s) on which the determination is based; (c) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim; and (d) a statement notifying the Participant of his right to file a civil action under ERISA § 502(a).

Exhibit 10.28(b)

HCA INC.
AMENDMENT NO. 1 TO THE
2008-2009 SENIOR OFFICER
PERFORMANCE EXCELLENCE PROGRAM

This AMENDMENT shall amend the 2008-2009 Senior Officer Performance Excellence Program that has been previously adopted by the Compensation Committee (the "Committee") of the Board of Directors of HCA Inc. (the "Company").

WHEREAS, the Committee has previously adopted the 2008-2009 Senior Officer Performance Excellence Program (the "Program"); and

WHEREAS, the Committee desires to amend the Annual Award Goals for the Executive Vice President and Chief Financial Officer of the Company for the 2009 Fiscal Year;

NOW, THEREFORE, the Program is hereby amended as follows:

1. The Annual Award Goals for the Executive Vice President and Chief Financial Officer of the Company for the 2009 Fiscal Year are hereby amended as follows:

	Threshold	Target	Maximum
	2009	2009	2009
Executive Vice President & CFO	40%	80%	160%

2. The Annual Award Goals for all other Participants (including all other Executive Vice Presidents and Group Presidents) shall remain as set forth in the Program.

3. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Program.

4. All other terms and conditions of the Program shall remain in full force and effect.

Exhibit 10.29(f)

EXECUTION COPY

AMENDED AND RESTATED EMPLOYMENT AGREEMENT
Jack O. Bovender, Jr.

This AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement") dated October 27, 2008 is entered into by and between HCA Inc. ("HCA" or the "Company") and Jack O. Bovender, Jr. (the "Executive").

In connection with the merger pursuant to that certain Agreement and Plan of Merger by and among HCA, Hercules Holding II, LLC and Hercules Acquisition Corporation, dated July 24, 2006 (the "Merger Agreement", and such transaction being the "Merger"), the Company entered into an employment agreement with Executive (the "Original Agreement") embodying the terms of his employment, effective as of the consummation of the Merger (the "Closing") on November 17, 2006 (the "Closing Date"); and

In connection with the retirement of Executive as the Chief Executive Officer of HCA effective December 31, 2008 (the "Effective Date") and continued employment as the executive Chairman of HCA, HCA and Executive desire to amend and restate the Original Agreement in its entirety as set forth in this Agreement, such amendment and restatement to be effective as of the Effective Date (except as otherwise provided herein).

In consideration of the promises and mutual covenants herein and for other good and valuable consideration, the parties agree as follows:

1. Term of Employment; Effectiveness. Executive shall continue to be employed by HCA Management Services, L.P., an affiliate of HCA, on the terms and subject to the conditions set forth in this Agreement for a period beginning on the Effective Date and ending on December 15, 2009 (the "Employment Term").

2. Position.

a. During the Employment Term, Executive shall serve as the executive Chairman of HCA. In such position, Executive shall have such duties, authority and responsibility as shall be required by and otherwise attendant to the office of executive Chairman and such other duties, authority and responsibility as shall be determined from time to time by the Board of Directors of HCA (the "Board"). Executive shall serve as a member of the Board during the Employment Term. Upon the expiration of the Employment Term or the earlier termination of this Agreement for any reason, Executive shall be deemed resigned as an officer and employee of HCA and its affiliates effective immediately upon such event.

b. During the Employment Term, Executive will devote substantially all of such Executive's business time and efforts to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the rendition of such services either directly or indirectly, without the prior written consent of the Board; provided that nothing herein shall preclude Executive, subject to the prior approval of the Board, from accepting appointment to or continue to serve on any board of directors or trustees of any business corporation or any

charitable organization; provided in each case, and in the aggregate, that such activities do not conflict or interfere with the performance of Executive's duties hereunder or conflict with Section 8.

3. Base Salary. During the Employment Term, HCA shall pay Executive a base salary (i) at the monthly rate of $135,000 for the first three months of the Employment Term, (ii) at the monthly rate of $86,957 for the next eight months of the Employment Term, and (iii) equal to $43,478 for the final 15 days of the Employment Term, payable in accordance with HCA's normal payroll practices (the "Base Salary").

4. Annual Bonus. Executive shall be entitled to the full amount of any annual bonus earned, but unpaid, as of the Effective Date for the year ended December 31, 2008 under the HCA Inc. 2008-2009 Senior Officer Performance Excellence Program (the "PEP"), which shall be paid to Executive in accordance with HCA's normal payroll practices (except to the extent payment is otherwise deferred pursuant to any applicable deferred compensation arrangement with HCA). Executive shall be eligible to earn a bonus for the calendar year 2009 (the "Annual Bonus") (which shall, to the extent practicable, be paid to Executive in accordance with HCA's normal payroll practices (except to the extent payment is otherwise deferred pursuant to any applicable deferred compensation arrangement with HCA or if otherwise agreed by HCA and Executive)) on the following terms:

The terms of the PEP shall be applied to Executive in 2009 to provide for a "target" bonus payout of $500,000 (the "Target Bonus"); if the 2009 target performance goals generally applicable to the PEP are met, Executive shall receive the Target Bonus, if such performance goals are met at "threshold" level, Executive shall receive bonus of 50% of such Target Bonus, and if such performance goals are met at the "maximum" level, Executive shall receive a bonus payout of 200% of such Target Bonus. Performance between threshold and maximum shall result in a bonus payment as determined by the compensation committee of the Company using interpolation methods generally used in the administration of the PEP. Subject to the terms and conditions of this Agreement, Executive will be eligible to receive the Annual Bonus notwithstanding that the Employment Term ends prior to December 31, 2009. The Annual Bonus will generally be administered consistently with the PEP, except as otherwise determined in the discretion of the compensation committee (provided that such determination is consistent with the determination for other executive officers). Executive shall also have an additional 2009 bonus opportunity of up to $250,000 based upon the achievement of certain objectives, as determined by the compensation committee of the Company (the "Additional Bonus").

5. Employee Benefits; Business Expenses; Office Space and Administrative Support.

a. During the Employment Term:

(i) Executive shall be entitled to participate in HCA's pension and welfare benefit, deferred compensation, and perquisite plans as in effect from time to time for senior executives of HCA other than: (a) after December 31, 2008, the HCA

Restoration Plan, and (b) after March 31, 2009, the HCA Supplemental Executive Retirement Plan, as amended (the "SERP") (such plans and benefits in which he shall participate, collectively "Employee Benefits"). For the avoidance of doubt, Executive shall continue to accrue benefits under the HCA Restoration Plan through December 31, 2008 and under the SERP through March 31, 2009; the full amount of such accrued benefits shall be paid to Executive under the terms of the relevant plan and any elections properly filed thereunder.

(ii) Notwithstanding any provision in the SERP to the contrary, Executive may change any previously-filed election regarding distributions from the SERP in order to elect to receive a lump sum distribution or distributions as a different form of annuity, provided that Executive shall have filed this change in election as to the form of payment with the Compensation Committee of the Board of Directors of the Company no later than December 31, 2008. If, prior to 2009, Executive elects a lump-sum payment, it will be paid as soon as administratively feasible during April of 2009. If an annuity is payable, the first payment will be made on April 30, 2009. Executive shall accrue benefits under the SERP through March 31, 2009 and, thereafter, Executive shall accrue no further benefits under the SERP.

(iii) Reasonable business expenses incurred by Executive in the performance of Executive's duties hereunder shall be reimbursed by HCA in accordance with HCA's policies. During the Employment Term, HCA shall also provide Executive with Director's and Officer's indemnification and insurance coverage to the extent that the Board determines to be reasonable, in its sole discretion, for a company of the nature and size of HCA.

b. The Company shall provide or, at the Company's election, reimburse Executive for reasonable office space, shared clerical support and office equipment (including reasonable supplies, furniture and fixtures). This arrangement shall continue until Executive reaches age 70 or upon the earlier written notice by the Executive, or immediately upon written notice by the Company following the Executive's termination for Cause (as defined below) or any uncured breach of his covenants set forth in Section 8 or 9 below.

c. All reimbursements and in-kind benefits described in this Section 5 shall be made within the time periods set forth in Treasury Reg. § 1.409A-3(i)(1)(iv) to the extent applicable.

6. Equity Arrangements. HCA has reserved 10% of the Option Pool to be granted on the following terms (these options being the "2x Time Options"). HCA agrees that after the Closing Date, it will grant 100% of the 2x Time Options to one or more of Jack Bovender, Richard Bracken, R. Milton Johnson, Samuel Hazen, W. Paul Rutledge, Beverly Wallace, and Charles Hall (the "Tier 1 Executives"). The individual allocations will be based upon each executive's contribution to HCA between the Closing and the date of grant as determined by the Board in consultation with the Chief Executive Officer (provided that the fact that Executive has left the position of Chief Executive Officer and/or the Employment Term may have expired or been terminated (other than for Cause) prior to the grant date will not be held against Executive in making such allocation and shall not preclude Executive from receiving 2x Time Options). A

percentage of the 2x Time Options will be vested and exercisable on the date of grant, such percentage corresponding to the percentage of the period measured between the Closing Date and the fifth anniversary of the Closing Date that has elapsed as of the grant date. The 2x Time Options will otherwise vest pursuant to the schedule generally used in connection with HCA's other time-vesting options, subject to Section 7(a)(ii) hereof. The 2x Time Options will have an exercise price of $102 per share (subject to adjustment to take into account any share splits, extraordinary cash dividends, or other adjustment events under Section 8 of the 2006 Stock Incentive Plan For Key Employees of HCA Inc. and its Affiliates (the "New Option Plan"), in any case made on or after Closing). The Board will in good faith attempt to time the grant of the 2x Time Options relatively near in time to but before the earlier of (i) a "Change in Control" or "Public Offering" as defined in the New Option Plan or (ii) the time at which the Board in its good faith judgment, believes that it is likely that the fair market value per share of HCA common stock will soon thereafter exceed the proposed exercise price of the 2x Time Options, but not later than the fifth anniversary of the Closing Date. The form of the award agreement for the 2x Time Options will otherwise be consistent with the terms of time-vesting options that the Executive was granted in connection with the Closing, provided, however, that, to the extent necessary to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), any 2x Time Options granted to Executive at a time when such options would not qualify as "service recipient stock" with respect to Executive (within the meaning of Section 1.409A-1(b)(5) of the Treasury Regulations) shall be exercisable only during the period beginning on the earlier of (i) a qualifying change of ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company (all within the meaning of Section 1.409A-(3)(i)(5) of the Treasury Regulations) or (ii) the earlier of (x) January 1 of the third fiscal year following the year in which the 2x Time Options are granted or (y) January 1, 2017, and in each case ending on the last date that would allow Executive to avoid any additional tax under Section 409A of the Code (which generally shall be the end of the taxable year of the Company in which the option become exercisable) or, if earlier, December 31, 2017. If an executive's employment is terminated, then any 2x Time Options which are forfeited (or 2x Time Option shares which are repurchased) would be re-issued to the other then-remaining Tier 1 Executives or the person who is chosen to replace the forfeiting Tier 1 Executive.

7. Retirement; Termination. Notwithstanding any other provision of this Agreement, the options under the New Option Plan (the "New Options"), HCA's shareholder's agreement or any other related agreements executed by Executive in connection with the Closing (such agreements, excluding this Agreement, collectively, the "Equity Agreements"), the provisions of this Section 7 shall exclusively govern Executive's rights upon termination of employment with the Company and its affiliates; provided that, except as modified below, the Equity Agreements shall remain in full force and effect in accordance with their terms.

a. Effective as of the expiration of the Employment Term or Executive's sooner voluntary termination for any reason (including by reason of death or disability, but other than for Good Reason (as defined below)):

(i) Executive shall be entitled to receive:

(A) any Base Salary earned, but unpaid, through the date of termination;

(B) any annual bonus earned, but unpaid, for the year ended December 31, 2008 under the PEP as of the date of termination, paid in accordance with Section 4 (except to the extent payment is otherwise deferred pursuant to any applicable deferred compensation arrangement with HCA);

(C) a pro rata portion of the Annual Bonus, if any, that Executive would have been entitled to receive pursuant to Section 4 hereof for the Fiscal Year in which the termination occurs, based upon HCA's actual results for the year of termination and the percentage of the year that shall have elapsed through the date of Executive's termination of employment, payable to Executive pursuant to Section 4 had Executive's employment not terminated (a "Prorated Bonus"); provided, that in the event the Additional Bonus has not been earned as of the termination date, the compensation committee of the Company shall consider in good faith whether or not all or a portion of such Additional Bonus shall be included as part of the Prorated Bonus;

(D) reimbursement, within 60 days following submission by Executive to HCA of appropriate supporting documentation, for any unreimbursed business expenses properly incurred by Executive in accordance with HCA policy prior to the date of Executive's termination; so long as claims for such reimbursement (accompanied by appropriate supporting documentation) are submitted to HCA within 90 days following the date of Executive's termination of employment;

(E) continued coverage under HCA's group health plans (on the same basis as such coverage was provided immediately prior to Executive's termination of employment) for Executive and his spouse as of the date of this Agreement until, in each case, the Executive and his spouse attains 65 years of age; and

(F) such Employee Benefits (including applicable disability, death, accrued vacation pay and, if applicable, continuing SERP benefits) as to which Executive may be entitled under the employee benefit plans of HCA.

(ii) The following will apply with respect to the Executive's equity awards:

(A) Neither the Executive nor the Company shall have any put or call rights with respect to Executive's options under the New Option Plan or stock acquired upon the exercise of any such options;

(B) Executive's "rollover" stock options will remain exercisable as if Executive's employment terminated by reason of "retirement" in accordance with the terms of the applicable equity plans and award agreements;

(C) The unvested New Options (including any issued 2x Time Options) held by the Executive that vest solely based on the passage of time will vest as if Executive's employment had continued through the next three anniversaries of their date of grant

(it being understood that any 2x Time Options issued after Executive's termination or retirement shall also continue to vest through the remainder of the extended vesting period referred to in this subclause (C));

(D) The unvested New Options held by Executive that are EBITDA performance options will remain outstanding and will vest, if at all, on the next four dates that they would have otherwise vested had Executive's employment continued, based upon the extent to which performance goals are met;

(E) The unvested New Options held by Executive that are "Investor Return" performance options will remain outstanding and will vest, if at all, on the dates that they would have otherwise vested had Executive's employment continued through the expiration of such options, based upon the extent to which performance goals are met; and

(F) Executive's New Options will remain exercisable until the second anniversary of the last date on which his EBITDA performance options are eligible to vest (which is December 31, 2014), except that (i) Executive's 2x Time Options will remain exercisable until the fifth anniversary of the last date on which his EBITDA performance options are eligible to vest (which is December 31, 2017), and (ii) Executive's "Investor Return" performance options will remain exercisable until the expiration of such options.

b. If Executive's employment is terminated by the Company without Cause (other than by reason of Executive's disability), or if Executive voluntarily resigns with Good Reason, Executive shall be entitled to receive the amounts and benefits described in Section 7(a) above, plus, subject to Executive's execution and delivery of a general release of claims against the Company and its affiliates in a form reasonably acceptable to the Company and Executive's continued compliance with the provisions of Sections 8 and 9, an amount (if any) equal to the Executive's Base Salary that would have been otherwise payable through the end of the Employment Term (which additional amount shall be paid no later than 45 days following the date of Executive's termination of employment).

c. If Executive's employment is terminated by the Company for Cause, Executive shall only be entitled to receive the amounts and benefits described in Section 7(a)(i) above, except that Executive shall not be entitled to receive the Pro Rated Bonus. Following such termination of Executive's employment by the Company for Cause, except as set forth in this Section 7(c) or the Equity Agreements, Executive shall have no further rights to any compensation or any other benefits from the Company or any of its affiliates; provided that Executive's vested New Options will remain exercisable until the first anniversary of the termination of Executive's employment.

d. For purposes of this Agreement, "Good Reason" shall mean:

(A) (I) a reduction in Executive's Base Salary or bonus opportunities or (II) the reduction of benefits payable to Executive under the SERP, in each case other than any isolated, insubstantial and inadvertent failure by the Company that is not in bad faith and is cured within ten (10) business days after Executive gives the Company written notice of such event; or

(B) a substantial diminution in Executive's title, duties and responsibilities, other than any isolated, insubstantial and inadvertent failure by the Company that is not in bad faith and is cured within ten (10) business days after Executive gives the Company written notice of such event; or

(C) a transfer of Executive's primary workplace to a location that is more than twenty (20) miles from his or her workplace as of the date of this Agreement.

For avoidance of doubt, Executive's change in title, duties, responsibilities, compensation (including Base Salary and bonus opportunities) and benefits as contemplated by this Agreement shall not be deemed Good Reason for purposes of the Original Agreement (or this Agreement).

e. For purposes of this Agreement, "Cause" shall mean Executive's:

(A) willful and continued failure to perform his or her material duties with respect to the Company or it subsidiaries which continues beyond ten (10) business days after a written demand for substantial performance is delivered to Executive by the Company (the "Cure Period"); or

(B) willful or intentional engaging by Executive in material misconduct that causes material and demonstrable injury, monetarily or otherwise, to the Company, the Sponsor Group (as defined in Section 8 below) or their respective affiliates; or

(C) conviction of, or a plea of *nolo contendere* to, a crime constituting (x) a felony under the laws of the United States or any state thereof or (y) a misdemeanor for which a sentence of more than six months' imprisonment is imposed; or

(D) willful and material breach of the Equity Agreements, or Executive's engaging in any action in breach of the covenants set forth in Section 8, which continues beyond the Cure Period (to the extent that, in the Board's reasonable judgment, such breach can be cured).

For purposes of this Section 7(e), an action will not be considered "willful" unless taken in bad faith or without the reasonable belief that it was in the best interest of HCA.

f. Board/Committee Resignation. Upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of such termination and to the extent applicable, from the board of directors (and any committees thereof) of the Company or any of the Company's affiliates to which the Executive was appointed as a result of Executive's employment with the Company or was appointed at the direction of the Sponsor Group.

8. Non-Competition; Non-Solicitation.

a. Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and, accordingly, agrees as follows:

(i) During the Employment Term and, for a period of twenty-four (24) months following the date Executive ceases to be employed hereunder for any reason (the "Restricted Period"), Executive will not directly or indirectly:

(A) engage in any business that competes with the business of the Company or its affiliates (including businesses which the Company or its affiliates have specific plans to conduct in the future, as to which the Company or its affiliates have taken steps towards commencing and as to which Executive has participated in such planning) in any geographical area where the Company or its affiliates manufactures, produces, sells, leases, rents, licenses or otherwise provides its products or services (a "Competitive Business");

(B) enter the employ of, or render any services to, any Person (or any division or controlled or controlling affiliate of any Person) who or which engages in a Competitive Business;

(C) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Agreement) between the Company or any of its affiliates and customers, clients, or suppliers of the Company or its affiliates.

(ii) Notwithstanding anything to the contrary in this Agreement, Executive may, directly or indirectly own, solely as an investment, securities of any Person engaged in the business of the Company or its affiliates which are publicly traded on a national or regional stock exchange or quotation system or on the over-the-counter market if Executive (x) is not a controlling person of, or a member of a group which controls, such person and (y) does not, directly or indirectly, own 5% or more of any class of securities of such Person.

(iii) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit or encourage any employee of the Company or its affiliates to leave the employment of the Company or its affiliates; or

(B) hire any such employee who was employed by the Company or its affiliates as of the date of Executive's termination of employment with the Company or who left the employment of the Company or its affiliates coincident with, or within one year prior to, the termination of Executive's employment with the Company.

(iv) During the Restricted Period, Executive will not, directly or indirectly, solicit or encourage to cease to work with the Company or its affiliates any consultant then under contract with the Company or its affiliates.

(v) Notwithstanding the foregoing, the term "affiliates" as used in Section 8(a) will not include any member of the Sponsor Group (as defined below) or their

affiliates that are not engaged in Competitive Business. For purposes of this Agreement, the term "Sponsor Group" shall mean Bain Capital Partners LLC, Kohlberg Kravis Roberts & Co. L.P., and Merrill Lynch Global Private Equity.

b. It is expressly understood and agreed that although Executive and the Company consider the restrictions contained in this Section 8 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Agreement is an unenforceable restriction against Executive, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

9. Confidentiality.

a. Executive will not at any time (whether during or after Executive's employment hereunder): (i) retain or use for the benefit, purposes or account of Executive or any other Person; or (ii) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company (other than its professional advisers who are bound by confidentiality obligations), any non-public, proprietary or confidential information —including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals — concerning the past, current or future business, activities and operations of the Company, its subsidiaries or affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior written authorization of the Board.

b. "Confidential Information" shall not include any information that is (i) generally known to the industry or the public other than as a result of Executive's breach of this covenant or any breach of other confidentiality obligations by third parties; (ii) made legitimately available to Executive by a third party without breach of any confidentiality obligation; or (iii) required by law to be disclosed; provided that Executive shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment.

c. Upon termination of Executive's employment hereunder, Executive shall (i) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its subsidiaries or affiliates; (ii) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Executive's possession or control

(including any of the foregoing stored or located in Executive's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information or otherwise relate to the business of the Company, its affiliates and subsidiaries, except that Executive may retain only those portions of any personal notes, notebooks and diaries (including Executive's personal rolodex) that do not contain any Confidential Information; and (iii) notify and fully cooperate with the Company regarding the delivery or destruction of any other Confidential Information of which Executive is or becomes aware.

10. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 8 or Section 9 would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

11. Miscellaneous.

a. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to conflicts of laws principles thereof.

b. Dispute Resolution. Except as otherwise provided in Section 10 of this Agreement, any controversy, dispute, or claim arising out of, in connection with, or in relation to, the interpretation, performance or breach of this Agreement, including, without limitation, the validity, scope, and enforceability of this section, may at the election of any party, be solely and finally settled by arbitration conducted in Nashville, Tennessee, by and in accordance with the then existing rules for commercial arbitration of the American Arbitration Association, or any successor organization and with the Expedited Procedures thereof (collectively, the "Rules"). Each of the parties hereto agrees that such arbitration shall be conducted by a single arbitrator selected in accordance with the Rules; provided that such arbitrator shall be experienced in deciding cases concerning the matter which is the subject of the dispute. Any of the parties may demand arbitration by written notice to the other and to the Arbitrator set forth in this Section 11(b) ("Demand for Arbitration"). Each of the parties agrees that if possible, the award shall be made in writing no more than 30 days following the end of the proceeding. Any award rendered by the arbitrator(s) shall be final and binding and judgment may be entered on it in any court of competent jurisdiction. Each of the parties hereto agrees to treat as confidential the results of any arbitration (including, without limitation, any findings of fact and/or law made by the arbitrator) and not to disclose such results to any unauthorized person. The parties intend that this agreement to arbitrate be valid, enforceable and irrevocable. In the event of any arbitration with regard to this Agreement, each party shall pay its own legal fees and expenses, provided, however, that the parties agree to share the cost of the Arbitrator's fees. If Executive substantially prevails on any of his substantive legal claims, then the Company shall pay all legal fees incurred by Executive to arbitrate the dispute, and all arbitration fees.

c. Entire Agreement/Amendments. This Agreement contains the entire understanding of the parties with respect to the employment of Executive hereunder. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

d. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

e. Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

f. Assignment. This Agreement, and all of Executive's rights and duties hereunder, shall not be assignable or delegable by Executive. Any purported assignment or delegation by Executive in violation of the foregoing shall be null and void *ab initio* and of no force and effect. This Agreement may be assigned by the Company to a person or entity which is (i) an affiliate of the Company, so long as such affiliate maintains sufficient assets to satisfy the Company's obligation hereunder, (ii) a successor in interest to substantially all of the business operations of the Company. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such successor person or entity.

g. No Set Off; No Mitigation. The Company's obligation to pay Executive the amounts provided and to make the arrangements provided hereunder shall not be subject to set-off, counterclaim or recoupment of amounts owed by Executive to the Company or its affiliates. Executive shall not be required to mitigate the amount of any payment provided for pursuant to this Agreement by seeking other employment, taking into account the provisions of Section 8 of this Agreement.

h. Successors; Binding Agreement. This Agreement shall inure to the benefit of and be binding upon personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

i. Notice. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or three days after it has been mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below in this Agreement, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to HCA Inc., to

HCA Inc.
One Park Plaza
Nashville, TN 37203
Attn: General Counsel
Telecopy: (615) 344-1531

and copies to:

Merrill Lynch Global Private Equity
Four World Financial Center, Floor 23
New York, NY 10080
Attention: George A. Bitar
Telecopy: (212) 449-1119

and

Bain Capital Partners, LLC
111 Huntington Avenue
Boston, MA 02199
Attention: Chris Gordon
Telecopy: (617) 516-2010

and

Kohlberg Kravis Roberts & Co. L.P.
2800 Sand Hill Road, Suite 200
Menlo Park, CA 94025
Attention: James C. Momtazee
Telecopy: (650) 233-6584

and

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attention: Andrea K. Wahlquist, Esq.
Telecopy: (212) 455-2502

If to Executive:

To the Executive's address of record on the books of the Company.

j. Prior Agreements. This Agreement supercedes all prior agreements and understandings (including verbal agreements) between Executive and the Company and/or its

affiliates regarding the terms and conditions of Executive's employment with the Company and/or its affiliates.

k. Cooperation. Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder. The Company shall pay to Executive reasonable fees, and reimburse Executive's reasonable related business expenses incurred by Executive in connection with Executive's provision of such services. This provision shall survive any termination of this Agreement.

l. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

m. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

n. Compliance with Section 409A. This Agreement is intended to comply with Section 409A of the Code and will be so interpreted. Furthermore, it is intended that each payment or installment of payments provided under this Agreement is a separate "payment" for purposes of Section 409A of the Code, and that each such payment satisfies, to the greatest extent possible, an exemption from the application of Section 409A of the Code, including those provided under Treasury Regulations 1.409A-1(b)(4) (regarding short-term deferrals), 1.409A-1(b)(9)(iii) (regarding the two-times, two year severance exception), and 1.409A-1(b)(9)(v) (regarding reimbursements and other separation pay). Notwithstanding anything herein to the contrary, (i) if at the time of Executive's termination of employment hereunder Executive is a "specified employee" as defined in Section 409A of the Code, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent the imposition of any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to Executive) until the date that is six months following Executive's termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payments of money or other benefits due to Executive hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, the parties agree to restructure the payments or benefits to comply with Section 409A of the Code in a manner which does not diminish the value of such payments and benefits to the Executive.

o. Future Change in Control. The Company and the Executive agree to work together in good faith to try to address any issues posed by Sections 280G and 4999 of the Code that could arise as a result of a change in control of HCA (within the meaning of Section 280G of the Code) that occurs after the Closing.

p. Option Adjustment. The Company agrees to indemnify Executive against any adverse tax consequences (including, without limitation, under Section 409A and 4999 of

the Code), if any, that result from the adjustment by the Company of stock options held by the Executive in connection with the Merger or the payment of any extraordinary cash dividends after the Closing. For the avoidance of doubt, this indemnity does not extend to tax consequences that arise upon the "cash out" of Executive's existing HCA stock options on the Closing (or otherwise upon the exercise of Executive's stock options).

[*Remainder of Page Intentional Left Blank*]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

HCA INC.

/s/ John M. Steele

By: John M. Steele
Title: Senior Vice President — Human Resources

JACK O. BOVENDER, JR.

/s/ Jack O. Bovender, Jr.

AMENDMENT TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (the "Amendment") is made by and between **Richard M. Bracken** (the "Executive") and **HCA Inc.**, a Delaware corporation (the "Company"), effective as of January 1, 2009.

WITNESSETH:

WHEREAS, the Company has previously entered into an Employment Agreement (the "Employment Agreement") with the Executive dated November 16, 2006; and

WHEREAS, the Company and the Executive desire to amend the Employment Agreement so as to reflect the Executive's appointment, responsibilities and duties as Chief Executive Officer and President of HCA Inc.;

NOW, THEREFORE, for the reasons set forth above, and other valid consideration, the receipt of which is hereby acknowledged, the Company and the Executive hereby amend the Employment Agreement as follows:

1. Amendment. Section 2(a) of the Employment Agreement is deleted in its entirety and replaced with the following:

"a. During the Employment Term, Executive shall serve as Chief Executive Officer and President of HCA. In such position, Executive shall have such duties, authority and responsibility as shall be determined from time to time by the Board of Directors of HCA (the "Board"), which duties, authority and responsibility are consistent with those attendant to such offices with HCA with respect to the business of HCA. For so long as Executive is an officer with the Company, Executive shall serve as a member of the Board. Executive shall, if requested, also serve as a member of the Board of Directors of any affiliate of the Company, without additional compensation."

2. Certain Definitions. Capitalized terms used in this Amendment not otherwise defined herein shall have the same meaning as set forth in the Employment Agreement.

3. Effect of Amendment. Except as modified hereby, the Employment Agreement shall remain unaffected and in full force and effect.

4. Counterparts. This Amendment may be executed in counterparts, each of which shall be an original but all of which shall constitute but one document.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement, intending to be legally bound, as of the date first stated above.

HCA INC.

By: /s/ John M. Steele
Name: John M. Steele
Title: Senior Vice President — Human Resources

/s/ Richard M. Bracken
Richard M. Bracken

ALABAMA

CareOne Home Health Services, Inc.
Four Rivers Medical Center PHO, Inc.
Selma Medical Center Hospital, Inc.

ALASKA

Chugach PT, Inc.
Columbia Behavioral Healthcare, Inc.
Columbia North Alaska Healthcare, Inc.

ARKANSAS

Columbia Health System of Arkansas, Inc.

BERMUDA

Parthenon Insurance Company, Limited

CALIFORNIA

Center for Advanced Imaging, LLC
CFC Investments, Inc.
CH Systems
Chino Community Hospital Corporation, Inc.
Columbia ASC Management, L.P.
Columbia Riverside, Inc.
Columbia/HCA San Clemente, Inc.
Encino Hospital Corporation, Inc.
Far West Division, Inc.
Galen-Soch, Inc.
Good Samaritan Surgery Center, L.P.
HCA Health Services of California, Inc.
Healdsburg General Hospital, Inc.
L E Corporation
Las Encinas Hospital
Los Gatos Surgical Center, a California Limited Partnership
    Los Gatos Surgical Center
Los Robles Regional Medical Center
    Los Robles Hospital & Medical Center
Los Robles SurgiCenter, LLC
    Los Robles Surgicenter
MCA Investment Company
Mission Bay Memorial Hospital, Inc.
Neuro Affiliates Company
Riverside Healthcare System, L.P.
    Riverside Community Hospital
Riverside Holdings, Inc.
Riverside Surgicenter, L.P.
San Joaquin Surgical Center, Inc.
San Jose Healthcare System, Inc.
San Jose Pathology Outreach, LLC
Southwest Surgical Clinic, Inc.
Surgicare of Good Samaritan, LLC
Surgicare of Los Gatos, Inc.
Surgicare of Los Robles, LLC
Surgicare of Riverside, LLC
Surgicare of West Hills, Inc.
West Hills Hospital
    West Hills Hospital & Medical Center

West Hills Surgical Center, Ltd.
    West Hills Surgical Center
West Los Angeles Physicians' Hospital, Inc.
Westminster Community Hospital
Westside Hospital Limited Partnership

CAYMAN ISLANDS

Health Midwest Insurance Company, Ltd.

COLORADO

Altitude Mid Level Providers, LLC
Colorado Health Systems, Inc.
Columbine Psychiatric Center, Inc.
Continental Division I, Inc.
Diagnostic Mammography Services, G.P.
Galen of Aurora, Inc.
HCA-HealthONE LLC
    North Suburban Medical Center
    Presbyterian/St. Luke's Medical Center
    Rose Medical Center
    Sky Ridge Medical Center
    Swedish Medical Center
    The Medical Center of Aurora
Health Care Indemnity, Inc.
HealthONE at Breckenridge, LLC
HealthONE Clear Creek, LLC
HealthONE Clinic Services — Behavioral Health, LLC
HealthONE Clinic Services — Cardiovascular, LLC
HealthONE Clinic Services — Medical Specialties, LLC
HealthONE Clinic Services — Neurosciences, LLC
HealthONE Clinic Services — Obstetrics and Gynecology, LLC
HealthONE Clinic Services — Occupational Medicine, LLC
HealthONE Clinic Services — Pediatric Specialties, LLC
HealthONE Clinic Services — Primary Care, LLC
HealthONE Clinic Services — Surgical Specialties, LLC
HealthONE Clinic Services LLC
HealthOne Lincoln Investment, LLC
HealthONE Lowry, LLC
HealthONE of Denver, Inc.
HealthONE Urologic, LLC
HealthOne Westside Investment, LLC
Hospital-Based CRNA Services, Inc.
Lakewood Surgicare, Inc.
Mountain View MRI Associates, Ltd.
MOVCO, Inc.
New Rose Holding Company, Inc.
Rocky Mountain Pediatric Hematology Oncology, LLC
Rose Health Partners, LLC
Rose POB, Inc.
Surgicare of Denver Mid-Town, Inc.
Surgicare of North Suburban, LLC
Surgicare of Rose, LLC
Surgicare of Sky Ridge, LLC
Surgicare of Southeast Denver, Inc.
Surgicare of Swedish, LLC
Surgicare of Thornton, LLC

Swedish Medpro, Inc.
Swedish MOB II, Inc.
Swedish MOB III, Inc.
Swedish MOB IV, Inc.
Swedish MOB, LLC

DELAWARE

AC Med, LLC
Aligned Business Consortium Group, L.P.
Alpharetta Imaging Services, LLC
Alternaco, LLC
American Medicorp Development Co.
Ami-Point GA, LLC
AOGN, LLC
AR Holding 1, LLC
AR Holding 2, LLC
AR Holding 3, LLC
AR Holding 4, LLC
AR Holding 5, LLC
AR Holding 6, LLC
AR Holding 7, LLC
AR Holding 8, LLC
AR Holding 9, LLC
AR Holding 10, LLC
AR Holding 11, LLC
AR Holding 12, LLC
AR Holding 13, LLC
AR Holding 14, LLC
AR Holding 15, LLC
AR Holding 16, LLC
AR Holding 17, LLC
AR Holding 18, LLC
AR Holding 19, LLC
AR Holding 20, LLC
AR Holding 21, LLC
AR Holding 22, LLC
AR Holding 23, LLC
AR Holding 24, LLC
AR Holding 25, LLC
AR Holding 26, LLC
AR Holding 27, LLC
AR Holding 28, LLC
AR Holding 29, LLC
AR Holding 30, LLC
Arkansas Medical Park, LLC
ASD Shared Services, LLC
Atlanta Healthcare Management, L.P.
Atlanta Market GP, Inc.
Atlanta Orthopaedic Surgical Center, Inc.
Aventura Cancer Center Manager, LLC
Bayshore Partner, LLC
Belton Family Practice Clinic, LLC
Blake Imaging, LLC
Boca Raton Open Imaging Center, LLC
Boynton Beach EFL Imaging Center, LLC
Bradenton Outpatient Services, LLC

Brandon Imaging Manager, LLC
Brandon Regional Cancer Center, LLC
Brandon SRS Management Services, LLC
C/HCA Capital, Inc.
C/HCA, Inc.
California Imaging Center Manager, LLC
Cancer Centers of North Florida, LLC
Cancer Services of Aventura, LLC
Cardiovascular Center of Fort Worth, L.P.
Cardiovascular Ventures of Fort Worth, LLC
Carolina Forest Imaging Manager, LLC
Centerpoint Medical Center of Independence, LLC
    Centerpoint Medical Center
Central Florida Diagnostic Cardiology Center, LLC
Central Florida Imaging Services, LLC
Central Health Holding Company, Inc.
Central Health Services Hospice, Inc.
Chattanooga ASC, LLC
CHC Finance Co.
CHC Payroll Agent, Inc.
CHCA Bayshore, L.P.
    Bayshore Medical Center
    East Houston Regional Medical Center, a Campus of Bayshore Medical Center
CHCA Clear Lake, L.P.
    Clear Lake Regional Medical Center
CHCA Conroe, L.P.
    Conroe Regional Medical Center
CHCA Hospital LP, Inc.
CHCA Mainland, L.P.
    Mainland Medical Center
CHCA Palmyra Partner, Inc.
CHCA West Houston, L.P.
    West Houston Medical Center
CHCA Woman's Hospital, L.P.
    Woman's Hospital of Texas
Cheray and Samuels, LLC
Clear Lake Cardiac Catheterization Center, L.P.
Clear Lake Cardiac GP, LLC
Clear Lake Merger, LLC
Clear Lake Regional Partner, LLC
ClinicServ, LLC
CMS GP, LLC
Coastal Bend Hospital, Inc.
Coastal Healthcare Services, Inc.
Cobb Imaging Services, LLC
Coliseum Health Group, LLC
Coliseum Medical Center, LLC
    Coliseum Medical Centers
Coliseum Psychiatric Center, LLC
    Coliseum Psychiatric Center
Coliseum Surgery Center, L.L.C.
Columbia Behavioral Health, LLC
Columbia Hospital (Palm Beaches) Limited Partnership
    Columbia Hospital
Columbia Hospital Corporation of Fort Worth
Columbia Hospital Corporation of Houston

Columbia Hospital Corporation-Delaware
Columbia Palm Beach GP, LLC
Columbia Rio Grande Healthcare, L.P.
Rio Grande Regional Hospital
Columbia Valley Healthcare System, L.P.
Valley Regional Medical Center
Columbia Westbank Healthcare, L.P.
Columbia/HCA Middle East Management Company
Columbia-SDH Holdings, Inc.
Columbus Cath Lab, Inc.
Columbus Cath Lab, LLC
Concept EFL Imaging Center, LLC
Concept West EFL Imaging Center, LLC
Conroe Partner, LLC
CoralStone Management, Inc.
COSCORP, LLC
CPS TN Processor 1, Inc.
CRMC-M, LLC
Dallas/Ft. Worth Physician, LLC
Danforth Hospital, Inc.
Delray EFL Imaging Center, LLC
Delta Division, Inc.
Doctors Hospital of Augusta, LLC
Doctors Hospital
Douglasville Imaging Services, LLC
Drake Development Company
Drake Development Company III
Drake Development Company IV
Drake Management Company
EarthStone HomeHealth Company
East Florida Imaging Holdings, LLC
Edmond Regional Medical Center, LLC
Edmond Medical Center
Electa Health Network, LLC
EMMC, LLC
EP Health, LLC
EP Holdco, LLC
EPIC Development, Inc.
EPIC Diagnostic Centers, Inc.
EPIC Healthcare Management Company
EPIC Surgery Centers, Inc.
Extendicare Properties, Inc.
Fairview Park GP, LLC
Fairview Partner, LLC
Family Care of E. Jackson County, LLC
FHAL, LLC
Forest Park Surgery Pavilion, Inc.
Forest Park Surgery Pavilion, L.P.
Fort Bend Hospital, Inc.
Galen (Kansas) Merger, LLC
Galen BH, Inc.
Galen Finance, LLC
Galen Global Finance, Inc.
Galen GOK, LLC
Galen Holdco, LLC

Galen Hospital Alaska, Inc.
    Alaska Regional Hospital
Galen International Capital, Inc.
Galen International Holdings, Inc.
Galen KY, LLC
Galen LA, LLC
Galen MCS, LLC
Galen Medical Corporation
Galen MRMC, LLC
Galen NMC, LLC
Galen NSH, LLC
Galen SOM, LLC
Galen SSH, LLC
Galendeco, Inc.
GalTex, LLC
Garden Park Community Hospital Limited Partnership
Gardens EFL Imaging Center, LLC
General Healthserv, LLC
Georgia Health Holdings, Inc.
Georgia, L.P.
GHC-Galen Health Care, LLC
Good Samaritan Hospital, L.P.
    Good Samaritan Hospital
Good Samaritan Hospital, LLC
Goppert-Trinity Family Care, LLC
GPCH-GP, Inc.
    Garden Park Medical Center
Grand Strand Regional Medical Center, LLC
    Grand Strand Regional Medical Center
Grandview Health Care Clinic, LLC
H.H.U.K., Inc.
HCA — IT&S Field Operations, Inc.
HCA — IT&S Inventory Management, Inc.
HCA — IT&S TN Field Operations, Inc.
HCA Health Services of Midwest, Inc.
HCA Holdco, LLC
HCA Imaging Services of North Florida, Inc.
HCA International Finance LLP
HCA Management Services, L.P.
HCA Outpatient Imaging Services Group, Inc.
HCA Property GP, LLC
HCA Psychiatric Company
HCA Squared, LLC
HCA Switzerland Holding Sàrl
HCA Wesley Rehabilitation Hospital, Inc.
Health Services (Delaware), Inc.
Health Services Merger, Inc.
Healthcare Technology Assessment Corporation
Healthco, LLC
Healthnet of Kentucky, LLC
Healthserv Acquisition, LLC
Healthtrust MOB Tennessee, LLC
Healthtrust MOB, LLC
Healthtrust Purchasing Group, L.P.
Healthtrust, Inc. — The Hospital Company
Hearthstone Home Health, Inc.

Heathrow Imaging, LLC
Hendersonville ODC, LLC
Henrico Doctors Hospital — Forest Campus Property, LLC
HHNC, LLC
Highway 50 Real Estate, LLC
HM OMCOS, LLC
Hospital Corp., LLC
Hospital Development Properties, Inc.
Hospital Partners Merger, LLC
Houston Healthcare Holdings, Inc.
Houston Woman's Hospital Partner, LLC
HSS Holdco, LLC
HSS Systems VA, LLC
HSS Systems, LLC
HTI Hospital Holdings, Inc.
Imaging Centers of California, L.P.
Imaging Services of Appomattox, LLC
Imaging Services of Jacksonville, LLC
Imaging Services of Louisiana Manager, LLC
Imaging Services of Louisiana, LLC
Imaging Services of Orlando, LLC
Imaging Services of Richmond, LLC
Imaging Services of Roanoke, LLC
Imaging Services of West Boynton, LLC
Independence Regional Medical Group, LLC
Indian Path, LLC
Indianapolis Hospital Partner, LLC
Integrated Regional Laboratories, LLP
Jackson County Medical Group, LLC
JCSH, LLC
JCSHLP, LLC
JFK Medical Center Limited Partnership
    JFK Medical Center
Jupiter EFL Imaging Center, LLC
JV Investor, LLC
Kansas Healthserv, LLC
Katy Medical Center, Inc.
Kendall EFL Imaging Center, LLC
Kendall Regional Medical Center, LLC
Lakeland Medical Center, LLC
Lakeside Radiology, LLC
Lakeview Medical Center, LLC
    Lakeview Regional Medical Center
Laredo Medco, LLC
Lee's Summit Family Care, LLC
Lewis-Gale Medical Center, LLC
    Lewis-Gale Medical Center
Low Country Health Services, Inc. of the Southeast
Macon Healthcare, LLC
Macon Northside Health Group, LLC
Macon Northside Hospital, LLC
    Coliseum Northside Hospital
Mainland Partner, LLC
Management Services Holdings, Inc.
Management Services LP, LLC
Mayhill Cancer Center, LLC

Medical Arts Hospital of Texarkana, Inc.
Medical Care America, LLC
Medical Care Financial Services Corp.
Medical Care Real Estate Finance, Inc.
Medical Center of Plano Partner, LLC
Medical Centers of Oklahoma, LLC
Medical City Dallas Partner, LLC
Medical Corporation of America
Medical Office Buildings of Kansas, LLC
Medical Specialties, Inc.
Medistone Healthcare Ventures, Inc.
MediVision of Mecklenburg County, Inc.
MediVision of Tampa, Inc.
MediVision, Inc.
Memorial Southside Cancer Center, LLC
Miami Beach EFL Imaging Center, LLC
MidAmerica Oncology, LLC
Mid-Continent Health Services, Inc.
Middle Georgia Hospital, LLC
Midtown Diagnostics, LLC
Midwest Division — ACH, LLC
    Allen County Hospital
Midwest Division — CMC, LLC
Midwest Division — LRHC, LLC
    Lafayette Regional Health Center
Midwest Division — LSH, LLC
    Lee's Summit Hospital
Midwest Division — MCI, LLC
Midwest Division — MII, LLC
Midwest Division — MMC, LLC
    Menorah Medical Center
Midwest Division — OPRMC, LLC
    Overland Park Regional Medical Center
Midwest Division — PFC, LLC
Midwest Division — RMC, LLC
    Research Medical Center
Midwest Division — RPC, LLC
    Research Psychiatric Center
Midwest Division — TLM, LLC
Midwest Holdings, Inc.
Midwest Medicine Associates, LLC
Midwest Metropolitan Physicians Group, LLC
Mobile Corps., Inc.
MRT&C, Inc.
Nashville Shared Services General Partnership
New North Palm Beach County Surgery Center, Ltd.
North Augusta Imaging Management, LLC
North Augusta Imaging Services, LLC
North Brandon Imaging, LLC
North Florida Cancer Center Lake City, LLC
North Florida Cancer Center Live Oak, LLC
North Florida Cancer Center Tallahassee, LLC
North Florida Radiation Oncology, LLC
North Miami Beach Surgery Center Limited Partnership
    North Miami Beach Surgical Center
North Miami Beach Surgical Center, LLC

North Tampa Imaging, LLC
North Texas Medical Center, Inc.
Northeast Florida Cancer Services, LLC
Northwest Fla. Home Health Agency, Inc.
Notami Hospitals, LLC
Notami, LLC
Notco, LLC
NTGP, LLC
NTMC Ambulatory Surgery Center, L.P.
NTMC Management Company
NTMC Venture, Inc.
Ocala Stereotactic Radiosurgery Partner, LLC
Ocala Stereotactic Radiosurgery, LLC
OHH Imaging Services, LLC
Oncology Services of Corpus Christi Manager, LLC
Oncology Services of Corpus Christi, LLC
Orlando Outpatient Surgical Center, Inc.
Outpatient Cardiovascular Center of Central Florida, LLC
Outpatient GP, LLC
Outpatient LP, LLC
Outpatient Services — Houston Imaging Manager, LLC
Outpatient Services — Houston Imaging Services, LLC
Outpatient Services — LAD, LLC
Outpatient Services Holdings, Inc.
Palm Beach EFL Imaging Center, LLC
Palms West Hospital Limited Partnership
    Palms West Hospital
Palmyra Park GP, Inc.
Paragon SDS, Inc.
Paragon WSC, Inc.
Parkway Hospital, Inc.
Pearland Partner, LLC
Pinellas Medical, LLC
Pioneer Medical, LLC
Plano Heart Institute, L.P.
Plano Heart Management, LLC
Plantation General Hospital L.P.
    Plantation General Hospital
PMM, Inc.
POH Holdings, LLC
Portsmouth Regional Ambulatory Surgery Center, LLC
    Portsmouth Regional Ambulatory Surgery Center
Preferred Works WC, LLC
Primary Care Acquisition, Inc.
Primary Medical Management, Inc.
Radiation Oncology Manager, LLC
RCH, LLC
Red Rock at Maryland Parkway, LLC
Red Rock at Smoke Ranch, LLC
Red Rock Holdco, LLC
Reston Hospital Center, LLC
    Reston Hospital Center
RHA MSO, LLC
Riverside Hospital, Inc.
Riverside Imaging, LLC
RMC HBP, LLC

Round Rock Hospital, Inc.
Samaritan, LLC
San Bernardino Imaging, LLC
San Jose Healthcare System, LP
    Regional Medical Center of San Jose
San Jose Hospital, L.P.
San Jose Medical Center, LLC
San Jose, LLC
Sarah Cannon Research Institute, LLC
SCRI Holdings, LLC
SJMC, LLC
Sleep Lab at Menorah Medical Center, LLC
SMCH, LLC
South Bay Imaging, LLC
South Brandon Imaging, LLC
South Dade GP, LLC
South Valley Hospital, L.P.
Southtown Women's Clinic, LLC
Spalding Rehabilitation L.L.C.
    Spalding Rehabilitation Hospital
Spring Branch GP, LLC
Spring Branch LP, LLC
Spring Hill Imaging, LLC
Springview KY, LLC
Stereotactic Radiosurgery Systems of Brandon, LLC
Stones River Hospital, LLC
Suburban Medical Center at Hoffman Estates, Inc.
Summit General Partner, Inc.
Summit Medical Assoc., LLC
Summit Outpatient Diagnostic Center, LLC
Sun Bay Medical Office Building, Inc.
Sun City Imaging, LLC
Sun-Med, LLC
Sunrise Hospital and Medical Center, LLC
    Sunrise Hospital & Medical Center
Surgicare of Denton, Inc.
Surgicare of Plano, Inc.
Surgico, LLC
Swedish MOB Acquisition, Inc.
TBHI Outpatient Services, LLC
Terre Haute Hospital GP, Inc.
Terre Haute Hospital Holdings, Inc.
Terre Haute Regional Hospital, L.P.
    Terre Haute Regional Hospital
The Medical Group of Kansas City, LLC
Total Imaging — Parsons, LLC
Town Plaza Family Practice, LLC
Trident Medical Center, LLC
    Trident Medical Center
Tuckahoe Surgery Center, LP
    Tuckahoe Surgery Center
Ultra Imaging Management Services, LLC
Ultra Imaging of Tampa, LLC
Utah Medco, LLC
Value Health Management, Inc.
VHSC Plantation, LLC

Vicksburg Diagnostic Services, L.P.
Washington Holdco, LLC
Wesley Cath Lab, LLC
Wesley Manager, LLC
Wesley Medical Center, LLC
    Wesley Medical Center
West Boynton Beach Open Imaging Center, LLC
West Florida Imaging Services, LLC
West Florida PET Services, LLC
West Houston, LLC
Westbury Hospital, Inc.
WHG Medical, LLC
WJHC, LLC
Woman's Hospital Merger, LLC
Women's Hospital Indianapolis GP, Inc.
Women's Hospital Indianapolis, L.P.

FLORIDA

AAL Holdings, Inc.
All About Learning, LLC
All About Staffing, Inc.
Ambulatory Laser Associates, GP
Ambulatory Surgery Center Group, Ltd.
    Ambulatory Surgery Center
Atlantis Surgicare, LLC
Aventura Comprehensive Cancer Research Group of Florida, Inc.
Aventura Healthcare Specialists LLC
Aventura Neurosurgery, LLC
BAMI Property, LLC
Bannerman Family Care, LLC
Bay Hospital, Inc.
    Gulf Coast Medical Center
Bayonet Point Surgery Center, Ltd.
    Bayonet Point Surgery and Endoscopy Center
Beach Primary Care, LLC
Belleair Surgery Center, Ltd.
    Belleair Surgery Center
Big Cypress Medical Center, Inc.
Bonita Bay Surgery Center, Inc.
Bonita Bay Surgery Center, Ltd.
Brandon Surgi-Center, Ltd.
    Brandon Surgery Center
Broward Cardiovascular Surgeons, LLC
Broward Healthcare System, Inc.
Broward Neurosurgeons, LLC
Cape Coral Surgery Center, Inc.
Cape Coral Surgery Center, Ltd.
Capital Regional Healthcare, LLC
Cardiovascular Consultants of Ocala, LLC
CCH-GP, Inc.
Cedarcare, Inc.
Cedars BTW Program, Inc.
Cedars Cardiovascular Surgeons, LLC
Cedars Gastroenterologists, LLC
Cedars Healthcare Group, Ltd.
Cedars International Cardiology Consultants, LLC

Cedars Medical Center Hospitalists, LLC
Cedars Neurosurgery, LLC
Central Florida Division Practice, Inc.
Central Florida Obstetrics & Gynecology Associates, LLC
Central Florida Physician Network, LLC
Central Florida Radiology, LLC
Central Florida Regional ENT, LLC
Central Florida Regional Hospital, Inc.
    Central Florida Regional Hospital
Coastal Cardiac Diagnostics, Ltd.
Collier County Home Health Agency, Inc.
Columbia Behavioral Health, Ltd.
Columbia Behavioral Healthcare of South Florida, Inc.
Columbia Central Florida Division, Inc.
Columbia Development of Florida, Inc.
Columbia Eye and Specialty Surgery Center, Ltd.
    Tampa Eye & Specialty Surgery Center
Columbia Florida Group, Inc.
Columbia Hospital Corporation of Central Miami
Columbia Hospital Corporation of Kendall
Columbia Hospital Corporation of Miami
Columbia Hospital Corporation of Miami Beach
Columbia Hospital Corporation of North Miami Beach
Columbia Hospital Corporation of South Broward
    Westside Regional Medical Center
Columbia Hospital Corporation of South Dade
Columbia Hospital Corporation of South Florida
Columbia Hospital Corporation of South Miami
Columbia Hospital Corporation of Tamarac
Columbia Hospital Corporation-SMM
Columbia Jacksonville Healthcare System, Inc.
Columbia Lake Worth Surgical Center Limited Partnership
Columbia Midtown Joint Venture
Columbia North Central Florida Health System Limited Partnership
Columbia North Florida Regional Medical Center Limited Partnership
Columbia Ocala Regional Medical Center Physician Group, Inc.
Columbia Palm Beach Healthcare System Limited Partnership
Columbia Park Healthcare System, Inc.
Columbia Park Medical Center, Inc.
Columbia Physician Services — Florida Group, Inc.
Columbia Primary Care, LLC
Columbia Resource Network, Inc.
Columbia Tampa Bay Division, Inc.
Columbia-Osceola Imaging Center, Inc.
Community Hospital Family Practice, LLC
Coral Springs Surgi-Center, Ltd.
    Surgery Center at Coral Springs
Countryside Surgery Center, Ltd.
    Countryside Surgery Center
Daytona Medical Center, Inc.
Destin Primary Care, LLC
Diagnostic Breast Center, Inc.
Doctors Hospital Physician-Hospital Organization, Inc.
Doctors Osteopathic Medical Center, Inc.
Doctors Same Day Surgery Center, Inc.

Doctors Same Day Surgery Center, Ltd.
    Doctors Same Day Surgery Center
DOMC Property, LLC
East Florida Division, Inc.
East Florida Hospitalists, LLC
East Florida Primary Care, LLC
East Pointe Hospital, Inc.
Edward White Hospital, Inc.
    Edward White Hospital
Englewood Community Hospital, Inc.
    Englewood Community Hospital
Fawcett Memorial Hospital, Inc.
    Fawcett Memorial Hospital
Florida Home Health Services-Private Care, Inc.
Florida Outpatient Surgery Center, Ltd.
    Florida Surgery Center
Fort Myers Market, Inc.
Fort Pierce Immediate Care Center, Inc.
Fort Pierce Orthopaedics, LLC
Fort Pierce Surgery Center, Ltd.
Fort Walton Beach Medical Center, Inc.
    Fort Walton Beach Medical Center
Freeport Family Medicine, LLC
Ft. Pierce Surgicare, LLC
Ft. Walton Beach Anesthesia Services, LLC
Ft. Walton Beach Internal Medicine, LLC
Ft. Walton Beach Medical Practices, LLC
Gainesville GYN Oncology of North Florida Regional Medical Center, LLC
Gainesville Physicians, LLC
Galen Diagnostic Multicenter, Ltd.
Galen Hospital-Pembroke Pines, Inc.
Galen of Florida, Inc.
    St. Petersburg General Hospital
Galencare, Inc.
    Brandon Regional Hospital
    Northside Hospital
Gateway Surgical Group, LLC
Grant Center Hospital of Ocala, Inc.
Gulf Coast General Surgery, LLC
Gulf Coast Medical Center Primary Care, LLC
Hamilton Memorial Hospital, Inc.
HCA Family Care Center, Inc.
HCA Health Services of Florida, Inc.
    Blake Medical Center
    Oak Hill Hospital
    Regional Medical Center Bayonet Point
    St. Lucie Medical Center
HD&S Corp. Successor, Inc.
HealthCoast Physician Group, LLC
Heathrow Internal Medicine, LLC
Heritage Family Care, LLC
Homecare North, Inc.
Hospital Corporation of Lake Worth
Hyperbaric and Wound Care Services of Ocala, LLC
Integrated Regional Lab, LLC
Internal Medicine Services of Osceola, LLC

Jacksonville Multispecialty Services, LLC
Jacksonville Physician Practices, Ltd.
Jacksonville Specialists, LLC
Jacksonville Surgery Center, Ltd.
    Jacksonville Surgery Center
JFK Hospitalists, LLC
JFK Occupational Medicine, LLC
JFK Orthopedics, LLC
JFK Real Properties, Ltd.
Kendall Healthcare Group, Ltd.
    Kendall Regional Medical Center
Kendall Medical Specialists, LLC
Kendall Vascular Surgery, LLC
Kingsley Family Care, LLC
Kissimmee Surgicare, Ltd.
    Kissimmee Surgery Center
LAD Imaging, LLC
Lakewood Park Walk-In Clinic, LLC
Largo Cardiology, LLC
Largo Medical Center, Inc.
    Largo Medical Center
    Sun Coast Hospital, a Facility of Largo Medical Center
Largo Physician Group, LLC
Laurel Grove Surgery Center, LLC
Lawnwood Cardiovascular Surgery, LLC
Lawnwood Healthcare Specialists, LLC
Lawnwood Medical Center, Inc.
    Lawnwood Regional Medical Center & Heart Institute
Lawnwood Pavilion Physician Services, LLC
Live Oak Immediate Care Center, LLC
M & M of Ocala, Inc.
Manatee Surgicare, Ltd.
    Gulf Coast Surgery Center
Marion Community Hospital, Inc.
    Ocala Regional Medical Center
Medical Associates of Ocala, LLC
Medical Center of Port St. Lucie, Inc.
Medical Center of Santa Rosa, Inc.
Medical Imaging Center of Ocala
Medical Partners of North Florida, LLC
Memorial Family Practice Associates, LLC
Memorial Healthcare Group, Inc.
    Memorial Hospital Jacksonville
    Specialty Hospital
Memorial Neurosurgery Group, LLC
Memorial Primary Care, LLC
Memorial Surgicare, Ltd.
    Plaza Surgery Center
Memorial Urgent Care — Mandarin, LLC
MHS Partnership Holdings JSC, Inc.
MHS Partnership Holdings SDS, Inc.
Miami Beach Healthcare Group, Ltd.
    Aventura Hospital and Medical Center
Miami Lakes Surgery Center, Ltd.
    Miami Lakes Surgery Center
Navarre Family Care, LLC

Network MS of Florida, Inc.
New Port Richey Hospital, Inc.
    Community Hospital
New Port Richey Surgery Center, Ltd.
    New Port Richey Surgery Center
Niceville Family Practice, LLC
Niceville General Surgery, LLC
North Central Florida Health System, Inc.
North Florida Division I, Inc.
North Florida Division Practice, Inc.
North Florida GI Center GP, Inc.
North Florida GI Center, Ltd.
North Florida Immediate Care Center — Springhill, LLC
North Florida Immediate Care Center, Inc.
North Florida Neurosurgery, LLC
North Florida Outpatient Imaging Center, Ltd.
North Florida Physician Services, Inc.
North Florida Regional Investments, Inc.
North Florida Regional Medical Center, Inc.
    North Florida Regional Medical Center
North Florida Regional Otolaryngology, LLC
North Florida Rehab Investments, LLC
North Florida Surgical Associates, LLC
North Palm Beach County Surgery Center, Ltd.
    North County Surgicenter
Northside MRI, Inc.
Northwest Broward Neurosurgery and Spine, LLC
Northwest Florida Cardiology, LLC
Northwest Florida Healthcare Systems, Inc.
Northwest Florida Primary Care, LLC
Northwest Florida Women's Cancer Care, LLC
Northwest Medical Center, Inc.
    Northwest Medical Center
Notami Hospitals of Florida, Inc.
    Lake City Medical Center
Oak Hill Acquisition, Inc.
Oak Hill Family Care, LLC
Oak Hill Hospitalists, LLC
Ocala Regional Outpatient Services, Inc.
Okaloosa Hospital, Inc.
    Twin Cities Hospital
Okeechobee Hospital, Inc.
    Raulerson Hospital
OneSource Health Network of South Florida, Inc.
Orange Park Hospitalists, LLC
Orange Park Medical Center, Inc.
    Orange Park Medical Center
Orlando Surgicare, Ltd.
    Same Day Surgicenter of Orlando
Osceola Neurological Associates, LLC
Osceola Regional Hospital, Inc.
    Osceola Regional Medical Center
Osceola Regional Hospitalists, LLC
Osceola Surgical Associates, LLC
Outpatient Surgical Services, Ltd.
    Outpatient Surgical Services

P&L Associates
Pace Obstetrics and Gynecology, LLC
Palm Beach General Surgery, LLC
Palm Beach Healthcare System, Inc.
Palm Beach Hospitalists Program, LLC
Palms West Gastroenterology, LLC
Palms West Pediatric Neurosurgery, Inc.
Palms West Surgery Center, Ltd.
    Palms West Surgicenter
Park South Imaging Center, Ltd.
Pensacola Primary Care, Inc.
Pinellas Surgery Center, Ltd.
    Center for Special Surgery
Port St. Lucie Surgery Center, Ltd.
    St. Lucie Surgery Center
Premier Medical Management, Ltd.
Primary Care Medical Associates, Inc.
Putnam Hospital, Inc.
Raulerson Gastroenterology, LLC
Raulerson GYN, LLC
Raulerson Primary Care, LLC
Sarasota Doctors Hospital, Inc.
    Doctors Hospital of Sarasota
South Broward Practices, Inc.
South Florida Division Practice, Inc.
South Vero Walk-In Clinic, LLC
Southwest Florida Division Practice, Inc.
Southwest Florida Health System, Inc.
Southwest Florida Regional Medical Center, Inc.
Space Coast Surgical Center, Ltd.
    Merritt Island Surgery Center
Spinal Disorder and Pain Treatment Institute, LLC
St. Lucie General Surgery, LLC
St. Lucie Hospitalists, LLC
St. Lucie Medical Center Walk-In Clinic, LLC
St. Lucie Medical Specialists, LLC
St. Lucie West Primary Care, LLC
St. Petersburg General Surgery, LLC
Sun City Hospital, Inc.
    South Bay Hospital
Surgery Center of Atlantis, LLC
Surgery Center of Aventura, Ltd.
    Surgery Center of Aventura
Surgery Center of Ft. Pierce, Ltd
    Surgery Center of Ft. Pierce
Surgery Center of Port Charlotte, Ltd.
    Gulf Pointe Surgery Center
Surgical Park Center, Ltd.
    Surgical Park Center
Surgicare America — Winter Park, Inc.
Surgicare of Altamonte Springs, Inc.
Surgicare of Aventura, LLC
Surgicare of Bayonet Point, Inc.
Surgicare of Brandon, Inc.
Surgicare of Central Florida, Inc.

Surgicare of Central Florida, Ltd.
Central Florida Surgicenter
Surgicare of Countryside, Inc.
Surgicare of Florida, Inc.
Surgicare of Ft. Pierce, Inc.
Surgicare of Kissimmee, Inc.
Surgicare of Laurel Grove, LLC
Surgicare of Manatee, Inc.
Surgicare of Merritt Island, Inc.
Surgicare of Miami Lakes, LLC
Surgicare of New Port Richey, Inc.
Surgicare of Orange Park, Inc.
Surgicare of Orange Park, Ltd.
Orange Park Surgery Center
Surgicare of Orlando, Inc.
Surgicare of Palms West, LLC
Surgicare of Pinellas, Inc.
Surgicare of Plantation, Inc.
Surgicare of Port Charlotte, LLC
Surgicare of Port St. Lucie, Inc.
Surgicare of St. Andrews, Inc.
Surgicare of St. Andrews, Ltd.
Surgery Center at St. Andrews
Surgicare of Stuart, Inc.
Surgicare of Tallahassee, Inc.
Surgicare of West Palm Beach, Ltd.
Tallahassee Community Network, Inc.
Tallahassee General Surgeons, LLC
Tallahassee Gyn-Oncology, LLC
Tallahassee Imaging Services, LLC
Tallahassee Medical Center, Inc.
Capital Regional Medical Center
Tallahassee Orthopedic Surgery Partners, Ltd.
Tallahassee Outpatient Surgery Center
Tampa Bay Health System, Inc.
Tampa Surgi-Centre, Inc.
The Neurohealth Sciences Center, LLC
Total Imaging — Hudson, LLC
Total Imaging — North St. Petersburg, LLC
Treasure Coast Physician Practices, Ltd.
Twin Cities Primary Care — Destin, LLC
Twin Cities Primary Care, LLC
University Healthcare Specialists, LLC
University Hospital, Ltd.
University Hospital and Medical Center
Venture Ambulatory Surgery Center, LLC
Venture Ambulatory Surgery Center
Venture Medical Management, LLC
West Florida Behavioral Health, Inc.
West Florida Division, Inc.
West Florida HealthWorks, LLC
West Florida Internal Medicine, LLC
West Florida Regional Medical Center, Inc.
West Florida Hospital
Westside Surgery Center, Ltd.
Parkside Surgery Center

Wildwood Medical Center, Inc.
Women's Health Center of Central Florida, LLC
Wound and Hyperbaric Center, LLC

GEORGIA

Acworth Immediate Care, LLC
Albany Family Practice, LLC
Albany Neurosurgery Center, LLC
AOSC Sports Medicine, Inc.
Atlanta Home Care, L.P.
Atlanta Outpatient Surgery Center, Inc.
Atlanta Surgery Center, Ltd.
    Atlanta Outpatient Peachtree Dunwoody Center
    Atlanta Outpatient Surgery Center
Augusta Inpatient Services, LLC
Augusta Multispecialty Services, LLC
Augusta Primary Care Services, LLC
Buckhead Surgical Services, L.P.
    Buckhead Ambulatory Surgery Center
Byron Family Practice, LLC
Cartersville Medical Center, LLC
    Cartersville Medical Center
Cartersville Occupational Medicine Center, LLC
Cartersville Physician Practice I, LLC
Cartersville Urgent Care, LLC
Center for Colorectal Care, LLC
Chatsworth Hospital Corp.
Church Street Partners
Coliseum Health Group, Inc.
Coliseum Park Hospital, Inc.
Coliseum Primary Care Services, LLC
Coliseum Primary Healthcare — Macon, LLC
Coliseum Primary Healthcare — Riverside, LLC
Coliseum Professional Associates, LLC
Coliseum Same Day Surgery Center, L.P.
    Coliseum Same Day Surgery Center
Columbia Coliseum Same Day Surgery Center, Inc.
Columbia Polk General Hospital, Inc.
    Polk Medical Center
Columbia Surgicare of Augusta, Ltd.
    Augusta Surgical Center
Columbia-Georgia PT, Inc.
Columbus Cardiology, Inc.
Columbus Doctors Hospital, Inc.
Diagnostic Services, G.P.
Doctors Hospital Center for Occupational Medicine, LLC
Doctors Hospital of Augusta Neurology, LLC
Doctors Hospital Surgery Center, L.P.
    Evans Surgery Center
Doctors-I, Inc.
Doctors-II, Inc.
Doctors-III, Inc.
Doctors-IV, Inc.
Doctors-V, Inc.
Doctors-VI, Inc.
Doctors-VII, Inc.

Doctors-VIII, Inc.
Doctors-IX, Inc.
Doctors-X, Inc.
Dublin Community Hospital, LLC
Dublin Heart Specialists, LLC
Dublin Multispecialty, LLC
Dunwoody Physician Practice Network, Inc.
Eastside General Surgery, LLC
EHCA Diagnostics, LLC
EHCA Eastside Occupational Medicine Center, LLC
EHCA Eastside, LLC
    Emory Eastside Medical Center
EHCA Johns Creek Holdings, LLC
EHCA Johns Creek Radiation Therapy, LLC
EHCA Johns Creek, LLC
    Emory Johns Creek Hospital
EHCA Metropolitan, LLC
EHCA Parkway, LLC
EHCA Peachtree, LLC
EHCA West Paces, LLC
EHCA, LLC
Fairview Park, Limited Partnership
    Fairview Park Hospital
Family Medicine at Northside, LLC
Georgia Psychiatric Company, Inc.
Grace Family Practice, LLC
Grayson Primary Care, LLC
Greater Gwinnett Internal Medicine Associates, LLC
Greater Gwinnett Physician Corporation
Gwinnett Community Hospital, Inc.
HCA Health Services of Georgia, Inc.
HCOL, Inc.
Heritage Medical Care, LLC
Hospitalists at Fairview Park, LLC
Hughston Hospital Services, LLC
Infectious Diseases Consultants of Southwest Georgia, LLC
Johns Creek Family Physicians, LLC
Johns Creek Physician Services Corporation
Marietta Outpatient Medical Building, Inc.
Marietta Outpatient Surgery, Ltd.
    Marietta Surgical Center
Marietta Surgical Center, Inc.
Med Corp., Inc.
MedFirst, Inc.
Medical Center- West, Inc.
MOSC Sports Medicine, Inc.
Newnan Hospitals I, L.L.C.
North Georgia Primary Care Group, LLC
Northlake Medical Center, LLC
Northlake MultiSpecialty Associates, LLC
Northlake Physician Practice Network, Inc.
Northlake Surgical Center, L.P.
    Northlake Surgical Center
Northlake Surgicare, Inc.
Orthopaedic Specialty Associates, L.P.
Orthopaedic Sports Specialty Associates, Inc.

Palmyra Park Hospital, Inc.
Palmyra Medical Centers
Palmyra Park, Limited Partnership
Palmyra Professional Fees, LLC
Parkway Surgery Center, L.P.
Redmond Anesthesia Services, LLC
Redmond Hospital Services, LLC
Redmond Neurosurgery, LLC
Redmond Park Health Services, Inc.
Redmond Park Hospital, LLC
Redmond Regional Medical Center
Redmond Physician Practice Company
Redmond Physician Practice Company II
Redmond Physician Practice Company III
Redmond Physician Practice XI, LLC
Rockbridge Primary Care, LLC
Rome Imaging Center Limited Partnership
Surgery Center of Rome, L.P.
The Surgery Center of Rome
Surgicare of Augusta, Inc.
Surgicare of Buckhead, LLC
Surgicare of Evans, Inc.
Surgicare of Rome, Inc.
The Rankin Foundation
Urology Center of North Georgia, LLC
West Paces Services, Inc.

IDAHO

Eastern Idaho Health Services, Inc.
Eastern Idaho Regional Medical Center
Eastern Idaho Regional Medical Center Physician Services, LLC
Idaho Physician Services, Inc.
Patients First Neonatology, LLC
Patients First Neurology, LLC
Patients First Plastic Surgery, LLC
West Valley Internal Medicine, LLC
West Valley Medical Center, Inc.
West Valley Medical Center
West Valley Professional Fee Billing, LLC
West Valley Therapy Services, LLC

ILLINOIS

Chicago Grant Hospital, Inc.
Columbia Chicago Division, Inc.
Columbia LaGrange Hospital, Inc.
Columbia Surgicare — North Michigan Ave., L.P.
Galen of Illinois, Inc.
Illinois Psychiatric Hospital Company, Inc.
Smith Laboratories, Inc.

INDIANA

Advanced Neurosurgery, LLC
Advanced Orthopedics, LLC
Advanced Plastic Surgery Center of Terre Haute, LLC
Advanced Radiation Oncology Care, LLC
Basic American Medical, Inc.
Family Medicine of Terre Haute, LLC
Hospitalists of the Wabash Valley, LLC
Jeffersonville MediVision, Inc.
Southwest Indiana Surgical Services, LLC
Surgicare of Indianapolis, Inc.
Surgicare of Terre Haute, LLC
Terre Haute Heart Lung Vascular Associates, LLC
Terre Haute MOB, L.P.
Terre Haute Obstetrics and Gynecology, LLC
Wabash Cardiology Associates, LLC
Wabash Valley Hospitalists, LLC

KANSAS

Care for Women, LLC
Johnson County Neurology, LLC
Johnson County Surgery Center, L.P.
    Surgicenter of Johnson County
Johnson County Surgicenter, L.L.C.
Kansas Trauma and Critical Care Specialists, LLC
Mid-America Surgery Center, LLC
Mid-America Surgery Institute, LLC
    Mid-America Surgery Institute
Midwest Cardiovascular and Thoracic Surgeons of Kansas, LLC
Midwest Division, Inc.
Midwest Oncology Associates, LLC
MMC Sleep Lab Management, LLC
OB-GYN Diagnostics, Inc.
OPRMC-HBP, LLC
Overland Park Cardiovascular, Inc.
Overland Park Medical Specialists, LLC
Overland Park Orthopedics, LLC
Paragyn Surgical, LLC
Pediatric Specialty Clinic LLC
Physician Associates of Corporate Woods, LLC
Quivira Internal Medicine, Inc.
Surgery Center of Overland Park, L.P.
    Overland Park Surgery Center
Surgicare of Overland Park, LLC
Surgicare of Wichita, Inc.
Surgicare of Wichita, Ltd.
    Surgicare of Wichita
Surgicenter of Johnson County, Ltd.
Wesley Physician Services, LLC

KENTUCKY

CHCK, Inc.
Commonwealth Specialists of Kentucky, LLC
Frankfort Hospital, Inc.
    Frankfort Regional Medical Center
Frankfort Orthopedics, LLC

Frankfort Wound Care, LLC
Galen of Kentucky, Inc.
Greenview Hospital, Inc.
    Greenview Regional Hospital
Greenview PrimeCare, LLC
Hospitalists at Greenview Regional Hospital, LLC
Southern Kentucky Neurosurgical Associates, LLC
Southern Kentucky Urology, LLC
Surgery Center of Greenview, L.P.
Surgicare of Greenview, Inc.
Tri-County Community Hospital, Inc.
Western Kentucky Gastroenterology, LLC

LOUISIANA

Acadiana Care Center, Inc.
Acadiana Practice Management, Inc.
Acadiana Regional Pharmacy, Inc.
Avoyelles Family Care (A Medical Limited Liability Company)
Center for Digestive Diseases, LLC
Children's Multi-Specialty Group, LLC
CLASC Manager, LLC
Columbia Healthcare System of Louisiana, Inc.
Columbia West Bank Hospital, Inc.
Columbia/HCA Healthcare Corporation of Central Louisiana, Inc.
Columbia/HCA of Baton Rouge, Inc.
Columbia/HCA of New Orleans, Inc.
Dauterive Hospital Corporation
    Dauterive Hospital
Dauterive Physicians, LLC
Doctors Hospital of Opelousas Limited Partnership
Hamilton Medical Center, Inc.
    Southwest Medical Center — Lafayette
HCA Health Services of Louisiana, Inc.
Lafayette OB Hospitalists, LLC
Lafayette Pediatric Neurology Center, LLC
Lafayette Surgery Center Limited Partnership
Lafayette Surgicare, Inc.
Lafayette Urogynecology & Urology Center, LLC
Lakeside Women's Services, LLC
Lakeview Multispecialty Group, LLC
Louisiana Psychiatric Company, Inc.
Medical Center of Baton Rouge, Inc.
Metairie Primary Care Associates, LLC
Notami (Opelousas), Inc.
Notami Hospitals of Louisiana, Inc.
Rapides Healthcare System, L.L.C.
    Avoyelles Hospital
    Oakdale Community Hospital
    Rapides Regional Medical Center
    Savoy Medical Center
    Winn Parish Medical Center
Rapides Physicians Management, LLC
Rapides Surgery Center, LLC
Southwest Medical Center Family Practice, LLC
Southwest Medical Center Multi-Specialty Group, LLC
Southwest Medical Center Surgical Group, LLC

Surgicare Merger Company of Louisiana
Surgicare of Lakeview, Inc.
Surgicare Outpatient Center of Baton Rouge, Inc.
Surgicenter of East Jefferson, Inc.
TUHC Anesthesiology Group, LLC
TUHC Hospitalist Group, LLC
TUHC Physician Group, LLC
TUHC Primary Care and Pediatrics Group, LLC
TUHC Radiology Group, LLC
Tulane Clinic, LLC
Tulane Professionals Management, L.L.C.
University Healthcare System, L.C.
    Tulane University Hospital and Clinic
Uptown Primary Care Associates, LLC
WGH, Inc.
Women's & Children's Pediatric Hematology/Oncology Center, LLC
Women's & Children's Pediatric Orthopedic Center, LLC
Women's and Children's Hospital, Inc.
    Women's & Children's Hospital
Women's and Children's Professional Management, L.L.C.
Women's Multi-Specialty Group, LLC

LUXEMBOURG

HCA Luxembourg 1 Sarl
HCA Luxembourg 2 Sarl

MASSACHUSETTS

Columbia Hospital Corporation of Massachusetts, Inc.
Orlando Outpatient Surgical Center, Ltd.

MISSISSIPPI

Brookwood Medical Center of Gulfport, Inc.
Coastal Imaging Center of Gulfport, Inc.
Coastal Imaging Center, L.P.
Galen of Mississippi, Inc.
Garden Park Hospitalist Program, LLC
Garden Park Investments, L.P.
Garden Park Physician Services Corporation
Gulf Coast Medical Ventures, Inc.
HTI Health Services, Inc.
Orange Grove Surgical Associates, LLC
Southern Urology Associates, LLC
VIP, Inc.

MISSOURI

Baptist Lutheran HBP, LLC
Cedar Creek Medical Group, LLC
Centerpoint Cardiology Services, LLC
Centerpoint Hospital Based Physicians, LLC
Centerpoint Orthopedics, LLC
Centerpoint Physicians Group, LLC
Clinishare, Inc.
EHS Remainco, Inc.
Endocrinology Associates of Lee's Summit, LLC
Eye Care Surgicare, Ltd.
Eye Surgicare of Independence, LLC

Family Care at Arbor Walk, LLC
Family Health Specialists of Lee's Summit, LLC
Foot & Ankle Specialty Services, LLC
Galen Sale Corporation
HCA Midwest Comprehensive Care, Inc.
Health Midwest Medical Group, Inc.
Health Midwest Office Facilities Corporation
Health Midwest Ventures Group, Inc.
HEI Missouri, Inc.
HM Acquisition, LLC
Independence Neurosurgery Services, LLC
Independence Surgicare, Inc.
Kansas City Neurology Associates, LLC
Kansas City Perfusion Services, Inc.
Kansas City Pulmonology Practice, LLC
Lee's Summit Urgent Care, LLC
Medical Center Imaging, Inc.
Metropolitan Multispecialty Physicians Group, Inc.
Mid-States Financial Services, Inc.
Midwest Cardiovascular & Thoracic Surgery, LLC
Midwest Division — RBH, LLC
    Research Belton Hospital
Midwest Division Spine Care, LLC
Midwest Doctor's Group, LLC
Midwest Infectious Disease Specialists, LLC
Midwest Newborn Care, LLC
Midwest Trauma Services, LLC
Missouri Healthcare System, L.P.
National Association of Senior Friends
Notami Hospitals of Missouri, Inc.
Nuclear Diagnosis, Inc.
Ozarks Medical Services, Inc.
Precise Imaging, Inc.
Raymore Medical Group, LLC
Research Family Physicians, LLC
Research GYN/Oncology Associates, LLC
Research Internal Medicine, LLC
Research Multi-Specialty Physicians Group, LLC
Research Neurology Associates, LLC
Research Psychiatric — 1500, LLC
RMC — Pulmonary, LLC
RMC Transplant Physicians, LLC
Surgery Center of Independence, L.P.
    Centerpoint Ambulatory Surgery Center
Surgicare of Kansas City, LLC
Surgicenter of Kansas City, L.L.C.
    Surgicenter of Kansas City

NEVADA

CHC Holdings, Inc.
CHC Venture Co.
CIS Holdings, Inc.
Columbia Hospital Corporation of West Houston
Fremont Women's Health, LLC
Health Service Partners, Inc.
Las Vegas ASC, LLC

Las Vegas Physical Therapy, Inc.
Las Vegas Surgical Center, a Nevada limited partnership
Las Vegas Surgicare, Inc.
Las Vegas Surgicare, Ltd.
    Las Vegas Surgery Center
Nevada Surgery Center of Southern Hills, L.P.
Nevada Surgicare of Southern Hills, LLC
Rhodes Limited-Liability Company
Sahara Outpatient Surgery Center, Ltd.
    Sahara Surgery Center
Southern Hills Medical Center, LLC
    Southern Hills Hospital & Medical Center
Specialty Surgicare of Las Vegas, LP
    Specialty Surgery Center
Sunrise Anesthesia Services, LLC
Sunrise Flamingo Surgery Center, Limited Partnership
    Flamingo Surgery Center
Sunrise Mountainview Hospital, Inc.
    MountainView Hospital
Sunrise Neuro Sciences, LLC
Sunrise Outpatient Services, Inc.
Sunrise Physician Services, LLC
Sunrise Trauma Services, LLC
Surgicare of Las Vegas, Inc.
Value Health Holdings, Inc.
VH Holdco, Inc.
VH Holdings, Inc.
Western Plains Capital, Inc.

NEW HAMPSHIRE

Appledore Medical Group II, Inc.
Appledore Medical Group, Inc.
Derry ASC, Inc.
Derry Surgery Center, Limited Partnership
HCA Health Services of New Hampshire, Inc.
    Parkland Medical Center
    Portsmouth Regional Hospital
Med-Point of New Hampshire, Inc.
Parkland Hospitalists Program, LLC
Parkland Oncology, LLC
Parkland Physician Services, Inc.
    Salem Surgery Center
PRH Oncology, LLC
Salem Surgery Center, Limited Partnership
Surgicare of Salem, LLC

NORTH CAROLINA

Brunswick Anesthesia, LLC
CareOne Home Health Services, Inc.
Cumberland Medical Center, Inc.
HCA — Raleigh Community Hospital, Inc.
Heritage Hospital, Inc.
HTI Health Services of North Carolina, Inc.
Mecklenburg Surgical Land Development, Ltd.
Raleigh Community Medical Office Building, Ltd.
Wake Psychiatric Hospital, Inc.

OHIO

Columbia/HCA Healthcare Corporation of Northern Ohio
Columbia-CSA/HS Greater Canton Area Healthcare System, L.P.
Columbia-CSA/HS Greater Cleveland Area Healthcare System, L.P.
Lorain County Surgery Center, Ltd.
Surgicare of Lorain County, Inc.
Surgicare of Westlake, Inc.
Westlake Surgicare, L.P.

OKLAHOMA

Columbia Doctors Hospital of Tulsa, Inc.
Columbia Oklahoma Division, Inc.
Columbia/Edge Mobile Medical, L.L.C.
Edmond General Surgery, LLC
Edmond Hospitalists, LLC
Edmond Intensivists, LLC
Edmond Physician Hospital Organization, Inc.
Edmond Physician Services, LLC
Edmond Podiatry Associates, LLC
Edmond Spine and Orthopedic Services, LLC
Green Country Anesthesiology Group, Inc.
HCA Health Services of Oklahoma, Inc.
    OU Medical Center
Healthcare Oklahoma, Inc.
Integrated Management Services of Oklahoma, Inc.
Lake Region Health Alliance Corporation
Medi Flight of Oklahoma, LLC
Medical Imaging, Inc.
Millenium Health Care of Oklahoma, Inc.
Oklahoma Outpatient Surgery Limited Partnership
    Oklahoma Surgicare
Oklahoma Surgicare, Inc.
Plains Healthcare System, Inc.
Presbyterian Office Building, Ltd.
Rogers County PHO, Inc.
Stephenson Laser Center, L.L.C.
Surgicare of Northwest Oklahoma Limited Partnership
Surgicare of Tulsa, Inc.
SWMC, Inc.
Wagoner Medical Group, Inc.

PENNSYLVANIA

Basic American Medical Equipment Company, Inc.
Chestnut Hill Surgical Investors, Ltd.
Surgicare of Philadelphia, Inc.

SOUTH CAROLINA

C/HCA Development, Inc.
Carolina Forest Imaging Center, LLC
Carolina Regional Surgery Center, Inc.
Carolina Regional Surgery Center, Ltd.
    Grande Dunes Surgery Center
Coastal Carolina Home Care, Inc.
Coastal Carolina MultiSpecialty Associates, LLC
Coastal Carolina Primary Care, LLC

Coastal Inpatient Physicians, LLC
Colleton Ambulatory Care, LLC
Colleton Ambulatory Surgery Center
Colleton Diagnostic Center, LLC
Colleton Medical Anesthesia, LLC
Colleton Medical Hospitalists, LLC
Colleton Neurology Associates, LLC
Colleton Otolaryngology, Head and Neck Surgery, LLC
Columbia/HCA Healthcare Corporation of South Carolina
Columbia-CSA/HS Greater Columbia Area Healthcare System, L.P.
Doctors Hospital North Augusta Imaging Center, LLC
Doctor's Memorial Hospital of Spartanburg, L.P.
Edisto Multispecialty Associates, Inc.
Grand Strand Senior Health Center, LLC
Grand Strand Surgical Specialists, LLC
North Augusta Rehab Health Center, LLC
North Charleston Diagnostic Imaging Center, LLC
Providence Eye Care, Inc.
South Atlantic Division, Inc.
South Carolina Imaging Employer Corp.
Trident Behavioral Health Services, LLC
Trident Eye Surgery Center, L.P.
Trident Eye Surgery Center
Trident Medical Services, Inc.
Trident MRI Associates, L.P.
Trident Neonatology Services, LLC
Walterboro Community Hospital, Inc.
Colleton Medical Center

SWITZERLAND

Glemm SA
HCA Switzerland Finance Sarl
HCA Switzerland Holding Sarl

TENNESSEE

Appalachian OB/GYN Associates, Inc.
Arthritis Specialists of Nashville, Inc.
Athens Community Hospital, Inc.
Atrium Surgery Center, Ltd.
Atrium Memorial Surgery Center
Centennial Cardiovascular Consultants, LLC
Centennial Heart, LLC
Centennial Primary Care, LLC
Centennial Surgery Center, L.P.
Centennial Surgery Center
Centennial Surgical Associates, LLC
Central Tennessee Hospital Corporation
Horizon Medical Center
Chattanooga Diagnostic Associates, LLC
Chattanooga Healthcare Network Partner, Inc.
Chattanooga Healthcare Network, L.P.
Columbia Integrated Health Systems, Inc.
Columbia Medical Group — Centennial, Inc.
Columbia Medical Group — Daystar, Inc.
Columbia Medical Group — Parkridge, Inc.
Columbia Medical Group — River Park, Inc.

Columbia Medical Group — Southern Hills, Inc.
Columbia Medical Group — The Frist Clinic, Inc.
Dickson Corporate Health Services, LLC
Dickson Surgery Center, L.P.
Fairvue Family Practice, LLC
First Onsite, LLC
Frist Clinic Express, LLC
Gastroenterology Specialists of Middle Tennessee, LLC
HCA — Information Technology & Services, Inc.
HCA Central Group, Inc.
HCA Chattanooga Market, Inc.
HCA Development Company, Inc.
HCA Eastern Group, Inc.
HCA Health Services of Tennessee, Inc.
    Centennial Medical Center
    Centennial Medical Center at Ashland City
    Southern Hills Medical Center
    StoneCrest Medical Center
    Summit Medical Center
HCA Home and Clinical Services, Inc.
HCA Medical Services, Inc.
HCA Physician Services, Inc.
HCA Psychiatric Company
HCA Realty, Inc.
Healthcare Sales National Management Services Group, LLC
Healthtrust, Inc. — The Hospital Company
Hendersonville Hospital Corporation
    Hendersonville Medical Center
Hendersonville Hospitalist Services, Inc.
Hendersonville OB/GYN, LLC
Hendersonville Primary Care, LLC
Hermitage Primary Care, LLC
Holly Hill/Charter Behavioral Health System, L.L.C.
Hometrust Management Services, Inc.
Horizon Orthopedics, LLC
Hospital Corporation of Tennessee
Hospital Realty Corporation
Hospitalists at Centennial Medical Center, LLC
Hospitalists at Horizon Medical Center, LLC
Hospitalists at Parkridge, LLC
Hospitalists at StoneCrest, LLC
HTI Memorial Hospital Corporation
    Skyline Medical Center
Indian Path Hospital, Inc.
Indian Path Rehabilitation Center, Inc.
Internal Medicine Associates of Southern Hills, LLC
Lookout Valley Medical Center, LLC
Madison Behavioral Health, LLC
Madison Internal Medicine, LLC
McMinnville Cardiology, LLC
Med Group — Southern Hills Hospitalists, LLC
Medical Group — Dickson, Inc.
Medical Group — Southern Hills of Brentwood, LLC
Medical Group — Southern Hills of Nolensville, LLC
Medical Group — Stonecrest FP, Inc.
Medical Group — Stonecrest Pulmonology, LLC

Medical Group — StoneCrest, Inc.
Medical Group — Summit, Inc.
Medical Plaza Ambulatory Surgery Center Associates, L.P.
    Plaza Day Surgery
Medical Plaza MRI, L.P.
Medical Resource Group, Inc.
Middle Tennessee Medical Services Corporation
Middle Tennessee Neurology LLC
Mid-State Physicians, LLC
Nashville Psychiatric Company, Inc.
Network Management Services, Inc.
Neurology Associates of Hendersonville, LLC
North Florida Regional Freestanding Surgery Center, L.P.
    North Florida Surgical Pavilion
North Nashville Family Health Center, LLC
Old Fort Village, LLC
OneSourceMed, Inc.
Palmer Medical Center, LLC
Parkridge East Specialty Associates, LLC
Parkridge Hospitalists, Inc.
Parkridge Medical Associates, LLC
Parkridge Medical Center, Inc.
    Parkridge Medical Center
Parkridge Professionals, Inc.
Parkside Surgery Center, Inc.
Plano Ambulatory Surgery Associates, L.P.
    Surgery Center of Plano
Portland Primary Care, LLC
Portland Surgical, LLC
Pulmonary Medicine of Dickson, LLC
Quantum Innovations, Inc.
Rio Grande Surgery Center Associates, L.P.
    Rio Grande Surgery Center
Shelbyville Cardiology, LLC
Signal Mountain Primary Care, LLC
Skyline Medical Group, LLC
Skyline Neuroscience Associates, LLC
Skyline Primary Care, LLC
Skyline Rehab Associates, LLC
Skyline Riverside Medical Group, LLC
Southeast Surgical Solutions, LLC
Southern Hills Neurology Consultants, LLC
Southern Hills Orthopaedic Consultants, LLC
Southern Hills Surgery Center, L.P.
Specialist Group at Centennial, LLC
Spring Hill Hospital, Inc.
Spring Hill Physicians, LLC
SRS Acquisition, Inc.
St. Mark’s Ambulatory Surgery Associates, L.P.
    St. Mark’s Outpatient Surgery Center
Sterling Primary Care Associates, LLC
Stonecrest Medical Group — Family Practice of Murfreesboro, LLC
Stonecrest Medical Group — SC Murfreesboro Family Practice, LLC
Sullins Surgical Center, Inc.
Summit Convenient Care at Lebanon, LLC
Summit Heart, LLC

Summit Research Solutions, LLC
Summit Surgery Center, L.P.
Summit Surgery Center
Summit Surgical Associates, LLC
Surgery Center of Chattanooga, L.P.
Surgery Center of Chattanooga
Surgicare of Chattanooga, LLC
Surgicare of Dickson, LLC
Surgicare of Madison, Inc.
Surgicare of Southern Hills, Inc.
Surgicare of Wilson County, LLC
Surgicare Outpatient Center of Jackson, Inc.
Sycamore Shoals Hospital, Inc.
TCMC Madison-Portland, Inc.
Tennessee Healthcare Management, Inc.
Tennessee Valley Outpatient Diagnostic Center, LLC
The Charter Cypress Behavioral Health System, L.L.C.
Trident Ambulatory Surgery Center, L.P.
Trident Ambulatory Surgery Center
TriStar Health System, Inc.
TriStar OB/GYN, LLC
Vascular and Endovascular Specialists, LLC
Wilson County Outpatient Surgery Center, L.P.

TEXAS

Administrative Physicians of North Texas, PLLC
All About Staffing of Texas, Inc.
Ambulatory Endoscopy Clinic of Dallas, Ltd.
Arlington Diagnostic South, Inc.
Arlington Primary Medicine, PLLC
Austin Medical Center, Inc.
Bailey Square Ambulatory Surgical Center, Ltd.
Bailey Square Outpatient Surgical Center, Inc.
Barrow Medical Center CT Services, Ltd.
Bay Area Healthcare Group, Ltd.
Corpus Christi Medical Center
Bay Area Surgical Center Investors, Ltd.
Bay Area Surgicare Center, Inc.
Bayshore Occupational and Family Medicine, PLLC
Bayshore Surgery Center, Ltd.
Bayshore Surgery Center
Beaumont Healthcare System, Inc.
Bedford-Northeast Community Hospital, Inc.
Bellaire Imaging, Inc.
Brownsville Specialists of Texas, PLLC
Brownsville Surgical Specialists, PLLC
Brownsville-Valley Regional Medical Center, Inc.
Calloway Creek Surgery Center, L.P.
Calloway Creek Surgery Center
Calloway Creek Surgicare, LLC
Capital Area Occupational Medicine, PLLC
Capital Area Primary Care, PLLC
Capital Area Surgeons, PLLC
Central San Antonio Surgical Center Investors, Ltd.
CHC Management, Ltd.
CHC Payroll Company

CHC Realty Company
CHCA Pearland, L.P.
CHC-El Paso Corp.
CHC-Miami Corp.
Clear Lake Family Physicians, PLLC
Clear Lake Multi-Specialty Group, PLLC
Clear Lake Regional Medical Center, Inc.
Clear Lake Surgicare, Ltd.
    Bay Area Surgicare Center
Coastal Bend Hospital CT Services, Ltd.
Collin County Diagnostic Associates, PLLC
COL-NAMC Holdings, Inc.
Columbia Ambulatory Surgery Division, Inc.
Columbia Bay Area Realty, Ltd.
Columbia Call Center, Inc.
Columbia Central Group, Inc.
Columbia Central Verification Services, Inc.
Columbia Champions Treatment Center, Inc.
Columbia GP of Mesquite, Inc.
Columbia Greater Houston Division Healthcare Network, Inc.
Columbia Hospital at Medical City Dallas Subsidiary, L.P.
    Medical City Dallas Hospital
Columbia Hospital Corporation at the Medical Center
Columbia Hospital Corporation of Arlington
Columbia Hospital Corporation of Bay Area
Columbia Hospital Corporation of Corpus Christi
Columbia Hospital Securities Corporation
Columbia Hospital-Arlington (WC), Ltd.
Columbia Hospital-El Paso, Ltd.
Columbia Lone Star/Arkansas Division, Inc.
Columbia Medical Arts Hospital Subsidiary, L.P.
Columbia Medical Center at Lancaster Subsidiary, L.P.
Columbia Medical Center Dallas Southwest Subsidiary, L.P.
Columbia Medical Center of Arlington Subsidiary, L.P.
    Medical Center of Arlington
Columbia Medical Center of Denton Subsidiary, L.P.
    Denton Regional Medical Center
Columbia Medical Center of Las Colinas, Inc.
    Las Colinas Medical Center
Columbia Medical Center of Lewisville Subsidiary, L.P.
    Medical Center of Lewisville
Columbia Medical Center of McKinney Subsidiary, L.P.
    Medical Center of McKinney
Columbia Medical Center of Plano Subsidiary, L.P.
    Medical Center of Plano
Columbia North Hills Hospital Subsidiary, L.P.
    North Hills Hospital
Columbia North Texas Healthcare System, L.P.
Columbia North Texas Subsidiary GP, LLC
Columbia North Texas Surgery Center Subsidiary, L.P.
Columbia Northwest Medical Center Partners, Ltd.
Columbia Northwest Medical Center, Inc.
Columbia Plaza Medical Center of Fort Worth Subsidiary, L.P.
    Plaza Medical Center of Fort Worth
Columbia Psychiatric Management Co.
Columbia South Texas Division, Inc.

Columbia Specialty Hospital of Dallas Subsidiary, L.P.
Columbia Specialty Hospitals, Inc.
Columbia Surgery Group, Inc.
Columbia/HCA Healthcare Corporation of Central Texas
Columbia/HCA Heartcare of Corpus Christi, Inc.
Columbia/HCA International Group, Inc.
Columbia/HCA of Houston, Inc.
Columbia/HCA of North Texas, Inc.
Columbia/HCA Physician Hospital Organization Medical Center Hospital
Columbia-Quantum, Inc.
Comprehensive Radiology Management Services, Ltd.
Congenital Heart Surgery Center, PLLC
Conroe Hospital Corporation
Conroe Specialists of Texas, PLLC
Corpus Christi Healthcare Group, Ltd.
Corpus Christi Surgery Center, L.P.
Corpus Christi Surgery, Ltd.
Corpus Surgicare, Inc.
Dallas CardioThoracic Surgery Consultants, PLLC
Dallas Neuro-Stroke Affiliates, PLLC
Deep Purple Investments, LLC
Denton Pediatric Physicians, PLLC
Denton Primary Care, PLLC
Denton Regional Ambulatory Surgery Center, L.P.
    Day Surgery Center at Denton Regional Medical Center
DFW Physicians Group, PLLC
Doctors Bay Area Physician Hospital Organization
Doctors Hospital (Conroe), Inc.
E.P. Physical Therapy Centers, Inc.
El Paso Healthcare Provider Network
El Paso Healthcare System, Ltd.
    Del Sol Medical Center
    Las Palmas Medical Center
El Paso Nurses Unlimited, Inc.
El Paso Primary Care, PLLC
El Paso Surgery Centers, L.P.
    East El Paso Surgery Center
    Surgical Center of El Paso
El Paso Surgicenter, Inc.
Eldridge Family Practitioners, PLLC
Elite Family Health of Plano, PLLC
Elite OB-GYN Services of El Paso, PLLC
Elite Orthopaedics of El Paso, PLLC
Elite Orthopaedics of Irving, PLLC
Elite Orthopaedics of Plano, PLLC
Emergency Psychiatric Medicine, PLLC
Endoscopy Clinic of Dallas, Inc.
Endoscopy of Plano, L.P.
Endoscopy Surgicare of Plano, LLC
EPIC Properties, Inc.
EPSC, L.P.
Family Practitioners of Pearland, PLLC
Flower Mound Surgery Center, Ltd.
Fort Worth Investments, Inc.
Frisco Warren Parkway 91, Inc.
Galen Hospital of Baytown, Inc.

General and Cardiovascular Surgeons of Conroe, PLLC
General Surgeons of Pasadena, PLLC
GI Associates of Denton, PLLC
Gramercy Surgery Center, Ltd.
    Gramercy Outpatient Surgery Center
Greater Houston Preferred Provider Option, Inc.
Green Oaks Hospital Subsidiary, L.P.
    Green Oaks Hospital
Gulf Coast Division, Inc.
Gulf Coast Physician Administrators, Inc.
HCA Central/West Texas Physicians Management, LLC
HCA Health Services of Texas, Inc.
HCA Pearland GP, Inc.
HCA Plano Imaging, Inc.
HCA Western Group, Inc.
Heartcare of Texas, Ltd.
HEI Sealy, Inc.
Hidalgo County Family Practitioners, PLLC
Houston Northwest Surgical Partners, Inc.
Houston Pediatric Pulmonary Associates, PLLC
HPG Energy, L.P.
HPG GP, LLC
HTI Gulf Coast, Inc.
Kingwood Multi-Specialty Group, PLLC
Kingwood Surgery Center, Ltd.
KPH-Consolidation, Inc.
    Kingwood Medical Center
Kyle Primary Care, PLLC
Las Colinas Primary Care, PLLC
Las Colinas Surgery Center, Ltd.
    Las Colinas Surgery Center
Leadership Healthcare Holdings II L.P., L.L.P.
Leadership Healthcare Holdings L.P., L.L.P.
Longview Regional Physician Hospital Organization, Inc.
M. Jamshidi, D.O., PLLC
Mainland Family Medicine, PLLC
Mainland Multi-Specialty Group, PLLC
Maternal Fetal Medicine Specialists of Corpus Christi, PLLC
Med City Dallas Outpatient Surgery Center, L.P.
    Medical City Ambulatory Surgery Center
Med Plus of El Paso, Inc.
Med-Center Hosp./Houston, Inc.
Medical Care Surgery Center, Inc.
Medical City Dallas Hospital, Inc.
MediPurchase, Inc.
Methodist Healthcare System of San Antonio, Ltd., L.L.P.
    Methodist Ambulatory Surgery Hospital — Northwest
    Methodist Children’s Hospital of South Texas
    Methodist Hospital
    Methodist Specialty and Transplant Hospital
    Metropolitan Methodist Hospital
    Northeast Methodist Hospital
Methodist Medical Center ASC, L.P.
Metroplex Surgicenters, Inc.
MGH Medical, Inc.
MHS SC Partner, L.L.C.

MHS Surgery Centers, L.P.
Mid-Cities Surgi-Center, Inc.
National Patient Account Services, Inc.
Navarro Memorial Hospital, Inc.
Neurological Eye Specialists of North Texas, PLLC
Neurological Specialists of McKinney, PLLC
Neurological Specialists, PLLC
Neurosurgical Specialists of El Paso, PLLC
North Austin Surgery Center, L.P.
North Central Methodist ASC, L.P.
North Hills Cardiac Catheterization Center, L.P.
North Hills Catheterization Lab, LLC
North Hills Surgicare, L.P.
    Texas Pediatric Surgery Center
North Shore Specialists of Texas, PLLC
North Texas Cardiology, PLLC
North Texas Division, Inc.
North Texas General, L.P.
North Texas Geriatrics, PLLC
North Texas Sports and Orthopedics Center, PLLC
Northeast Methodist Surgicare, Ltd.
Northeast PHO, Inc.
Oakwood Surgery Center, Ltd., LLP
OB/Gyn Associates of Denton, PLLC
Occupational and Family Medicine of South Texas
Orthopedic Hospital, Ltd.
    Texas Orthopedic Hospital
Outpatient Women's and Children's Surgery Center, Ltd.
    Fannin Surgicare
Paragon of Texas Health Properties, Inc.
Paragon Physicians Hospital Organization of South Texas, Inc.
Paragon Surgery Centers of Texas, Inc.
Park Central Surgical Center, Ltd.
    Park Central Surgical Center
Parkway Cardiac Center, Ltd.
Parkway Surgery Services, Ltd.
Pasadena Bayshore Hospital, Inc.
Pediatric Cardiac Intensivists of North Texas, PLLC
Pediatric Hospitalists of Conroe, PLLC
Pediatric Intensivists of El Paso, PLLC
Pediatric Specialists of Clear Lake, PLLC
Pediatric Surgicare, Inc.
Plano Urology, PLLC
Plaza Primary Care, PLLC
Primary Care Plano, PLLC
Primary Care South, PLLC
Primary Care West, PLLC
Primary Health Network of South Texas
Quantum/Bellaire Imaging, Ltd.
Rim Building Partners, L.P.
Rio Grande Healthcare MSO, Inc.
Rio Grande NP, Inc.
Rio Grande Regional Hospital, Inc.
Rio Grande Regional Investments, Inc.
Rosewood Medical Center, Inc.
Rosewood Professional Building, Ltd.

Royal Oaks Surgery Center, L.P.
S.A. Medical Center, Inc.
San Antonio Division, Inc.
San Antonio Regional Hospital, Inc.
Sante Fe Family Practitioners, PLLC
SAPN, LLC
South Austin Surgery Center, Ltd.
South Texas Surgicare, Inc.
Southwest Houston Surgicare, Inc.
Spring Branch Family Practitioners, PLLC
Spring Branch Medical Center, Inc.
    Spring Branch Medical Center
St. David's Healthcare Partnership, L.P., LLP
    North Austin Medical Center
    Round Rock Medical Center
    South Austin Hospital
    St. David's Georgetown Hospital
    St. David's Medical Center
St. David's OB Hospitalist, PLLC
STPN Manager, LLC
Sugar Land Surgery Center, Ltd.
    Sugar Land Surgery Center
Sun Towers/Vista Hills Holding Co.
Surgical Center of Irving, Inc.
Surgical Facility of West Houston, L.P.
Surgical Specialists of Clear Lake, PLLC
Surgical Specialists of Corpus Christi, PLLC
Surgicare of Arlington, LLC
Surgicare of Central San Antonio, Inc.
Surgicare of Flower Mound, Inc.
Surgicare of Fort Worth Co-GP, LLC
Surgicare of Fort Worth, Inc.
Surgicare of Gramercy, Inc.
Surgicare of Houston Women's, Inc.
Surgicare of Kingwood, Inc.
Surgicare of McKinney, Inc.
Surgicare of Medical City Dallas, LLC
Surgicare of North Austin, LLC
Surgicare of North San Antonio, Inc.
Surgicare of Northeast San Antonio, Inc.
Surgicare of Pasadena, Inc.
Surgicare of Round Rock, Inc.
Surgicare of Royal Oaks, LLC
Surgicare of South Austin, Inc.
Surgicare of Sugar Land, Inc.
Surgicare of Travis Center, Inc.
Tarrant County Surgery Center, L.P.
    Trinity Park Surgery Center
Texas Medical Technologies, Inc.
Texas Psychiatric Company, Inc.
The West Texas Division of Columbia, Inc.
THN Physicians Association, Inc.
Travis Surgery Center, L.P.
Urology Services of El Paso, PLLC
Village Oaks Medical Center, Inc.
W & C Hospital, Inc.

West Houston ASC, Inc.
West Houston Healthcare Group, Ltd.
West Houston Internal Specialists, PLLC
West Houston Outpatient Medical Facility, Inc.
West Houston Surgicare, Inc.
West LPN Fort Worth Oncology, PLLC
West McKinney Imaging Services, LLC
West Park Surgery Center, L.P.
    McKinney Surgery Center
WHMC, Inc.
Woman's Hospital of Texas, Incorporated
Women Practitioners of Houston, PLLC
Women Specialists of Bayshore, PLLC

UNITED KINGDOM

Columbia U.K. Finance Limited
HCA Finance, LP
HCA International Holdings Limited
HCA International Limited
    Princess Grace Hospital
    The Harley Street Clinic
    The Portland Hospital for Women and Children
    The Wellington Hospital
HCA Staffing Limited
HCA UK Capital Limited
HCA UK Holdings Limited
HCA UK Investments Limited
HCA UK Services, Ltd.
HCA United Kingdom Limited
La Tour Finance Limited Partnership
London Radiography & Radiotherapy Services Limited
St. Martins Healthcare Limited
    Lister Hospital
    London Bridge Hospital
St. Martins Ltd.
The Harley Street Cancer Clinic Limited

UTAH

Brigham City Community Hospital Physician Services, LLC
Brigham City Community Hospital, Inc.
    Brigham City Community Hospital
Brigham City Health Plan, Inc.
Columbia Ogden Medical Center, Inc.
    Ogden Regional Medical Center
Columbia Utah Division, Inc.
East Layton Internal Medicine, LLC
General Hospitals of Galen, Inc.
Healthtrust Utah Management Services, Inc.
Hospital Corporation of Utah
    Lakeview Hospital
HTI Physician Services of Utah, Inc.
Jordan Family Health, L.L.C.
Lakeview Hospital Physician Services, LLC
Lakeview Neurosurgery Clinic, LLC
Lakeview Professional Billing, LLC
Layton Family Practice, LLC

Lone Peak General Surgery, LLC
Lone Peak Primary Care, LLC
Maternal Fetal Services of Utah, LLC
Mountain Division, Inc.
Mountain View Hospital, Inc.
    Mountain View Hospital
Mountain View Medical Office Building, Ltd.
Mountainstar Brigham OBGYN, LLC
Mountainstar Cardiovascular Services, LLC
MountainStar Farr West Family Medicine, LLC
Mountainstar Odgen Pediatrics, LLC
MountainStar Primary Care, LLC
Northern Utah Healthcare Corporation
    St. Mark's Hospital
Northern Utah Imaging, L.P.
Ogden Internal Medicine, LLC
Ogden Regional Health Plan, Inc.
Ogden Regional Medical Center Professional Billing, LLC
Ogden Senior Center, LLC
Salt Lake City Surgicare, Inc.
Shadow Mountain Family Medicine, LLC
St. Mark's Gynecology Oncology Care, LLC
St. Mark's Investments, Inc.
St. Mark's Lone Peak Hospital, Inc.
St. Mark's Millcreek Primary Care, LLC
St. Mark's Physicians, Inc.
St. Mark's Professional Services, LLC
St. Mark's South Jordan Family Practice, LLC
Surgicare of Bountiful, LLC
Surgicare of Salt Lake City, LLC
Surgicare of Utah, LLC
Synergies Surgery Center, L.P.
The Wasatch Endoscopy Center, Ltd.
Timpanogos Regional Medical Services, Inc.
    Timpanogos Regional Hospital
Utah Imaging GP, LLC
Utah Surgery Center, L.P.
    South Towne Surgery Center
West Jordan Hospital Corporation

VIRGINIA

Alleghany General and Bariatric Services, LLC
Alleghany Hospitalists, LLC
Alleghany Primary Care, Inc.
Ambulatory Services Management Corporation of Chesterfield County, Inc.
Appomattox Imaging, LLC
Arlington Surgery Center, L.P.
Arlington Surgicare, LLC
Ashburn Imaging, LLC
Atrium Surgery Center, L.P.
Atrium Surgicare, LLC
Blacksburg Family Care, LLC
Buford Road Imaging, L.L.C.
Capital Anesthesia Services, LLC
Capital Division, Inc.
Cardiac Surgical Associates, LLC

Cardiothoracic Surgeons of Roanoke Valley, LLC
Carlin Springs Urgent Care, LLC
Central Shared Services, LLC
Chesterfield Imaging, LLC
Chippenham & Johnston-Willis Hospitals, Inc.
    CJW Medical Center
Chippenham & Johnston-Willis Sports Medicine, LLC
Chippenham Pediatric Specialists, LLC
Christiansburg Family Medicine, LLC
Christiansburg Internal Medicine, LLC
CJW Infectious Disease, LLC
Colonial Heights Ambulatory Surgery Center, L.P.
Colonial Heights Surgicare, LLC
Columbia Arlington Healthcare System, L.L.C.
Columbia Healthcare of Central Virginia, Inc.
Columbia Medical Group — Southwest Virginia, Inc.
Columbia Pentagon City Hospital, L.L.C.
Columbia/Alleghany Regional Hospital, Incorporated
    Alleghany Regional Hospital
Columbia/HCA John Randolph, Inc.
    John Randolph Medical Center
CVMC Property, LLC
Daleville Imaging Manager, LLC
Daleville Imaging, L.P.
Dominion Hospital Physicians' Group, LLC
Fairfax Surgical Center, L.P.
    Fairfax Surgical Center
Family Medicine of Blacksburg, LLC
Family Practice at Forest Hill, LLC
Family Practice at Retreat, LLC
Fort Chiswell Family Practice, LLC
Galen of Virginia, Inc.
Galen Property, LLC
Galen Virginia Hospital Corporation
Generations Family Practice, Inc.
GYN-Oncology of Southwest Virginia, LLC
Hanover Outpatient Surgery Center, L.P.
    Hanover Outpatient Surgery Center
HCA Health Services of Virginia, Inc.
    Henrico Doctors' Hospital
    Retreat Doctors' Hospital, a Campus of Henrico Doctors' Hospital
HCA Richmond Division, Inc.
HDH Thoracic Surgeons, LLC
Henrico Doctors' Family Medicine, LLC
Henrico Doctors' Neurology Associates, LLC
Henrico Radiation Oncology, LLC
HSS Virginia, L.P.
Institute of Advanced ENT Surgery, LLC
Internal Medicine of Blacksburg, LLC
James River Internists, LLC
John Randolph Family Practice, LLC
John Randolph OB/GYN, LLC
John Randolph Surgeons, LLC
Lewis Gale Physicians Specialists, LLC
Lewis-Gale Hospital, Incorporated
Lewis-Gale Physicians, LLC

LGMC Ambulatory Surgery Center, LLC
Loudoun Surgery Center, L.P.
Loudoun Surgery Center, LLC
Management Services of the Virginias, Inc.
Montgomery Cancer Center, LLC
Montgomery Hospitalists, LLC
Montgomery Regional Hospital, Inc.
    Montgomery Regional Hospital
Montgomery Surgery Associates, LLC
Northern Virginia Community Hospital, LLC
Northern Virginia Hospital Corporation
Orthopedics Specialists, LLC
Pediatric Specialists for CJW, LLC
Preferred Hospitals, Inc.
Primary Care of West End, LLC
Primary Health Group, Inc.
Pulaski Community Hospital, Inc.
    Pulaski Community Hospital
Pulaski Radiologists, LLC
Pulaski Urology, LLC
Quick Care Centers, LLC
Radford Family Medicine, LLC
Reston Surgery Center, L.P.
    Reston Surgery Center
Retreat Cardiology, LLC
Retreat Hospital, LLC
Retreat Internal Medicine, LLC
Retreat Surgical Associates, LLC
Richmond Imaging Employer Corp.
Richmond Pediatric Surgeon's, LLC
Roanoke Imaging, LLC
Roanoke Neurosurgery, LLC
Roanoke Surgery Center, L.P.
    Blue Ridge Surgery Center
Roanoke Valley Gynecology, LLC
Robious Wellness Associates, L.L.P.
Salem Hospitalists, LLC
Short Pump Imaging, LLC
Southwest Virginia Fertility Center, LLC
Southwest Virginia Orthopedics and Spine, LLC
Specialty Physicians of Northern Virginia, LLC
Spotsylvania Medical Center, Inc.
Spotsylvania Regional Surgery Center, LLC
Stafford Imaging, LLC
Surgical Associates of Southwest Virginia, LLC
Surgical Associates of the New River Valley, LLC
Surgicare of Fairfax, Inc.
Surgicare of Hanover, Inc.
Surgicare of Reston, Inc.
Surgicare of Roanoke, LLC
Surgicare of Spotsylvania, LLC
Surgicare of Tuckahoe, Inc.
The Women's Center at Alleghany, LLC
Urology Specialists of Richmond, LLC
Virginia Gynecologic Oncology, LLC
Virginia Hematology & Oncology Associates, Inc.

Virginia Hospitalists, Inc.
Virginia Psychiatric Company, Inc.
Dominion Hospital
West Creek Ambulatory Surgery Center, LLC
West Creek Medical Center, Inc.
West Creek Medical Center, Inc.
Women's Health Center of SWVA, LLC

WASHINGTON

ACH, Inc.
Capital Network Services, Inc.

WEST VIRGINIA

Columbia Parkersburg Healthcare System, LLC
Columbia/HCA WVMS Member, Inc.
Galen of West Virginia, Inc.
HCA Health Services of West Virginia, Inc.
Hospital Corporation of America
Parkersburg SJ Holdings, Inc.
Teays Valley Health Services, LLC
Tri Cities Health Services Corp.

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement Form S-8 (File No. 333-150714) pertaining to the 2006 Stock Incentive Plan for Key Employees of HCA Inc. and its Affiliates of our reports dated March 3, 2009, with respect to the consolidated financial statements of HCA Inc. and the effectiveness of internal control over financial reporting of HCA Inc., included in this Annual Report (Form 10-K) for the year ended December 31, 2008.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
March 3, 2009

EXHIBIT 31.1

CERTIFICATIONS

I, Richard M. Bracken, certify that:

1. I have reviewed this annual report on Form 10-K of HCA Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit and compliance committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Richard M. Bracken
Richard M. Bracken
President and Chief Executive Officer

Date: March 3, 2009

EXHIBIT 31.2

CERTIFICATIONS

I, R. Milton Johnson, certify that:

1. I have reviewed this annual report of Form 10-K of HCA Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit and compliance committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ R. Milton Johnson
R. Milton Johnson
Executive Vice President and
Chief Financial Officer

Date: March 3, 2009

EXHIBIT 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of HCA Inc. (the "Company") on Form 10-K for the year ended December 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ RICHARD M. BRACKEN
Richard M. Bracken
President and Chief Executive Officer

March 3, 2009

By: /s/ R. MILTON JOHNSON
R. Milton Johnson
Executive Vice President and
Chief Financial Officer

March 3, 2009