

HCA Holdings, Inc.  
Form 424B3  
December 03, 2015  
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Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-201463

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

Subject to Completion, dated December 3, 2015

## PROSPECTUS SUPPLEMENT

(To Prospectus dated January 13, 2015)

**\$500,000,000**

**HCA Inc.**

**5.875% Senior Notes due 2026**

HCA Inc. is offering \$500,000,000 aggregate principal amount of 5.875% senior notes due 2026, which we refer to as the notes offered hereby. The notes offered hereby will be issued under the indenture dated August 1, 2011, as supplemented by the thirteenth supplemental indenture dated November 13, 2015 pursuant to which the \$1.0 billion aggregate principal amount of 5.875% Senior Notes due 2026 were issued on November 13, 2015 (the existing notes and, together with the notes offered hereby, the notes). The notes offered hereby and the existing notes will be treated as a single series for all purposes under the indenture, including notices, consents, waivers, amendments, redemptions and any other action permitted under the indenture, and the notes offered hereby will have identical terms with the existing notes, other than their issue date and public offering price. The notes offered hereby will have the same CUSIP and ISIN numbers as, and will vote together and will be fungible with, the existing notes immediately upon issuance. The notes will bear interest at a rate of 5.875% per annum. HCA Inc. will pay interest on the notes semi-annually, in cash in arrears, on February 15 and August 15 of each year, beginning on August 15, 2016. The notes offered hereby are offered at the public offering price plus accrued interest from November 13, 2015, the original issue date of the existing notes. Interest on the notes offered hereby will accrue from November 13, 2015. Accrued interest on the notes offered hereby must be paid by the purchasers through the day before the closing date. The notes will mature on February 15, 2026.

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We may redeem the notes, at any time in whole or from time to time in part, at the redemption prices described in this prospectus supplement. In addition, if we experience certain kinds of changes in control, we may be required to repurchase the notes on the terms described in this prospectus supplement.

The notes will be HCA Inc.'s senior obligations and will rank equally and ratably with all of its existing and future senior indebtedness and senior to any of its future subordinated indebtedness. The obligations under the notes will be fully and unconditionally guaranteed by HCA Holdings, Inc., the direct parent company of HCA Inc., on a senior unsecured basis and will rank equally and ratably with HCA Inc.'s existing and future senior indebtedness and senior to any of its existing and future subordinated indebtedness and will be structurally subordinated in right of payment to all obligations of HCA Inc.'s subsidiaries and will be subordinated to any of HCA Inc.'s secured indebtedness to the extent of the value of the collateral securing such indebtedness.

HCA Inc. intends to use the net proceeds of this offering for general corporate purposes.

*Investing in the notes involves risks. See Risk Factors beginning on page S-15.*

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the attached prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public offering price(1)		Underwriting discount		Proceeds to HCA Inc.(1) (before expenses)	
	Per note	Total	Per note	Total	Per note	Total
5.875% Senior Notes due 2026	%	\$	%	\$	%	\$

(1) Plus accrued interest from November 13, 2015.

We expect to deliver the notes to investors on or about \_\_\_\_\_, 2015 in book-entry form only through the facilities of The Depository Trust Company (DTC).

*Joint Book-Running Managers*

<b>Barclays</b>	<b>BofA Merrill Lynch</b>	<b>Citigroup</b>	<b>Credit Suisse</b>
<b>Deutsche Bank Securities</b>	<b>Goldman, Sachs &amp; Co.</b>	<b>J.P. Morgan</b>	<b>Morgan Stanley</b>
<b>RBC Capital Markets</b>	<b>SunTrust Robinson Humphrey</b>	<b>UBS Investment Bank</b>	<b>Wells Fargo Securities</b>

*Co-Managers*

<b>Credit Agricole CIB</b>	<b>Mizuho Securities</b>	<b>Fifth Third Securities</b>	<b>SMBC Nikko</b>
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Prospectus Supplement dated \_\_\_\_\_, 2015

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You should rely only on the information contained and incorporated by reference in this prospectus supplement and the accompanying prospectus. Neither HCA Inc. nor the underwriters have authorized anyone to provide you with any information or represent anything about HCA Inc., its financial results or this offering that is not contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. If given or made, any such other information or representation should not be relied upon as having been authorized by HCA Inc. or the underwriters. Neither HCA Inc. nor the underwriters are making an offer to sell these notes in any jurisdiction where the offer or sale is not permitted. The information contained and incorporated by reference in this prospectus supplement and the accompanying prospectus may only be accurate on the date of this document.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering of the notes and adds to and supplements information contained in the accompanying prospectus and the documents incorporated by reference therein. The second part is the accompanying prospectus, which we refer to as the accompanying prospectus. The accompanying prospectus contains a description of our debt securities and gives more general information, some of which may not apply to the notes. The accompanying prospectus also incorporates by reference documents that are described under **Incorporation by Reference** in that prospectus.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus or in any free writing prospectus filed by us with the SEC. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any such free writing prospectus is accurate as of any date other than the respective dates thereof. Our business, financial condition, results of operations and prospects may have changed since those dates.

We are not, and the underwriters are not, making an offer of the notes in any jurisdiction where the offer or sale is not permitted.

**MARKET, RANKING AND OTHER INDUSTRY DATA**

The data included or incorporated by reference in this prospectus supplement and the accompanying prospectus regarding markets and ranking, including the size of certain markets and our position and the position of our competitors within these markets, are based on reports of government agencies or published industry sources and estimates based on management's knowledge and experience in the markets in which we operate. These estimates have been based on information obtained from our trade and business organizations and other contacts in the markets in which we operate. We believe these estimates to be accurate as of the date of this prospectus supplement. However, this information may prove to be inaccurate because of the method by which we obtained some of the data for the estimates or because this information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. As a result, you should be aware that market, ranking and other similar industry data included or incorporated by reference in this prospectus supplement and the accompanying prospectus, and estimates and beliefs based on that data, may not be reliable. Neither we nor the underwriters can guarantee the accuracy or completeness of any such information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

**FORWARD-LOOKING AND CAUTIONARY STATEMENTS**

This prospectus supplement and the accompanying prospectus contain and incorporate by reference forward-looking statements within the meaning of the federal securities laws, which involve risks and uncertainties. Forward-looking statements include statements regarding estimated Electronic Health Record (EHR) incentive income and related EHR operating expenses, expected share-based compensation expense, expected capital expenditures and expected net claim payments and all other 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.

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and risks, many of which are beyond our control, which 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 impact of our substantial indebtedness and the ability to refinance such indebtedness on acceptable terms, (2) the effects related to the implementation of the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively, the Health Reform Law), possible delays in or complications related to implementation of the Health Reform Law, court challenges, the possible enactment of additional federal or state health care reforms and possible changes to the Health Reform Law and other federal, state or local laws or regulations affecting the health care industry, (3) the effects related to the continued implementation of the sequestration spending reductions required under the Budget Control Act of 2011, and related legislation extending these reductions, and the potential for future deficit reduction legislation that may alter these spending reductions, which include cuts to Medicare payments, or create additional spending reductions, (4) increases in the amount and risk of collectability of uninsured accounts and deductibles and copayment amounts for insured accounts, (5) the ability to achieve operating and financial targets, and attain expected levels of patient volumes and control the costs of providing services, (6) possible changes in Medicare, Medicaid and other state programs, including Medicaid upper payment limit programs or Waiver Programs, that may impact reimbursements to health care providers and insurers, (7) the highly competitive nature of the health care business, (8) changes in service mix, revenue mix and surgical volumes, including potential declines in the population covered under managed care agreements, the ability to enter into and renew managed care provider agreements on acceptable terms and the impact of consumer-driven health plans and physician utilization trends and practices, (9) the efforts of insurers, health care providers and others to contain health care costs, (10) the outcome of our continuing efforts to monitor, maintain and comply with appropriate laws, regulations, policies and procedures, (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 availability and terms of capital to fund the expansion of our business and improvements to our existing facilities, (13) changes in accounting practices, (14) changes in general economic conditions nationally and regionally in our markets, (15) the emergence and effects related to infectious diseases, including Ebola, (16) future divestitures which may result in charges and possible impairments of long-lived assets, (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, disputes and litigation associated with our tax positions, (20) potential adverse impact of known and unknown government investigations, litigation and other claims that may be made against us, (21) our ongoing ability to demonstrate meaningful use of certified EHR technology and recognize income for the related Medicare or Medicaid incentive payments, and (22) other risk factors disclosed under Risk Factors and elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. 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 us or on our behalf. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this prospectus supplement and the accompanying prospectus, which forward-looking statements reflect management's views only as of the date of this prospectus supplement and the accompanying prospectus. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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**SUMMARY**

*This summary highlights information appearing elsewhere in and incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in the notes. You should carefully read the entire prospectus supplement, the accompanying prospectus and the information incorporated herein by reference, including the financial data and related notes and the sections entitled Risk Factors.*

*As used herein, unless otherwise stated or indicated by context, references to the Issuer refer to HCA Inc. and its affiliates, and HCA Holdings, Inc., the Company, HCA, we, our or us refer to HCA Holdings, Inc., parent of HCA Inc., and its affiliates. The term affiliates means direct and indirect subsidiaries 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 Company**

We are the largest non-governmental hospital operator in the United States and a leading comprehensive, integrated provider of health care and related services. We provide these services through a network of acute care hospitals, outpatient facilities, clinics and other patient care delivery settings. As of September 30, 2015, we operated a diversified portfolio of 168 hospitals (with approximately 43,700 beds) and 114 freestanding surgery centers across 20 states throughout the United States and in England. As a result of our efforts to establish significant market share in large and growing urban markets with attractive demographic and economic profiles, we currently have a substantial market presence in 17 of the top 25 fastest growing markets with populations greater than 500,000 in the United States and currently maintain the first or second position, based on inpatient admissions, in many of our key markets. We believe our ability to successfully position and grow our assets in attractive markets and execute our operating plan has contributed to the strength of our financial performance over the last several years. For the nine months ended September 30, 2015, we generated revenues of \$29.429 billion, net income attributable to HCA Holdings, Inc. of \$1.547 billion and Adjusted EBITDA of \$5.784 billion.

Our patient-first strategy is to provide high quality health care services in a cost-efficient manner. We intend to build upon our history of profitable growth by maintaining our dedication to quality care, increasing our presence in key markets through organic expansion and strategic acquisitions and joint ventures, leveraging our scale and infrastructure, and further developing our physician and employee relationships. We believe pursuing these core elements of our strategy helps us develop a faster-growing, more stable and more profitable business and increases our relevance to patients, physicians, payers and employers.

Using our scale, significant resources and over 40 years of operating experience, we have developed a significant management and support infrastructure. Some of the key components of our support infrastructure include a revenue cycle management organization, a health care group purchasing organization ( GPO ), an information technology and services provider, a nurse staffing agency and a medical malpractice insurance underwriter. These shared services have helped us to maximize our cash collection efficiency, achieve savings in purchasing through our scale, more rapidly deploy information technology upgrades, more effectively manage our labor pool and achieve greater stability in malpractice insurance premiums. Collectively, these components have helped us to further enhance our operating effectiveness, cost efficiency and overall financial results. Our Parallon subsidiary group also offers certain of these component services to other health care organizations.

Since the founding of our business in 1968 as a single-facility hospital company, we have demonstrated an ability to consistently innovate and sustain growth during varying economic and regulatory climates. Under the

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leadership of an experienced senior management team, whose tenure at HCA averages approximately 20 years, we have established an extensive record of providing high quality care, profitably growing our business, making and integrating strategic acquisitions and efficiently and strategically allocating capital spending.

### **Our Industry**

We believe well-capitalized, comprehensive and integrated health care delivery providers are well-positioned to benefit from the current industry trends, some of which include:

*Aging Population and Continued Growth in the Need for Health Care Services.* According to the U.S. Census Bureau, the demographic age group of persons aged 65 and over is expected to experience compounded annual growth of 2.4% over the next 20 years (2015 to 2035) compared to general population growth of 0.7% over the same period, and constitute 20.9% of the total U.S. population by 2035. The Centers for Medicare & Medicaid Services ( CMS ) projects continued increases in hospital services based on the aging of the U.S. population, advances in medical procedures, expansion of health coverage, increasing consumer demand for expanded medical services and increased prevalence of chronic conditions such as diabetes, heart disease and obesity. We believe these factors will continue to drive increased utilization of health care services and the need for comprehensive, integrated hospital networks that can provide a wide array of essential and sophisticated health care.

*Continued Evolution of Quality-Based Reimbursement Favors Large-Scale, Comprehensive and Integrated Providers.* We believe the U.S. health care system is continuing to evolve in ways that favor large-scale, comprehensive and integrated providers that provide high levels of quality care. Specifically, we believe there are a number of initiatives that will continue to gain importance in the foreseeable future, including use of value-based payment methodologies tied to performance, quality and coordination of care, implementation of integrated EHR and information, and an increasing ability for patients and consumers to make choices about all aspects of health care. We believe our company is well positioned to respond to these emerging trends and has the resources, expertise and flexibility necessary to adapt in a timely manner to the changing health care regulatory and reimbursement environment.

*Impact of Health Reform Law.* The Health Reform Law changes how health care services are covered, delivered and reimbursed through expanded coverage of uninsured individuals, reduced growth in Medicare program spending, reductions in Medicare and Medicaid Disproportionate Share Hospital ( DSH ) payments, and the establishment of programs in which reimbursement is tied to quality and integration. In addition, the Health Reform Law reforms certain aspects of health insurance, expands existing efforts to tie Medicare and Medicaid payments to performance and quality, and contains provisions intended to strengthen fraud and abuse enforcement. Based on the Congressional Budget Office's March 2015 projection, by 2025, the Health Reform Law will expand coverage to 25 million additional individuals. This increased coverage will occur through a combination of public program expansion and private sector health insurance and other reforms. In *King v. Burwell*, the Supreme Court upheld subsidies for enrollees on the federally-facilitated exchanges and settled a significant challenge to the Health Reform Law's effectiveness in reducing the number of uninsured individuals. Most of the provisions of the Health Reform Law that seek to decrease the number of uninsured became effective January 1, 2014. However, the employer mandate, which requires firms with 50 or more full-time employees to offer health insurance or pay fines, has been delayed and will not be fully implemented until January 1, 2016. In addition, a number of states have opted out of the Medicaid expansion, but these states could choose to implement the expansion at a later date. It is unclear how many states will ultimately implement the Medicaid expansion provisions of the law.

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**Our Competitive Strengths**

We believe our key competitive strengths include:

*Largest Comprehensive, Integrated Health Care Delivery System.* We are the largest non-governmental hospital operator in the United States, providing approximately 4% to 5% of all U.S. hospital services through our national footprint. The scope and scale of our operations, evidenced by the types of facilities we operate, the diverse medical specialties we offer and the numerous patient care access points we provide, enable us to provide a comprehensive range of health care services in a cost-effective manner. As a result, we believe the breadth of our platform is a competitive advantage in the marketplace enabling us to attract patients, physicians and clinical staff while also providing significant economies of scale and increasing our relevance with commercial payers.

*Reputation for High Quality Patient-Centered Care.* Since our founding, we have maintained an unwavering focus on patients and clinical outcomes. We believe clinical quality influences physician and patient choices about health care delivery. We align our quality initiatives throughout the organization by engaging corporate, local, physician and nurse leaders to share best practices and develop standards for delivering high quality care. We have invested extensively in quality of care initiatives, with an emphasis on implementing information technology and adopting industry-wide best practices and clinical protocols. As a result of these efforts, we have achieved significant progress in clinical quality. As measured by the CMS clinical core measures reported on the CMS Hospital Compare website and based on publicly available data for the twelve months ended December 31, 2014, our hospitals achieved a composite score of 99.2% of the CMS core measures versus the national average of 96.8%, making us among the top performing major health systems in the United States. Payors, including the Medicare program, are increasing efforts to tie payments to quality and clinical performance. For example, CMS has implemented a value-based purchasing system and has been adjusting hospital payment rates based on excess readmissions for certain conditions. We also believe our quality initiatives favorably position us in a payment environment that is increasingly performance-based.

*Leading Local Market Positions in Large, Growing, Urban Markets.* Over our history, we have sought to selectively expand and upgrade our asset base to create a premium portfolio of assets in attractive growing markets. As a result, we have a strong market presence in 17 of the top 25 fastest growing markets with populations greater than 500,000 in the United States. In addition, we currently operate in 18 markets with populations of one million or more, with all but one of these markets projecting growth above the national average from 2015 to 2020. Our inpatient market share places us first or second in many of our key markets. We believe the strength and stability of these market positions will create organic growth opportunities and allow us to develop long-term relationships with patients, physicians, large employers and third-party payers.

*Diversified Revenue Base and Payer Mix.* We believe our broad geographic footprint, varied service lines and diverse revenue base mitigate our risks in numerous ways. Our diversification limits our exposure to competitive dynamics and economic conditions in any single local market, reimbursement changes in specific service lines and disruptions with respect to payers such as state Medicaid programs or large commercial insurers. We have a diverse portfolio of assets with no single facility contributing more than 2.2% of our revenues and no single metropolitan statistical area contributing more than 6.5% of revenues for the year ended December 31, 2014. We have also developed a highly diversified payer base, with no single commercial payer representing more than 8% of revenues for the year ended December 31, 2014. In addition, we are one of the country's largest providers of outpatient services, which accounted for approximately 38% of our revenues for the year ended December 31, 2014. We believe the geographic diversity of our markets and the scope of our inpatient and outpatient operations help reduce volatility in our operating results.



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*Scale and Infrastructure Drive Cost Savings and Efficiencies.* Our scale allows us to leverage our support infrastructure to achieve significant cost savings and operating efficiencies, thereby driving margin expansion. We strategically manage our supply chain through centralized purchasing and supply warehouses, as well as our revenue cycle through centralized billing, collections and health information management functions. We also manage the provision of information technology through a combination of centralized systems with regional service support as well as centralize many other clinical and corporate functions, creating economies of scale in managing expenses and business processes. In addition to the cost savings and operating efficiencies, this support infrastructure simultaneously generates revenue from third parties that utilize our services.

*Well-Capitalized Portfolio of High Quality Assets.* In order to expand the range and improve the quality of services provided at our facilities, we invested approximately \$9.7 billion in our facilities and information technology systems over the five-year period ended September 30, 2015. We believe our significant capital investments in these areas will continue to attract new and returning patients, attract and retain high quality physicians, maximize cost efficiencies and address the health care needs of our local communities. Furthermore, we believe our platform, as well as EHR infrastructure, national research and physician management capabilities, provide a strategic advantage by enhancing our ability to capitalize on incentives and avoid penalties through the Health Information Technology for Economic and Clinical Health Act ( HITECH ) provisions of the American Recovery and Reinvestment Act of 2009 ( ARRA ) and position us well in an environment that increasingly emphasizes quality, transparency and coordination of care.

*Strong Operating Results and Cash Flows.* Our leading scale, diversification, favorable market positions, dedication to clinical quality and focus on operational efficiency have enabled us to achieve attractive historical financial performance. For the nine months ended September 30, 2015, we generated net income attributable to HCA Holdings, Inc. of \$1.547 billion, Adjusted EBITDA of \$5.784 billion and cash flows from operating activities of \$3.176 billion. Our ability to generate strong and consistent cash flow from operations has enabled us to invest in our operations, enhance earnings per share and continue to pursue attractive growth opportunities.

*Proven and Experienced Management Team.* We believe the extensive experience and depth of our management team are a distinct competitive advantage in the complicated and evolving industry in which we compete. Our senior management team averages approximately 20 years of experience with our company. Members of our senior management hold significant equity interests in our company, further aligning their long-term interests with those of our stockholders.

### **Our Growth Strategy**

We are committed to providing the communities we serve with high quality, cost-effective health care while growing our business, increasing our profitability and creating long-term value for our stockholders. To achieve these objectives, we align our efforts around the following growth agenda:

*Grow Our Presence in Existing Markets.* We believe we are well positioned in a number of large and growing markets that will allow us the opportunity to generate long-term, attractive growth through the expansion of our presence in these markets. We plan to continue recruiting and strategically collaborating with the physician community and adding attractive service lines such as cardiology, emergency services, oncology and women's services. Additional components of our growth strategy include expanding our footprint through developing various outpatient access points, including surgery centers, rural outreach, freestanding emergency departments and walk-in clinics.

*Achieve Industry-Leading Performance in Clinical and Satisfaction Measures.* Achieving high levels of patient safety, patient satisfaction and clinical quality are central goals of our business model. To achieve

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these goals, we have implemented a number of initiatives including infection reduction initiatives, hospitalist programs, advanced health information technology and evidence-based medicine programs. We routinely analyze operational practices from our best-performing hospitals to identify ways to implement organization-wide performance improvements and reduce clinical variation. We believe these initiatives will continue to improve patient care, help us achieve cost efficiencies, grow our revenues and favorably position us in an environment where our constituents are increasingly focused on quality, efficacy and efficiency.

*Recruit and Employ Physicians to Meet Need for High Quality Health Services.* We depend on the quality and dedication of the health care providers and other team members who serve at our facilities. We believe a critical component of our growth strategy is our ability to successfully recruit and strategically collaborate with physicians and other professionals to provide high quality care. We attract and retain physicians by providing high quality, convenient facilities with advanced technology, by expanding our specialty services and by building our outpatient operations. We believe our continued investment in the employment, recruitment and retention of physicians will improve the quality of care at our facilities.

*Continue to Leverage Our Scale and Market Positions to Enhance Profitability.* We believe there is significant opportunity to continue to grow the profitability of our company by fully leveraging the scale and scope of our franchise. We are currently pursuing next generation performance improvement initiatives such as contracting for services on a multistate basis and expanding our support infrastructure for additional clinical and support functions, such as physician credentialing, medical transcription and electronic medical recordkeeping. We believe our centrally managed business processes and ability to leverage cost-saving practices across our extensive network will enable us to continue to manage costs effectively. We continue to invest in our Parallon subsidiary group to leverage key components of our support infrastructure, including revenue cycle management, health care group purchasing, supply chain management and staffing functions, by offering these services to other hospital companies.

*Selectively Pursue a Disciplined Development Strategy.* We continue to believe there are significant growth opportunities in our markets. We will continue to provide financial and operational resources to successfully execute on our in-market opportunities. To complement our in-market growth agenda, we intend to focus on selectively developing and acquiring new hospitals, outpatient facilities and other health care service providers. We believe the challenges faced by the hospital industry may spur consolidation and we believe our size, scale, national presence and access to capital will position us well to participate in any such consolidation. We have a strong record of successfully acquiring and integrating hospitals and entering into joint ventures and intend to continue leveraging this experience.

### **Recent Developments**

On November 13, 2015, the Issuer completed the public offering of the existing notes (the November 2015 offering ) and provided notice of its election to redeem all \$1,000,000,000 aggregate principal amount of its outstanding existing 6.500% notes due February 15, 2016 (the redeemed notes ) at the make whole redemption price specified in the redeemed notes. The redeemed notes will be redeemed on December 13, 2015, with payment for the redeemed notes to take place on December 14, 2015, the next succeeding business day.

### **Corporate Information**

Through our predecessors, we commenced operations in 1968. 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.

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**CORPORATE STRUCTURE**

The indebtedness figures in the diagram below are as of September 30, 2015, and give effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom. In this prospectus supplement, where we have presented information as adjusted to give effect to the use of the net proceeds of this offering, we have assumed that the notes will not be offered at a discount. If the notes are offered at a discount, the net proceeds to us will be less than we have assumed.

- (1) HCA Holdings, Inc. is a guarantor of certain of HCA Inc.'s outstanding notes but is not subject to the covenants that apply to HCA Inc. or HCA Inc.'s restricted subsidiaries under those notes.
- (2) Consists of (i) a \$3.250 billion senior secured asset-based revolving credit facility maturing on March 7, 2019 (the "asset-based revolving credit facility") (\$2.610 billion outstanding at September 30, 2015); (ii) a \$2.000 billion senior secured revolving credit facility maturing on February 26, 2019 (the "senior secured revolving credit facility") (none outstanding at September 30, 2015, without giving effect to outstanding letters of credit); (iii) a \$1.383 billion senior secured term loan A-5 facility maturing on June 10, 2020; (iv) a \$2.325 billion senior secured term loan B-4 facility maturing on May 1, 2018; and (v) a \$1.960 billion senior secured term loan B-5 facility maturing on March 31, 2017. We refer to the facilities described under (ii) through (v) above, collectively, as the "cash flow credit facility" and, together with the asset-based revolving credit facility, the "senior secured credit facilities."
- (3) Consists of (i) \$3.000 billion aggregate principal amount of 6.50% first lien notes due 2020 that HCA Inc. issued in August 2011 (the "August 2011 first lien notes"); (ii) \$1.350 billion aggregate principal amount of 5.875% first lien notes due 2022 that HCA Inc. issued in February 2012 (the "February 2012 first lien notes"); (iii) \$1.250 billion aggregate principal amount of 4.75% first lien notes due 2023 that HCA Inc. issued in October 2012 (the "October 2012 first lien notes"); (iv) \$1.500 billion aggregate principal amount of 3.75% first lien notes due 2019 that HCA Inc. issued in March 2014 (the "March 2014 3.75% first lien notes"); (v) \$2.000 billion aggregate principal amount of 5.00% first lien notes due 2024 that HCA Inc. issued in March 2014 (the "March 2014 5.00% first lien notes"); (vi) \$600 million aggregate principal amount of 4.25% first lien notes due 2019 that HCA Inc. issued in October 2014 (the "October 2014 4.25% first lien notes"); and (vii) \$1.400 billion aggregate principal amount of 5.25% first lien notes due 2025 that HCA Inc. issued in October 2014 (the "October 2014 5.25% first lien notes" and, collectively with the

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August 2011 first lien notes, the February 2012 first lien notes, the October 2012 first lien notes, the March 2014 3.75% first lien notes, the March 2014 5.00% first lien notes and the October 2014 4.25% first lien notes, the first lien notes ).

- (4) Consists of HCA Inc. s (i) aggregate principal amount of \$125 million 7.58% medium-term notes due 2025; (ii) aggregate principal amount of \$886 million debentures with maturities ranging from 2015 to 2095 and a weighted average interest rate of 7.55%; (iii) aggregate principal amount of \$7.891 billion senior notes with maturities ranging from 2018 to 2033 and a weighted average interest rate of 6.38%; (iv) \$632 million of secured debt, which represents capital leases and other secured debt with a weighted average interest rate of 5.87%; and (v) \$177 million of debt issuance costs that reduce the existing indebtedness. Existing unsecured indebtedness also includes HCA Holdings, Inc. s \$1.000 billion aggregate principal amount of 6.25% senior notes due 2021. We intend to use the net proceeds of the November 2015 offering, together with cash on hand, to redeem all of HCA Inc. s \$1,000,000,000 aggregate principal amount outstanding of existing 6.500% notes due 2016. For more information regarding our unsecured and other indebtedness, see Description of Other Indebtedness.
- (5) The cash flow credit facility and the first lien notes are secured by first-priority liens on substantially all the capital stock of Healthtrust, Inc. The Hospital Company and the first-tier subsidiaries of the subsidiary guarantors (but limited to 65% of the voting stock of any such first-tier subsidiary that is a foreign subsidiary), subject to certain exceptions.
- (6) Includes subsidiaries which are designated as restricted subsidiaries under HCA Inc. s indenture dated as of December 16, 1993, certain of their wholly owned subsidiaries formed in connection with the asset-based revolving credit facility and certain excluded subsidiaries (non-material subsidiaries).

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**THE OFFERING**

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Notes section of this prospectus supplement and the Description of Debt Securities and Guarantees section in the accompanying prospectus contain more detailed descriptions of the terms and conditions of the notes.

Issuer HCA Inc.

Notes 5.875% senior notes due 2026.

The notes offered hereby will be issued under the indenture pursuant to which, on November 13, 2015, we issued the existing notes. The notes offered hereby and the existing notes will be treated as a single series for all purposes under the indenture, including notices, consents, waivers, amendments, redemptions and any other action permitted under the indenture, and the notes offered hereby will have identical terms with the existing notes, other than their issue date and public offering price. The notes offered hereby will have the same CUSIP and ISIN numbers as, and will vote together and will be fungible with, the existing notes immediately upon issuance.

Maturity Date The notes will mature on February 15, 2026.

Interest Rate Interest on the notes will be payable in cash and will accrue at a rate of 5.875% per annum.

Interest Payment Dates February 15 and August 15, commencing on August 15, 2016. Interest on the notes offered hereby will accrue from November 13, 2015. Accrued interest on the notes offered hereby must be paid by the purchasers through the day before the closing date.

Ranking The notes will be the Issuer's senior obligations and will:

rank senior in right of payment to any of its existing and future subordinated indebtedness;

rank equally in right of payment with any of its existing and future senior indebtedness;

be effectively subordinated in right of payment to any of its existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness; and

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be structurally subordinated in right of payment to all existing and future indebtedness and other liabilities of its subsidiaries.

As of September 30, 2015, on an as adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom as described under Use of Proceeds :

the notes would have been effectively subordinated in right of payment to \$20.010 billion of secured indebtedness; and

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we would have had \$1.958 billion of unutilized capacity under the senior secured revolving credit facility and \$629 million of unutilized capacity under the asset-based revolving credit facility, after giving effect to letters of credit and borrowing base limitations, all of which would be structurally senior to the notes offered hereby if borrowed.

Parent Guarantee

The notes will be fully and unconditionally guaranteed on a senior unsecured basis by HCA Holdings, Inc. and will:

rank senior in right of payment to all existing and future subordinated indebtedness of HCA Holdings, Inc.;

rank equally in right of payment with all existing and future senior indebtedness of HCA Holdings, Inc.;

be effectively subordinated in right of payment to all future secured indebtedness of HCA Holdings, Inc. to the extent of the value of the collateral securing such indebtedness; and

be effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of any subsidiary of HCA Holdings, Inc. (other than HCA Inc.).

The notes will not be guaranteed by any of HCA Inc.'s subsidiaries.

As of September 30, 2015, on an as adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom as described under Use of Proceeds, the notes and related guarantee would have been structurally subordinated to \$20.010 billion of indebtedness of HCA Inc.'s subsidiaries, all of which would have been secured.

Covenants

The indenture governing the notes contains covenants limiting the Issuer's and certain of its subsidiaries' ability to:

create liens on certain assets to secure debt;

engage in certain sale and lease-back transactions; and

consolidate, merge, sell or otherwise dispose of all or substantially all of its assets.

These covenants are subject to a number of important limitations and exceptions. See Description of the Notes.

Optional Redemption

The Issuer may redeem the notes, at any time in whole or from time to time in part, at the redemption prices described in this prospectus supplement. See Description of the Notes Optional Redemption.

Change of Control Offer

Upon the occurrence of a change of control, you will have the right, as holders of the notes, to require the Issuer to repurchase some or all of your notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date. See Description of the Notes Repurchase at the Option of Holders Change of Control.



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The Issuer may not be able to pay you the required price for notes you present to it at the time of a change of control, because:

the Issuer may not have enough funds at that time; or

the terms of our indebtedness under the senior secured credit facilities may prevent it from making such payment.

Your right to require the Issuer to repurchase the notes upon the occurrence of a change of control will cease to apply to the notes at all times during which such notes have investment grade ratings from both Moody's Investors Service, Inc. and Standard & Poor's. See Description of the Notes Certain Covenants Covenant Suspension.

**No Public Market**

The notes offered hereby will be part of an existing series of securities for which there is currently no established public market. Although the underwriters have informed the Issuer that they intend to make a market in the notes offered hereby, they are not obligated to do so, and they may discontinue market making activities at any time without notice. Accordingly, the Issuer cannot assure you that a liquid market for the notes will develop or be maintained.

**Use of Proceeds**

We estimate that our net proceeds from this offering, after deducting underwriter discounts and commissions and estimated offering expenses, will be approximately \$494 million.

We intend to use the net proceeds of this offering for general corporate purposes. See Use of Proceeds and Capitalization.

**Conflicts of Interest**

Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for us for which they received or will receive customary fees and expenses.

**RISK FACTORS**

You should consider carefully all of the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, should evaluate the specific factors set forth and incorporated by reference in the section entitled Risk Factors, including the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2014, for an explanation of certain risks of investing in the notes, including risks related to our industry and business.

**Table of Contents****SUMMARY FINANCIAL DATA**

The following table sets forth our summary financial and operating data as of and for the periods indicated. The financial data as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 have been derived from our consolidated financial statements incorporated by reference into this prospectus supplement, which have been audited by Ernst & Young LLP, independent registered public accounting firm. The financial data as of December 31, 2012 have been derived from our consolidated financial statements audited by Ernst & Young LLP that are not included or incorporated by reference herein.

The summary financial data as of September 30, 2015 and for the nine months ended September 30, 2015 and 2014 have been derived from our unaudited condensed consolidated financial statements incorporated by reference in this prospectus supplement. The summary financial data as of September 30, 2014 have been derived from our unaudited condensed consolidated financial statements that are not included or incorporated by reference herein. The unaudited financial data presented have been prepared on a basis consistent with our audited consolidated financial statements. In the opinion of management, such unaudited financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of the results for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The summary financial and operating data should be read in conjunction with Selected Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations, our consolidated financial statements and the related notes thereto and our unaudited condensed consolidated financial statements and the related notes thereto incorporated by reference into this prospectus supplement.

	Years ended December 31,			Nine months ended September 30,	
	2014	2013	2012	2015 (unaudited)	2014 (unaudited)
(dollars in millions)					
<b>Income Statement Data:</b>					
Revenues before provision for doubtful accounts	\$ 40,087	\$ 38,040	\$ 36,783	\$ 32,268	\$ 29,619
Provision for doubtful accounts	3,169	3,858	3,770	2,839	2,337
Revenues	36,918	34,182	33,013	29,429	27,282
Salaries and benefits	16,641	15,646	15,089	13,509	12,359
Supplies	6,262	5,970	5,717	4,952	4,603
Other operating expenses	6,755	6,237	6,048	5,268	4,977
Electronic health record incentive income	(125)	(216)	(336)	(46)	(97)
Equity in earnings of affiliates	(43)	(29)	(36)	(38)	(32)
Depreciation and amortization	1,820	1,753	1,679	1,424	1,361
Interest expense	1,743	1,848	1,798	1,255	1,314
Losses (gains) on sales of facilities	(29)	10	(15)	(2)	(20)
Losses on retirement of debt	335	17		125	226
Legal claim costs	78		175	77	78
	33,437	31,236	30,119	26,524	24,769
Income before income taxes	3,481	2,946	2,894	2,905	2,513
Provision for income taxes	1,108	950	888	947	816
Net income	2,373	1,996	2,006	1,958	1,697
Net income attributable to noncontrolling interests	498	440	401	411	349
Net income attributable to HCA Holdings, Inc.	\$ 1,875	\$ 1,556	\$ 1,605	\$ 1,547	\$ 1,348



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	Years ended December 31,			Nine months ended September 30,	
	2014	2013	2012	2015 (unaudited)	2014
	(dollars in millions)				
<b>Statement of Cash Flows Data:</b>					
Cash flows provided by operating activities	\$ 4,448	\$ 3,680	\$ 4,175	\$ 3,176	\$ 2,821
Cash flows used in investing activities	(2,918)	(2,346)	(2,063)	(1,631)	(1,512)
Cash flows used in financing activities	(1,378)	(1,625)	(1,780)	(1,523)	(1,208)
<b>Other Financial Data:</b>					
EBITDA(1)	\$ 6,546	\$ 6,107	\$ 5,970	\$ 5,173	\$ 4,839
Adjusted EBITDA(1)	7,428	6,574	6,531	5,784	5,472
Capital expenditures	(2,176)	(1,943)	(1,862)	(1,571)	(1,482)
Ratio of earnings to fixed charges	2.76	2.41	2.44	3.00	2.69
<b>Operating Data:(2)</b>					
Number of hospitals at end of period(3)	166	165	162	168	165
Number of freestanding outpatient surgical centers at end of period(3)	113	115	112	114	113
Number of licensed beds at end of period(4)	43,356	42,896	41,804	43,731	43,241
Weighted average licensed beds(5)	43,132	42,133	41,795	43,591	43,069
Admissions(6)	1,795,300	1,744,100	1,740,700	1,401,500	1,337,300
Equivalent admissions(7)	2,958,700	2,844,700	2,832,100	2,334,900	2,198,500
Average length of stay (days)(8)	4.8	4.8	4.7	4.9	4.8
Average daily census(9)	23,835	22,853	22,521	25,172	23,748
Occupancy(10)	55%	54%	54%	58%	55%
Emergency room visits(11)	7,450,700	6,968,100	6,912,000	6,012,500	5,501,500
Outpatient surgeries(12)	891,600	881,900	873,600	669,200	658,200
Inpatient surgeries(13)	518,900	508,800	506,500	395,900	386,300
Days revenues in accounts receivable(14)	54	54	51	54	55
Outpatient revenues as a percentage of patient revenues(15)	38%	38%	38%	39%	38%
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 566	\$ 414	\$ 705	\$ 588	\$ 515
Working capital(16)	3,450	2,342	1,591	2,908	2,895
Property, plant and equipment, net	14,355	13,619	13,185	14,704	13,878
Total assets	30,980	28,594	27,785	31,896	29,604
Total debt	29,426	28,139	28,640	29,752	28,249
Stockholders' deficit attributable to HCA Holdings, Inc.	(7,894)	(8,270)	(9,660)	(7,294)	(7,384)
Noncontrolling interests	1,396	1,342	1,319	1,482	1,366
Total stockholders' deficit	(6,498)	(6,928)	(8,341)	(5,812)	(6,018)

- (1) EBITDA, a measure used by management to evaluate operating performance, is defined as net income attributable to HCA Holdings, Inc. plus (i) provision for income taxes, (ii) interest expense and (iii) depreciation and amortization. EBITDA is not a recognized term under generally accepted accounting principles ( GAAP ) and does not purport to be an alternative to net income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Additionally, EBITDA is not intended to be a measure of free cash flow available for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and other debt service requirements. Management believes EBITDA is helpful to investors and our management in highlighting trends because EBITDA excludes the results of decisions outside the control of operating management and that can differ significantly from company to company depending on long-term strategic decisions regarding



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capital structure, the tax jurisdictions in which companies operate and capital investments. Management compensates for the limitations of using non-GAAP financial measures by using them to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, our presentation of EBITDA may not be comparable to similarly titled measures of other companies.

Adjusted EBITDA is defined as EBITDA, adjusted to exclude net income attributable to noncontrolling interests, losses (gains) on sales of facilities, losses on retirement of debt and legal claim costs. We believe Adjusted EBITDA is an important measure that supplements discussions and analysis of our results of operations. We believe it is useful to investors to provide disclosures of our results of operations on the same basis used by management. Management relies upon Adjusted EBITDA as the primary measure to review and assess operating performance of its hospital facilities and their management teams. Adjusted EBITDA target amounts are the performance measures utilized in our annual incentive compensation programs and are vesting conditions for a portion of our stock option grants. Management and investors review both the overall performance (GAAP net income attributable to HCA Holdings, Inc.) and operating performance (Adjusted EBITDA) of our health care facilities. Adjusted EBITDA and the Adjusted EBITDA margin (Adjusted EBITDA divided by revenues) are utilized by management and investors to compare our current operating results with the corresponding periods during the previous year and to compare our operating results with other companies in the health care industry. It is reasonable to expect that losses (gains) on sales of facilities, legal claim costs and losses on retirement of debt will occur in future periods, but the amounts recognized can vary significantly from period to period, do not directly relate to the ongoing operations of our health care facilities and complicate period comparisons of our results of operations and operations comparisons with other health care companies. Adjusted EBITDA is not a measure of financial performance under accounting principles generally accepted in the United States, and should not be considered an alternative to net income attributable to HCA Holdings, Inc. as a measure of operating performance or cash flows from operating, investing and financing activities as a measure of liquidity. Because Adjusted EBITDA is not a measurement determined in accordance with generally accepted accounting principles and is susceptible to varying calculations, Adjusted EBITDA, as presented, may not be comparable to other similarly titled measures presented by other companies. There may be additional adjustments to Adjusted EBITDA under our agreements governing our material debt obligations, including the notes offered hereby.

EBITDA and Adjusted EBITDA are calculated as follows:

	2014	Years ended December 31, 2013	2012	Nine months ended September 30, 2015 2014 (unaudited)	
	(dollars in millions)				
Net income attributable to HCA Holdings, Inc.	\$ 1,875	\$ 1,556	\$ 1,605	\$ 1,547	\$ 1,348
Provision for income taxes	1,108	950	888	947	816
Interest expense	1,743	1,848	1,798	1,255	1,314
Depreciation and amortization	1,820	1,753	1,679	1,424	1,361
<b>EBITDA</b>	<b>6,546</b>	<b>6,107</b>	<b>5,970</b>	<b>5,173</b>	<b>4,839</b>
Net income attributable to noncontrolling interests(i)	498	440	401	411	349
Losses (gains) on sales of facilities(ii)	(29)	10	(15)	(2)	(20)
Losses on retirement of debt(iii)	335	17		125	226
Legal claim costs(iv)	78		175	77	78
<b>Adjusted EBITDA</b>	<b>\$ 7,428</b>	<b>\$ 6,574</b>	<b>\$ 6,531</b>	<b>\$ 5,784</b>	<b>\$ 5,472</b>

(i) Represents the add-back of net income attributable to noncontrolling interests.



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- (ii) Represents the add-back of losses and elimination of gains on sales of facilities.
- (iii) Represents the add-back of losses on retirement of debt.
- (iv) Represents the add-back of legal claim costs.
- (2) The operating data set forth in this table includes only those facilities that are consolidated for financial reporting purposes.
- (3) Excludes facilities that are not consolidated (accounted for using the equity method) for financial reporting purposes.
- (4) Licensed beds are those beds for which a facility has been granted approval to operate from the applicable state licensing agency.
- (5) Represents the average number of licensed beds, weighted based on periods owned.
- (6) 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.
- (7) 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 revenues and gross outpatient revenues and then dividing the resulting amount by gross inpatient revenues. The equivalent admissions computation equates outpatient revenues to the volume measure (admissions) used to measure inpatient volume, resulting in a general measure of combined inpatient and outpatient volume.
- (8) Represents the average number of days admitted patients stay in our hospitals.
- (9) Represents the average number of patients in our hospital beds each day.
- (10) 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.
- (11) Represents the number of patients treated in our emergency rooms.
- (12) 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.
- (13) 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.



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- (14) For the years ended December 31, 2014, 2013 and 2012, revenues per day is calculated by dividing the revenues for the fourth quarter of each year by the days in the period. For the nine months ended September 30, 2015 and 2014, revenues per day is calculated by dividing the revenues for the third quarter by the days in the quarter. 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.
  
- (15) Represents the percentage of patient revenues related to patients who are not admitted to our hospitals.
  
- (16) We define working capital as current assets minus current liabilities.

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**RISK FACTORS**

*You should carefully consider the Risk Factors set forth below as well as the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before purchasing the notes, including the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2014. This prospectus supplement and the accompanying prospectus contain forward-looking statements that involve risk and uncertainties. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, you may lose all or part of your original investment.*

***The Issuer is the sole obligor of the notes and its parent, HCA Holdings, Inc., is the sole guarantor of the Issuer's obligations under the notes; the notes are unsecured and the Issuer's subsidiaries do not have any obligation with respect to the notes; the notes are structurally subordinated to all of the debt and liabilities of the Issuer's subsidiaries and will be effectively subordinated to any of the Issuer's secured debt.***

The Issuer and the guarantor of the notes, HCA Holdings, Inc., are holding companies that have no operations of their own and derive all of their revenues and cash flow from their subsidiaries. The Issuer's subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay amounts due under the notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan or other payments. The notes are structurally subordinated to all debt and liabilities of the Issuer's subsidiaries and the Issuer's parent, HCA Holdings, Inc. The claims of HCA Holdings, Inc.'s creditors and the Issuer's subsidiaries' creditors will be required to be paid before holders of the notes have a claim (if any) against the entities and their assets. In the event of a bankruptcy, liquidation or reorganization or similar proceeding relating to the Issuer's subsidiaries, you will participate with all other holders of the Issuer's indebtedness in the assets remaining after the Issuer's subsidiaries have paid all of their debt and liabilities. In any of these cases, the Issuer's subsidiaries may not have sufficient funds to make payments to the Issuer, and you may receive less, ratably, than the holders of debt of the Issuer's subsidiaries and other liabilities.

As of September 30, 2015, on an as adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom, the aggregate amount of indebtedness of the Issuer's subsidiaries would have been \$20.010 billion, all of which would have been secured and all of which would have been structurally senior to the notes. In addition, as of that date, on an adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom, the Issuer's subsidiaries could have borrowed \$1.958 billion under HCA Inc.'s senior secured revolving credit facility and \$629 million under its asset-based revolving credit facility, after giving effect to letters of credit and borrowing base limitations. In addition, holders of the Issuer's subsidiaries' debt will have claims that are prior to your claims as holders of the notes. Additionally, the indenture governing the notes, the indentures governing HCA Holdings, Inc. and HCA Inc.'s outstanding notes and HCA Inc.'s senior secured credit facilities permit us and/or our subsidiaries to incur additional indebtedness, including secured indebtedness, under certain circumstances.

***The Issuer and the guarantor of the notes are holding companies with no independent operations or assets. Repayment of the notes is dependent on cash flow generated by the Issuer's subsidiaries. Restrictions in the Issuer's subsidiaries' debt instruments and under applicable law limit their ability to provide funds to the Issuer.***

The Issuer's and HCA Holdings, Inc.'s operations are conducted through their subsidiaries and their ability to make payment on the notes is dependent on the earnings and the distribution of funds from their subsidiaries. Their earnings are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond their and the Issuer's control. In addition, only HCA Holdings, Inc., as sole guarantor of the notes, is obligated to make funds available to the Issuer for payment on the notes. The Issuer's subsidiaries are not obligated to make funds available to the Issuer for payment on the notes. The agreements governing the

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current and future indebtedness of the Issuer's subsidiaries may not permit the Issuer's subsidiaries to provide the Issuer with sufficient dividends, distributions or loans to fund scheduled interest and principal payments on these notes when due. The terms of the senior secured credit facilities significantly restrict the Issuer's subsidiaries from paying dividends and otherwise transferring assets to the Issuer. In addition, if the Issuer's subsidiaries do not generate sufficient cash flow from operations to satisfy their and the Issuer's debt service obligations, including payments on the notes, we may have to undertake alternative financing plans, such as refinancing or restructuring our indebtedness, selling assets, reducing or delaying capital investments or seeking to raise additional capital. The Issuer's ability to restructure or refinance its debt will depend on the capital markets and its financial condition at such time. Any refinancing of the Issuer's debt could be at higher interest rates and may require the Issuer to comply with more onerous covenants, which could further restrict its business operations. In addition, the terms of existing or future debt instruments may restrict the Issuer from adopting some of these alternatives. The Issuer's inability to generate sufficient cash flow to satisfy its debt service obligations, or to refinance its obligations on commercially reasonable terms, would have an adverse effect, which could be material, on its business, financial position, results of operations and cash flows, as well as on the Issuer's ability to satisfy its obligations in respect of the notes.

***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.***

We are highly leveraged. As of September 30, 2015, on an as adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom, our total indebtedness would have been \$30.235 billion. As of September 30, 2015, on an as adjusted basis after giving effect to the November 2015 offering and the use of proceeds therefrom and the notes offered hereby and the use of proceeds therefrom, the Issuer would have had availability of \$1.958 billion under its senior secured revolving credit facility and \$629 million under its asset-based revolving credit facility, after giving effect to letters of credit and borrowing base limitations. 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 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 senior secured notes and the indenture governing the notes. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify. In addition, the condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the notes.

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***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 are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot assure you 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.

In addition, we conduct our operations through our subsidiaries. Accordingly, repayment of our indebtedness is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us by dividend, debt repayment or otherwise. Our subsidiaries will not have any obligation to pay amounts due on the notes or our other indebtedness or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. The agreements governing the current and future indebtedness of the Issuer's subsidiaries may not permit the Issuer's subsidiaries to provide the Issuer with sufficient dividends, distributions or loans to fund scheduled interest and principal payments on these notes when due. The terms of our senior secured credit facilities and the indentures governing our outstanding notes significantly restrict the Issuer's and its subsidiaries from paying dividends and otherwise transferring assets to the Issuer. Each subsidiary is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries.

We may find it necessary or prudent to refinance our outstanding indebtedness with longer-maturity debt at a higher interest rate. Our ability to refinance our indebtedness on favorable terms, or at all, is directly affected by the current global economic and financial conditions. In addition, our ability to incur secured indebtedness (which would generally 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, and the indenture governing the notes contains, 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;



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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 we will continue to meet those ratios. A breach of any of these covenants could result in a default under both the cash flow credit facility and the asset-based revolving credit facility. Upon the occurrence of an event of default under the senior secured credit facilities, the lenders thereunder could elect to declare all amounts outstanding under the 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 the senior secured credit facilities could proceed against the collateral granted to them to secure such indebtedness. We have pledged a significant portion of our assets under our senior secured credit facilities and that collateral is also pledged as collateral under our first lien notes. If any of the lenders under the senior secured credit facilities accelerate the repayment of borrowings, there can be no assurance there will be sufficient assets to repay the senior secured credit facilities, the first lien notes and the notes offered hereby.

***Federal and state fraudulent transfer laws may permit a court to void the notes or the parent guarantee, and, if that occurs, you may not receive any payments on the notes.***

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the notes and the incurrence of the parent guarantee. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the notes or the parent guarantee could be voided as a fraudulent transfer or conveyance if (1) the Issuer issued the notes or HCA Holdings, Inc. incurred the parent guarantee with the intent of hindering, delaying or defrauding creditors or (2) the Issuer or HCA Holdings, Inc., as applicable, received less than reasonably equivalent value or fair consideration in return for either issuing the notes or incurring the parent guarantee and, in the case of (2) only, one of the following is also true at the time thereof:

the Issuer or HCA Holdings, Inc., as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes or the incurrence of the parent guarantee;

the issuance of the notes or the incurrence of the parent guarantee left the Issuer or HCA Holdings, Inc., as applicable, with an unreasonably small amount of capital to carry on the business;

the Issuer or HCA Holdings, Inc. intended to, or believed that the Issuer or HCA Holdings, Inc. would, incur debts beyond the Issuer's or HCA Holdings, Inc.'s ability to pay as they mature; or

the Issuer or HCA Holdings, Inc. was a defendant in an action for money damages, or had a judgment for money damages docketed against the Issuer or HCA Holdings, Inc. if, in either case, after final judgment, the judgment was unsatisfied.

If a court were to find that the issuance of the notes or the incurrence of the parent guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under the notes or such guarantee or further subordinate the notes or such guarantee to presently existing and future indebtedness of the Issuer or HCA Holdings, Inc., or require the holders of the notes to repay any amounts received with respect to such guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our and our subsidiaries' other debt that could result in acceleration of such debt.



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As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or an antecedent debt is secured or satisfied. A debtor will generally not be considered to have received value in connection with a debt offering if the debtor uses the proceeds of that offering to make a dividend payment or otherwise retire or redeem equity securities issued by the debtor.

We cannot be certain as to the standards a court would use to determine whether or not the Issuer or HCA Holdings, Inc. were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the parent guarantee would not be further subordinated to the Issuer's or HCA Holdings, Inc.'s other debt. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

***If we default on our obligations to pay our indebtedness, we may not be able to make payments on the notes.***

Any default under the agreements governing our indebtedness, including a default under our senior secured credit facilities that is not waived by the required lenders or a default under the indentures governing our existing secured notes, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness (including covenants in our senior secured credit facilities, the indentures governing the existing secured notes and the indenture governing the notes), we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under our senior secured credit facilities could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our senior secured credit facilities to avoid being in default. If we breach our covenants under our senior secured credit facilities and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under the instrument governing that indebtedness, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

***Your ability to transfer the notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the notes.***

The notes offered hereby will be part of an existing series of securities for which there is no established public market. The underwriters have advised us that they intend to make a market in the notes offered hereby as permitted by applicable laws and regulations; however, the underwriters are not obligated to make a market in the notes offered hereby, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you that an active market for the notes will develop or, if developed, that it will continue.

The conditions of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the notes. Historically, the market for non investment-grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes.



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We cannot assure you that the market, if any, for the notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which you may sell your notes. In addition, subsequent to their initial issuance, the notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

***The Issuer may not be able to repurchase the notes upon a change of control.***

Under certain circumstances, and upon the occurrence of specific kinds of change of control events, the Issuer will be required to offer to repurchase all outstanding notes at 101% of their principal amount plus accrued and unpaid interest. The source of funds for any such purchase of the notes will be the Issuer's available cash or cash generated from its subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. The Issuer may not be able to repurchase the notes upon a change of control because the Issuer may not have sufficient financial resources to purchase all of the notes that are tendered upon a change of control. Further, the Issuer is contractually restricted under the terms of the senior secured credit facilities from repurchasing all of the notes tendered by holders upon a change of control. Accordingly, the Issuer may not be able to satisfy our obligations to purchase the notes unless it is able to refinance or obtain waivers under the instruments governing that indebtedness. The Issuer's failure to repurchase the notes upon a change of control would cause a default under the indentures and a cross-default under the instruments governing our senior secured credit facilities and the indentures governing the existing secured notes. The instruments governing the senior secured credit facilities also provide that a change of control will be a default that permits lenders to accelerate the maturity of borrowings thereunder. Any of the Issuer's future debt agreements may contain similar provisions.

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**USE OF PROCEEDS**

We estimate that our net proceeds from this offering, after deducting underwriter discounts and commissions and estimated offering expenses, will be approximately \$494 million.

We intend to use the net proceeds of this offering for general corporate purposes.

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**Table of Contents****CAPITALIZATION**

The following table sets forth the capitalization of HCA Holdings, Inc. as of September 30, 2015 on a historical basis and as adjusted to give effect to the November 2015 offering and the use of proceeds therefrom and this offering and the use of proceeds therefrom.

The information in this table should be read in conjunction with Summary Summary Financial Data, included in this prospectus supplement and our consolidated financial statements and related notes and condensed consolidated financial statements and related notes incorporated by reference herein.

(dollars in millions) (unaudited)	As of September 30, 2015	
	Actual	As adjusted(1)
Cash and cash equivalents	\$ 588	\$ 1,061
Senior secured credit facilities(2)	\$ 8,278	\$ 8,278
First lien notes(3)	11,100	11,100
Other secured indebtedness(4)	632	632
<b>Total senior secured indebtedness</b>	<b>20,010</b>	<b>20,010</b>
Senior notes offered hereby		500
Other unsecured indebtedness(5)	9,902	9,902
Debt issuance costs	(160)	(177)
<b>Total debt</b>	<b>29,752</b>	<b>30,235</b>
Stockholders' deficit attributable to HCA Holdings, Inc.	(7,294)	(7,300)
Noncontrolling interests	1,482	1,482
<b>Total stockholders' deficit</b>	<b>(5,812)</b>	<b>(5,818)</b>
<b>Total capitalization</b>	<b>\$ 23,940</b>	<b>\$ 24,417</b>

- (1) As adjusted reflects (i) \$989 million of net proceeds from the November 2015 offering calculated after deducting underwriting discounts and commissions and offering expenses, (ii) the redemption of all of HCA Inc.'s \$1,000,000,000 aggregate principal amount outstanding of existing 6.500% notes due 2016 and (iii) an estimated \$494 million of net proceeds from this offering calculated after deducting underwriting discounts and commissions and estimated offering expenses.
- (2) Consists of (i) a \$3.250 billion senior secured asset-based revolving credit facility maturing on March 7, 2019 (the "asset-based revolving credit facility") (\$2.610 billion outstanding at September 30, 2015); (ii) a \$2.000 billion senior secured revolving credit facility maturing on February 26, 2019 (the "senior secured revolving credit facility") (none outstanding at September 30, 2015, without giving effect to outstanding letters of credit); (iii) a \$1.383 billion senior secured term loan A-5 facility maturing on June 10, 2020; (iv) a \$2.325 billion senior secured term loan B-4 facility maturing on May 1, 2018; and (v) a \$1.960 billion senior secured term loan B-5 facility maturing on March 31, 2017. We refer to the facilities described under (ii) through (v) above, collectively, as the "cash flow credit facility" and, together with the asset-based revolving credit facility, the "senior secured credit facilities."
- (3) Consists of (i) \$3.000 billion aggregate principal amount of 6.50% first lien notes due 2020 that HCA Inc. issued in August 2011 (the "August 2011 first lien notes"); (ii) \$1.350 billion aggregate principal amount of 5.875% first lien notes due 2022 that HCA Inc. issued in February 2012 (the "February 2012 first lien notes"); (iii) \$1.250 billion aggregate principal amount of 4.75% first lien notes due 2023 that

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HCA Inc. issued in October 2012 (the October 2012 first lien notes ); (iv) \$1.500 billion aggregate principal amount of 3.75% first lien notes due 2019 that HCA Inc. issued in March 2014 (the March 2014 3.75% first lien notes ); (v) \$2.000 billion aggregate principal amount of 5.00% first lien notes due 2024 that HCA Inc. issued in March 2014 (the March 2014 5.00% first lien notes ); (vi) \$600 million aggregate principal amount of 4.25% first

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lien notes due 2019 that HCA Inc. issued in October 2014 (the October 2014 4.25% first lien notes ); and (vii) \$1.400 billion aggregate principal amount of 5.25% first lien notes due 2025 that HCA Inc. issued in October 2014 (the October 2014 5.25% first lien notes and, collectively with the August 2011 first lien notes, the February 2012 first lien notes, the October 2012 first lien notes, the March 2014 3.75% first lien notes, the March 2014 5.00% first lien notes and the October 2014 4.25% first lien notes, the first lien notes ).

- (4) Consists of capital leases and other secured debt with a weighted average interest rate of 5.87%.
- (5) Consists of HCA Inc. s (i) aggregate principal amount of \$125 million 7.58% medium-term notes due 2025; (ii) aggregate principal amount of \$886 million debentures with maturities ranging from 2015 to 2095 and a weighted average interest rate of 7.55%; and (iii) aggregate principal amount of \$7.891 billion senior notes with maturities ranging from 2016 to 2033 and a weighted average interest rate of 6.45% (as adjusted, aggregate principal amount of \$7.891 billion senior notes with maturities ranging from 2018 to 2033 and a weighted average interest rate of 6.38%). Existing unsecured indebtedness also includes HCA Holdings, Inc. s \$1.000 billion aggregate principal amount of 6.25% senior notes due 2021. We intend to use the net proceeds of the November 2015 offering, together with cash on hand, to redeem all of HCA Inc. s \$1,000,000,000 aggregate principal amount outstanding of existing 6.500% notes due 2016. For more information regarding our unsecured and other indebtedness, see Description of Other Indebtedness.

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**DESCRIPTION OF OTHER INDEBTEDNESS**

The summaries set forth below are qualified in their entirety by the actual text of the applicable agreements and indentures, each of which has been filed with the SEC and which may be obtained on publicly available websites at the addresses set forth under Available Information.

**Senior Secured Credit Facilities**

The senior secured credit facilities provided senior secured financing of \$10.918 billion at September 30, 2015, consisting of:

\$5.668 billion-equivalent in term loan facilities, comprised of a \$1.383 billion senior secured term loan A-5 facility maturing on June 10, 2020, a \$2.325 billion senior secured term loan B-4 facility maturing on May 1, 2018, and a \$1.960 billion senior secured term loan B-5 facility maturing March 31, 2017; and

\$5.250 billion in revolving credit facilities, comprised of a \$3.250 billion senior secured asset-based revolving credit facility available in dollars maturing on March 7, 2019 and a \$2.000 billion senior secured revolving credit facility available in dollars, euros and pounds sterling maturing on February 26, 2019. Availability under the asset-based revolving credit facility is subject to a borrowing base of 85% of eligible accounts receivable less customary reserves.

We refer to these senior secured credit facilities, excluding the asset-based revolving credit facility, as the cash flow credit facility and, collectively with the asset-based revolving credit facility, the senior secured credit facilities. The asset-based revolving credit facility is documented in a separate loan agreement from the other senior secured credit facilities.

HCA Inc. is the primary borrower under the senior secured credit facilities. The revolving credit facilities include capacity available for the issuance of letters of credit and for borrowings on same-day notice, referred to as the swingline loans. A portion of the letter of credit availability under the cash-flow revolving credit facility is available in euros and pounds sterling. Lenders under the cash flow credit facility are subject to a loss sharing agreement pursuant to which, upon the occurrence of certain events, including a bankruptcy event of default under the cash flow credit facility, each such lender will automatically be deemed to have exchanged its interest in a particular tranche of the cash flow credit facility for a pro rata percentage in all of the tranches of the cash flow credit facility.

On February 26, 2014, the cash flow credit facility was amended and restated to, among other things, extend the maturity date of the revolving credit commitments thereunder to February 26, 2019 and permit debt to be incurred by non-guarantor restricted subsidiaries in an aggregate principal amount at any time outstanding not to exceed \$2.0 billion.

On March 7, 2014, the asset-based credit facility was amended and restated to, among other things, extend the maturity date of the revolving credit commitments thereunder to March 7, 2019 and permit debt to be incurred by non-borrower restricted subsidiaries of HCA Inc. in an aggregate principal amount at any time outstanding not to exceed \$2.0 billion.

On October 30, 2014, the asset-based credit facility was amended to increase the revolving credit commitments thereunder by \$750.0 million such that the aggregate revolving credit commitments thereunder are increased from \$2.500 billion to \$3.250 billion.

On June 10, 2015, the cash flow credit facility was amended to replace the existing senior secured term loan A-2 facility maturing on May 2, 2016 and the existing senior secured term loan A-4 facility maturing on February 2, 2016 with a new \$1.400 billion senior secured term loan A-5 facility maturing on June 10, 2020.

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### ***Interest Rate and Fees***

Borrowings under the senior secured credit facilities bear interest at a rate equal to, at HCA Inc.'s option, either (a) LIBOR for deposits in the applicable currency plus an applicable margin or (b) the highest of (1) the prime rate of Bank of America, N.A., (2) the federal funds effective rate plus 0.50% and (3) the LIBOR rate plus 1.00%, plus an applicable margin. The applicable margins in effect for borrowings as of September 30, 2015 are (i) under the asset-based revolving credit facility, 0.50% with respect to base rate borrowings and 1.50% with respect to LIBOR borrowings, (ii) under the senior secured revolving credit facility, 0.50% with respect to base rate borrowings and 1.50% with respect to LIBOR borrowings, (iii) under the term loan A-5 facility, 0.50% with respect to base rate borrowings and 1.50% with respect to LIBOR borrowings, (iv) under the term loan B-4 facility, 1.75% with respect to base rate borrowings and 2.75% with respect to LIBOR borrowings, and (v) under the term loan B-5 facility, 1.75% with respect to base rate borrowings and 2.75% with respect to LIBOR borrowings. The applicable margins with respect to the asset-based revolving credit facility and senior secured revolving facility may be reduced or increased depending on HCA Inc.'s leverage ratios.

In addition to paying interest on outstanding principal under the senior secured credit facilities, HCA Inc. is required to pay a commitment fee to the lenders under the revolving credit facilities in respect of the unutilized commitments thereunder. The commitment fee rate as of September 30, 2015 is 0.375% per annum for the revolving credit facility and 0.25% for the asset-based revolving credit facility. The commitment fee rates for the revolving credit facility may fluctuate due to changes in specified leverage ratios. The commitment fee rates for the asset-based revolving credit facility may fluctuate due to the utilization threshold of the asset-based credit facility. HCA Inc. must also pay customary letter of credit fees.

### ***Prepayments***

The cash flow credit facility requires HCA Inc. to prepay outstanding term loans, subject to certain exceptions, with:

50% (which percentage will be reduced to 25% if HCA Inc.'s total leverage ratio is 5.50x or less and to 0% if HCA Inc.'s total leverage ratio is 5.00x or less) of HCA Inc.'s annual excess cash flow;

100% (which percentage will be reduced to 50% if HCA Inc.'s total leverage ratio is 3.25x or less and to 0% if HCA Inc.'s total leverage ratio is 2.50x or less) of the compensation for any casualty event, proceeds from permitted sale-leasebacks and the net cash proceeds of all non-ordinary course asset sales or other dispositions of property, other than the Receivables Collateral, as defined below, if HCA Inc. does not (1) reinvest or commit to reinvest those proceeds in assets to be used in our business or to make certain other permitted investments within 15 months as long as, in the case of any such commitment to reinvest or make certain other permitted investments, such investment is completed within such 15-month period or, if later, within 180 days after such commitment is made or (2) apply such proceeds within 15 months to repay debt of HCA Inc. that was outstanding on the effective date of HCA Inc.'s 2006 recapitalization transaction scheduled to mature prior to the earliest final maturity of the senior secured credit facilities then outstanding; and

100% of the net cash proceeds of any incurrence of debt, other than proceeds from the receivables facilities and other debt permitted under the senior secured credit facilities.

The foregoing mandatory prepayments are applied among the term loan facilities pro rata to such facilities, with amounts allocated to each facility being applied pro rata among the term loan A-5 facility, the term loan B-4 facility and the term loan B-5 facility based upon the applicable remaining repayment amounts due thereunder. Notwithstanding the foregoing, HCA Inc. is not required to prepay loans under the term loan A facility or the term loan B facility with net cash proceeds of asset sales or with excess cash flow, in each case attributable to foreign subsidiaries, to the extent that the repatriation of such amounts is prohibited or delayed by applicable local law or would result in material adverse tax consequences.

The asset-based revolving credit facility requires HCA Inc. to prepay outstanding loans if borrowings exceed the borrowing base.

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HCA Inc. may voluntarily repay outstanding loans under the senior secured credit facilities at any time without premium or penalty, other than customary breakage costs with respect to LIBOR loans.

### ***Amortization***

HCA Inc. is required to repay the loans under the term loan facilities as follows:

the term loan A-5 facility amortizes in equal quarterly installments that commenced on September 30, 2015 in amounts equal to 1.25% of the amount outstanding, on the effective date of such facility, with the balance being payable on the final maturity date of such term loans;

the term loan B-4 facility amortizes in equal quarterly installments that commenced on December 31, 2013 in amounts equal to 0.25% of the amount outstanding, on the effective date of such facility, with the balance being payable on the final maturity date of such term loans; and

the term loan B-5 facility amortizes in equal quarterly installments that commenced on December 31, 2013 in amounts equal to \$5,000,000, on the effective date of such facility, with the balance being payable on the final maturity date of such term loans.

Principal amounts outstanding under the revolving credit facilities are due and payable in full at maturity.

### ***Guarantee and Security***

All obligations under the senior secured credit facilities are unconditionally guaranteed by substantially all existing and future, direct and indirect, wholly owned material domestic subsidiaries that are unrestricted subsidiaries under the 1993 Indenture (as defined below) (except for certain special purpose subsidiaries that only guarantee and pledge their assets under the asset-based revolving credit facility), subject to any applicable legal, regulatory or contractual constraints and to the requirement that such guarantee does not cause adverse tax consequences.

All obligations under the asset-based revolving credit facility, and the guarantees of those obligations, are secured, subject to permitted liens and other exceptions, by a first-priority lien on substantially all of the receivables of the borrowers and each guarantor under such asset-based revolving credit facility (the *Receivables Collateral*).

All obligations under the cash flow credit facility and the guarantees of such obligations, are secured, subject to permitted liens and other exceptions, by:

a first-priority lien on the capital stock owned by HCA Inc. or by any guarantor in each of their respective first-tier subsidiaries (limited, in the case of foreign subsidiaries, to 65% of the voting stock of such subsidiaries);

a first-priority lien on substantially all present and future assets of HCA Inc. and of each guarantor other than (i) *Principal Properties* (as defined in the 1993 Indenture), except for certain *Principal Properties* the aggregate amount of indebtedness secured thereby in respect of the cash flow credit facility and the first lien notes and any future first lien obligations, taken as a whole, do not exceed 10% of *Consolidated Net Tangible Assets* (as defined under the 1993 Indenture), (ii) certain other real properties and (iii) deposit accounts, other bank or securities accounts, cash, leaseholds, motor-vehicles and certain other exceptions (such collateral under this and the preceding bullet, the *Non-Receivables Collateral*); and

a second-priority lien on certain of the *Receivables Collateral* (such portion of the *Receivables Collateral*, the *Shared Receivables Collateral*; the *Receivables Collateral* that does not secure such cash flow credit facility on a second-priority basis is referred to as the *Separate Receivables Collateral*).





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***Certain Covenants and Events of Default***

The senior secured credit facilities contain a number of covenants that, among other things, restrict, subject to certain exceptions, HCA Inc.'s ability and the ability of its restricted subsidiaries to:

incur additional indebtedness;

create liens;

enter into sale and leaseback transactions;

engage in mergers or consolidations;

sell or transfer assets;

pay dividends and distributions or repurchase capital stock;

make investments, loans or advances;

with respect to the asset-based revolving credit facility, prepay certain subordinated indebtedness, the second lien notes and certain other indebtedness existing on the effective date of HCA Inc.'s 2006 recapitalization transaction ( "Retained Indebtedness" ), subject to certain exceptions;

make certain acquisitions;

engage in certain transactions with affiliates;

with respect to the asset-based revolving credit facility, make certain material amendments to agreements governing certain subordinated indebtedness, the second lien notes or Retained Indebtedness; and

change lines of business.

In addition, the senior secured credit facilities require the following financial covenants to be maintained:

in the case of the asset-based revolving credit facility, a minimum interest coverage ratio of 1.50:1.00 (applicable only when excess global availability under such facility is less than the greater of (x) 10% of the lesser of the outstanding commitments and the borrowing base thereunder and (y) \$325.0 million); and

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in the case of the other senior secured credit facilities, a maximum total leverage ratio of no greater than 6.75:1.00. The senior secured credit facilities also contain certain customary affirmative covenants and events of default, including a change of control.

### Senior Secured Notes

As of September 30, 2015, HCA Inc. had \$11.100 billion aggregate principal amount of senior secured first lien notes consisting of:

\$3.000 billion aggregate principal amount of 6.50% senior secured first lien notes due 2020 issued on August 1, 2011 at a price of 100% of their face value, resulting in \$3.000 billion of gross proceeds;

\$1.350 billion aggregate principal amount of 5.875% senior secured first lien notes due 2022 issued on February 16, 2012 at a price of 100% of their face value, resulting in \$1.350 billion of gross proceeds;

\$1.250 billion aggregate principal amount of 4.75% senior secured first lien notes due 2023 issued on October 23, 2012 at a price of 100% of their face value, resulting in \$1.250 billion of gross proceeds;

\$1.500 billion aggregate principal amount of 3.75% senior secured first lien notes due 2019 issued on March 17, 2014 at a price of 100% of their face value, resulting in \$1.485 billion of gross proceeds;

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\$2.000 billion aggregate principal amount of 5.00% senior secured first lien notes due 2024 issued on March 17, 2014 at a price of 100% of their face value, resulting in \$1.980 billion of gross proceeds;

\$600 million aggregate principal amount of 4.25% senior secured first lien notes due 2019 issued on October 17, 2014 at a price of 100% of their face value, resulting in \$600 million of gross proceeds; and

\$1.400 billion aggregate principal amount of 5.25% senior secured first lien notes due 2025 issued on October 17, 2014 at a price of 100% of their face value, resulting in \$1.400 billion of gross proceeds.

We refer to these notes issued on August 1, 2011, February 16, 2012, October 23, 2012, March 17, 2014 and October 17, 2014 as the secured notes and the indentures governing the first lien notes as the indentures governing the secured notes.

The secured notes and the related guarantees are secured by first-priority liens, subject to permitted liens, on HCA Inc.'s subsidiary guarantors assets, subject to certain exceptions, that secure HCA Inc.'s cash flow credit facility on a first-priority basis and are secured by second-priority liens, subject to permitted liens, on HCA Inc.'s subsidiary guarantors assets that secure HCA Inc.'s asset-based revolving credit facility on a first-priority basis and HCA Inc.'s cash flow credit facility on a second-priority basis.

### ***Optional Redemption***

The indentures governing the secured notes permit HCA Inc. to redeem some or all of the secured notes at any time at redemption prices described or set forth in the respective indenture.

### ***Change of Control***

In addition, the indentures governing the secured notes provide that, upon the occurrence of a change of control as defined therein, each holder of secured notes has the right to require us to repurchase some or all of such holder's secured notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date.

### ***Covenants***

The indentures governing the secured notes contain covenants limiting, among other things, HCA Inc.'s ability and the ability of its restricted subsidiaries to, subject to certain exceptions:

create certain liens or encumbrances;

sell certain assets; and

consolidate, merge, sell or otherwise dispose of all or substantially all of our assets.

### ***Events of Default***

The indentures governing the secured notes also provide for events of default which, if any of them occur, would permit or require the principal of and accrued interest on the secured notes to become or to be declared due and payable.

### ***Other Secured Indebtedness***

As of September 30, 2015, HCA Inc. had approximately \$632 million of capital leases and other secured debt outstanding.

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Under the lease with HRT of Roanoke, Inc., effective December 20, 2005, HCA Inc. makes annual payments for rent and additional expenses for the use of premises in Roanoke and Salem, Virginia. The rent

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payments increase each year beginning January 1, 2007 by the lesser of 3% or the change in the Consumer Price Index. The lease is for a fixed term of 12 years with the option to extend the lease for another ten years.

Under the lease with Medical City Dallas Limited, effective March 18, 2004, HCA Inc. makes annual payments for rent for the use of premises that are a part of a complex known as Medical City Dallas located in Dallas, Texas. The rent payment is adjusted yearly based on the fair market value of the premises and a capitalization rate. The initial term is 240 months with the option to extend for two more terms of 240 months each.

## **Unsecured Indebtedness**

As of September 30, 2015, HCA Inc. had outstanding an aggregate principal amount of \$8.777 billion of senior notes and debentures, consisting of the following series:

\$150,000,000 aggregate principal amount of 7.19% Debentures due 2015;

\$1,000,000,000 aggregate principal amount of 6.500% Notes due 2016;

\$500,000,000 aggregate principal amount of 8.00% Senior Notes due 2018;

\$2,000,000,000 aggregate principal amount of 7.50% Senior Notes due 2022;

\$135,645,000 aggregate principal amount of 7.50% Debentures due 2023;

\$1,250,000,000 aggregate principal amount of 5.875% Senior Notes due 2023;

\$150,000,000 aggregate principal amount of 8.36% Debentures due 2024;

\$291,436,000 aggregate principal amount of 7.69% Senior Notes due 2025;

\$2,600,000,000 aggregate principal amount of 5.375% Senior Notes due 2025;

\$150,000,000 aggregate principal amount of 7.05% Debentures due 2027;

\$250,000,000 aggregate principal amount of 7.50% Senior Notes due 2033;

\$100,000,000 aggregate principal amount of 7.75% Debentures due 2036; and

\$200,000,000 aggregate principal amount of 7.50% Debentures due 2095.

As of September 30, 2015, HCA Inc. also had outstanding \$125,000,000 aggregate principal amount of 7.58% Medium Term Notes due 2025.

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All of HCA Inc.'s outstanding series of senior notes, debentures and medium term notes listed above were issued under an indenture, which we refer to as the 1993 Indenture, with the exception of the \$1,250,000,000 aggregate principal amount of 5.875% senior notes due 2023, the \$2,000,000,000 aggregate principal amount of 7.50% senior notes due 2022, the \$500,000,000 aggregate principal amount of 8.00% senior notes due 2018 and the \$2,600,000,000 aggregate principal amount of 5.375% senior notes due 2025, each of which were issued under a separate indenture (the new Indenture) with terms similar to the 1993 Indenture. We refer to the 1993 Indenture and the new Indenture as the Indentures, collectively.

On November 13, 2015, HCA Inc. issued the existing notes under the new Indenture. We intend to use the net proceeds of the November 2015 offering, together with cash on hand, to redeem HCA Inc.'s \$1,000,000,000 aggregate principal amount outstanding of existing 6.500% notes due 2016.

The notes offered hereby will be issued under the indenture pursuant to which we issued the existing notes. The notes offered hereby and the existing notes will be treated as a single series for all purposes under the indenture, including notices, consents, waivers, amendments, redemptions and any other action permitted under the indenture, and the notes offered hereby will have identical terms with the existing notes, other than their issue date and public offering price. The notes offered hereby will have the same CUSIP and ISIN numbers as, and will vote together and will be fungible with, the existing notes immediately upon issuance.

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### ***Optional Redemption***

If permitted by the respective supplemental indenture, HCA Inc. is permitted to redeem some or all of that series of unsecured notes at any time at redemption prices described or set forth in such supplemental indenture.

### ***Covenants***

The Indentures contain covenants limiting, among other things, HCA Inc.'s ability and/or the ability of HCA Inc.'s restricted subsidiaries to (subject to certain exceptions):

assume or guarantee indebtedness or obligation secured by mortgages, liens, pledges or other encumbrances;

enter into sale and lease-back transactions with respect to any Principal Property (as such term is defined in the 1993 Indenture);

create, incur, issue, assume or otherwise become liable with respect to, extend the maturity of, or become responsible for the payment of, any debt or preferred stock; and

consolidate, merge, sell or otherwise dispose of all or substantially all of HCA Inc.'s assets.

In addition, the Indentures provide that the aggregate amount of all other indebtedness of HCA Inc. secured by mortgages on Principal Properties (as such term is defined in the 1993 Indenture) together with the aggregate principal amount of all indebtedness of restricted subsidiaries (as such term is defined in the 1993 Indenture) and the attributable debt in respect of sale-leasebacks of Principal Properties, may not exceed 15% of the consolidated net tangible assets of HCA Inc. and its consolidated subsidiaries, subject to exceptions for certain permitted mortgages and debt.

### ***Events of Default***

The Indentures contain certain events of default, which, if any of them occurs, would permit or require the principal of and accrued interest on such series to become or to be declared due and payable.

### ***Change of Control***

In addition, the new Indenture provides that, upon the occurrence of a change of control as defined therein, each holder of the notes has the right to require us to repurchase some or all of such holder's secured notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date.

## **Unsecured Indebtedness of HCA Holdings, Inc.**

### ***Overview***

On December 6, 2012, HCA Holdings, Inc. issued \$1.000 billion aggregate principal amount of 6.25% senior notes due 2021 at a price of 100% of their face value, resulting in \$1.000 billion of gross proceeds. We refer to these notes as the outstanding 2021 notes and the indenture governing the outstanding 2021 notes as the 2021 notes indenture.



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### ***Ranking***

The outstanding 2021 notes are HCA Holdings, Inc.'s senior unsecured obligations and rank equally in right of payment with all of its future unsecured and unsubordinated indebtedness, rank senior in right of payment to any of its future subordinated indebtedness, and are structurally subordinated in right of payment to indebtedness of HCA Holdings, Inc.'s subsidiaries, including HCA Inc. The outstanding 2021 notes are not guaranteed by any of HCA Holdings, Inc.'s subsidiaries, including HCA Inc. HCA Holdings, Inc.'s future secured indebtedness and other future secured obligations will be effectively senior to the outstanding 2021 notes to the extent of the value of the assets securing such other indebtedness and other obligations.

### ***Optional Redemption***

The 2021 notes indenture permits HCA Holdings, Inc. to redeem some or all of the applicable outstanding 2021 notes at any time at redemption prices described or set forth in the 2021 notes indenture.

### ***Change of Control***

Upon the occurrence of a change of control, which is defined in the 2021 notes indenture, each holder of the outstanding 2021 notes has the right to require HCA Holdings, Inc. to repurchase some or all of such holder's notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date.

### ***Covenants***

The 2021 notes indenture contains covenants limiting, among other things, HCA Holdings, Inc.'s ability and the ability of its restricted subsidiaries to (subject to certain exceptions):

create liens on certain assets to secure debt;

enter into certain sale and lease-back transactions; and

consolidate, merge, sell or otherwise dispose of all or substantially all of HCA Holdings, Inc.'s assets.

### ***Events of Default***

The 2021 notes indenture contains certain events of default, which, if any of them occurs, would permit or require the principal of and accrued interest on the outstanding 2021 notes to become or to be declared due and payable.

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**DESCRIPTION OF THE NOTES**

**General**

The following description of the particular terms of the 5.875% Senior Notes due 2026 supplements, and to the extent inconsistent therewith replaces, the description of the general terms and provisions of the debt securities set forth under Description of Debt Securities and Guarantees in the attached prospectus. In this description of the notes, all references to we, us or our and the Company are to HCA Inc. only (the Issuer) not to HCA Holdings, Inc. ( Holdings ) or any of its Subsidiaries. References in this description of the notes to Holdings or the Parent Guarantor refer only to Holdings and not to its Subsidiaries or the Issuer.

The Issuer will issue the Notes offered hereby as Additional Notes (as defined below) under the indenture, dated as of August 1, 2011, as supplemented by the thirteenth supplemental indenture dated as of November 13, 2015, governing the 5.875% Senior Notes due 2026 that were issued on November 13, 2015 (the Existing Notes and, together with the Notes offered hereby, the Notes ), among the Issuer, Holdings and Law Debenture Trust Company of New York, as Trustee and Deutsche Bank Trust Company Americas, as Paying Agent, Registrar and Transfer Agent, as further supplemented by another supplemental indenture. The supplemental indentures set forth certain specific terms applicable to the Notes, and references to the Indenture in this description mean the Indenture as so amended and supplemented by the supplemental indentures. The Notes offered hereby are Additional Notes under the Indenture and will be treated with the Existing Notes as a single series for all purposes under the Indenture, including notices, consents, waivers, amendments, redemptions and any other action permitted under the Indenture, and the Notes offered hereby will have identical terms with the Existing Notes, other than their issue date and public offering price. The Notes offered hereby will have the same CUSIP and ISIN numbers as, and will vote together and will be fungible with, the Existing Notes immediately upon issuance. This description is intended to be an overview of the material provisions of the Notes and the Indenture. This summary is not complete and is qualified in its entirety by reference to the Indenture. You should carefully read the summary below, the description of the general terms and provisions of our debt securities set forth in the accompanying base prospectus under Description of Debt Securities and Guarantees and the provisions of the Indenture that may be important to you before investing in the Notes. Capitalized terms defined in the accompanying base prospectus or in the Indenture have the same meanings when used in this description unless updated herein. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended. You may request copies of the Indenture at the address set forth under the heading Summary. A form of the indenture has been filed as an exhibit to the registration statement of which this prospectus supplement is a part and can be obtained as indicated under Available Information.

**Principal, Maturity and Interest**

The Issuer will issue \$500,000,000 of the Notes in this offering. The Issuer previously issued \$1,000,000,000 aggregate principal amount of the Existing Notes. Upon issuance of the Notes offered hereby, the aggregate principal amount of the Notes will be \$1,500,000,000. The Notes will mature on February 15, 2026. The Notes will bear interest at the rate of 5.875% per annum, computed on the basis of a 360-day year of twelve 30-day months, commencing on the Issue Date. Interest will be payable twice a year on February 15 and August 15, beginning on August 15, 2016. Interest payable on any Note that is punctually paid or duly provided for on any interest payment date shall be paid to the person in whose name such Note is registered at the close of business on February 1 and August 1, as the case may be, preceding such interest payment date.

The Issuer may issue additional Notes, from time to time after this offering under the Indenture (any such Notes, Additional Notes ). The Existing Notes, the Notes offered hereby and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase. Unless the context requires otherwise, references to Notes for all purposes of the Indenture and this Description of the Notes include any Additional Notes that are actually issued.

The Notes will be issued in book-entry form only.

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### **Parent Guarantee**

We are a Subsidiary of Holdings. Holdings will, as primary obligor and not merely as surety, irrevocably and fully and unconditionally guarantee (the Parent Guarantee, and Holdings in such capacity, the Parent Guarantor ), on an unsecured senior basis, the punctual payment when due, whether at maturity, by acceleration or otherwise, of all monetary obligations of the Issuer under the Indenture and the Notes, whether for principal of or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by the Parent Guarantor being herein called the Parent Guaranteed Obligations ).

The Parent Guarantee shall be a continuing guarantee and shall (i) subject to the next two paragraphs, remain in full force and effect until payment in full of the principal amount of all outstanding Notes (whether by payment at maturity, purchase, redemption, defeasance, retirement or other acquisition) and all other applicable Parent Guaranteed Obligations of the Parent Guarantor then due and owing, (ii) be binding upon the Parent Guarantor and (iii) inure to the benefit of and be enforceable by the Trustee, the Holders and their permitted successors, transferees and assigns.

The Parent Guarantor will automatically and unconditionally be released from all obligations under its Parent Guarantee, and its Parent Guarantee will thereupon terminate and be discharged and of no further force of effect, (i) upon any merger or consolidation of such Parent Guarantor with the Issuer, (ii) upon legal or covenant defeasance of the Issuer s obligations under, or satisfaction and discharge of, the Indenture, or (iii) subject to customary contingent reinstatement provisions, upon payment in full of the aggregate principal amount of all Notes then outstanding and all other applicable Parent Guaranteed Obligations of the Parent Guarantor then due and owing.

Upon any such occurrence specified in the preceding paragraph, the Trustee shall execute, upon request by the Issuer, any documents reasonably required in order to evidence such release, discharge and termination in respect of the Parent Guarantee. Neither the Issuer nor the Parent Guarantor shall be required to make a notation on the Notes to reflect the Parent Guarantee or any such release, termination or discharge.

### **Ranking of Notes and Guarantee**

The Notes are:

unsecured senior obligations of the Issuer;

equal in right of payment to any future senior Indebtedness of the Issuer;

senior in right of payment to any future Subordinated Indebtedness of the Issuer;

structurally subordinated in right of payment to all Indebtedness of the Issuer s Subsidiaries; and

guaranteed on a senior unsecured basis by the Parent Guarantor.

The Indebtedness evidenced by the Notes will be unsecured and will rank equally with any other unsecured and unsubordinated indebtedness the Issuer may incur in the future. The Notes will not be guaranteed by any of the Issuer s Subsidiaries. The Issuer s future secured Indebtedness and other future secured obligations will be effectively senior to the Notes to the extent of the value of the assets securing such other secured Indebtedness and other obligations.

The Issuer is a holding company for its Subsidiaries, with no material operations of its own and only limited assets. Accordingly, the Issuer is dependent upon the distribution of the earnings of its Subsidiaries, whether in the form of dividends, advances or payments on account of intercompany obligations, to service its debt obligations. Additionally, claims of such Subsidiaries creditors, including trade creditors and claims of preferred stockholders (if any) of such Subsidiaries, generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of the Issuer s creditors, including Holders of the Notes. The Notes, therefore, will be structurally subordinated to creditors (including trade creditors) and preferred stockholders (if any) of our



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Subsidiaries. As of September 30, 2015, on an as adjusted basis after giving effect to the Existing Notes and application of use of proceeds therefrom and the Notes offered hereby and application of use of proceeds therefrom, Subsidiaries of the Issuer would have had Indebtedness of \$20.010 billion outstanding, all of which would have been secured.

The Indenture limits the Issuer's ability and that of certain of our Subsidiaries under certain circumstances to secure Indebtedness by Mortgages on our Principal Properties and to enter into Sale and Lease-Back Transactions. In a liquidation or reorganization of any of our Subsidiaries, the right of Holders of the Notes to participate in any distribution is subject to the prior claims of creditors of that Subsidiary, except to the extent that we are a creditor.

The Parent Guarantee (as described below) is:

the unsecured obligation of the Parent Guarantor;

equal in right of payment to all of the Parent Guarantor's existing and future indebtedness that is not subordinated in right of payment to its Parent Guarantee (including the Parent Guarantor's existing 6.25% senior notes due 2021);

senior in right of payment to any future Subordinated Indebtedness of the Parent Guarantor;

effectively subordinated in right of payment to any of the Parent Guarantor's future indebtedness that is secured by Liens on its assets to the extent of the value of the assets securing such indebtedness; and

structurally subordinated in right of payment to all Indebtedness of the Parent Guarantor's Subsidiaries (other than the Issuer).

### **Mandatory Redemption; Offers to Purchase; Open Market Purchases**

The Issuer will not be required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase Notes as described under the caption "Repurchase at the Option of Holders." The Issuer may at any time and from time to time purchase Notes in the open market or otherwise.

### **Optional Redemption**

The Notes will be redeemable, at our option, at any time in whole or from time to time in part.

If the Notes are redeemed prior to August 15, 2025 (the date that is six months prior to the stated maturity date for the Notes), the redemption price for the Notes to be redeemed will equal the greater of:

100% of the aggregate principal amount of the Notes to be redeemed, and

an amount equal to the sum of the present value of (i) the payment on August 15, 2025 of principal of the Notes to be redeemed and (ii) the payment of the remaining scheduled payments through August 15, 2025 of interest on the Notes to be redeemed (excluding accrued and unpaid interest to the redemption date and subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date), in each case discounted from their scheduled date of payment to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using a discount rate equal to the Treasury Rate plus 50 basis points

plus, in each of the above cases, accrued and unpaid interest, if any, to such redemption date.

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If the Notes are redeemed on or after August 15, 2025 (the date that is six months prior to the stated maturity date for the Notes), the redemption price for the Notes to be redeemed will equal 100% of the principal amount of such Notes plus accrued and unpaid interest, if any, to such redemption date.

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Any notice of any redemption may be given prior to the redemption thereof, and any such redemption or notice may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an equity offering or other corporate transaction. Notes called for redemption will become due on the date fixed for redemption. Notices of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder of the Notes to be redeemed at its registered address. The notice of redemption for the Notes will state, among other things, the amount of Notes to be redeemed, if less than all of the outstanding Notes are to be redeemed, the redemption date, the redemption price (or the method of calculating it) and each place that payment will be made upon presentation and surrender of Notes to be redeemed.

Unless we default in payment of the redemption price, interest will cease to accrue on any Notes that have been called for redemption on the redemption date. If the Issuer redeems less than all of the outstanding Notes, the Registrar and Paying Agent shall select the Notes to be redeemed in the manner described under "Repurchase at the Option of Holders Selection and Notice."

For purposes of determining the optional redemption price if the Notes are redeemed prior to August 15, 2025, the following definitions are applicable:

*Comparable Treasury Issue* means, the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term ( Remaining Life ) of a Note being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Remaining Life of such Notes.

*Comparable Treasury Price* means, with respect to any redemption date for any Note:

- (1) the average of the Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of four such Reference Treasury Dealer Quotations; or
- (2) if the Independent Investment Banker is given fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Independent Investment Banker.

*Independent Investment Banker* means one of the Reference Treasury Dealers, to be appointed by the Issuer.

*Reference Treasury Dealer* means (i) Barclays Capital Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, SunTrust Robinson Humphrey, Inc., UBS Securities LLC and Wells Fargo Securities, LLC (or their respective affiliates that are Primary Treasury Dealers) and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer ), the Issuer will substitute therefor another Primary Treasury Dealer, and (ii) any other Primary Treasury Dealer selected by the Issuer.

*Reference Treasury Dealer Quotations* means, with respect to each Reference Treasury Dealer and any redemption date for any Note, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:00 p.m., New York City time, on the third Business Day preceding such redemption date.

*Treasury Rate* means, at the time of computation, (1) the semi-annual equivalent yield to maturity of the United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the redemption date or, if such Statistical Release is no longer published, any publicly available source of similar

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market data) for the maturity corresponding to the Comparable Treasury Issue; provided, however, that if no maturity is within three months before or after the maturity date for the notes, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Rate will be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month; or (2) if that release, or any successor release, is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date. The Treasury Rate will be calculated on the third Business Day preceding the redemption date.

Except as set forth above, the Notes will not be redeemable by us prior to maturity.

**Denominations, Registration and Transfer**

The Issuer will issue the Notes in registered form and in denominations of \$2,000 or any integral multiple of \$1,000 in excess thereof. We have appointed Deutsche Bank Trust Company Americas as security registrar.

**Repurchase at the Option of Holders**

*Change of Control*

The Notes will provide that if a Change of Control occurs, unless the Issuer has previously or concurrently mailed a redemption notice with respect to all the outstanding Notes as described under *Optional Redemption*, the Issuer will make an offer to purchase all of the Notes pursuant to the offer described below (the *Change of Control Offer*) at a price in cash (the *Change of Control Payment*) equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase, subject to the right of Holders of the Notes of record on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Issuer will send notice of such Change of Control Offer by first-class mail, with a copy to the Trustee and the Registrar, to each Holder of Notes to the address of such Holder appearing in the security register with a copy to the Trustee and the Registrar or otherwise in accordance with the procedures of DTC, with the following information:

- (1) that a Change of Control Offer is being made pursuant to the covenant entitled *Change of Control* and that all Notes properly tendered pursuant to such Change of Control Offer will be accepted for payment by the Issuer;
- (2) the purchase price and the purchase date, which will be no earlier than 30 days nor later than 60 days from the date such notice is mailed (the *Change of Control Payment Date*);
- (3) that any Note not properly tendered will remain outstanding and continue to accrue interest;
- (4) that unless the Issuer defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date;
- (5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender such Notes, with the form entitled *Option of Holder to Elect Purchase* on the reverse of such Notes completed, to the paying agent specified in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;
- (6) that Holders will be entitled to withdraw their tendered Notes and their election to require the Issuer to purchase such Notes; provided that the paying agent receives, not later than the close of business on the 30th day following the date of the Change of Control notice, a telegram, facsimile transmission or letter setting forth the name of the Holder of the Notes, the principal amount of



Notes tendered for purchase,

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and a statement that such Holder is withdrawing its tendered Notes and its election to have such Notes purchased;

- (7) that Holders tendering less than all of their Notes will be issued new Notes and such new Notes will be equal in principal amount to the unpurchased portion of the Notes surrendered. The unpurchased portion of the Notes must be equal to \$2,000 or an integral multiple of \$1,000 in excess thereof; and

- (8) the other instructions, as determined by us, consistent with the covenant described hereunder, that a Holder must follow. The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the Indenture by virtue thereof.

On the Change of Control Payment Date, the Issuer will, to the extent permitted by law,

- (1) accept for payment all Notes issued by it or portions thereof properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the paying agent an amount equal to the aggregate Change of Control Payment in respect of all Notes or portions thereof so tendered; and
- (3) deliver, or cause to be delivered, to the Trustee for cancellation the Notes so accepted together with an Officer's Certificate to the Trustee stating that such Notes or portions thereof have been tendered to and purchased by the Issuer.

Our existing senior secured credit facilities provide, and future credit agreements or other agreements relating to indebtedness to which the Issuer becomes a party may provide, that certain change of control events with respect to the Issuer would constitute a default thereunder (including a Change of Control under the Indenture). If we experience a change of control that triggers a default under our senior secured credit facilities, we could seek a waiver of such default or seek to refinance our senior secured credit facilities. In the event we do not obtain such a waiver or refinance the senior secured credit facilities, such default could result in amounts outstanding under our senior secured credit facilities being declared due and payable and could cause a receivables facility to be wound down.

The Issuer's ability to pay cash to the Holders of the Notes following the occurrence of a Change of Control may be limited by its then-existing financial resources. Therefore, sufficient funds may not be available when necessary to make any required repurchases.

The Change of Control purchase feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of us and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the Underwriters and us. After the Issue Date, we have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Such restrictions in the Indenture can be waived only with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford Holders of the Notes protection in the event of a highly leveraged transaction.

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The Issuer will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

The definition of "Change of Control" includes a disposition of all or substantially all of the assets of the Issuer to any Person. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of all or substantially all of the assets of the Issuer. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

The provisions under the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the Notes.

### **Selection and Notice**

If the Issuer is redeeming less than all of the Notes issued by it at any time, the Registrar and Paying Agent will select the Notes to be redeemed (a) if the Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed, (b) on a pro rata basis to the extent practicable or (c) by lot or such other similar method in accordance with the procedures of DTC.

Notices of purchase or redemption shall be mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the purchase or redemption date to each Holder of Notes at such Holder's registered address or otherwise in accordance with the procedures of DTC, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. If any Note is to be purchased or redeemed in part only, any notice of purchase or redemption that relates to such Note shall state the portion of the principal amount thereof that has been or is to be purchased or redeemed.

The Issuer will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions thereof called for redemption.

### **Certain Covenants**

Set forth below are summaries of certain covenants contained in the Indenture.

#### ***Covenant Suspension***

If on any date following the Issue Date (i) the Notes have Investment Grade Ratings from both Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture, the Issuer and the Subsidiaries will not be subject to the "Repurchase at the Option of Holders" Change of Control covenant (the "*Suspended Covenant*").

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In the event that the Issuer and the Subsidiaries are not subject to the Suspended Covenant under the Indenture for any period of time as a result of the foregoing, and on any subsequent date one or both of the Rating Agencies (a) withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an Investment Grade Rating and/or (b) the Issuer or any of its Affiliates enters into an agreement to effect a transaction that would result in a Change of Control and one or more of the Rating Agencies indicate that if consummated, such transaction (alone or together with any related recapitalization or refinancing transactions) would cause such Rating Agency to withdraw its Investment Grade Rating or downgrade the ratings assigned to the Notes below an Investment Grade Rating, then the Issuer and the Subsidiaries will thereafter again be subject to the Suspended Covenant under the Indenture with respect to future events, including, without limitation, a proposed transaction described in clause (b) above.

In the event of any such reinstatement, no action taken or omitted to be taken by the Issuer or any of its Subsidiaries prior to such reinstatement will give rise to a Default or Event of Default under the Indenture with respect to the Notes.

There can be no assurance that the Notes will ever achieve or maintain Investment Grade Ratings.

***Limitations on Mortgages***

Nothing in the Indenture or in the Notes in any way restricts or prevents the Issuer, the Parent Guarantor or any Subsidiary from incurring any Indebtedness, provided, however, that the Indenture provides that neither the Issuer nor any of its Subsidiaries will issue, assume or guarantee any indebtedness or obligation secured by Mortgages upon any Principal Property, unless the Notes shall be secured equally and ratably with (or prior to) such Indebtedness. This restriction will not apply to:

- (a) Mortgages securing all or any part of the purchase price of property acquired or cost of construction of property or cost of additions, substantial repairs, alterations or improvements or property, if the Indebtedness and the related Mortgages are incurred within 18 months of the later of the acquisition or completion of construction and full operation or additions, repairs, alterations or improvements;
- (b) Mortgages existing on property at the time of its acquisition by the Issuer or a Subsidiary or on the property of a Person at the time of the acquisition of such Person by the Issuer or a Subsidiary (including acquisitions through merger or consolidation);
- (c) Mortgages to secure Indebtedness on which the interest payments to holders of the related indebtedness are excludable from gross income for federal income tax purposes under Section 103 of the Code;
- (d) Mortgages in favor of the Issuer or any Subsidiary;
- (e) Mortgages existing on the date of the Indenture;
- (f) Mortgages in favor of a government or governmental entity that (i) secure Indebtedness which is guaranteed by the government or governmental entity, (ii) secure Indebtedness incurred to finance all or some of the purchase price or cost of construction of goods, products or facilities produced under contract or subcontract for the government or governmental entity, or (iii) secure Indebtedness incurred to finance all or some of the purchase price or cost of construction of the property subject to the Mortgage;
- (g) Mortgages incurred in connection with the borrowing of funds where such funds are used to repay within 120 days after entering into such Mortgage, Indebtedness in the same principal amount secured by other Mortgages on Principal Property with at least the same appraised fair market value; and

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- (h) any extension, renewal or replacement of any Mortgage referred to in clauses (a) through (g) above, provided the amount secured is not increased and such extension, renewal or replacement Mortgage relates to the same property.

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***Limitations on Sale and Lease-Back***

The Indenture provides that neither the Issuer nor any Subsidiary will enter into any Sale and Lease-Back Transaction with respect to any Principal Property with another person (other than with the Issuer or a Subsidiary) unless either:

- (a) the Issuer or such Subsidiary could incur indebtedness secured by a mortgage on the property to be leased without equally and ratably securing the Notes; or
- (b) within 120 days, the Issuer applies the greater of the net proceeds of the sale of the leased property or the fair value of the leased property, net of all Notes delivered under the Indenture, to the voluntary retirement of our Funded Debt and/or the acquisition or construction of a Principal Property.

***Exempted Transactions***

Notwithstanding the foregoing provisions described above under *Limitation on Mortgages* and *Limitations on Sale and Lease-Back* if the aggregate outstanding principal amount of all Indebtedness of the Issuer and its Subsidiaries that is subject to and not otherwise permitted under these restrictions does not exceed 15% of the Consolidated Net Tangible Assets of the Issuer and its Subsidiaries, then:

- (a) the Issuer or any of its Subsidiaries may issue, assume or guarantee Indebtedness secured by Mortgages; and
- (b) the Issuer or any of its Subsidiaries may enter into any Sale and Lease-Back Transaction.

**Events of Default**

Under the Indenture, an *Event of Default* applicable to the Notes of any series means:

failure to pay the principal or any premium on the Notes when due;

failure to pay any interest on the Notes when due, and such default continues for a period of 30 days;

failure to deposit any sinking fund payment in respect of the Notes when due;

failure to perform, or the breach of, any of our other applicable covenants or warranties in the Indenture, and such default continues for a period of 60 days after written notice by Holders of at least 10% in principal amount of the outstanding Notes; or

events in bankruptcy, insolvency or reorganization.

If any Event of Default with respect to the Notes occurs and is continuing, either the Trustee or the Holders of at least 25% in aggregate principal amount of the outstanding Notes may declare the principal amount of all the Notes to be due and payable immediately. The Holders may, under certain circumstances, rescind and annul this acceleration prior to obtaining a judgment or decree.

Other than the duties of the Trustee during a default to act with the required standard of care, the Trustee is not obligated to exercise any of its rights or powers under the Indenture at the request or direction of any of the Holders unless the Holders shall have offered to the Trustee indemnity reasonably satisfactory to it. Subject to these indemnification provisions, the Holders of a majority in aggregate principal amount of

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the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Notes.

We will furnish the Trustee annually with a statement as to our performance of certain obligations under the Indenture and as to any default in our performance.

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### **Modification and Waiver**

#### ***Without Holder Consent***

Without the consent of any Holders, the Issuer, the Parent Guarantor and the Trustee, may enter into supplemental indentures for any of the following purposes:

- (1) to evidence the succession of another corporation to the Issuer and the assumption by such successor of the covenants of the Issuer in compliance with the requirements set forth in the Indenture; or
- (2) to add to the covenants for the benefit of the Holders or to surrender any right or power herein conferred upon the Issuer; or
- (3) to add any additional Events of Default; or
- (4) to change or eliminate any of the provisions of the Indenture, provided that any such change or elimination shall become effective only when there are no outstanding Notes of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such provision and as to which such supplemental indenture would apply; or
- (5) to secure the Notes; or
- (6) to supplement any of the provisions of the Indenture to such extent necessary to permit or facilitate the defeasance and discharge of the Notes, provided that any such action does not adversely affect the interests of the Holders of the Notes in any material respect; or
- (7) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee and to add to or change any of the provisions of the Indenture necessary to provide for or facilitate the administration of the trusts by more than one Trustee; or
- (8) to cure any ambiguity, to correct or supplement any provision of the Indenture which may be defective or inconsistent with any other provision; or
- (9) to change any place or places where the principal of and premium, if any, and interest, if any, on the Notes shall be payable, the Notes may be surrendered for registration or transfer, the Notes may be surrendered for exchange, and notices and demands to or upon the Issuer may be served.

#### ***With Holder Consent***

The Issuer, the Parent Guarantor and the Trustee may modify and amend the Indenture with the consent of the Holders of a majority in aggregate principal amount of the outstanding Notes; however, we must have the consent of the Holder of each outstanding Note affected to:

- (1) change the stated maturity of the principal of, or installment of interest, if any, on, the Notes, or reduce the principal amount thereof or the interest thereon or any premium payable upon redemption thereof;



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- (2) change the currency in which the principal of (and premium, if any) or interest on such Notes are denominated or payable, or reduce the amount of the principal of a discount security that would be due and payable upon a declaration of acceleration of the maturity thereof;
- (3) adversely affect the right of repayment or repurchase, if any, at the option of the Holder after such obligation arises, or reduce the amount of, or postpone the date fixed for, any payment under any sinking fund or impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the redemption date);
- (4) reduce the percentage of Holders whose consent is required for modification or amendment of the Indenture or for waiver of compliance with certain provisions of the Indenture or certain defaults; or
- (5) modify the provisions that require Holder consent to modify or amend the Indenture or that permit Holders to waive compliance with certain provisions of the Indenture or certain defaults.

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The Holders of a majority in aggregate principal amount of the outstanding Notes may, on behalf of all Holders, waive any past default under the Indenture with respect to Notes. However, such Holders may not waive a past default in the payment of principal, premium or interest, or any sinking fund installment with respect to the Notes, or waive a covenant or provision that cannot be modified or amended, without the consent of the Holders of each outstanding Note affected.

### **Consolidation, Merger, Sale or Lease of Assets**

The Issuer or the Parent Guarantor, as applicable, may consolidate with or merge into, or transfer or lease all or substantially all of our assets to another Person (whether or not the Issuer or the Parent Guarantor, as applicable, is the surviving corporation) without the consent of the Holders of the Notes under the Indenture if:

In the case of the Issuer, the successor entity assumes the Issuer's obligations on the Notes and under the Indenture, as if such successor were an original party to the Indenture;

in the case of the Parent Guarantor, the successor entity assumes the Parent Guarantor's obligations under the Indenture and the Parent Guarantee, as if such successor were an original party to the Indenture and such Parent Guarantee;

after giving effect to the transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of the Issuer or the Parent Guarantor, as applicable, would become subject to a mortgage, pledge, lien, security interest or other encumbrance that would not be permitted by the Indenture, the Issuer or the Parent Guarantor, as applicable, or such successor corporation or Person, as the case may be, shall take such steps as shall be necessary effectively to secure all the Notes or the Parent Guarantee, as applicable, equally and ratably with (or prior to) all indebtedness secured thereby; and

the Issuer or the Parent Guarantor, as the case may be, has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance, transfer or lease and such supplemental indenture comply with this covenant and that all conditions precedent provided for relating to such transaction have been complied with.

### **Defeasance**

We may be discharged from our obligations under the Notes, and we will not be subject to the limitations in the Indenture discussed in the above sections, if we deposit with the Trustee trust money or U.S. government obligations that are sufficient to pay all principal, premium and interest on the Notes. We would deliver to the Trustee an opinion of counsel to the effect that the deposit and related defeasance would not (1) cause the Holders of the Notes to recognize income, gain or loss for United States income tax purposes or (2) result in the delisting of the Notes from any national securities exchange (if so listed).

### **Notices**

Notices to Holders will be mailed to the addresses of the Holders listed in the security register.

### **Governing Law**

We will construe the Indenture and the Notes in accordance with the laws of the State of New York.

### **Concerning the Trustee**

The Trustee has normal banking relationships with us.



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### **Certain Definitions**

*Affiliate* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, control (including, with correlative meanings, the terms controlling, controlled by and under common control with ), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

*Affiliated Entity* means any Person which (i) does not transact any substantial portion of its business or regularly maintain any substantial portion of its operating assets within the continental limits of the United States of America, (ii) is principally engaged in the business of financing (including, without limitation, the purchase, holding, sale or discounting of or lending upon any notes, contracts, leases or other forms of obligations) the sale or lease of merchandise, equipment or services (1) by the Issuer, (2) by a Subsidiary (whether such sales or leases have been made before or after the date which such Person became a Subsidiary), (3) by another Affiliated Entity or (4) by any Person prior to the time which substantially all its assets have heretofore been or shall hereafter have been acquired by the Issuer, (iii) is principally engaged in the business of owning, leasing, dealing in or developing real property, (iv) is principally engaged in the holding of stock in, and/or the financing of operations of, an Affiliated Entity, or (v) is principally engaged in the business of (1) offering health benefit products or (2) insuring against professional and general liability risks of the Issuer.

*Business Day* means each day which is not a Legal Holiday.

*Capitalized Lease Obligation* means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

*Capital Stock* means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

*Cash Equivalents* means:

- (1) United States dollars;
- (2) euros or any national currency of any participating member state of the EMU or such local currencies held by the Company and its Subsidiaries from time to time in the ordinary course of business;
- (3) securities issued or directly and fully and unconditionally guaranteed or insured by the U.S. government (or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of the U.S. government) with maturities of 24 months or less from the date of acquisition;

- (4) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less

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than \$500.0 million in the case of U.S. banks and \$100.0 million (or the U.S. dollar equivalent as of the date of determination) in the case of non-U.S. banks;

- (5) repurchase obligations for underlying securities of the types described in clauses (3) and (4) entered into with any financial institution meeting the qualifications specified in clause (4) above;
  - (6) commercial paper rated at least P-1 by Moody's or at least A-1 by S&P and in each case maturing within 24 months after the date of creation thereof;
  - (7) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency) and in each case maturing within 24 months after the date of creation thereof;
  - (8) investment funds investing 95% of their assets in securities of the types described in clauses (1) through (7) above;
  - (9) readily marketable direct obligations issued by any state, commonwealth or territory of the United States or any political subdivision or taxing authority thereof having an Investment Grade Rating from either Moody's or S&P with maturities of 24 months or less from the date of acquisition;
  - (10) Indebtedness or Preferred Stock issued by Persons with a rating of A or higher from S&P or A2 or higher from Moody's with maturities of 24 months or less from the date of acquisition; and
  - (11) Investments with average maturities of 24 months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's.
- Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (1) and (2) above; provided that such amounts are converted into any currency listed in clauses (1) and (2) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

*Change of Control* means the occurrence of any of the following:

- (1) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Subsidiaries, taken as a whole, to any Person other than a Permitted Holder; or
- (2) the Issuer becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) of the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than the Permitted Holders, in a single transaction or in a related series of transactions, by way of merger, consolidation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of 50% or more of the total voting power of the Voting Stock of the Issuer or any of its direct or indirect parent companies holding directly or indirectly 100% of the total voting power of the Voting Stock of the Issuer.

*Code* means the Internal Revenue Code of 1986, as amended, or any successor thereto.

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*Consolidated Net Tangible Assets* means, with respect to any Person, the total amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (a) all current liabilities as disclosed on the consolidated balance sheet of such Person (excluding any thereof which are by their terms extendible or renewable at the option of the obligor thereon to a time more than 12 months after the time as of

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which the amount thereof is being computed and further excluding any deferred income taxes that are included in current liabilities) and (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangible assets, all as set forth on the most recent consolidated balance sheet of the Issuer and computed in accordance with generally accepted accounting principles.

*Contingent Obligations* means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ( primary obligations ) of any other Person (the primary obligor ) in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent,

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,
- (2) to advance or supply funds
  - (a) for the purchase or payment of any such primary obligation, or
  - (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

*Default* means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

*EMU* means the economic and monetary union as contemplated in the Treaty on European Union.

*Equity Interests* means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

*Exchange Act* means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

*Frist Entities* means Dr. Thomas F. Frist, Jr., any Person controlled by Dr. Frist and any charitable organization selected by Dr. Frist that holds Equity Interests of the Issuer on November 17, 2006.

*Funded Debt* means any Indebtedness for money borrowed, created, issued, incurred, assumed or guaranteed that would, in accordance with generally accepted accounting principles, be classified as long-term debt, but in any event including all Indebtedness for money borrowed, whether secured or unsecured, maturing more than one year, or extendible at the option of the obligor to a date more than one year, after the date of determination thereof (excluding any amount thereof included in current liabilities).

*GAAP* means generally accepted accounting principles in the United States which were in effect on November 17, 2006.

*Hedging Obligations* means, with respect to any Person, the obligations of such Person under any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, foreign exchange contract, currency swap agreement or similar agreement providing for the transfer or mitigation of interest rate or currency risks either generally or under specific contingencies.

*Holder* means the Person in whose name a Note is registered on the registrar's books.



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*Indebtedness* means, with respect to any Person, without duplication:

(1) any indebtedness (including principal and premium) of such Person, whether or not contingent:

(a) in respect of borrowed money;

(b) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof);

(c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), except (i) any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case accrued in the ordinary course of business and (ii) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP; or

(d) representing any Hedging Obligations;

if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP;