

BROOKWOOD MEDICAL CENTER OF GULFPORT INC

Form 424B5

October 17, 2012

Table of Contents

Filed Pursuant to Rule 424(b)5  
Registration No. 333-175791

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities to be registered	Amount to be registered	Proposed	Proposed	Amount of registration fee <sup>(1)</sup>
		maximum offering price per security	maximum aggregate offering price	
4.75% Senior Secured Notes due 2023	\$1,250,000,000	100.00%	\$1,250,000,000	\$170,500
5.875% Senior Notes due 2023	\$1,250,000,000	100.00%	\$1,250,000,000	\$170,500

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. The total registration fee due for this offering is \$341,000.

**Table of Contents**

Prospectus Supplement to Prospectus dated July 26, 2011

**\$2,500,000,000**

**HCA Inc.**

\$1,250,000,000 4.75% Senior Secured Notes due 2023

\$1,250,000,000 5.875% Senior Notes due 2023

HCA Inc. is offering \$1,250,000,000 aggregate principal amount of 4.75% senior secured notes due 2023, which we refer to as the secured notes, and \$1,250,000,000 aggregate principal amount of 5.875% senior notes due 2023, which we refer to as the unsecured notes. The secured notes and the unsecured notes are collectively referred to herein as the notes, unless the context otherwise requires. The secured notes will bear interest at a rate of 4.75% per annum and the unsecured 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 May 1 and November 1 of each year, beginning on May 1, 2013. The secured notes will mature on May 1, 2023 and the unsecured notes will mature on May 1, 2023.

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. If we sell certain assets and do not reinvest the proceeds or repay indebtedness, we must offer to repurchase the secured notes.

The notes will be HCA Inc.'s senior obligations and will rank equally and ratably with all of its future senior indebtedness and senior to any of its future subordinated indebtedness. The obligations under the unsecured notes will be fully and unconditionally guaranteed by HCA Holdings, 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 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 (including the secured notes) to the extent of the value of the collateral securing such indebtedness. The secured notes will be fully and unconditionally guaranteed on a senior unsecured basis by HCA Holdings, Inc. and on a senior secured basis by each domestic subsidiary that guarantees HCA Inc.'s senior secured credit facilities (as defined herein), other than certain subsidiaries that guarantee only HCA Inc.'s asset-based revolving credit facility. To the extent lenders under the senior secured credit facilities release any guarantor from its obligations, such guarantor will also be released from its obligations under the secured notes.

The secured notes and related guarantees will be secured by first-priority liens, subject to permitted liens, on HCA Inc.'s and HCA Inc.'s subsidiary guarantors' assets, subject to certain exceptions, that will from time to time secure HCA Inc.'s cash flow credit facility on a first-priority basis. The secured notes and related guarantees will be secured by second-priority liens, subject to permitted liens, on HCA Inc.'s and HCA Inc.'s subsidiary guarantors' assets that will secure HCA Inc.'s asset-based revolving credit facility on a first-priority basis. The secured notes will share equally in the collateral (other than any European collateral securing the senior secured European term loan facility) securing HCA Inc.'s cash flow credit facility and other first lien notes. To the extent the collateral agent for the lenders under the cash flow credit facility releases any liens during any period when the collateral agent has authority to do so under the first lien intercreditor agreement, the lien securing the obligations under the secured notes will also be released.

HCA Inc. intends to use the net proceeds of this offering for general corporate purposes, which may include the repayment of a portion of its existing term loan facilities and the financing of a dividend to stockholders of HCA Holdings, Inc.

**Investing in the notes involves risks. See Risk Factors beginning on page S-22.**

Neither the Securities and Exchange Commission nor any 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 <sup>(1)</sup>		Underwriting discount		Proceeds to HCA Inc. <sup>(1)</sup> (before expenses)	
	Per note	Total	Per note	Total	Per note	Total
4.75% Senior Secured Notes due 2023	100%	\$ 1,250,000,000	1.125%	\$ 14,062,500	98.875%	\$ 1,235,937,500
5.875% Senior Notes due 2023	100%	\$ 1,250,000,000	1.125%	\$ 14,062,500	98.875%	\$ 1,235,937,500

(1) Plus accrued interest, if any, from October 23, 2012.

The underwriters expect to deliver the notes to investors on or about October 23, 2012 in book-entry form only through the facilities of The Depository Trust Company.

*Joint Book-Running Managers*

**BofA Merrill Lynch  
Goldman, Sachs & Co.**

**Barclays**

**J.P. Morgan**

**Citigroup**

**Deutsche Bank Securities**

**Wells Fargo Securities**

*Senior Co-Managers*

**Credit Agricole CIB  
RBC Capital Markets**

**Credit Suisse  
SunTrust Robinson Humphrey**

**Mizuho Securities**

**Morgan Stanley  
UBS Investment Bank**

*Co-Managers*

**Fifth Third Securities, Inc.**

**SMBC Nikko**

Prospectus Supplement dated October 16, 2012

**Table of Contents**

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 has 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 is 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.

## TABLE OF CONTENTS

<b>Prospectus Supplement</b>	<b>Page</b>
<u>Summary</u>	S-1
<u>Risk Factors</u>	S-22
<u>Use of Proceeds</u>	S-35
<u>Capitalization</u>	S-36
<u>Description of Other Indebtedness</u>	S-38
<u>Description of the Secured Notes</u>	S-50
<u>Description of the Unsecured Notes</u>	S-107
<u>Certain United States Federal Tax Consequences</u>	S-125
<u>Certain ERISA Considerations</u>	S-130
<u>Underwriting</u>	S-132
<u>Legal Matters</u>	S-137
<u>Experts</u>	S-137
<u>Available Information</u>	S-137
<u>Incorporation by Reference</u>	S-138
<b>Prospectus</b>	<b>Page</b>
<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	1
<u>Incorporation By Reference</u>	2
<u>Forward-looking Statements</u>	3
<u>Our Company</u>	4
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	5
<u>Description of Debt Securities and Guarantees</u>	6
<u>Plan of Distribution</u>	23
<u>Legal Matters</u>	24
<u>Experts</u>	24

## **Table of Contents**

### **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 Securities and Exchange Commission. 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 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 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.

### **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 capital expenditures and expected net claim payments and all other statements that do not relate solely to historical or current facts, including statements with respect to our estimated results of operations for the third quarter ended September 30, 2012, which are subject to finalization and contingencies associated with our third quarter financial and accounting procedures, and the proposed special dividend and related debt financing, and can be identified by the use of words like may, believe, will, expect, project, estimate, anticipate, plan, initiative or continue. These forward-looking statements are based on our current plans and expectations and are subject to a number of known and unknown uncertainties and risks, many of which are beyond our control, which could

**Table of Contents**

significantly affect current plans and expectations and our future financial position and results of operations. These factors include, but are not limited to, (1) the ability to fund and the determination to declare and pay the special dividend, (2) the impact of our substantial indebtedness and the ability to refinance such indebtedness on acceptable terms, (3) the effects related to the enactment and implementation of the Budget Control Act of 2011 ( BCA ) and the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the Health Reform Law ), 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, (4) increases in the amount and risk of collectibility 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 the Medicare, Medicaid and other state programs, including Medicaid upper payment limit ( UPL ) 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 and 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) future divestitures which may result in charges and possible impairments of long-lived assets, (16) changes in business strategy or development plans, (17) delays in receiving payments for services provided, (18) the outcome of pending and any future tax audits, appeals and litigation associated with our tax positions, (19) potential adverse impact of known and unknown government investigations, litigation and other claims that may be made against us, (20) our ongoing ability to demonstrate meaningful use of certified electronic health record technology and recognize income for the related Medicare or Medicaid incentive payments, and (21) other risk factors disclosed under Risk Factors and elsewhere in 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 or on behalf of HCA Inc. 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 do not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

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**Table of Contents**

**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 section entitled Risk Factors.*

*As used herein, unless otherwise stated or indicated by context, references to (i) the Issuer refer to HCA Inc. and its affiliates, (ii) HCA Holdings, Inc. refer to HCA Holdings, Inc., parent of HCA Inc., and its affiliates and (iii) the Company, HCA, we, our or us refer to HCA Inc. and its affiliates prior to the Corporate Reorganization (as defined herein) and to HCA Holdings, Inc. and its affiliates upon the consummation of the Corporate Reorganization. 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 U.S. 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 June 30, 2012, we operated a diversified portfolio of 163 hospitals (with approximately 41,800 beds) and 110 freestanding surgery centers across 20 states throughout the U.S. 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 14 of the top 25 fastest growing markets with populations greater than 500,000 in the U.S. 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 six months ended June 30, 2012, we generated revenues of \$16.517 billion, net income attributable to HCA Holdings, Inc. of \$931 million and Adjusted EBITDA of \$3.392 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. We have also created a subsidiary, Parallon Business Solutions, that offers certain of these component services to other health care companies.

## **Table of Contents**

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 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.

On November 17, 2006, HCA Inc. was acquired by a private investor group, including affiliates of or funds sponsored by Bain Capital Partners, LLC, Kohlberg Kravis Roberts & Co. and HCA founder Dr. Thomas F. Frist, Jr., and by members of management and certain other investors. We refer to the merger, the financing transactions related to the merger and other related transactions collectively as the Recapitalization.

Since the Recapitalization, we have achieved substantial operational and financial progress. During this time, we have made significant investments in expanding our service lines and expanding our alignment with highly specialized and primary care physicians. In addition, we have enhanced our operating efficiencies through a number of corporate cost-saving initiatives and an expansion of our support infrastructure. We have made investments in information technology to optimize our facilities and systems. We have also undertaken a number of initiatives to improve clinical quality and patient satisfaction. As a result of these initiatives, our financial performance improved significantly from the year ended December 31, 2007, the first full year following the Recapitalization, to the year ended December 31, 2011, with revenues growing by \$5.954 billion, net income attributable to HCA Holdings, Inc. increasing by \$1.591 billion and Adjusted EBITDA increasing by \$1.469 billion. This represents compounded annual growth rates on these key metrics of 5.8%, 29.6% and 7.2%, respectively.

## **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 3.0% over the next 20 years, and constitute 19.3% of the total U.S. population by 2030. 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 introduction of value-based payment methodologies tied to performance, quality and coordination of care, implementation of integrated electronic health records 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.



## **Table of Contents**

*Impact of Health Reform Law.* The Health Reform Law will change how health care services are covered, delivered and reimbursed. It will do so through expanded coverage of uninsured individuals, significant reductions in the growth of Medicare program payments, material decreases in Medicare and Medicaid disproportionate share hospital ( DSH ) payments, and the establishment of programs where reimbursement is tied in part to quality and integration. After taking into account the June 28, 2012 United States Supreme Court decision upholding the Health Reform Law, but allowing states to opt out of the Medicaid expansion provisions, the Health Reform Law is expected to expand health insurance coverage to approximately 30 million additional individuals through a combination of public program expansion and private sector health insurance reforms. We believe the expansion of private sector and Medicaid coverage will, over time, increase our reimbursement related to providing services to individuals who were previously uninsured. On the other hand, the reductions in the growth in Medicare payments and the decreases in DSH payments will adversely affect our government reimbursement. Because of the many variables involved, including pending court challenges, the potential for changes to the law as a result and efforts to amend or repeal the law, we are unable to predict the net impact of the Health Reform Law on us; however, we believe our experienced management team, emphasis on quality care and diverse service offerings will enable us to capitalize on the opportunities presented by the Health Reform Law, as well as adapt in a timely manner to its challenges.

## **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 U.S., 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 September 30, 2011, our hospitals achieved a composite score of 99.2% of the CMS core measures versus the national average of 97.1%, making us among the top performing major health systems in the U.S. Payors, including the Medicare program, are increasing efforts to tie payments to quality and clinical performance. For example, CMS is implementing a value-based purchasing system and has begun adjusting hospital payment rates based on excess admissions. 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 14 of the top 25 fastest

## **Table of Contents**

growing markets with populations greater than 500,000 in the U.S. In addition, we currently operate in 19 markets with populations of one million or more, with all but two of these markets projecting growth above the national average from 2011 to 2016. 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 2.3% of our revenues and no single metropolitan statistical area contributing more than 7.7% of revenues for the year ended December 31, 2011. We have also developed a highly diversified payer base, with no single commercial payer representing more than 7% of revenues for the year ended December 31, 2011. In addition, we are one of the country's largest providers of outpatient services, which accounted for approximately 37% of our revenues for the year ended December 31, 2011. We believe the geographic diversity of our markets and the scope of our inpatient and outpatient operations help reduce volatility in our operating results.

*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 over \$7.4 billion in our facilities and information technology systems over the five-year period ended June 30, 2012. 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 electronic health record infrastructure, national research and physician management capabilities, provide a strategic advantage by enhancing our ability to capitalize on anticipated incentives 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. In the six months ended June 30, 2012, we generated net income attributable to HCA Holdings, Inc. of \$931 million, Adjusted EBITDA of \$3.392 billion and cash flows from operating activities of \$2.257 billion. Our ability to generate strong and consistent cash flow from operations has enabled us to invest in our operations, reduce our debt, enhance earnings per share and continue to pursue attractive growth opportunities.

## **Table of Contents**

*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 CEO and Chairman of the Board of Directors, Richard M. Bracken, began his career with our company over 30 years ago and has held various executive positions with us over that period, including, most recently, as our President and Chief Operating Officer. Our President, Chief Financial Officer and Director, R. Milton Johnson, joined our company over 30 years ago and has held various positions in our financial operations since that time. Our Group Presidents average 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 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

**Table of Contents**

continue to manage costs effectively. We have created a subsidiary, Parallon Business Solutions, 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 October 16, 2012, we announced preliminary financial and operating results for the third quarter ended September 30, 2012. The financial results are subject to finalization of our quarterly financial and accounting procedures. We anticipate revenues for the third quarter of 2012 will approximate \$8.062 billion, compared to \$7.258 billion in the third quarter of 2011. Net income attributable to HCA Holdings, Inc. for the third quarter of 2012 is anticipated to be approximately \$360 million, compared to \$61 million in the third quarter of 2011, which included pretax losses on retirement of debt of \$406 million (\$256 million net-of-tax or \$0.49 per diluted share). Earnings per diluted share (EPS) is estimated to be \$0.78 for the third quarter of 2012 compared to \$0.11 per share in the third quarter of 2011. Adjusted EBITDA for the third quarter of 2012 is expected to approximate \$1.533 billion, compared to \$1.412 billion for the third quarter of 2011. Preliminary results indicate same facility admissions for the third quarter of 2012 increased approximately 2.1 percent while same facility equivalent admissions increased 2.6 percent compared to the third quarter of 2011. Adjusted EBITDA is a non-GAAP measure and is reconciled to net income attributable to HCA Holdings, Inc. below (dollars in millions, except per share amounts). See Note 1 to Summary Financial Data for additional information regarding Adjusted EBITDA.

	Third Quarter	
	2012 (Preliminary Estimated Amounts)	2011
Net income attributable to HCA Holdings, Inc.	\$ 360	\$ 61
Losses (gains) on sales of facilities (net of tax)	(5)	1
Losses on retirement of debt (net of tax)		256
Net income attributable to HCA Holdings, Inc., excluding losses (gains) on sales of facilities and losses on retirement of debt	355	318
Depreciation and amortization	417	362
Interest expense	446	519
Provision for income taxes	220	128
Net income attributable to noncontrolling interests	95	85
Adjusted EBITDA	\$ 1,533	\$ 1,412
Diluted earnings per share:		
Net income attributable to HCA Holdings, Inc.	\$ 0.78	\$ 0.11
Losses (gains) on sales of facilities	(0.01)	
Losses on retirement of debt		0.49
Net income attributable to HCA Holdings, Inc., excluding losses (gains) on sales of facilities and losses on retirement of debt	\$ 0.77	\$ 0.60
Shares used in computing diluted earnings per share (000)	459,515	527,515



## **Table of Contents**

The preliminary financial and operating results for the third quarter ended September 30, 2012 are forward-looking statements based on preliminary estimates and reflect the best judgment of our management but involve a number of risks and uncertainties which could cause actual results to differ materially from those set forth in our estimates and from past results, performance or achievements. Such preliminary results are subject to finalization of our quarterly financial and accounting procedures and should not be viewed as a substitute for full interim financial statements prepared in accordance with GAAP and reviewed by our auditors. Consequently, there can be no assurances that the actual financial and operating results for the third quarter ended September 30, 2012 will be identical to the preliminary estimates set forth above, and any variation between our actual results and the estimates set forth above may be material. In addition, such results do not purport to indicate our results of operations for any future period beyond the quarter ended September 30, 2012. Ernst & Young LLP has not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, Ernst & Young LLP does not express an opinion or any other form of assurance with respect thereto.

On October 16, 2012, we also announced that HCA Holdings, Inc. intends, subject to applicable legal and contractual restrictions, to declare and pay a special cash dividend of \$2.50 per share (the "special dividend") to its stockholders during the fourth quarter of 2012. The dividend is expected to be funded through borrowings under our existing revolving credit facilities and/or incurrence of additional indebtedness, including the notes offered hereby. There can be no assurance that the special dividend will be declared and paid or that any related financing will be consummated.

We are also seeking to replace our \$2.000 billion senior secured revolving credit facility maturing on November 17, 2015 with a new facility on substantially the same terms other than foregoing a scheduled increase in interest rates and extending the maturity date to November 17, 2016. There can be no assurance that the new facility will be implemented. See "Description of Other Indebtedness - Senior Secured Credit Facilities."

## **Corporate Reorganization**

On November 22, 2010, HCA Inc. reorganized by creating a new holding company structure (the "Corporate Reorganization"), pursuant to which HCA Holdings, Inc. became the new parent company, and HCA Inc. became HCA Holdings, Inc.'s wholly owned direct subsidiary. As part of the Corporate Reorganization, HCA Inc.'s outstanding shares of capital stock were automatically converted, on a share for share basis, into identical shares of HCA Holdings, Inc.'s common stock, and HCA Holdings, Inc. became a guarantor but did not assume the debt of HCA Inc.'s outstanding secured notes and is not subject to the covenants contained in the indentures governing such secured notes. See "Description of Other Indebtedness."

Through our predecessors, we commenced operations in 1968. HCA Inc. 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.

**Table of Contents**

**Corporate Structure**

The indebtedness figures in the diagram below are as of June 30, 2012, and give effect to the indebtedness incurred under 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) Since the Corporate Reorganization, HCA Holdings, Inc. has become 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 \$2.500 billion asset-based revolving credit facility maturing on September 30, 2016 (the asset-based revolving credit facility) (\$1.335 billion outstanding at June 30, 2012); (ii) a \$2.000 billion senior secured revolving credit facility maturing on November 17, 2015 (the senior secured revolving credit facility) (none outstanding at June 30, 2012, without giving effect to outstanding letters of credit); (iii) a \$212 million senior secured term loan A-1 facility maturing on November 17, 2012; (iv) a \$557 million senior secured term loan A-2 facility maturing on May 2, 2016; (v) a \$726 million senior secured term loan A-3 facility maturing on February 2, 2016; (vi) a \$2.000 billion senior secured term loan B-2 facility maturing on March 31, 2017; (vii) a \$2.373 billion senior secured term loan B-3 facility maturing on May 1, 2018; and (viii) a 266 million, or \$336 million-equivalent, senior secured European term loan facility maturing on November 17, 2013. We refer to the facilities described under (ii) through (viii) above, collectively, as the cash flow credit facility and, together with the asset-based revolving credit facility, the senior secured credit facilities.

As of September 30, 2012, there was \$1.280 billion outstanding under the asset-based revolving credit facility, the senior secured revolving credit facility was undrawn (without giving effect to outstanding letters of credit) and total borrowing capacity under our senior secured credit facilities (after giving effect to outstanding letters of credit and borrowing base limitations) was \$3.155 billion (\$1.220 billion under the asset-based revolving credit facility and \$1.935 billion under the senior secured revolving credit facility).

- (3) Consists of (i) \$1.500 billion aggregate principal amount of 8 1/2% first lien notes due 2019 that HCA Inc. issued in April 2009 (the April 2009 first lien notes); (ii) \$1.250 billion aggregate principal amount of 7 1/8% first lien notes due 2020 that HCA Inc. issued in August 2009 (the August 2009 first lien notes);

**Table of Contents**

- (iii) \$1.400 billion aggregate principal amount of 7<sup>1</sup>/<sub>4</sub>% first lien notes due 2020 that HCA Inc. issued in March 2010 (the March 2010 first lien notes ); (iv) \$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 ); and (v) \$1.350 billion aggregate principal amount of 5.875% first lien notes issued in February 2012 (the February 2012 first lien notes, and, collectively with the April 2009 first lien notes, the August 2009 first lien notes, the March 2010 first lien notes, and the August 2011 first lien notes, the first lien notes ); and (vi) \$66 million of unamortized debt discounts that reduce the existing indebtedness.
- (4) Consists of (i) \$201 million aggregate principal amount of 9<sup>7</sup>/<sub>8</sub>% second lien notes due 2017 and (ii) \$4 million of unamortized debt discounts that reduce the existing indebtedness. We refer to these notes as the second lien notes.
- (5) Consists of HCA Inc. s (i) an aggregate principal amount of \$246 million medium-term notes with maturities ranging from 2014 to 2025 and a weighted average interest rate of 8.28%; (ii) an aggregate principal amount of \$886 million debentures with maturities ranging from 2015 to 2095 and a weighted average interest rate of 7.55%; (iii) an aggregate principal amount of \$6.791 billion senior notes with maturities ranging from 2012 to 2033 and a weighted average interest rate of 6.91%; (iv) \$391 million of secured debt, which represents capital leases and other secured debt with a weighted average interest rate of 6.77%; and (v) \$6 million of unamortized debt discounts that reduce the existing indebtedness. Existing unsecured indebtedness also includes HCA Holdings, Inc. s \$1.525 billion aggregate principal amount of 7<sup>3</sup>/<sub>4</sub>% senior notes due 2021. For more information regarding our unsecured and other indebtedness, see Description of Other Indebtedness.
- (6) The cash flow credit facility and the first lien notes are secured by first-priority liens, and the second lien notes and related guarantees are secured by second-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.
- (7) 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).



**Table of Contents**

**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 Secured Notes* and *Description of the Unsecured Notes* sections of this prospectus supplement and the *Description of Debt Securities and Guarantees* in the accompanying prospectus contain more detailed descriptions of the terms and conditions of the notes.

*Terms of the Secured Notes*

Issuer	HCA Inc.
Secured Notes	4.75% senior secured notes due 2023.
Maturity Date	The notes will mature on May 1, 2023.
Interest Rate	Interest on the secured notes will be payable in cash and will accrue at a rate of 4.75% per annum.
Interest Payment Dates	May 1 and November 1, commencing on May 1, 2013. Interest will accrue from October 23, 2012.
Ranking	<p>The secured notes will be the Issuer's senior obligations and will:</p> <ul style="list-style-type: none"> <li>rank senior in right of payment to any of its future subordinated indebtedness;</li> <li>rank equally in right of payment with any of its existing and future senior indebtedness;</li> <li>be effectively senior in right of payment to indebtedness under the second lien notes to the extent of the collateral securing such indebtedness and to any unsecured indebtedness;</li> <li>be effectively equal in right of payment with indebtedness under the cash flow credit facility and the first lien notes to the extent of the collateral (other than certain European collateral securing the senior secured European term loan facility) securing such indebtedness;</li> <li>be effectively subordinated in right of payment to all indebtedness under the asset-based revolving credit facility and certain European collateral securing the senior secured European term loan facility to the extent of the shared collateral securing such indebtedness; and</li> </ul>

be effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of our non-guarantor subsidiaries (other than indebtedness and liabilities owed to us or one of our guarantor subsidiaries).

S-10

**Table of Contents**

As of June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom as described under Use of Proceeds :

the secured notes and related guarantees would have been effectively senior in right of payment to \$201 million of second lien notes, effectively equal in right of payment to approximately \$5.868 billion of senior secured indebtedness under the cash flow credit facility (other than certain European collateral securing our senior secured European term loan facility), \$8.500 billion of first lien notes and approximately \$184 million of other secured debt, and effectively junior in right in payment to \$1.335 billion of indebtedness under the asset-based revolving credit facility, in each case to the extent of the collateral securing such indebtedness;

the secured notes and related guarantees would have been effectively subordinated in right of payment to approximately \$336 million equivalent outstanding under the senior secured European term loan facility and \$207 million of other secured debt of our non-guarantor subsidiaries, which primarily represents capital leases; and

we would have had an additional \$1.935 billion of unutilized capacity under the senior secured revolving credit facility and \$1.165 billion of unutilized capacity under the asset-based revolving credit facility, subject to borrowing base limitations.

**Guarantees**

The secured notes will be fully and unconditionally guaranteed on a senior unsecured basis by HCA Holdings, Inc. and on a senior secured basis by each of our existing and future direct or indirect wholly owned domestic subsidiaries that guarantees our obligations under our senior secured credit facilities (except for certain special purpose subsidiaries that will only guarantee and pledge their assets under our asset-based revolving credit facility).

**Ranking of the Secured Notes Guarantees**

Each subsidiary guarantee of the secured notes will:

rank senior in right of payment to all existing and future subordinated indebtedness of the guarantor subsidiary;

rank equally in right of payment with all existing and future senior indebtedness of the guarantor subsidiary;

be effectively senior in right of payment to the guarantees of the second lien notes to the extent of the guarantor subsidiary's collateral securing such indebtedness and to any guarantees of unsecured indebtedness;

be effectively equal in right of payment with the guarantees of the cash flow credit facility and the first lien notes to the extent



**Table of Contents**

of the subsidiary guarantor's collateral (other than certain European collateral securing the senior secured European term loan facility) securing such indebtedness;

be effectively subordinated in right of payment to the guarantees of the asset-based revolving credit facility and the senior secured European term loan facility to the extent of the guarantor subsidiary's collateral securing such indebtedness; and

be effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of its non-guarantor subsidiaries (other than indebtedness and liabilities owed to us or one of our guarantor subsidiaries).

Any subsidiary guarantee of the secured notes will be released in the event such guarantee is released under the senior secured credit facilities.

As of and for the six months ended June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom, our non-guarantor subsidiaries would have accounted for approximately \$7.882 billion, or 47.7%, of our total revenues, and approximately \$1.573 billion, or 46.4%, of our total Adjusted EBITDA, and approximately \$13.663 billion, or 50.4%, of our total assets, and approximately \$7.217 billion, or 21.2%, of our total liabilities.

Security

The secured notes and related subsidiary guarantees will be secured by first-priority liens, subject to permitted liens, on certain of the assets of HCA Inc. and the subsidiary guarantors that secure our cash flow credit facility and the first lien notes on a pari passu basis, including:

substantially all the capital stock of any wholly owned first-tier subsidiary of HCA Inc. or of any subsidiary guarantor of the first lien notes (but limited to 65% of the voting stock of any such wholly owned first-tier subsidiary that is a foreign subsidiary); and

substantially all tangible and intangible assets of our company and each subsidiary guarantor, other than (1) other properties that do not secure our senior secured credit facilities, (2) deposit accounts, other bank or securities accounts and cash, (3) leaseholds and motor vehicles; provided that, with respect to the portion of the collateral comprised of real property, we will have up to 60 days following the issue date of the secured notes to complete those actions required to perfect the first-priority lien on such collateral, (4) certain European collateral and (5) certain receivables collateral that only secures our asset-based revolving credit facility, in each case subject to exceptions, and except that the lien on properties defined as principal properties under our existing indenture dated as of

**Table of Contents**

December 16, 1993, so long as such indenture remains in effect, will be limited to securing a portion of the indebtedness under the secured notes, our cash flow credit facility and the first lien notes that, in the aggregate, does not exceed 10% of our consolidated net tangible assets.

The secured notes and the related subsidiary guarantees will be secured by second-priority liens, subject to permitted liens, on certain receivables of HCA Inc. and the subsidiary guarantors that secure our asset-based revolving credit facility on a first-priority basis. See [Description of the Secured Notes](#) [Security](#).

In the event the secured notes have investment grade ratings from both Moody's Investors Service, Inc. and Standard & Poor's, the collateral securing the notes and the related subsidiary guarantees will be released. In addition, to the extent the collateral is released as security for the senior secured credit facilities, it will also be released as security for the secured notes offered hereby and the related subsidiary guarantees. See [Description of the Secured Notes](#) [Covenant Termination and Release of Collateral](#).

Covenants

The indenture governing the secured notes will contain 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;

sell certain assets; 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 Secured Notes](#).

These covenants will cease to apply in the event that either (i) the secured notes have investment grade ratings from both Moody's Investors Service, Inc. and Standard & Poor's or (ii) the collateral is released as security for the senior secured credit facilities, and instead, the covenants described below under [Investment Grade Covenants](#) will apply to the notes. See [Description of the Secured Notes](#) [Covenant Termination and Release of Collateral](#).

Investment Grade Covenants

Upon the occurrence of (i) an Investment Grade Rating Event or (ii) release of the collateral under the senior secured credit facilities, the indenture governing the notes will only contain covenants limiting the Issuer's and certain of its subsidiaries' ability to:

create liens on certain assets to secure debt;

S-13

**Table of Contents**

engage in certain sale and lease back transactions; and

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

See Description of the Secured Notes Investment Grade Covenants.

***Terms of the Unsecured Notes***

Issuer	HCA Inc.
Unsecured Notes	5.875% senior unsecured notes due 2023.
Maturity Date	The unsecured notes will mature on May 1, 2023.
Interest Rate	Interest on the unsecured notes will be payable in cash and will accrue at a rate of 5.875% per annum.
Interest Payment Date	May 1 and November 1, commencing on May 1, 2013. Interest will accrue from October 23, 2012.
Ranking	<p>The unsecured notes will be the Issuer's senior obligations and will:</p> <p>rank senior in right of payment to any of its future subordinated indebtedness;</p> <p>rank equally in right of payment with any of its existing and future senior indebtedness;</p> <p>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</p> <p>be structurally subordinated in right of payment to all existing and future indebtedness and other liabilities of its subsidiaries.</p>

As of June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom as described under Use of Proceeds :



the unsecured notes would have been effectively subordinated in right of payment to \$17.881 billion of secured indebtedness; and

we would have had \$1.935 billion of unutilized capacity under the senior secured revolving credit facility and \$1.165 billion 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.

S-14

**Table of Contents**

Guarantees

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

As of June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom as described under "Use of Proceeds," the unsecured notes and related guarantee would have been structurally subordinated to \$25.804 billion of indebtedness of HCA Inc.'s subsidiaries, \$17.881 billion of which would have been secured.

Covenants

The indenture governing the unsecured notes will contain 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 Unsecured Notes."

*Terms Common to the Secured Notes and the Unsecured 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

Secured Notes Optional Redemption and Description of the Unsecured 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

S-15

**Table of Contents**

of your notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date. See Description of the Secured Notes Repurchase at the Option of Holders Change of Control and Description of the Unsecured Notes Repurchase at the Option of Holders Change of Control.

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 Secured Notes Certain Covenants Covenant Suspension and Description of the Unsecured Notes Certain Covenants Covenant Suspension.

**No Prior Market**

The notes will be new securities for which there is currently no market. Although the underwriters have informed the Issuer that they intend to make a market in the notes, 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 \$2.469 billion.

We intend to use the net proceeds from the notes offered hereby for general corporate purposes, which may include the repayment of our existing term loan B-1 facility due November 2013 and the financing of a dividend to stockholders of HCA Holdings, Inc. 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, in particular, should evaluate the specific factors set forth and incorporated by reference in the section entitled Risk Factors 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 data as of and for the periods indicated. The financial data as of December 31, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009 have been derived from our consolidated financial statements incorporated by reference into this prospectus supplement, which have been audited by Ernst & Young LLP. The financial data as of December 31, 2009 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 June 30, 2012 and for the six months ended June 30, 2012 and 2011 have been derived from our unaudited condensed consolidated financial statements incorporated by reference in this prospectus supplement. The summary financial data as of June 30, 2011 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 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,			Six months ended	
	2011	2010	2009	2012	2011
				(unaudited)	
<b>Income Statement Data:</b>	(dollars in millions)				
Revenues before provision for doubtful accounts	\$ 32,506	\$ 30,683	\$ 30,052	\$ 18,352	\$ 16,079
Provision for doubtful accounts	2,824	2,648	3,276	1,835	1,424
Revenues	29,682	28,035	26,776	16,517	14,655
Salaries and benefits	13,440	12,484	11,958	7,443	6,615
Supplies	5,179	4,961	4,868	2,841	2,570
Other operating expenses	5,470	5,004	4,724	2,986	2,648
Electronic health record incentive income	(210)			(125)	(39)
Equity in earnings of affiliates	(258)	(282)	(246)	(20)	(149)
Depreciation and amortization	1,465	1,421	1,425	837	716
Interest expense	2,037	2,097	1,987	890	1,053
Losses (gains) on sales of facilities	(142)	(4)	15	3	1
Gain on acquisition of controlling interest in equity investment	(1,522)				
Impairments of long-lived assets		123	43		
Losses on retirement of debt	481				75
Termination of management agreement	181				181
	26,121	25,804	24,774	14,855	13,671
Income before income taxes	3,561	2,231	2,002	1,662	984
Provision for income taxes	719	658	627	538	330
Net income	2,842	1,573	1,375	1,124	654
Net income attributable to noncontrolling interests	377	366	321	193	185
Net income attributable to HCA Holdings, Inc.	\$ 2,465	\$ 1,207	\$ 1,054	\$ 931	\$ 469



**Table of Contents**

	Years ended December 31,			Six months ended	
	2011	2010	2009	2012	June 30, 2011 (unaudited)
<b>Statement of Cash Flows Data:</b>					
	(dollars in millions)				
Cash flows provided by operating activities	\$ 3,933	\$ 3,085	\$ 2,747	\$ 2,257	\$ 1,666
Cash flows used in investing activities	(2,995)	(1,039)	(1,035)	(886)	(812)
Cash flows used in financing activities	(976)	(1,947)	(1,865)	(1,226)	(726)
<b>Other Financial Data:</b>					
EBITDA(1)	\$ 6,686	\$ 5,383	\$ 5,093	\$ 3,196	\$ 2,568
Adjusted EBITDA(1)	6,061	5,868	5,472	3,392	3,010
Capital expenditures	(1,679)	(1,325)	(1,317)	(784)	(776)
Ratio of earnings to fixed charges	2.59	1.97	1.91	2.68	1.85
<b>Operating Data:(2)</b>					
Number of hospitals at end of period(3)	163	156	155	163	157
Number of freestanding outpatient surgical centers at end of period(3)	108	97	97	110	98
Number of licensed beds at end of period(4)	41,594	38,827	38,839	41,817	39,472
Weighted average licensed beds(5)	39,735	38,655	38,825	41,765	39,209
Admissions(6)	1,620,400	1,554,400	1,556,500	871,500	804,400
Equivalent admissions(7)	2,595,900	2,468,400	2,439,000	1,411,900	1,277,300
Average length of stay (days)(8)	4.8	4.8	4.8	4.7	4.8
Average daily census(9)	21,123	20,523	20,650	22,699	21,380
Occupancy(10)	53%	53%	53%	54%	55%
Emergency room visits(11)	6,143,500	5,706,200	5,593,500	3,402,600	3,039,600
Outpatient surgeries(12)	799,200	783,600	794,600	437,300	392,100
Inpatient surgeries(13)	484,500	487,100	494,500	255,000	239,900
Days revenues in accounts receivable(14)	53	50	50	49	49
Gross patient revenues(15)	\$ 141,516	\$ 125,640	\$ 115,682	\$ 81,704	\$ 69,006
Outpatient revenues as a percentage of patient revenues(16)	37%	36%	39%	38%	37%
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 373	\$ 411	\$ 312	\$ 518	\$ 539
Working capital(17)	1,679	2,650	2,264	1,690	2,613
Property, plant and equipment, net	12,834	11,352	11,427	12,846	11,584
Total assets	26,898	23,852	24,131	27,132	23,877
Total debt	27,052	28,225	25,670	27,041	25,320
Equity securities with contingent redemption rights		141	147		
Stockholders' deficit attributable to HCA Holdings, Inc.	(8,258)	(11,926)	(8,986)	(8,243)	(8,681)
Noncontrolling interests	1,244	1,132	1,008	1,300	1,147
Total stockholders' deficit	(7,014)	(10,794)	(7,978)	(6,943)	(7,534)

- (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



## **Table of Contents**

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 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, gain on acquisition of controlling interest in equity investment, impairments of long-lived assets, losses on retirement of debt and termination of management agreement. 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 and impairments of long-lived assets 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.

**Table of Contents**

EBITDA and Adjusted EBITDA are calculated as follows:

	Years ended December 31,			Six months ended	
	2011	2010	2009	June 30, 2012	2011 (unaudited)
	(dollars in millions)				
Net income attributable to HCA Holdings, Inc.	\$ 2,465	\$ 1,207	\$ 1,054	\$ 931	\$ 469
Provision for income taxes	719	658	627	538	330
Interest expense	2,037	2,097	1,987	890	1,053
Depreciation and amortization	1,465	1,421	1,425	837	716
<b>EBITDA</b>	<b>6,686</b>	<b>5,383</b>	<b>5,093</b>	<b>3,196</b>	<b>2,568</b>
Net income attributable to noncontrolling interests(i)	377	366	321	193	185
Losses (gains) on sales of facilities(ii)	(142)	(4)	15	3	1
Gain on acquisition of controlling interest in equity investment (iii)	(1,522)				
Impairments of long-lived assets(iv)		123	43		
Losses on retirement of debt(v)	481				75
Termination of management agreement(vi)	181				181
<b>Adjusted EBITDA</b>	<b>\$ 6,061</b>	<b>\$ 5,868</b>	<b>\$ 5,472</b>	<b>\$ 3,392</b>	<b>\$ 3,010</b>

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

(ii) Represents the add-back of losses and elimination of gains on sales of facilities.

(iii) Represents the elimination of gain on acquisition of controlling interest in equity investment.

(iv) Represents the add-back of impairments of long-lived assets.

(v) Represents the add-back of losses on retirement of debt.

(vi) Represents the add-back of termination of management agreement.

(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

S-20

**Table of Contents**

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.
- (14) Revenues per day is calculated by dividing the revenues for the period by the days in the period. Days revenues in accounts receivable is then calculated as accounts receivable, net of the allowance for doubtful accounts, at the end of the period divided by revenues per day.
- (15) Gross patient revenues are based upon our standard charge listing. Gross charges/revenues typically do not reflect what our hospital facilities are paid. Gross charges/revenues are reduced by the provision for doubtful accounts, contractual adjustments, discounts and charity care to determine reported revenues.
- (16) Represents the percentage of patient revenues related to patients who are not admitted to our hospitals.
- (17) We define working capital as current assets minus current liabilities.

## Table of Contents

### 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 before purchasing the notes. This prospectus supplement contains 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.

#### Risks Related to 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 June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom, our total indebtedness would have been \$28.503 billion. As of June 30, 2012, on an as adjusted basis after giving effect to the notes offered hereby and the use of proceeds therefrom, the Issuer would have had availability of \$1.935 billion under its senior secured revolving credit facility and \$1.165 billion 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 offered hereby. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify.

*We may not be able to generate sufficient cash to service all of our indebtedness and may not be able to refinance our indebtedness on favorable terms. If we are unable to do so, we may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.*

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and



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## **Table of Contents**

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. Except for subsidiaries that are or become guarantors of the notes, 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 the senior secured credit facilities and the indentures governing the Issuer's 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. In March of 2010, for example, we issued \$1.400 billion in aggregate principal amount of 7 <sup>1</sup>/<sub>4</sub> % first lien notes due 2020. The net proceeds of that offering was used to prepay term loans under our cash flow credit facility, which currently bears interest at a lower floating rate. Our ability to refinance our indebtedness on favorable terms, or at all, is directly affected by the current global economic and financial 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 offered hereby will contain, various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and certain of our subsidiaries' ability to, among other things:

incur additional indebtedness or issue certain preferred shares;

pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;

make certain investments;

sell or transfer assets;

create liens;

**Table of Contents**

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 (other than certain European collateral securing our senior secured European term loan facility) 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 guarantees, 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 guarantees. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the notes or guarantees could be voided as a fraudulent transfer or conveyance if (1) we or any of the guarantors, as applicable, issued the notes or incurred the guarantees with the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for either issuing the notes or incurring the guarantees and, in the case of (2) only, one of the following is also true at the time thereof:

we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes or the incurrence of the guarantees;

the issuance of the notes or the incurrence of the guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business;

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor's ability to pay as they mature; or

we were or any of the guarantors was a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor 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 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 ours or of the related



## **Table of Contents**

guarantor, 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.

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 we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the guarantees would not be further subordinated to our or any of our guarantors' 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 are a new issue 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 as permitted by applicable laws and regulations; however, the underwriters are not obligated to make a market in the notes, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you that an active market for

**Table of Contents**

the notes will develop or, if developed, that it will continue. 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.

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.