HCA INC/TN
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September 20, 2002

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Prospectus Supplement
September 18, 2002
(To Prospectus dated May 16, 2002)

$500,000,000

HCA Inc.

6.30% Notes Due 2012

We will pay interest on the notes on April 1 and October 1 of each year, beginning April 1, 2003. The notes will mature on October 1, 2012. We may redeem some or all of the notes at any time at a redemption price equal to the principal amount of the notes plus a make-whole premium. The redemption prices are discussed under the caption Description of the Notes Optional Redemption.

The notes will be unsecured obligations and will rank equally with our other unsecured senior indebtedness from time to time outstanding. The notes will be issued only in denominations of $1,000 and in integral multiples of $1,000.

	Per Note	Total
Public offering price(1)	99.281%	$496,405,000
Underwriting discount	0.650%	$ 3,250,000
Proceeds, before expenses, to HCA	98.631%	$493,155,000

(1) Plus accrued interest, if any, from September 23, 2002, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission 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.

The notes will be delivered to investors on or about September 23, 2002 in book-entry form only through the facilities of The Depository Trust Company.

Joint Book-Running Managers

Merrill Lynch & Co. **Banc of America Securities LLC**

Senior Co-Managers

Goldman, Sachs & Co.

Mizuho International plc

Salomon Smith Barney

SunTrust Robinson Humphrey

Co-Managers

BNY Capital Markets, Inc.

Scotia Capital

Fleet Securities, Inc.

TABLE OF CONTENTS

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

You should read this prospectus supplement along with the attached prospectus. Both documents contain information that you should consider when making your investment decision. You should rely only on the information contained or incorporated by reference in this prospectus supplement and the attached prospectus. 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. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the attached prospectus is accurate as of the date on the front cover of this prospectus supplement only. Our business, financial position, results of operations and prospects may have changed since that date.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the attached prospectus include certain disclosures which contain forward-looking statements. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as may, believe, will, expect, project, estimate, anticipate, plan, initiative, or continue. These forward-looking statements other things, strategic objectives and the anticipated effects of the offering. See Prospectus Supplement Summary. These forward-looking statements are based on our current plans and expectations and are subject to a number of known and unknown uncertainties and risks, many of which are beyond our control, that could significantly affect current plans and expectations and our future financial position and results of operations. These factors include, but are not limited to,

the outcome of the known and unknown litigation and the governmental investigations and litigation involving our business practices, including the ability to negotiate, execute and timely consummate definitive settlement agreements in the government s remaining civil cases and to obtain court approval thereof,

the ability to consummate the understanding with the Centers for Medicare and Medicaid Services,

the highly competitive nature of the health care business,

the efforts of insurers, health care providers and others to contain health care costs,

possible changes in the Medicare and Medicaid programs that may limit reimbursements to health care providers and insurers,

changes in federal, state or local regulations affecting the health care industry,

the possible enactment of federal or state health care reform,

the ability to attract and retain qualified management and personnel, including affiliated physicians, nurses and medical support personnel,

liabilities and other claims asserted against us and the ability to secure adequate insurance at cost-effective rates,

fluctuations in the market value of our common stock,

changes in accounting practices,

changes in general economic conditions,

future divestitures which may result in additional charges,

changes in revenue mix and the ability to enter into and renew managed care provider arrangements on acceptable terms,

the availability, terms and cost of capital,

changes in business strategy or development plans,

slowness of reimbursement,

the ability to implement our shared services and other initiatives and realize decreases in administrative, supply and infrastructure costs,

the outcome of pending and any future tax audits and litigation associated with our tax positions, the outcome of our continuing efforts to monitor, maintain and comply with appropriate laws, regulations, policies and procedures and our corporate integrity agreement with the government,

increased reviews of our cost reports,

- the ability to maintain and increase patient volumes and control the costs of providing services, and
- other risk factors described in this prospectus supplement, the attached prospectus or the documents incorporated by reference in this prospectus supplement and the attached 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 we make. You should not unduly rely on these forward-looking statements when evaluating the information presented in this prospectus supplement, the attached prospectus or the documents incorporated by reference in this prospectus supplement and the attached prospectus.

PROSPECTUS SUPPLEMENT SUMMARY

You should read the following summary information together with the detailed information included in this prospectus supplement, the attached prospectus and the documents incorporated by reference in this prospectus supplement and the attached prospectus. As used in this prospectus supplement and the attached prospectus, the terms HCA, Company, we, us and our refer to HCA Inc. (formerly known as HCA Healthcare Company) and its affiliates. The term affiliates includes our direct and indirect subsidiaries and partnerships and joint ventures in which our subsidiaries are partners.

HCA

Overview

HCA is a holding company whose affiliates own and operate hospitals and other related health care entities. At June 30, 2002, our affiliates owned and operated 175 hospitals and 75 freestanding surgery centers. Our affiliates are also partners in several 50/50 joint ventures that own and operate six hospitals and five freestanding surgery centers, which are accounted for using the equity method. Our facilities are located in 23 states, England and Switzerland.

Our hospitals provide a comprehensive array of services including internal medicine, cardiology, oncology, obstetrics, general surgery, neurosurgery and orthopedics, as well as diagnostic and emergency services. We also provide outpatient and ancillary services through our acute care hospitals and outpatient facilities, including outpatient surgery and diagnostic centers, rehabilitation and other facilities.

Our Business Strategy

Our business strategy is to be a comprehensive provider of quality health care services in the most cost-effective manner and consistent with our ethics and compliance program, applicable government regulations and guidelines and industry standards. We also seek to enhance financial performance by increasing utilization of our facilities and improving operating efficiencies. To achieve these objectives, we pursue the following strategies:

- emphasize a patients first philosophy and a commitment to ethics and compliance;
- focus on strong assets in select, core communities;
- develop comprehensive local health care networks with a broad range of health care services;
- grow through increased patient volume, expansion of specialty services and emergency departments and selective acquisitions;
- improve operating efficiencies through enhanced cost management and resource utilization, and the implementation of shared services initiatives;
- recruit, develop and maintain relationships with physicians;
- streamline and decentralize management, consistent with our local focus; and
- effectively allocate capital to maximize return on investments.

Investigations and Litigation

We continue to be the subject of governmental investigations and litigation relating to our business practices. Additionally, we are a defendant in several *qui tam* actions brought by private parties on behalf of the United States of America.

In December 2000, we entered into a plea agreement with the Criminal Division of the Department of Justice and various U.S. Attorney s Offices and a civil and administrative settlement agreement with the Civil Division of the Department of Justice. The agreements resolve all federal criminal issues outstanding against us and certain issues involving federal civil claims by or on behalf of the government against us relating to DRG coding, outpatient laboratory billing and home health issues. The civil issues that are not covered by the civil and administrative settlement agreement and remain outstanding include claims related to cost reports and physician relations issues. The civil and administrative settlement agreement was approved by the Federal District Court of the District of Columbia in August 2001. We paid the government $95 million, as provided by the plea agreement, during the first quarter of 2001 and paid $745 million (plus $60 million of accrued interest), as provided by the civil and administrative settlement agreement, during the third quarter of 2001. We also entered into a corporate integrity agreement with the Office of Inspector General of the Department of Health and Human Services.

We remain the subject of a formal order of investigation by the Securities and Exchange Commission. We understand that the SEC investigation includes the anti-fraud, insider trading, periodic reporting and internal accounting control provisions of the federal securities laws.

We continue to cooperate in the government investigations. Given the scope of the investigations and current litigation, we anticipate continued investigative activity to occur in these and other jurisdictions in the future.

While we remain unable to predict the outcome of any of the investigations and litigation or the initiation of any additional investigations or litigation, were we to be found in violation of federal or state laws relating to Medicare, Medicaid or similar programs or breach of the corporate integrity agreement, we could be subject to substantial monetary fines, civil and criminal penalties and/or exclusion from participation in the Medicare and Medicaid programs. Any such sanctions or expenses could have a material adverse effect on our financial position, results of operations and liquidity. See our Annual Report on Form 10-K for the year ended December 31, 2001 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2002 for more detailed discussions of the risks and potential impact of these actions.

Summary Historical Consolidated Financial Data

The following table sets forth our summary historical consolidated financial data for the years ended December 31, 2001, 2000 and 1999 and the six-month periods ended June 30, 2002 and 2001, certain selected ratios for the years ended December 31, 2001, 2000 and 1999 and the twelve-month periods ended June 30, 2002 and 2001, and our financial position at June 30, 2002. This financial data has been derived from, and should be read in conjunction with, our audited consolidated financial statements and the related notes filed as part of our Annual Report on Form 10-K for the year ended December 31, 2001 and the unaudited condensed consolidated financial statements and the related notes filed as part of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2002. Financial data for the six-month periods ended June 30, 2002 and 2001 and at June 30, 2002, and the selected ratios for the twelve-month periods ended June 30, 2002 and 2001 are unaudited and, in the opinion of our management, include all adjustments necessary for a fair presentation of the data. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the entire year.

	Six Months Ended June 30,		Year Ended December 31,		
	2002	2001	2001	2000	1999
	(Unaudited)				
			(Dollars in millions)		
Income Statement Data:					
Revenues	$ 9,776	$ 8,977	$ 17,953	$ 16,670	$ 16,657
Interest expense	229	281	536	559	471
Reported net income	735	589	886	219	657
Adjusted net income(a)	735	624	955	292	740
Operating Data:					
EBITDA(b)	$ 2,061	$ 1,848	$ 3,421	$ 3,177	$ 2,888
Number of hospitals at end of period(c)	175	185	178	187	195
Number of licensed beds at end of period(d)	39,930	41,032	40,112	41,009	42,484
Admissions(e)	798,700	800,500	1,564,100	1,553,500	1,625,400
Equivalent admissions(f)	1,178,900	1,174,300	2,311,700	2,300,800	2,425,100
Average length of stay(g)	5.0	5.0	4.9	4.9	4.9
Average daily census(h)	22,036	21,978	21,160	20,952	22,002
Percentage Change from Prior Year:					
Revenues	8.9%	6.8%	7.7%	0.1%	(10.8)%
Admissions(e)	(0.2)	1.5	0.7	(4.4)	(14.1)
Equivalent admissions(f)	0.4	0.7	0.5	(5.1)	(15.7)
Revenue per equivalent admission	8.5	6.1	7.2	5.5	5.7

	Twelve Months Ended June 30,		Year Ended December 31,		
	2002	2001	2001	2000	1999
	(Unaudited)				
Selected Ratios:					
Ratio of EBITDA to interest expense	7.5x	5.7x	6.4x	5.7x	6.1x
Ratio of total debt to EBITDA	2.0x	2.1x	2.2x	2.1x	2.2x
Ratio of total debt to capitalization(i)	53%	55%	56%	54%	50%
Ratio of earnings to fixed charges	4.0x	3.0x	3.4x	1.9x	3.1x

At

	June 30, 2002
	(Unaudited)
Financial Position:	
Assets	$18,262
Working capital	1,244
Long-term debt, including amounts due within one year	7,234
Minority interests in equity of consolidated entities	578
Stockholders equity	5,755

(a) Adjusted net income is defined as reported net income adjusted to exclude amortization expense (and any related tax effects) related to goodwill for periods prior to January 1, 2002.

(b) EBITDA is defined as income before depreciation and amortization, interest expense, gains on sales of facilities, loss on retirement of debt, impairment of long-lived assets, settlement with federal government, restructuring of operations and investigation related costs, minority interests and income taxes. EBITDA is commonly used as an analytical indicator within the health care industry, and also serves as a measure of leverage capacity and debt service ability. You should not consider EBITDA as a measure of financial performance under generally accepted accounting principles. The items excluded from EBITDA are significant components in understanding and assessing financial performance. You should not consider EBITDA in isolation or as an alternative to net income, cash flows generated by operating, investing or financing activities or other financial statement data presented in the financial statements as an indicator of financial performance or liquidity. Because EBITDA is not a measurement determined in accordance with generally accepted accounting principles and is thus susceptible to varying calculations, EBITDA as presented may not be comparable to other similarly titled measures of other companies.

(c) Excludes six facilities at June 30, 2002 and December 31, 2001, nine facilities at June 30, 2001 and December 31, 2000, and 12 facilities at December 31, 1999 that are not consolidated (accounted for using the equity method) for financial reporting purposes.

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

(e) Represents the total number of patients admitted to our hospitals. Management and certain investors use admissions as a general measure of inpatient volume.

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

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

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

(i) Total capitalization includes total debt, minority interests in equity of consolidated entities, Company-obligated mandatorily redeemable securities of affiliate holding solely Company securities, forward purchase contracts and put options and stockholders equity.

The Offering

Terms of the Notes:

Notes offered	$500,000,000 aggregate principal amount of 6.30% Notes due 2012.
Maturity date	The notes will mature on October 1, 2012.
Interest payment dates	April 1 and October 1 of each year, beginning April 1, 2003.
Ranking	The notes are our senior unsecured obligations. The notes will rank equally with all of our other unsecured senior indebtedness from time to time outstanding.
Redemption and sinking fund	We may redeem some or all of the notes at any time at a redemption price described under Description of the Notes Optional Redemption. There will be no sinking fund with respect to the notes.
Form of notes	One or more global securities, held in the name of Cede & Co., the nominee of The Depository Trust Company. See Description of Notes Book-Entry System.
Use of proceeds	We estimate that the net proceeds from the offering will be approximately $493.0 million. We intend to use the net proceeds from the offering to repay amounts advanced under our bank revolving credit facility, which was temporarily used to pay the $500.0 million aggregate principal amount outstanding under our Floating Rate Senior Notes due September 19, 2002. See Use of Proceeds.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of our consolidated earnings to fixed charges for the periods presented.

Six Months Ended June 30,		Year Ended December 31,				
2002	2001	2001	2000	1999	1998	1997
5.25x	3.98x	3.39x	1.85x	3.11x	2.58x	1.81x

For the purpose of computing the ratio of earnings to fixed charges, earnings consist of income from continuing operations before minority interests, income taxes and fixed charges. Fixed charges consist of interest expense, debt amortization costs and one-third of rent expense, which approximates the interest portion of rent expense.

USE OF PROCEEDS

We estimate that the net proceeds from the offering of the notes, after deducting the underwriting discount and estimated expenses of the offering, will be approximately $493.0 million. We intend to use the net proceeds from the sale of the notes to repay a portion of the amounts outstanding under our $1.75 billion bank revolving credit facility. As of August 31, 2002, we had approximately $310.0 million outstanding under our revolving credit facility. Based on our current credit ratings, borrowings under the revolving credit facility bear interest at a rate equal to LIBOR plus 1.00% per annum (2.82% at September 18, 2002). On September 19, 2002, we intend to borrow $500.0 million under the revolving credit facility to pay the aggregate principal amount outstanding under our Floating Rate Senior Notes due September 19, 2002. The interest rate on the Floating Rate Senior Notes is equal to the three month LIBOR rate plus 1.50% per annum, adjusted quarterly (3.38% at September 18, 2002).

CAPITALIZATION

The following table sets forth our total capitalization as of June 30, 2002 and as adjusted to give effect to the offering of notes by this prospectus supplement.

	As of June 30, 2002	
	Historical	Pro Forma As Adjusted(a)
	(Unaudited; dollars in millions)	
Long-term debt due within one year	$ 789	$ 296
Long-term debt:		
Senior collateralized debt due through 2034	161	161
Senior debt (fixed rate) due through 2095	4,674	5,174
Senior debt (floating rate) due through 2004	775	775
Bank term loan	675	675
Bank revolving credit facility	160	160
Total long-term debt	6,445	6,945
Total debt	7,234	7,241
Minority interests in equity of consolidated entities	578	578
Stockholders equity:		
Common stock $.01 par value per share; authorized 1,650,000,000 shares; outstanding 518,186,400 shares	5	5
Capital in excess of par value	301	301
Other	6	6
Accumulated other comprehensive loss	(4)	(4)
Retained earnings	5,447	5,447
Total stockholders equity	5,755	5,755
Total capitalization	$13,567	$13,574

(a) Reflects the application of the net proceeds of the offering to repay amounts advanced under our bank revolving credit facility, which was temporarily used to pay the $500.0 million aggregate principal amount outstanding under our Floating Rate Senior Notes due September 19, 2002.

DESCRIPTION OF THE NOTES

We will issue the notes under an indenture, dated as of December 16, 1993, between us and The First National Bank of Chicago. We will refer to the indenture, together with all supplements, as the Indenture. Bank One Trust Company, N.A. succeeded The First National Bank of Chicago as Trustee, which fact is reflected in the First Supplemental Indenture to the Indenture, dated as of May 25, 2000. The Bank of New York then succeeded Bank One Trust Company, N.A. as Trustee, which fact is reflected in the Third Supplemental Indenture to the Indenture, dated as of December 5, 2001. We will call The Bank of New York the Trustee.

A form of the Indenture is filed as an exhibit to the registration statement, of which the attached prospectus is a part. The following is a summary of certain provisions of the Indenture and of the notes (or debt securities, as they are referred to in the attached prospectus). This summary does not purport to be complete and is subject to, and qualified by, the Indenture.

The notes will mature on October 1, 2012. The notes will bear interest at the rate per year shown on the cover of this prospectus supplement, computed on the basis of a 360-day year of twelve 30-day months. The period during which the notes will earn interest will begin on September 23, 2002 or from the most recent interest payment date to which interest has been paid or provided for. The interest will be payable twice a year on April 1 and October 1, beginning on April 1, 2003. Interest payable on any Note that is punctually paid or duly provided for on any interest payment date shall be paid to the person in whose name such Note is registered at the close of business on March 15 and September 15, as the case may be, preceding such interest payment date. We may pay interest, at our option, by checks mailed to the registered holders of the notes.

All of the debt securities of this series need not be issued at the same time. This series may be reopened for issuance of additional debt securities of such series without notice to any holder of notes.

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

You can find more detailed information regarding the terms of the notes in the prospectus under the heading Description of the Debt Securities.

Book-Entry System

The Depository Trust Company, New York, New York, will act as the Depositary for the notes. The notes will be represented by one or more global securities registered in the name of Cede & Co., the nominee of the Depositary. The provisions described under Description of the Debt Securities Book-Entry System in the attached prospectus will apply to the notes. Accordingly, beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by the Depositary and its participants.

The Depositary has advised us and the underwriters that it is:

- a limited purpose trust company organized under the New York Banking Law,
- a banking organization within the meaning of the New York Banking Law,
- a member of the United States Federal Reserve System,
- a clearing corporation within the meaning of the New York Uniform Commercial Code, and
- a clearing agency registered pursuant to the provisions of Section 17A of the United States Securities Exchange Act of 1934, as amended.

The Depositary holds securities, such as the notes, deposited by its direct participants. The Depositary also facilitates the settlement among direct participants of securities transactions in deposited securities, such as transfers and pledges, through electronic computerized book-entry changes in the direct participants accounts. This eliminates the need for physical movement of securities certificates. Direct participants include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations and certain other organizations. The Depositary is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the Depositary s book-entry system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. These entities are known as indirect participants. The rules applicable to the Depositary and its direct and indirect participants are on file with the SEC.

Principal and interest payments on the notes registered in the name of the Depositary s nominee will be made in immediately available funds to the Depositary s nominee as the registered owner of the global securities. Under the terms of the notes, we and the Trustee will treat the persons in whose names the notes are registered as the owners of the notes for the purpose of receiving payment of principal and interest on them and for all other purposes whatsoever. Therefore, neither we, the Trustee nor any paying agent has any direct responsibility or liability for the payment of principal or interest on the global securities to owners of beneficial interests in the global securities. The Depositary has advised us and the Trustee that its current practice is, upon receipt of any payment of principal or interest, to credit direct participants accounts on the payment date in accordance with their respective holdings of beneficial interests in the global securities as shown on the Depositary s records, unless the Depositary has reason to believe that it will not receive payment on the payment date. Payments by direct and indirect participants to owners of beneficial interests in the global securities will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such direct and indirect participants and not of the Depositary, the Trustee, or HCA, subject to any statutory requirements that may be in effect from time to time. Payment of principal and interest to the Depositary is the responsibility of the Trustee or HCA. Disbursement of such payments to the owners of beneficial interests in the global securities shall be the responsibility of the Depositary and direct and indirect participants.

Notes represented by a global security will be exchangeable for notes in definitive form of like tenor issuable in authorized denominations and registered in such names as the Depositary shall direct, only if either (i) the Depositary notifies us that it is unwilling or unable to continue as Depositary for such global security or if at any time the Depositary ceases to be a clearing agency registered under applicable law and we do not appoint a successor depositary within 90 days or (ii) we, in our discretion at any time, determine not to require all of the notes of the series to be represented by a global security and so notify the Trustee. The notes will be in denominations of $1,000 and in any greater amount that is an integral multiple. Subject to the foregoing, a global security is not exchangeable, except for a global security or global securities of the same aggregate denominations to be registered in the name of the Depositary or its nominee.

Optional Redemption

The notes will be redeemable in whole or in part, at our option, at any time and from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of the notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate (as defined below), plus 37.5 basis points. In each case, we will pay accrued and unpaid interest on the principal amount being redeemed to the date of redemption.

Treasury Rate means, with respect to any redemption date, the rate per year equal to: (1) the yield under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue; provided that, if no maturity is within three months before or after the Remaining Life of the notes to be redeemed, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month; or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate shall be calculated on the third business day preceding the redemption date.

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

Remaining Life means the maturity of a United States Treasury security selected by an Independent Investment Banker that is comparable to the remaining term of the notes.

Independent Investment Banker means one of the Reference Treasury Dealers appointed by the Trustee after consultation with us.

Comparable Treasury Price means, with respect to any redemption date, (a) the average of the Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Trustee obtains fewer than four Reference Treasury Dealer Quotations, the average of all the quotations.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by the Reference Treasury Dealer at 5:00 p.m. on the third business day preceding the redemption date.

Reference Treasury Dealer means each of Banc of America Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated and their respective successors; provided however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), we shall substitute another Primary Treasury Dealer.

We will mail notice of any redemption between 30 and 60 days preceding the redemption date to each holder of the notes to be redeemed.

The notice of the redemption for the notes will state, among other things, the amount of the notes to be redeemed, the redemption price and the place or places that payment will be made upon presentation and surrender of the notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions called for redemption.

Same-Day Settlement and Payment

The underwriters will settle the notes in immediately available funds. So long as the Depositary continues to make its same-day funds settlement system available to us, we will make all payments of principal and interest on the notes in immediately available funds.

UNDERWRITING

We and the underwriters have entered into an Underwriting Agreement relating to the offering and sale of the notes. In the Underwriting Agreement, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us, the principal amount of notes that appears opposite its name in the table below:

Underwriter	Principal Amount