III

Audit Committee Agenda

Wednesday – November 13, 2002

MINUTES IN INK

I. Review Annual Audit Plans with E&Y — MORE COMPLEX MORE TIME CAUSE FEE – INK

II. Necessary Changes for Compliance with — REVIEW SOURCE MEDICAL CIRCULATE FACTS MED CENTER DIRECT

a. Sarbanes – Oxley Act

b. NYSE Requirements — FACT SHEET — OTHER ASSETS (WILL HIGHS)

Necessary Charter Revisions?

III. Other Issues POST ENRON HOT BUTTONS

a. Off-Balance Sheet Update (SPE's)

b. Sale/Leaseback Summary (REIT's)

c. 401-K Summary

d. ESOP Summary

e. Employee Stock Purchase Plan Summary

f. FIN 44 Update (OPTIONS) 1.5M² SHS 11/13 5-6YRS TO 50

g. Stock Repurchase Update

h. Debt Repurchase Update

i. Officer and Non-Officer Loans $3M² NO MORE $1.4M² OTHER THAN STK

j. D&O Coverage

k. System for Employees to ask questions and voice complaints

l. Transmittal 1753 and $175MM estimate — ADDITIONAL GOOD WILL WRITE OFF?

IV. Other Q&A as Time Permits

SEE DRAFT II

CONFIDENTIAL
TREATMENT REQUESTED

V. **Internal Audit Report (Excludes Management)** CHARTER = BUDGET PLAN - '03

VI. **Outside Audit Report-E&Y (Excludes Management)** CRAMPED FOR TIME ON QT. CLOSE

WORK CHARTER - EXPANDING REVIEW MORE DEMANDING

Attendees: George Strong, Sage Givens, Larry Striplin, Tadd McVay, Bill Horton, Brad Hale, Jim Lamphron, Wayne Dunn, Emery Harris, Jason Brown and Greg Smith

MEET 12/12

CONFIDENTIAL
TREATMENT REQUESTED