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

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2010

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 1-6926

C. R. BARD, INC.

(Exact name of registrant as specified in its charter)

New Jersey	**730 Central Avenue Murray Hill, New Jersey 07974**	**22-1454160**
(State or other jurisdiction of incorporation or organization)	**(Address of principal executive offices)**	**(I.R.S. Employer Identification No.)**

Registrant's telephone number, including area code: (908) 277-8000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common Stock - $.25 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

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

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

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

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

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

The aggregate market value of the voting stock held by nonaffiliates of the registrant was approximately $7,260,518,818 based on the closing price of stock traded on the New York Stock Exchange on June 30, 2010. As of January 31, 2011, there were 85,043,493 shares of Common Stock, $.25 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the company's definitive Proxy Statement in connection with its 2011 annual meeting of shareholders are incorporated by reference into Part III of this Form 10-K.

C. R. BARD, INC. AND SUBSIDIARIES

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PART I

Item 1. Business

General

C. R. Bard, Inc. and its subsidiaries (the "company" or "Bard") are engaged in the design, manufacture, packaging, distribution and sale of medical, surgical, diagnostic and patient care devices. Charles Russell Bard founded the company in 1907. In 1923, the company was incorporated as C. R. Bard, Inc. and distributed an assortment of urological and surgical products. Bard became a publicly traded company in 1963 and began trading on the New York Stock Exchange five years later. Currently, the company sells a broad range of products to hospitals, individual healthcare professionals, extended care facilities and alternate site facilities on a global basis. In general, Bard's products are intended to be used once and then discarded or implanted either temporarily or permanently. The company participates in the markets for vascular, urology, oncology and surgical specialty products. Bard's product strategy is based on the following tenets, which are designed to position the company for continued growth:

- *Clinician Preference* - Bard targets markets where clinicians drive purchasing decisions based on the benefits a product provides to patients;
- *Product Leadership* - The company pursues opportunities in markets where products that consistently provide superior clinical outcomes and medical economic value can attain a leadership position;
- *Market Growth* - Bard focuses its investments in fast growing and/or under-served markets;
- *Competitive Advantage* - The company strives to achieve a sustainable competitive advantage through product quality and innovation, intellectual property protection and a core competency in managing complex clinical and regulatory requirements; and
- *Product Diversity* - Bard offers a broad, diverse product portfolio to balance the risks inherent in the highly competitive and complex medical device industry.

Bard's execution of this strategy has helped the company establish market leadership positions across its four product group categories. In 2010, approximately 82% of the company's net sales were derived from product lines in which the company holds a number one or number two market share position.

Product Group Information

The company reports its sales in four major product group categories: vascular, urology, oncology and surgical specialties. The company also has a product group of other products. The following table sets forth for the three years ended December 31, 2010, 2009 and 2008 the approximate percentage contribution by category to Bard's consolidated net sales on a worldwide basis.

	For the Years Ended December 31,		
	2010	2009	2008
Vascular	28%	27%	26%
Urology	26%	28%	29%
Oncology	27%	27%	26%
Surgical Specialties	16%	15%	15%
Other	3%	3%	4%
Consolidated net sales	100%	100%	100%

Vascular Products

Bard's vascular products cover a wide range of minimally invasive devices for the treatment of peripheral vascular disease ("PVD") and heart arrhythmias. These products include: percutaneous transluminal angioplasty ("PTA") catheters, chronic total occlusions ("CTO") catheters, guidewires, introducers and accessories; peripheral vascular stents and stent grafts, vena cava filters and biopsy devices; electrophysiology products, including electrophysiology laboratory systems and diagnostic, therapeutic and temporary pacing electrode catheters; and fabrics, meshes and implantable vascular grafts. Bard's low-profile catheter and high-pressure balloon technology has made Conquest™, Atlas® and Dorado® PTA catheters leading choices of clinicians for the treatment of arterial venous access stenosis and other PVDs. The company's new Ultraverse® and VascuTrak™ PTA catheters and Crosser™ CTO catheter give Bard one of the broadest offerings in the rapidly growing small-vessel segment of the PVD market. Bard's line of peripheral vascular stent and stent-graft devices includes the Flair™ AV (arterial venous) Access Stent Graft, E•Luminexx™ Iliac Stent, and the LifeStent® family of stents approved for use in the superficial femoral artery and proximal popliteal artery. Bard's vena cava filters product line includes devices for permanent implant or removal after the threat of blood clots traveling from the lower extremities to a patient's lungs has passed. Bard's Vacora® and Finesse™ devices combine the benefits of a vacuum-assisted biopsy sample with a portable, self-contained needle system for the diagnosis of breast tumors. In July 2010, the company acquired SenoRx, Inc. whose product portfolio includes products such as the EnCor® stereotactic-guided and MRI-guided breast biopsy systems, the Gel Mark® line of breast tissue markers and the Contura® brachytherapy catheter used in the treatment of breast cancer. The acquisition allows Bard to offer products across all percutaneous breast biopsy and marker segments, in addition to providing a therapeutic device for site-specific partial breast irradiation following lumpectomy procedures. In Europe, the company sells its HD (high-density) Mesh Ablation Catheter for the diagnosis and treatment of atrial fibrillation, the most commonly diagnosed sustained cardiac arrhythmia.

Urology Products

Bard's urology products include basic drainage products, continence products and urological specialty products. The Foley catheter, which Bard introduced in 1934, remains one of the most important products in the urology field. The company has a market-leading position in Foley catheters, including the infection control Foley catheter (Bardex® I.C. Foley catheter), which has been proven to substantially reduce the rate of urinary tract infections. Other urology products include: surgical slings used to treat stress urinary incontinence; fecal incontinence products; natural and synthetic devices for the treatment of pelvic floor and vaginal prolapse; brachytherapy services, devices and radioactive seeds used to treat prostate cancer; intermittent urinary drainage catheters, urine monitoring and collection systems; ureteral stents; and specialty devices for ureteroscopic procedures and stone removal. The company also markets the proprietary line of StatLock® catheter stabilization devices, which are used primarily to secure peripheral intravenous catheters, thereby reducing restarts and other complications. These devices are also used to secure many other types of catheters sold by Bard and other companies, including Foley catheters.

Oncology Products

Bard's oncology products cover a wide range of devices used in the treatment and management of various cancers and other diseases and disorders. These include specialty vascular access catheters and ports, vascular access ultrasound devices, dialysis access catheters and enteral feeding devices. The company's specialty vascular access products, used primarily for chemotherapy, serve a well-established market in which Bard holds a leading position. The features and benefits of the company's broad line of peripherally inserted central catheters ("PICCs") have allowed Bard to capitalize on this important segment of the specialty vascular access market. The company's PowerPICC® catheters and PowerPort® devices can also be used to inject contrast media at high flow rates. These devices eliminate the need to place an additional catheter in the significant number of PICC and port recipients who also require contrast enhanced CT (computed tomography) scans. Bard's Site-Rite® vascular access ultrasound device and Sherlock™ tip locator system help nurses place a PICC catheter at a patient's bedside, making PICCs a more convenient and cost-effective treatment option.

Surgical Specialty Products

Bard's surgical specialty products include implanted patches and fixation systems for hernia and other soft tissue repairs, irrigation devices for orthopedic, laparoscopic and gynecological procedures and products for topical hemostasis. The company's soft tissue repair products consist primarily of hernia repair implants, including both synthetic and natural-tissue configurations, and hernia implant fixation devices. Within the hernia implants line, products such as Bard's PerFix® plug and 3D Max® are used for inguinal (groin) hernia repair procedures. The company also markets products for the repair of ventral (abdominal) hernias including the Ventrio™, Ventralex® and Composix® LP hernia patches. Bard's line of natural-tissue hernia products, including the Collamend FM® and Allomax™ patches, are used to repair complex ventral hernias. In complex hernias, pre-existing infections or high risk of infection precludes the use of synthetic mesh for the repair. In 2009, the company acquired the rights to the XenMatrix™ product, a non-crosslinked xenograft patch for complex hernia repair, giving Bard an enhanced offering of natural-tissue hernia repair patches. Also in 2009, the company acquired the rights to sell the Allomax™ patch for breast reconstruction following mastectomy procedures. In 2009, the company launched its new SorbaFix™ device, a next-generation bioresorbable-tack fixation device for use in laparoscopic and open surgical procedures. In the first quarter of 2010, the company launched its new PermaFix™ product, a permanent anchor fixation device built on the SorbaFix™ platform.

International

Through subsidiaries and a joint venture, Bard markets its products to customers in over 100 countries outside the United States. The products sold in the international markets include many of the products described above. However, the principal markets, products and methods of distribution in the company's international businesses vary with market size and stage of development. The company's principal international markets are currently in Europe and Japan and the company expects to continue investing to expand sales and marketing resources in order to capitalize on opportunities in other markets, such as certain emerging markets in Asia and Latin America. Generally, the company maintains a geographically-based sales organization that it believes gives it greater flexibility in international markets. Approximately 74% of international sales are of products manufactured by Bard in the United States, Puerto Rico or Mexico. For financial reporting purposes, revenues, income from operations before tax provision and long-lived assets in significant geographic areas are presented in Note 14 of the notes to consolidated financial statements included in this Form 10-K.

Bard's foreign operations are subject to certain financial and other risks, and international operations in general present complex tax and cash management issues. Relationships with customers and effective terms of sale frequently vary by country. Trade receivable balances outside the United States generally are outstanding for longer periods than in the United States. Inventory management is also an important business concern due to the potential for rapidly changing business conditions and currency exposure. Foreign currency exchange rate fluctuations can affect income and cash flows of international operations. The company attempts to hedge some of these currency exposures to help reduce the effects of foreign exchange fluctuations on the business. For more information, see Item 7A. "Quantitative and Qualitative Disclosures About Market Risk", Note 6 of the notes to consolidated financial statements and Item 1A. "Risk Factors" included in this Form 10-K.

Competition

The company competes in therapeutic and diagnostic medical device markets around the world. These global markets are characterized by rapid change resulting from technological advances and scientific discoveries. The company's market position depends on its reliable product quality, dependable service, value proposition and ability to develop products to meet evolving market needs. The company faces a mix of competitors ranging from large manufacturers with multiple business lines to smaller manufacturers that offer a limited selection of products, and to a lesser extent, reprocessors of single-use medical devices. Many of Bard's products are patented or are the subject of patent applications. Patent protection also affects the company's market position.

In keeping with the increased emphasis on cost-effectiveness in healthcare delivery, the trend among hospitals and other customers of medical device manufacturers is to consolidate purchases to enhance purchasing power. The medical device industry has also experienced some consolidation, partly in order to offer a broader range of products to large purchasers. As a result, sales transactions are more complex and tend to involve more significant contracts than in the past. This enhanced purchasing power has placed pressure on product pricing. For more information, see Item 1A. "Risk Factors."

Marketing

The company's products are distributed domestically directly to hospitals and other healthcare institutions, as well as through numerous hospital/surgical supply and other medical specialty distributors with whom the company has distribution agreements. In international markets, products are distributed either directly or through distributors, with the practice varying by country. Full-time representatives of the company in domestic and international markets engage in sales promotion. Sales to distributors, which supply the company's products to many end-users, accounted for approximately 32%, 33% and 33% of the company's net sales for the years ended 2010, 2009 and 2008, respectively, and the five largest distributors combined accounted for approximately 66%, 65% and 65%, respectively, of distributors' sales for the corresponding years. One large distributor accounted for approximately 9% of the company's net sales in 2010 and approximately 10% in each of 2009 and 2008.

In order to service its customers, optimize logistics, lower facilities costs and reduce finished goods inventory levels, the company operates consolidated distribution facilities in both the United States and Europe. Orders are normally shipped within a matter of days after receipt. Backlog is not currently considered a significant issue for the company.

Most of the products sold by the company, whether manufactured by the company or by others, are sold under the BARD® trade name or trademark and/or other trademarks owned by the company. Products manufactured for the company by outside suppliers are generally produced according to the company's specifications.

Available Information

The company makes available, free of charge, on its website located at *www.crbard.com*, its annual reports to shareholders, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and any amendments to these reports, as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the U.S. Securities and Exchange Commission ("SEC").

The company has adopted, and has posted on its website, a Code of Ethics for Senior Financial Officers that applies to the company's chief executive officer, chief financial officer and controller. To the extent required, the company intends to disclose any amendments to, or waivers of, the Code of Ethics on its website. In addition, the company's audit committee charter, compensation committee charter, governance committee charter, corporate governance guidelines and business ethics policy are also posted on the company's website. From time-to-time Bard uses its website to distribute company information, including material information. Financial and other information, including material information regarding the company is routinely posted on and accessible at http://investorrelations.crbard.com/. In addition, shareholders or interested parties may enroll to automatically receive email alerts and other information about Bard by visiting the "Email Alert Service" section at http://investorrelations.crbard.com/. Shareholders, employees or other interested parties may communicate directly with the Board of Directors, the non-management members of the Board of Directors or the Audit Committee. The process for doing so is described on the company's website.

Regulation

The development, manufacture, sale and distribution of the company's products are subject to comprehensive government regulation both within and outside the United States. Government regulation,

including detailed inspection of and controls over research and laboratory procedures, clinical investigations, manufacturing, marketing, sampling, distribution, recordkeeping and storage and disposal practices, substantially increases the time, difficulty and costs incurred in obtaining and maintaining the approval to market newly developed and existing products. Government regulatory actions can result in the seizure or recall of products, suspension or revocation of the authority necessary for their production and sale, and other civil or criminal sanctions.

Medical device laws are in effect in many of the countries in which the company does business outside the United States. These range from comprehensive device approval requirements for some or all of the company's medical device products to requests for product data or certifications. Inspection of and controls over manufacturing as well as monitoring of device-related adverse events are also components of most of these regulatory systems. The number and scope of these requirements are increasing.

For more information, see Item 1A. "Risk Factors."

Third-Party Reimbursement and Healthcare Cost Containment

Reimbursement remains an important strategic consideration in the development and marketing of medical devices and procedures. Difficulty in obtaining coverage, coding and payment can be a significant barrier to the commercial success of a new product or procedure. The consequences can include slow adoption in the marketplace and inadequate payment levels that can linger for months or even years. For more information, see Item 1A. "Risk Factors."

Bard's products are purchased principally by hospitals or physicians, which typically bill various third-party payors, such as governmental programs (e.g., Medicare and Medicaid), private insurance plans and managed care plans, for the healthcare services provided to their patients. The ability of customers to obtain appropriate reimbursement for products and services from third-party payors is critical to the success of medical device companies because it can affect the products customers purchase and the prices they are willing to pay. Manufacturers such as Bard rely on insurance reimbursement to create favorable markets for their products, while providers depend on this reimbursement to incorporate new products into their medical practices. As the largest single insurer in the United States, Medicare has a profound influence on the healthcare market. The Center for Medicare and Medicaid Services ("CMS") formulates national and local coverage policy and sets payment rates for facilities and physician providers. Additionally, most private payors will follow the lead of CMS when developing their policies and payment rates. Technology assessment organizations, including the one run by the Blue Cross Blue Shield Association, are consulted by public and private payors to evaluate the relative merits of new technologies and their impact on net health outcomes in an effort to get as much value for the healthcare dollar as possible.

The processes necessary for a manufacturer to obtain appropriate levels of reimbursement are complex and usually vary from payor to payor. Third-party reimbursements to hospitals and ambulatory care facilities are typically made for procedures or episodes of care, which include the costs of devices, supplies and equipment, and provide an incentive for efficient care and careful use of more expensive technologies.

Third-party payors for hospital services in the United States and abroad are increasingly focused on strategies to control spending on healthcare and reward improvements in quality and patient outcomes. In addition, in an effort to better align incentives for providers, CMS and several large commercial payors have recently adopted policies that will cease to pay for certain preventable, hospital-acquired infections such as catheter-associated urinary tract infections. The company believes that the Bardex® IC products are well-positioned to help its customers prevent certain hospital acquired infections. However, the uncertainty and complexity of future legislation seeking to reform the health insurance market and the healthcare delivery system make it difficult to ultimately predict the impact on Bard's business.

Raw Materials

The company uses a wide variety of readily available oil-based resins, textiles, alloys and latex materials for the manufacture of its devices. These materials are primarily purchased from external suppliers. Certain of the raw materials are available only from single-source suppliers. Materials are purchased from selected suppliers for reasons of quality assurance, sole-source availability, cost effectiveness or constraints resulting from regulatory requirements. Bard works closely with its suppliers to assure continuity of supply while maintaining high quality and reliability. For more information, see Item 1A. “Risk Factors.”

Environment

The company is subject to various environmental laws and regulations both within and outside the United States. The operations of the company, like those of other medical device companies, involve the use of substances regulated under environmental laws, primarily in manufacturing and sterilization processes. While the company continues to make capital and operational expenditures relating to compliance with existing environmental laws and regulations, management believes that such compliance will not have a material effect on the company’s business, results of operations, financial condition and/or liquidity. For more information, see Item 3. “Legal Proceedings.”

Employees

The company had approximately 11,700 employees as of December 31, 2010.

Seasonality

The company’s business is not affected to any material extent by seasonal factors.

Research and Development

The company is engaged in both internal and external research and development in an effort to introduce new products, to enhance the effectiveness, ease of use, safety and reliability of its existing products, and to expand the applications for which the uses of its products are appropriate. The company is dedicated to developing and acquiring technologies that will furnish healthcare providers with a more complete line of products to treat medical conditions through less invasive procedures and in a cost-effective manner. The company’s research and development expenditures, including purchased research and development, were $185.4 million in 2010, $179.6 million in 2009, and $199.1 million in 2008. The company evaluates developing technologies primarily in areas where it may have technological or marketing expertise for possible investment or acquisition.

Intellectual Property

Patents and other proprietary rights are important to Bard’s business. The company also relies upon trade secrets, manufacturing know-how, continuing technological innovations and licensing opportunities to maintain and improve its competitive position.

The company owns an extensive portfolio of patents and has numerous patent applications pending in the United States and in certain foreign countries that relate to aspects of the technology used in many of the company’s products. The company’s policy is to file patent applications in the United States and foreign countries where rights are available and where the company believes it is commercially advantageous to do so. However, the standards for international protection of intellectual property vary widely. The company does not consider its business to be materially dependent upon any individual patent. For more information, see Item 1A. “Risk Factors.”

Item 1A. Risk Factors

An investor should carefully consider the risks described below, as well as other information contained in this Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission, in evaluating our business. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business. The occurrence of any of these events or circumstances could individually or in the aggregate have a material adverse effect on our business, results of operations, financial condition, and/or liquidity.

Defects or failures associated with our products could lead to recalls or safety alerts, negative publicity regarding the company and litigation, including product liability claims, that could adversely affect our business and reputation and result in loss of customers. Loss reserves are difficult to estimate.

The design, manufacture and marketing of medical devices of the types we produce entail inherent risks. Our products are often used in clinically demanding circumstances with seriously ill patients, and many of the medical devices we manufacture and sell are implanted in the human body for long periods of time or indefinitely. There are a number of factors that could result in an unsafe condition, injury or death of a patient with respect to products that we manufacture or sell, including component failures, manufacturing flaws, unanticipated or improper uses of our products, design defects or inadequate disclosure of product-related risks or product-related information.

These problems could lead to a recall of, or safety alert relating to, one or more of our products and could ultimately result in the removal of these products from the body and claims against us for costs associated with the removal. Any recall, whether voluntary or required by the United States Food and Drug Administration ("FDA") or similar governmental authorities in other countries, could result in significant costs and significant negative publicity. Negative publicity, whether accurate or inaccurate, could reduce market acceptance of our products, harm our reputation, decrease demand for our products, result in the loss of customers, lead to product withdrawals and/or harm our ability to market our products in the future. The foregoing problems could also result in product liability claims or lawsuits including those being brought by individuals or by groups seeking to represent a class or establish multi-district litigation proceedings. While we believe that many settlements and judgments, as well as legal defense costs, may be covered in whole or in part under our product liability insurance policies with a limited number of insurance companies, amounts recovered under these policies may be less than the stated coverage limits and may not be adequate to cover damages and/or costs. In addition, there is no guarantee that insurers will pay claims or that coverage will be otherwise available. See Item 3. "Legal Proceedings" below for a description of lawsuits filed or asserted against us, including the Hernia Product Claims, Women's Health Product Claims and Filter Product Claims (each, as defined below). Moreover, in some circumstances adverse events arising from or associated with the design, manufacture or marketing of our products could result in the FDA suspending or delaying its review of our applications for new product approvals. Any of the foregoing problems could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

Reserves established for estimated losses, including with respect to legal proceedings, do not represent an exact calculation of our actual liability but instead represent our estimate of the ultimate loss at the time the reserve is established. Due to the inherent uncertainty underlying loss reserve estimates, actual losses may be materially higher or lower than the related reserve. Liabilities in excess of our reserves could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

We face intense competition from other companies, and our inability to continue to effectively develop, acquire and/or market new products and technologies could have a material adverse effect on our business, results of operations and/or financial condition.

The medical device business is intensely competitive and is characterized by rapid technological change. Our customers consider many factors when choosing among products, including product features and reliability, product quality, product technology, clinical outcomes, product availability, price and product services provided by the manufacturer. Product introductions, alternative therapies or enhancements by competitors that provide better features and/or lower pricing, may make our products or proposed products obsolete or less competitive.

As a result, we engage in product development and improvement programs to maintain and improve our competitive position. We may not, however, be successful in enhancing existing products or developing new products or technologies that will achieve regulatory approval or receive market acceptance. As part of our business strategy, we also pursue the acquisition of complementary businesses, technologies and products. We may not be able to identify appropriate acquisition candidates, consummate transactions or obtain agreements with favorable terms. Further, once a business is acquired, any inability to successfully integrate the business, failure to retain and develop its workforce or failure to establish and maintain appropriate controls could adversely affect our ability to realize the anticipated benefits of any acquisition. If we fail to develop new products, enhance existing products or identify, acquire and integrate complementary businesses, technologies and products, or otherwise compete effectively, our business, results of operations and/or financial condition could be adversely affected.

Domestic and foreign legislative or administrative reforms resulting in restrictive reimbursement practices of third-party payors and cost containment measures could decrease the demand for products purchased by our customers, the prices that our customers are willing to pay for those products and the number of procedures using our devices.

Our products are purchased principally by hospitals or physicians which typically bill various third-party payors, such as governmental programs (e.g., Medicare, Medicaid and comparable foreign programs), private insurance plans and managed care plans, for the healthcare services provided to their patients. The ability of our customers to obtain appropriate reimbursement for products and services from third-party payors is critical to the success of medical device companies because it affects which products customers purchase and the prices they are willing to pay. Reimbursement varies by country and can significantly impact the acceptance of new technology. Implementation of healthcare reforms in the United States and in significant overseas markets such as Germany, Japan, France and other countries may limit, reduce or eliminate reimbursement for our products and adversely affect both our pricing flexibility and the demand for our products. Even when we develop or acquire a promising new product, we may find limited demand for the product unless reimbursement approval is obtained from private and governmental third-party payors.

Major third-party payors for hospital services in the United States and abroad continue to work to contain healthcare costs through, among other things, the introduction of cost containment incentives and closer scrutiny of healthcare expenditures by both private health insurers and employers. For example, in an effort to decrease costs, certain hospitals and other customers resterilize our products intended for a single use or purchase reprocessed products from third-party reprocessors in lieu of purchasing new products from us.

Further legislative or administrative reforms to the reimbursement systems in the United States and abroad, or adverse decisions relating to our products by administrators of these systems in coverage or reimbursement, could significantly reduce reimbursement for procedures using our medical devices or result in the denial of coverage for those procedures. Examples of these reforms or adverse decisions include price regulation, competitive pricing, coverage and payment policies, comparative effectiveness of therapies, technology assessments and managed-care arrangements. Any of such reforms or adverse decisions resulting in restrictive reimbursement practices or denials of coverage could have an adverse impact on the acceptance of our products and the prices that our customers are willing to pay for them. These outcomes, along with cost containment measures, could have a material adverse effect on our business and/or results of operations.

An interruption in our ability to manufacture our products or an inability to obtain key components or raw materials may adversely affect our business and/or results of operations.

We manufacture our products at facilities located throughout the world, some of which are in areas that are prone to hurricanes and other natural disasters. In some cases, certain of our key products are manufactured at one facility. If an event occurred that resulted in damage to one or more of our facilities, we may be unable to manufacture the relevant products at previous levels or at all. In addition, we purchase many of the components and raw materials used in manufacturing our products from numerous suppliers in various countries. For reasons of quality assurance, sole source availability or cost effectiveness, certain components and raw materials are

available only from a sole supplier. Due to the stringent regulations and requirements of the FDA and other regulatory authorities regarding the manufacture of our products, we may not be able to quickly establish additional or replacement sources for certain components or materials or do so without excessive cost. As a result, a reduction or interruption in manufacturing, or an inability to secure alternative sources of raw materials or components, could have a material adverse effect on our business and/or results of operations.

We are subject to a comprehensive system of federal, state and international laws and regulations, and we could be the subject of an enforcement action or face lawsuits and monetary or equitable judgments.

We operate in many parts of the world, and our operations are affected by various state, federal and international healthcare, environmental, antitrust, anti-corruption and employment laws, including for example various FDA and international regulations, the federal Anti-Kickback Statute and the Foreign Corrupt Practices Act ("FCPA"). We are subject to periodic inspections to determine compliance with the FDA's Quality System Regulation requirements, current medical device adverse event reporting regulations, and foreign rules and regulations. The failure to comply with these laws and regulatory standards or the discovery of previously unknown problems with a product or manufacturer: (i) could result in FDA Form-483 notices and/or Warning Letters, fines, delays or suspensions of regulatory clearances, detainment, seizures or recalls of products (with the attendant expenses), the banning of a particular device, an order to replace or refund the cost of any device previously manufactured or distributed, operating restrictions and/or civil or criminal prosecution, and/or penalties, as well as decreased sales as a result of negative publicity and product liability claims; and (ii) could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

It can be costly and time-consuming to obtain regulatory approvals to market a medical device. Approvals might not be granted for new devices on a timely basis, if at all. Product approvals by the FDA and other foreign regulators can be withdrawn due to failure to comply with regulatory standards or the occurrence of unforeseen problems following initial approval. Regulations are also subject to change as a result of legislative, administrative or judicial action, which may further increase our costs or reduce sales. As an example, the FDA has proposed changes to the 510(k) process, which is the clearance process for medical devices that are substantially equivalent to other legally-marketed devices. If changes to the 510(k) process are adopted, the time and cost to get many of our medical devices to market could increase; however, at this time, the impact that any changes could have is uncertain. Our failure to maintain approvals or obtain approval for new products could adversely affect our business, results of operations, financial condition and/or liquidity.

The healthcare industry is under scrutiny from state governments and the federal government with respect to industry practices in the area of sales and marketing. If our marketing or sales activities fail to comply with the FDA's regulations or guidelines, or other applicable laws, we may be subject to warnings from the FDA or enforcement actions from the FDA or other enforcement bodies. In the recent past, medical device manufacturers have been the subject of investigations from state and federal prosecutors related to their relationships with doctors and off-label promotion of products, among other activities or practices. See Item 3. "Legal Proceedings" below for a description of a matter relating to the company's brachytherapy business. If an enforcement action involving the company were to occur, it could result in penalties, fines, the exclusion of our products from reimbursement under federally-funded programs and/or prohibitions on our ability to sell our products, and could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

In addition, lawsuits by employees, customers, licensors, licensees, suppliers, business partners, distributors, shareholders or competitors with respect to how we conduct our business could be very costly and could substantially disrupt our business. Disputes from time-to-time with companies or individuals are not uncommon, and we cannot assure you that we will be able to resolve these disputes on terms favorable to us. See Item 3. "Legal Proceedings" below for a description of lawsuits against the company, including the lawsuit entitled *St. Francis Medical Center, et al. v. C. R. Bard, Inc., et al*. The occurrence of an adverse monetary or equitable judgment or a large expenditure in connection with a settlement of any of these matters could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

We are substantially dependent on patent and proprietary rights and incur significant costs defending and protecting these rights. We also may face restrictions or additional costs in connection with the sale of our products.

We operate in an industry characterized by extensive patent litigation. Patent litigation is generally expensive, complex and can result in significant damage awards (treble damages under certain circumstances), injunctions that could prevent the manufacture and sale of affected products, settlement payments or royalty payments to enable us to continue selling the products. At any given time, we are generally involved as either a plaintiff or a defendant in a number of patent infringement actions, the outcomes of which may not be known for prolonged periods of time. While it is not possible to predict the outcome of patent litigation incident to our business, we believe that an adverse outcome associated with any pending litigation could generally have a material adverse effect on our business and/or results of operations.

We rely on a combination of patents, trade secrets and nondisclosure agreements to protect our proprietary intellectual property and will continue to do so. Although these patents, trade secrets and nondisclosure agreements may not successfully protect our intellectual property, we intend to defend against threats to our intellectual property. Our pending patent applications may not result in patents issuing to us, and patents issued to or licensed by us in the past or in the future may be challenged, invalidated or circumvented and these patents may not be sufficiently broad to provide us with a competitive advantage. In addition, we operate in foreign markets where protection or enforcement of intellectual property rights may be weaker than in the United States, and inadequate patent protection in those markets may adversely affect our competitive position. Third parties could also obtain patents that may require us to negotiate licenses to conduct our business, and we cannot assure you that the required licenses would be available on reasonable terms or at all. Any inability to protect our intellectual property or obtain necessary licenses could have a material adverse effect on our business and/or results of operations. For more information, see Item 3. “Legal Proceedings.”

Our international sales and operations are subject to risks and uncertainties that vary by country and which could have a material adverse effect on our business and/or results of operations.

Sales outside the U.S. accounted for approximately 31% of our net sales in 2010. We anticipate that sales from international operations will continue to represent a significant portion of our total sales. In addition, many of our manufacturing facilities and suppliers are located outside of the United States. As a result, our sales and profitability from our international operations and our ability to implement our overall business strategy are subject to risks and uncertainties that can vary by country, including those related to political and economic conditions, foreign currency exchange rate fluctuations, changes in tax laws, regulatory and reimbursement programs and policies, and the protection of intellectual property rights.

The adoption of healthcare reform in the United States may adversely affect our business, results of operations and/or financial condition.

In March 2010, significant reforms to the U.S. healthcare system were adopted in the form of the Patient Protection and Affordable Care Act (the “PPACA”). The PPACA includes provisions that, among other things, reduce and/or limit Medicare reimbursement, require all individuals to have health insurance (with limited exceptions) and impose new and/or increased taxes. Specifically, the law requires the medical device industry to subsidize healthcare reform in the form of a 2.3% excise tax on U.S. sales of most medical devices beginning in 2013. While we are still evaluating the impact of this tax on our overall business, in 2010 this would have equated to an excise tax of approximately $43 million. Various healthcare reform proposals have also emerged at the state level. The PPACA and these proposals could reduce medical procedure volumes and impact the demand for our products or the prices at which the company sells its products. In addition, the excise tax will increase our cost of doing business. The impact of the PPACA and these proposals could have a material adverse effect on our business and/or results of operations.

Current economic instability could adversely affect the company.

Financial markets and the economies in the United States and internationally may continue to experience disruption and volatility as they have in recent years and conditions could worsen. As a result, the economic environment may, among other things:

- create downward pressure on the pricing of our products;

- affect the collection of accounts receivable;
- increase the sales cycle for certain of our products;
- slow the adoption of new technology;
- adversely affect our customers, causing them to reduce spending; and
- adversely affect our suppliers, which could disrupt our ability to produce our products.

Any of these conditions could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The executive offices of the company are located in Murray Hill, New Jersey. Domestic manufacturing and development units are located in Arizona, California, Georgia, Illinois, Massachusetts, Montana, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, South Carolina and Utah. Sales offices are in many of these locations as well as others. Outside the United States, the company has plants or offices in Austria, Australia, Belgium, Brazil, Canada, China, the Czech Republic, Denmark, Finland, France, Germany, Greece, India, Ireland, Italy, Jordan, Korea, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan and the United Kingdom.

The company owns approximately 2.4 million square feet of space in 16 locations and leases approximately 1.3 million square feet of space in 56 locations. All of these facilities are well-maintained and suitable for the operations conducted in them.

Item 3. Legal Proceedings

General

In the ordinary course of business, the company is subject to various legal proceedings and claims, including, for example, product liability matters, environmental matters, employment disputes, disputes on agreements and other commercial disputes. In addition, the company operates in an industry susceptible to significant patent legal claims. At any given time, in the ordinary course of business, the company is involved as either a plaintiff or defendant in a number of patent infringement actions. If a third party's patent infringement claim were to be determined against the company, the company might be required to make significant royalty or other payments or might be subject to an injunction or other limitation on its ability to manufacture or distribute one or more products. If a patent owned by or licensed to the company were to be determined to be invalid or unenforceable, the company might be required to reduce the value of the patent on the company's balance sheet and to record a corresponding charge, which could be significant in amount. The company believes that any of these proceedings and claims could have a material adverse effect on its business, results of operations, financial condition and/or liquidity.

Product Liability Matters

As of February 17, 2011, approximately 1,840 federal and 1,625 state lawsuits involving individual claims by approximately 3,580 plaintiffs, as well as two putative class actions in the United States and four putative class actions in various Canadian provinces, have been filed or asserted against the company with respect to its Composix® Kugel® and certain other hernia repair implant products (collectively, the "Hernia Product Claims"). One of the U.S. class action lawsuits consolidates ten previously-filed U.S. class action lawsuits. The putative class actions, none of which has been certified, seek (i) medical monitoring, (ii) compensatory damages,

(iii) punitive damages, (iv) a judicial finding of defect and causation and/or (v) attorneys' fees. Approximately 1,600 of the state lawsuits, involving individual claims by a substantially equivalent number of plaintiffs, are pending in the Superior Court of the State of Rhode Island, with the remainder in various other jurisdictions. The Hernia Product Claims also generally seek damages for personal injury resulting from use of the products. The company voluntarily recalled certain sizes and lots of the Composix® Kugel® products beginning in December 2005.

On June 22, 2007, the Judicial Panel on Multidistrict Litigation transferred Composix® Kugel® lawsuits pending in federal courts nationwide into one Multidistrict Litigation ("MDL") for coordinated pre-trial proceedings in the United States District Court for the District of Rhode Island. The MDL court subsequently determined to include other hernia repair products of the company in the MDL proceeding. The first MDL trial was completed in April 2010 and resulted in a judgment for the company based on the jury's finding that the company was not liable for the plaintiff's damages. The second MDL trial was completed in August 2010 and resulted in a judgment for the plaintiffs of $1.5 million. The company expects additional trials of Hernia Product Claims to take place over the next 12 months. While the company intends to vigorously defend the Hernia Product Claims, it expects to participate in court-mandated settlement conferences beginning in March 2011 with respect to certain lawsuits pending in the Superior Court of the State of Rhode Island and, where appropriate, may enter into settlement arrangements with respect to certain of these or other claims. The company cannot give any assurances that the resolution of the Hernia Product Claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity. For more information, see Item 1A. "Risk Factors."

As of February 17, 2011, approximately 120 product liability lawsuits have been filed or asserted against the company in various federal and state jurisdictions alleging personal injuries associated with the use of the company's women's health products, principally its Avaulta® line of pelvic floor reconstruction products (collectively, the "Women's Health Product Claims"). The Women's Health Product Claims generally seek damages for personal injury resulting from use of the products. With respect to certain of these claims, the company believes that one of its suppliers has an obligation to defend and indemnify the company. On October 12, 2010, the Judicial Panel on Multidistrict Litigation transferred the Women's Health Product Claims involving Avaulta® products pending in federal courts nationwide into an MDL for coordinated pre-trial proceedings in the United States District Court for the Southern District of West Virginia. Approximately 60 of the Women's Health Product Claims involving Avaulta® products are pending in federal courts and have been or will be transferred to the MDL, with the remainder of the Women's Health Product Claims in various state or federal courts. While the company intends to vigorously defend the Women's Health Product Claims, it cannot give any assurances that the resolution of these claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

As of February 17, 2011, product liability lawsuits involving individual claims by approximately 30 plaintiffs have been filed or asserted against the company in various federal and state jurisdictions alleging personal injuries associated with the use of the company's vena cava filter products. In addition, a putative class action lawsuit has been filed against the company in California state court on behalf of plaintiffs who are alleged to have no present injury (all lawsuits, collectively, the "Filter Product Claims"). The putative class action, which has not been certified, seeks: (i) medical monitoring; (ii) punitive damages; (iii) a judicial finding of defect and causation; and/or (iv) attorneys' fees. While the company intends to vigorously defend the Filter Product Claims, it cannot give any assurances that the resolution of these claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

In most product liability litigations of this nature, including the Hernia Product Claims, the Women's Health Product Claims and the Filter Product Claims, plaintiffs allege a wide variety of claims, ranging from allegations of serious injury caused by the products to efforts to obtain compensation notwithstanding the absence of any injury. In the majority of these cases, the company has not yet received and reviewed complete information regarding the plaintiffs and their medical conditions, and consequently, is unable to fully evaluate the claims. The company expects that it will receive and review additional information regarding the Hernia Product Claims, the Women's Health Product Claims, the Filter Product Claims and related matters as these cases progress.

The company believes that many settlements and judgments, as well as legal defense costs, relating to product liability matters are or may be covered in whole or in part under its product liability insurance policies with a limited number of insurance carriers. In certain circumstances, insurance carriers reserve their rights with respect to coverage, or contest or deny coverage, as has occurred with respect to certain claims. When this occurs, the company intends to vigorously contest disputes with respect to its insurance coverage and to enforce its rights under the terms of its insurance policies, and accordingly, may record receivables with respect to amounts due under these policies. In connection with the Hernia Product Claims, the company is in dispute with two of its excess insurance carriers relating to an aggregate of $50 million of insurance coverage. Regardless of the outcome of these disputes (including any arbitration proceedings), the company's insurance coverage with respect to the Hernia Product Claims may be fully depleted in the next 12 months. Amounts recovered under the company's product liability insurance policies may be less than the stated coverage limits and may not be adequate to cover damages and/or costs relating to claims. In addition, there is no guarantee that insurers will pay claims or that coverage will otherwise be available.

Other Legal Matters

On November 27, 2006, the company received a subpoena issued by the U.S. Department of Health and Human Services, Office of Inspector General, under the authority of the federal healthcare fraud and false claims statutes. The subpoena seeks documents related to the company's brachytherapy business. The company has responded to the subpoena and is cooperating with the government in this matter. Although the company recently began discussions with federal authorities with respect to a potential resolution of this matter, there can be no assurance that a resolution will be reached or what the terms of any such resolution may be. The company cannot give any assurances that this matter will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

On February 21, 2007, Southeast Missouri Hospital ("Southeast") filed a putative class action complaint on behalf of itself and all others similarly situated against the company and another manufacturer, Tyco International, Inc., which was subsequently dismissed from the action. The complaint was later amended to add St. Francis Medical Center ("St. Francis") as an additional named plaintiff. The action was re-named as *St. Francis Medical Center, et al. v. C. R. Bard, Inc., et al.* (Civil Action No. 1:07-cv-00031, United States District Court, Eastern District of Missouri, Southeastern District) when the court denied Southeast's motion to serve as a class representative and dismissed Southeast from the lawsuit. In September 2008, the court granted St. Francis's motion for class certification and determined the measurement period for any potential damages. St. Francis alleges that the company conspired to exclude competitors from the urological catheter market and that the company sought to maintain market share by engaging in conduct in violation of state and federal antitrust laws. St. Francis seeks injunctive relief and presented an expert report that calculates damages of up to approximately $320 million, a figure that the company believes is unsupported by the facts. The company's expert report establishes that, even assuming a determination adverse to the company, the plaintiffs suffered no damages. In September 2009, the District Court granted the company's summary judgment motion and dismissed with prejudice all counts in this action. St. Francis appealed the Court's decision to the Eighth Circuit Court of Appeals. In August 2010, the Eighth Circuit Court of Appeals affirmed the decision of the District Court. In October 2010, the Eighth Circuit Court of Appeals granted St. Francis's request for a re-hearing of its appeal. The re-hearing is pending. The company intends to defend this matter vigorously. If, however, St. Francis is ultimately successful, any damages awarded under the federal antitrust laws will be subject to statutory trebling and St. Francis's attorneys would be entitled to an award of reasonable fees and costs. At this time, it is not possible to assess the likelihood of an adverse outcome or determine an estimate, or a range of estimates, of potential damages. The company cannot give any assurances that this matter will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

In December 2007, a U.S. District Court jury in Arizona found that certain of W.L. Gore & Associates Inc.'s ("Gore") ePTFE vascular grafts and stent-grafts infringe the company's patent number 6,436,135. The jury upheld the validity of the patent and awarded the company $185 million in past damages. The jury also found

that Gore willfully infringed the patent. In a second phase of the trial, the Court ruled that Gore failed to prove that the patent is unenforceable due to inequitable conduct. In March 2009, the U.S. District Court doubled the jury award to approximately $371 million for damages through June 2007. The Court also awarded the company attorneys' fees of $19 million and prejudgment interest of approximately $20 million. In addition, the Court denied Gore's remaining motions, including its motions for a new trial and to set aside the jury's verdict. In July 2010, the U.S. District Court awarded the company approximately $109 million in additional damages for the period from July 2007 through March 2009. The Court also assessed a royalty rate of between 12.5% and 20%, depending on the product, that will be used to calculate damages for Gore's infringing sales from April 2009 through the expiration of the patent. Gore has deposited with the Court an additional approximately $200 million, representing Gore's calculation of royalties for its infringing sales through December 2010. Gore has appealed this matter to the Court of Appeals for the Federal Circuit.

The company is subject to numerous federal, state, local and foreign environmental protection laws governing, among other things, the generation, storage, use and transportation of hazardous materials and emissions or discharges into the ground, air or water. The company is or may become a party to proceedings brought under various federal laws including the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), commonly known as Superfund, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and similar state laws. These proceedings seek to require the owners or operators of contaminated sites, transporters of hazardous materials to the sites and generators of hazardous materials disposed of at the sites to clean up the sites or to reimburse the government for cleanup costs. In most cases, there are other potentially responsible parties that may be liable for any remediation costs. In these cases, the government alleges that the defendants are jointly and severally liable for the cleanup costs; however, these proceedings are frequently resolved so that the allocation of cleanup costs among the parties more closely reflects the relative contributions of the parties to the site contamination. The company's potential liability varies greatly from site to site. For some sites, the potential liability is de minimis and for others the costs of cleanup have not yet been determined. The company believes that the proceedings and claims described above will likely be resolved over an extended period of time. While it is not feasible to predict the outcome of these proceedings, based upon the company's experience, current information and applicable law, the company does not expect these proceedings to have a material adverse effect on its financial condition and/or liquidity. However, one or more of the proceedings could be material to the company's business and/or results of operations.

Item 4. [Removed and Reserved]

Not applicable.

Executive Officers of the Registrant

Set forth below is the name, age, position, five-year business history and other information with respect to each executive officer of the company as of February 24, 2011. No family relationships exist among the officers or Board of Directors of the company. The Board of Directors elects all officers of the company annually.

Name	Age	Position
Timothy M. Ring	53	Chairman and Chief Executive Officer and Director
John H. Weiland	55	President and Chief Operating Officer and Director
Todd C. Schermerhorn	50	Senior Vice President and Chief Financial Officer
Sharon M. Alterio	48	Group Vice President
Jim C. Beasley	47	Group Vice President
Timothy P. Collins	50	Group Vice President
Brian P. Kelly	52	Group Vice President
John A. DeFord	49	Senior Vice President-Science, Technology and Clinical Affairs
Gary D. Dolch	63	Senior Vice President-Quality, Regulatory and Medical Affairs
Bronwen K. Kelly	58	Vice President-Human Resources
Stephen J. Long	45	Vice President, General Counsel and Secretary
Frank Lupisella Jr.	50	Vice President and Controller

Timothy M. Ring joined Bard in 1992 as Vice President, Human Resources after 10 years with Abbott Laboratories, Inc. In 1993, Mr. Ring was promoted to Group Vice President, International Operations. He later assumed responsibility for Bard's Interventional Cardiology and Electrophysiology Divisions, as well as Bard's Cardiac Assist and Cardiopulmonary Divisions. In 1997, Mr. Ring was promoted to Group President for Coronary Vascular Products. In 1999, he was named Group President with oversight for Bard's Corporate Healthcare Services, Peripheral Vascular, Access Systems and Electrophysiology Divisions, as well as Bard's businesses in Europe, the Middle East and Africa. Mr. Ring was elected Chairman and Chief Executive Officer in 2003.

John H. Weiland joined Bard in 1996 as Group Vice President. He was promoted to Group President in 1997. From 1997 until 2003, Mr. Weiland had numerous responsibilities including for Bard's Davol, Urological, Medical and Endoscopic Technologies Divisions, as well as responsibility for Bard's businesses in Japan, Latin and Central America, Canada and Asia Pacific, and for Bard's worldwide manufacturing operations. Mr. Weiland previously served as Senior Vice President of North American Operations for Dentsply International, President and Chief Executive Officer of Pharmacia Diagnostics, Inc. and was with American Hospital Supply and Baxter Healthcare. He served one year as a White House Fellow in the role of Special Assistant to the Director of the Office of Management and Budget as well as Special Assistant to the Secretary of Interior. Mr. Weiland was elected to the position of President and Chief Operating Officer in 2003 and to the Board of Directors in 2005.

Todd C. Schermerhorn joined Bard in 1985 as a cost analyst and has held various financial positions including Controller of the Vascular Systems Division and Vice President and Controller of the USCI division. In 1996, Mr. Schermerhorn was promoted to Vice President and Group Controller for Bard's Global Cardiology Unit. He was promoted to Vice President and Treasurer in 1998. Mr. Schermerhorn was elected to the position of Senior Vice President and Chief Financial Officer in 2003.

Sharon M. Alterio joined Bard in 2004 as President of Bard Medical Division. In January 2009, Ms. Alterio was promoted to Group Vice President with responsibility for Bard's international businesses. Prior to joining Bard, Ms. Alterio held positions at Baxter Healthcare including Vice President, Global Therapeutic Marketing for its Renal Division.

Jim C. Beasley joined Bard in 1989 as a territory sales manager for Bard Interventional Products. He has held a succession of management positions including President of Bard Access Systems division from 2003 to 2007 and President of Bard Peripheral Vascular division since 2007. In May 2009, Mr. Beasley was promoted to Group Vice President and assumed responsibility for both divisions.

Timothy P. Collins joined Bard in 1986 as a facilities planner with the USCI Division. Over the next 12 years, he held positions of increasing responsibility including Director of Operations for Diagnostic Cardiology. Concurrent with the sale of Bard's cardiology business, Mr. Collins joined Medtronic Vascular in 1998 as Vice President/Business Unit Manager in Medtronic/AVE and was later appointed Vice President, Global Operations, Vascular. In 2003, Mr. Collins returned to Bard as President of the Bard Electrophysiology Division. In March 2008, Mr. Collins was promoted to Group Vice President responsible for worldwide manufacturing operations. In November 2008, Mr. Collins also assumed responsibility for the Electrophysiology Division.

Brian P. Kelly joined Bard in 1983 as a territory sales manager for the Davol division. He has held a succession of management positions including Vice President of Sales for Bard Access Systems and in 1997 became President of the Davol division. Mr. Kelly was promoted to Group Vice President in 2003 with responsibility for Bard's Davol, Urological and Electrophysiology divisions. In November 2008, Mr. Kelly changed positions and assumed responsibility for Corporate Healthcare Services.

John A. DeFord, Ph.D., joined Bard in 2004 as Vice President, Science & Technology after serving as Managing Director with Early Stage Partners, LLP (ESP), a venture capital fund, from 2002 until 2004. Before

joining ESP he was President and CEO of Cook Incorporated, a privately-held medical device company. He was promoted to Senior Vice President-Science, Technology & Clinical Affairs in 2007.

Gary D. Dolch joined Bard in 2008 as Senior Vice President-Quality, Regulatory and Medical Affairs. Prior to joining Bard, he was with Cardinal Health as Executive Vice President, Quality, Regulatory, and Operational Excellence since 2003. Previously, Mr. Dolch held executive positions with Knoll Pharmaceutical Co. division of BASF and the American Red Cross.

Bronwen K. Kelly joined Bard in 2002 as Vice President-Human Resources. Prior to joining Bard, she was with American Home Products as Vice President, Human Resources for the Global Agricultural Products Group. Previously, Ms. Kelly held positions with American Cyanamid Company, including Director, Human Resources for the Cyanamid International, Agricultural Products and Shulton USA divisions.

Stephen J. Long joined Bard in 2000 as Associate General Counsel. In February 2007, he was promoted to Vice President, General Counsel and Secretary. Prior to joining Bard, he was most recently Assistant General Counsel with Warner-Lambert Company from 1998 until it was acquired by Pfizer Inc. in 2000. From 1994 until 1998, Mr. Long was an associate with Willkie Farr & Gallagher in New York.

Frank Lupisella Jr. joined Bard in 1987 and has served in various capacities in the finance organization of the company. Mr. Lupisella served as Vice President and Controller of the Davol division from 1999 until 2005 when he was promoted to Assistant Corporate Controller, Manufacturing Operations. In 2006, he was elected to his present position of Vice President and Controller of the company.

PART II

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

Market and Market Prices of Common Stock

The company's common stock is traded on the New York Stock Exchange under the symbol BCR. The following table illustrates the high and low composite sale prices as reported on the New York Stock Exchange for each quarter during the last two years.

2010	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
High	$87.10	$90.00	$82.20	$95.72
Low	$77.85	$77.31	$75.16	$80.82
2009	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
High	$88.43	$80.94	$82.98	$85.49
Low	$70.00	$68.94	$70.10	$73.99

Title of Class	**Number of record holders of the company's common stock as of January 31, 2011**
Common Stock - $.25 par value	4,048

Dividends

The company paid cash dividends of $66.9 million, or $0.70 per share, in 2010 and $65.4 million, or $0.66 per share, in 2009. The following table illustrates the dividends paid per share in each of the indicated quarters.

	1st Qtr	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**Year**
2010	$0.17	$0.17	$0.18	$0.18	$0.70
2009	$0.16	$0.16	$0.17	$0.17	$0.66

The first quarter 2011 dividend of $0.18 per share was declared on December 8, 2010 and was paid on February 4, 2011 to shareholders of record on January 24, 2011.

Issuer Purchases of Equity Securities

	Issuer Purchases of Equity Securities			
	Total Number of Shares Purchased[1][2][3]	**Average Price Paid Per Share**	**Total Number of Shares Purchased as Part of Publicly Announced Programs[2][3]**	**Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under Plans or Programs[2][3]**
October 1 - October 31, 2010	215,486	$82.92	212,300	$487,184,378
November 1 - November 30, 2010	120	85.41	—	487,184,378
December 1 - December 31, 2010	8,101,809	92.59	8,100,000	487,184,378
Total	8,317,415	$92.34	8,312,300	$487,184,378

(1) The company repurchased 5,115 shares during the three month period ended December 31, 2010 that were not part of the publicly announced share repurchase authorization. These shares were purchased from employees to satisfy tax withholding requirements on the vesting of restricted shares from equity-based awards.

(2) On June 9, 2010, the Board of Directors approved the repurchase of up to $500 million of the common stock of the company.

(3) On December 15, 2010, the company entered into an agreement with a bank to effect an accelerated repurchase of $750 million of shares of the common stock of the company. The shares are being repurchased pursuant to an additional share repurchase authorization approved by the Board of Directors on December 8, 2010. The company received 8.1 million shares upon initial settlement under an accelerated share repurchase transaction. The total number of shares ultimately repurchased upon final settlement is subject to an adjustment based on the volume-weighted average share price of the company's common stock during a predetermined period of less than one year, less a discount.

Item 6. Selected Financial Data

Set forth below is selected financial data as of the end of and for each of the years ended December 31.

	2010	2009	2008	2007	2006
(dollars and shares in thousands except per share amounts)					
Income Statement Data					
Net sales	$2,720,200	$2,534,900	$2,452,100	$2,202,000	$1,979,600
Income from continuing operations attributable to common shareholders	509,200	460,100	416,500	406,400	314,500
Net income attributable to common shareholders	509,200	460,100	416,500	406,400	272,100
Balance Sheet Data					
Total assets	$3,171,500	$2,906,900	$2,665,700	$2,475,500	$2,277,200
Working capital	1,131,600	1,210,100	1,081,100	960,300	844,600
Long-term debt[(A)]	896,900	149,800	149,800	149,800	150,600
Total debt[(A)]	977,400	149,800	149,800	150,600	150,600
Shareholders' investment[(A)]	1,631,500	2,205,900	1,988,200	1,856,200	1,704,100
Common Stock Data					
Basic earnings per share – Income from continuing operations attributable to common shareholders[(A)]	$ 5.39	$ 4.66	$ 4.13	$ 3.91	$ 3.01
Diluted earnings per share – Income from continuing operations attributable to common shareholders[(A)]	5.32	4.60	4.05	3.82	2.93
Cash dividends paid per share	0.70	0.66	0.62	0.58	0.54
Shareholders' investment per share[(A)]	17.47	22.58	19.98	18.07	16.46
Weighted average common shares outstanding[(A)]	93,400	97,700	99,500	102,700	103,500
Shareholders of record	4,061	4,199	4,397	4,540	4,726
Supplementary Data					
Return on shareholders' investment[(A)]	26.5%	21.9%	21.7%	22.8%	16.8%
Net income attributable to common shareholders/net sales	18.7%	18.2%	17.0%	18.5%	13.7%
Days – accounts receivable	57.8	58.8	55.9	55.9	57.8
Days – inventory	109.0	110.9	104.3	102.1	105.6
Total debt/total capitalization[(A)]	37.5%	6.4%	7.0%	7.5%	8.1%
Interest expense[(A)]	$ 12,700	$ 11,800	$ 12,100	$ 11,900	$ 16,900
Research and development expense	185,400	179,600	199,100	135,800	144,900
Number of employees	11,700	11,000	11,000	10,200	9,400
Net sales per employee	$ 232.5	$ 230.4	$ 222.9	$ 215.9	$ 210.6
Net income attributable to common shareholders per employee	43.5	41.8	37.9	39.8	28.9

[(A)] Amounts for 2010 include the impact of the debt offering and accelerated share repurchase. See Note 9 of the notes to the consolidated financial statements.

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

Executive Overview

The company designs, manufacturers, packages, distributes and sells medical, surgical, diagnostic and patient care devices. The company sells a broad range of products to hospitals, individual healthcare professionals, extended care health facilities and alternate site facilities on a global basis. Outside the United States, Europe and Japan are the company's largest markets, while certain emerging markets in Asia and Latin America are the company's fastest growing markets. In general, the company's products are intended to be used once and then discarded or implanted either temporarily or permanently. The company reports sales in four major product group categories: vascular, urology, oncology and surgical specialties. The company also has a product group of other products.

The company's earnings are driven by its ability to continue to generate sales of its products and improve operating efficiency. Bard's ability to increase sales over time depends upon its success in developing, acquiring and marketing differentiated products that meet the needs of clinicians and their patients. In 2010, the company's research and development ("R&D") expense, excluding purchased R&D, as a percentage of net sales was 6.7%. The company expects R&D expense as a percentage of net sales to continue to increase up to a range of 9% to 10% over the course of the next several years. The company also makes selective acquisitions of businesses, products and technologies, generally focusing on small-to-medium sized transactions to provide ongoing growth opportunities. In addition, the company may from time-to-time consider acquisitions of larger, established companies. The company may also periodically divest lines of business in which it is not able to reasonably attain or maintain a leadership position in the market or for other strategic reasons. The company spent $303.9 million in 2010, including purchased R&D, for the acquisition of businesses, products and technologies.

Acquisitions and Other Initiatives

On July 6, 2010, the company acquired all of the outstanding stock of SenoRx, Inc. ("SenoRx") for a purchase price of $11.00 per share in cash, totaling $213.5 million. SenoRx was a public company engaged in the manufacture and sale of minimally-invasive medical devices used in the percutaneous diagnosis and treatment of breast cancer. SenoRx's products expand Bard's existing biopsy product portfolio to include the EnCor® stereotactic-guided and MRI-guided breast biopsy systems, the Gel Mark® line of breast tissue markers and the Contura® brachytherapy catheter used in the treatment of breast cancer. Substantially all of the purchase price for the acquisition was funded through the issuance of commercial paper.

On May 20, 2010, the company, through its wholly-owned subsidiary, Bard Holdings Limited, acquired the remaining 15% of the common shares that it did not already own of its Malaysian manufacturing operation, Bard Sendirian Berhad, for $25.9 million.

On April 12, 2010, the company acquired all of the outstanding stock of FlowCardia, Inc. ("FlowCardia"), a privately-held company engaged in the design and manufacture of endovascular products used in the treatment of chronic total occlusions ("CTOs"), for total consideration of $80.1 million. FlowCardia's products complement Bard's percutaneous transluminal angioplasty products and peripheral stents. FlowCardia's Crosser® product line of clinically-proven catheters deliver vibrational energy, enabling physicians to cross CTOs and allow for subsequent therapies, such as balloon angioplasty, stent implantation and atherectomy.

For more information on acquisitions, see Note 2 of the notes to consolidated financial statements.

On December 20, 2010, the company issued $750 million of senior unsecured notes consisting of $250 million aggregate principal amount of 2.875% notes due 2016 and $500 million aggregate principal amount of 4.40% notes due 2021. Net proceeds from this offering were $740.0 million, after deducting debt offering costs, consisting of underwriting commissions and offering expenses, and a debt issuance discount. Net proceeds from the issuance of the notes were used to fund an accelerated share repurchase ("ASR") transaction.

In connection with the offering of the notes, on December 15, 2010, the company entered into an ASR agreement with a bank to repurchase $750 million of the company's common stock. The company received 8.1 million shares upon initial settlement under the ASR transaction. The total number of shares to be ultimately repurchased upon final settlement is subject to an adjustment based on the volume-weighted average share price of the company's common stock during a predetermined period of less than one year, less a discount.

For more information on the issuance of the notes and the ASR, see Note 9 of the notes to consolidated financial statements.

On December 9, 2010, the company committed to a plan (the "2010 Restructuring Plan") to improve its overall cost structure and enhance operational effectiveness. The 2010 Restructuring Plan includes the realignment of certain manufacturing, sales and marketing, and administrative functions. In connection with this plan, the company recorded employee separation costs under the company's existing severance programs and other costs related to one-time employee termination benefits of $16.7 million ($11.4 million after tax). Substantially all of these costs are expected to be cash expenditures. The company expects the 2010 Restructuring Plan to result in pre-tax costs savings of approximately $19 million on an annual basis. See Note 3 of the notes to consolidated financial statements.

Results of Operations

Net Sales

Bard's 2010 consolidated net sales increased 7% on both a reported basis and a constant currency basis over 2009 consolidated net sales. Bard's 2009 consolidated net sales increased 3% on a reported basis (6% on a constant currency basis) over 2008 consolidated net sales. Net sales "on a constant currency basis" is a non-GAAP measure and should not be viewed as a replacement of GAAP results. See "Management's Use of Non-GAAP Measures" below. Price changes had the effect of decreasing consolidated net sales by approximately 30 basis points and 10 basis points for 2010 and 2009, respectively, compared to the prior years. The primary exchange rate movement that impacts net sales is the movement of the Euro compared to the U.S. dollar. The impact of exchange rate movements on net sales is not indicative of the impact on net earnings due to the offsetting impact of exchange rate movements on operating costs and expenses, costs incurred in other currencies and the company's hedging activities.

Bard's 2010 United States net sales of $1,889.0 million increased 7% compared to $1,759.2 million in 2009. Bard's 2010 international net sales of $831.2 million increased 7% on a reported basis (6% on a constant currency basis) compared to $775.7 million in 2009. Bard's 2009 United States net sales increased 6% compared to $1,661.3 million in 2008. Bard's 2009 international net sales decreased 2% on a reported basis (increased 5% on a constant currency basis) compared to $790.8 million in 2008.

Presented below is a summary of consolidated net sales by disease state.

Product Group Summary of Net Sales

	For the Years Ended December 31,						
(dollars in millions)	2010	2009	Change	Constant Currency	2008	Change	Constant Currency
Vascular	$ 755.9	$ 681.5	11%	11%	$ 643.1	6%	9%
Urology	718.1	700.3	3%	2%	708.5	(1)%	1%
Oncology	724.8	678.7	7%	6%	646.6	5%	7%
Surgical Specialties	434.6	387.8	12%	12%	368.2	5%	7%
Other	86.8	86.6	—	—	85.7	1%	4%
Total net sales	$2,720.2	$2,534.9	7%	7%	$2,452.1	3%	6%

Vascular Products - Bard markets a wide range of products for the peripheral vascular market, including endovascular products, electrophysiology products and vascular graft products. The increase in consolidated net sales of vascular products in 2010 compared to the prior year was due primarily to growth in endovascular products. United States net sales of vascular products in 2010 increased 14% compared to the prior year. International net sales in 2010 increased 7% on a reported basis (8% on a constant currency basis) compared to the prior year. The increase in consolidated net sales of vascular products in 2009 compared to the prior year was due to growth in endovascular products, partially offset by a decline in electrophysiology and vascular graft products. United States net sales in 2009 increased 12% compared to the prior year. International net sales in 2009 decreased 1% on a reported basis (increased 6% on a constant currency basis) compared to the prior year.

Consolidated net sales of endovascular products in 2010 increased 16% on both a reported basis and constant currency basis compared to the prior year (including 5% growth, on both a reported and constant currency basis, from the addition of the recently acquired SenoRx biopsy products). Consolidated net sales of endovascular products in 2009 increased 12% on a reported basis (15% on a constant currency basis) compared to the prior year. Growth in 2009 was favorably impacted by the Pre-Market Approval in February 2009 for the use of LifeStent® in the superficial femoral artery and proximal popliteal artery. Percutaneous transluminal angioplasty balloon catheters, stents and biopsy products were the primary contributors to the growth in this category in both 2010 and 2009.

Consolidated net sales in 2010 of electrophysiology products increased 2% on both a reported basis and a constant currency basis compared to the prior year. Electrophysiology laboratory systems and steerable diagnostic catheters contributed to the increase in 2010. Consolidated net sales of electrophysiology products in 2009 decreased 3% on a reported basis (increased 1% on a constant currency basis) compared to the prior year. Growth in the steerable diagnostic catheter and atrial fibrillation catheter lines was primarily offset by a decline in the conventional diagnostic catheter line in 2009.

Consolidated net sales in 2010 of vascular graft products decreased 4% on a reported basis (3% on a constant currency basis) compared to the prior year. Consolidated net sales of vascular graft products in 2009 decreased 6% on a reported basis (2% on a constant currency basis) compared to the prior year. Declining sales in peripheral vascular grafts were the primary drivers of both 2010 and 2009 results.

Urology Products - Bard markets a wide range of products for the urology market, including basic drainage products, continence products and urological specialty products. Bard also markets StatLock® catheter stabilization products, which are used to secure many types of catheters sold by Bard and other companies. The majority of basic drainage products, StatLock® catheter stabilization devices and certain urological specialty products are sold through distributors. The increase in consolidated net sales of urology products in 2010 compared to the prior year was led by growth in sales of StatLock® products and basic drainage products. Net sales growth in urology products in 2010 was favorably impacted by inventory reductions made by U.S. distributors during 2009. United States net sales in 2010 increased 2% compared to the prior year. International net sales in 2010 increased 4% on a reported basis (2% on a constant currency basis) compared to the prior year. The decrease in consolidated net sales of urology products in 2009 compared to the prior year was due to declines in continence and urological specialty products. During 2009, U.S. distributors reduced their inventory of the company's products in this category, which also contributed to the decrease in net sales. United States net sales in 2009 decreased 2% compared to the prior year. International net sales in 2009 were flat on a reported basis (increased 8% on a constant currency basis) compared to the prior year.

Consolidated net sales of basic drainage products in 2010 increased 2% on both a reported basis and a constant currency basis compared to the prior year. Consolidated net sales of basic drainage products in 2009 were flat on a reported basis (increased 2% on a constant currency basis) compared to the prior year. Sales of basic drainage products in 2009 were impacted by inventory reductions made by U.S. distributors. Consolidated net sales of infection control Foley catheter products declined 1% in 2010 on both a reported and constant currency basis compared to the prior year. Consolidated net sales of infection control Foley catheter products in 2009 grew 1% on a reported basis (2% on a constant currency basis) compared to the prior year.

Consolidated net sales of urological specialty products in 2010 decreased 3% on a reported basis (4% on a constant currency basis) compared to the prior year. Consolidated net sales of urological specialty products in 2009 decreased 10% on a reported basis (9% on a constant currency basis) compared to the prior year. The decrease in 2010 and 2009 was primarily driven by a decline in brachytherapy sales. The brachytherapy market has been losing procedural share to alternative therapies, a trend that may continue.

Consolidated net sales of continence products in 2010 decreased 5% on both a reported basis and a constant currency basis compared to the prior year. Consolidated net sales of continence products in 2009 decreased 3% on a reported basis (increased 1% on a constant currency basis) compared to the prior year. Net sales in both 2010 and 2009 were impacted by a decline in sales of surgical continence products, a trend that may continue, partially offset by sales growth in fecal management products.

Consolidated net sales of the StatLock® catheter stabilization product line in 2010 increased 19% on a reported basis (18% on a constant currency basis) compared to the prior year. Net sales growth of the StatLock® product line in 2010 was favorably impacted by inventory reductions made by U.S. distributors during 2009. Consolidated net sales of the StatLock® catheter stabilization product line in 2009 increased 8% on a reported basis (9% on a constant currency basis) compared to the prior year. Sales of StatLock® devices in 2009 were unfavorably impacted by the inventory reductions made by U.S. distributors.

Oncology Products - Bard's oncology business includes specialty vascular access products and enteral feeding devices. Specialty vascular access products include peripherally inserted central catheters ("PICCs") used for intermediate to long-term central venous access, specialty access ports and accessories ("Ports") used most commonly for chemotherapy, dialysis access catheters, and vascular access ultrasound devices which help facilitate the placement of PICCs.

The increase in consolidated net sales of oncology products in 2010 compared to the prior year was due primarily to growth in net sales of PICCs and Ports. Dialysis access catheters and vascular access ultrasound devices also contributed to growth in 2010 net sales. United States net sales of oncology products in 2010 increased 5% compared to the prior year. International net sales in 2010 increased 11% on a reported basis (8% on a constant currency basis) compared to the prior year. The increase in consolidated net sales of oncology products in 2009 compared to the prior year was due primarily to growth in net sales of PICCs and Ports. United States net sales of oncology products in 2009 increased 7% compared to the prior year. International net sales in 2009 were flat on a reported basis (increased 6% on a constant currency basis) compared to the prior year.

Consolidated net sales of PICCs in 2010 increased 8% on both a reported basis and a constant currency basis compared to the prior year. Consolidated net sales of Ports in 2010 increased 6% on both a reported basis and constant currency basis compared to the prior year. Consolidated net sales of PICCs in 2009 increased 9% on a reported basis (10% on a constant currency basis) compared to the prior year. Consolidated net sales of Ports in 2009 increased 8% on a reported basis (9% on a constant currency basis) compared to the prior year.

Consolidated net sales of dialysis access catheters in 2010 increased 10% on a reported basis (9% on a constant currency basis) compared to the prior year. Consolidated net sales of vascular access ultrasound devices in 2010 increased 15% on a reported basis (14% on a constant currency basis) compared to the prior year. Consolidated net sales of dialysis access catheters in 2009 decreased 1% on a reported basis (increased 1% on a constant currency basis) compared to the prior year. Consolidated net sales of vascular access ultrasound devices in 2009 decreased 9% on a reported basis (8% on a constant currency basis) compared to the prior year.

Surgical Specialty Products - Surgical specialty products include soft tissue repair, performance irrigation and hemostasis product lines. United States net sales in 2010 increased 14% compared to the prior year. International net sales in 2010 increased 6% on a reported basis (5% on a constant currency basis) compared to the prior year. The increase in consolidated net sales of surgical specialty products in each of 2010 and 2009 compared to the prior year was due to growth in soft tissue repair products. United States net sales in 2009 increased 11% compared to the prior year. International net sales in 2009 decreased 8% on a reported basis (2% on a constant currency basis) compared to the prior year.

The soft tissue repair product line includes synthetic and natural-tissue hernia repair implants, natural-tissue breast reconstruction implants, and hernia fixation products. Consolidated net sales of soft tissue repair products in 2010 increased 17% on a reported basis (16% on a constant currency basis) compared to the prior year. The company's voluntary recall of its XenMatrix™ product on January 7, 2011 had a minor impact on net sales of soft tissue repair products in 2010. Consolidated net sales of soft tissue repair products in 2009 increased 10% on a reported basis (12% on a constant currency basis) compared to the prior year. Natural-tissue products for both hernia repair and breast reconstruction, and hernia fixation products were the drivers of growth in this category in both 2010 and 2009.

Beginning in December 2005 the company initiated, and later expanded, a voluntary product recall of certain of its Bard® Composix® Kugel® mesh products intended for ventral hernia repair. In connection with the recall, the FDA conducted several inspections of the company's Davol, Inc. subsidiary and issued several Form-483 notices and a Warning Letter, each citing observations generally relating to non-conformances in Davol's quality systems. The company responded to the Form-483 notices and the Warning Letter and, in each case, completed corrective actions to address the observations. In January 2010, the FDA notified the company that the observations relating to its Davol facility contained in the Form-483 notices and the Warning Letter had been satisfactorily resolved and closed out.

In connection with several inspections conducted by the FDA of the company's manufacturing facility located in Humacao, Puerto Rico, the FDA issued a Form-483 notice in February 2008 and a Warning Letter in July 2008, each citing observations generally relating to non-conformances in the facility's quality systems. The company responded to the Form-483 notice and the Warning Letter and, in each case, completed corrective actions to address the observations. In April 2010, the FDA notified the company that the observations relating to the Humacao, Puerto Rico facility contained in the Form-483 notice and the Warning Letter had been satisfactorily resolved and closed out. The facility manufactures products for many of the company's divisions and subsidiaries, including soft tissue repair products for the company's Davol subsidiary.

Other Products - The other product group includes irrigation, wound drainage and certain original equipment manufacturers' products. Consolidated net sales in 2010 of other products were flat on both a reported basis and constant currency basis compared to the prior year. Consolidated net sales in 2009 of other products increased 1% on a reported basis (4% on a constant currency basis) compared to the prior year.

Costs and Expenses

The following is a summary of costs and expenses as a percentage of net sales for the following years ended December 31:

	2010	2009	2008[A]
Cost of goods sold	37.5%	37.8%	38.7%
Marketing, selling and administrative expense	27.9%	26.9%	28.9%
Research and development expense	6.8%	7.1%	8.1%
Interest expense	0.5%	0.5%	0.5%
Other (income) expense, net	0.9%	1.2%	1.2%
Total costs and expenses	73.6%	73.5%	77.5%

[A] Amounts do not add due to rounding.

Cost of goods sold - Cost of goods sold consists principally of the manufacturing and distribution costs of the company's products. The category also includes royalties, amortization of intangible assets and the impact of certain hedging activities. Cost of goods sold as a percentage of net sales for 2010 decreased 30 basis points from the prior year. This reduction was attributed primarily to cost improvements partially offset by the impact of

approximately 50 basis points of incremental amortization of intangible assets acquired in 2009 and 2010. Cost of goods sold as a percentage of net sales for 2009 decreased 90 basis points from the prior year. This reduction was attributed primarily to cost improvements partially offset by the impact of approximately 20 basis points of incremental amortization of intangible assets acquired in 2008 and 2009.

Marketing, selling and administrative expense - Marketing, selling and administrative expense consists principally of the costs associated with the company's sales and administrative organizations. These costs as a percentage of net sales for 2010 increased 100 basis points from the prior year primarily due to higher related costs from the acquired operations of SenoRx and FlowCardia. These costs as a percentage of net sales for 2009 decreased 200 basis points from 2008 primarily due to company wide spending controls, including the impact of the restructuring plan announced in 2009. See Note 3 of the notes to consolidated financial statements.

Research and development expense - Research and development expense consists principally of the costs related to internal research and development activities, milestone payments for third-party research and development activities, and purchased R&D arising from business development activities. Purchased R&D payments may impact the comparability of the company's results of operations between periods. The following table presents a summary of research and development expense for the following years ended December 31:

(dollars in millions)	2010	2009	2008
Research and development	$182.8	$163.5	$149.8
Purchased research and development	2.6	16.1	49.3
Total research and development expense	$185.4	$179.6	$199.1

Research and development expense in 2010 increased approximately 3% compared to the prior year. Research and development expense in 2009 decreased approximately 10% compared to the prior year. Included in research and development expense for 2009 was purchased R&D of $16.1 million primarily associated with the acquisition of technology for laparoscopic hernia repair. The entire purchase price related to this asset acquisition was allocated to purchased R&D in 2009. Included in the research and development expense for 2008 was purchased R&D of $49.3 million primarily associated with the acquisition of the LifeStent® family of stents from Edwards Lifesciences.

Interest expense - Interest expense in 2010 was $12.7 million as compared with 2009 interest expense of $11.8 million and 2008 interest expense of $12.1 million.

Other (income) expense, net - Other (income) expense, net, was $24.6 million, $30.5 million and $29.4 million for 2010, 2009 and 2008, respectively. These amounts include interest income of $3.7 million, $3.6 million and $16.5 million in 2010, 2009 and 2008, respectively. The decrease in 2009 was primarily due to lower global interest rates. Other (income) expense, net, in 2010 also included restructuring costs of $16.7 million and acquisition related integration costs of $9.3 million. Other (income) expense, net, in 2009 also included restructuring costs of $15.4 million, non-cash charges of $7.2 million for asset write-offs, insurance settlements, net, of $7.0 million, and acquisition related contract termination costs of $3.2 million. See Note 13 of the notes to consolidated financial statements.

Income Tax Provision

The company's effective tax rate for 2010 was approximately 29%, compared to approximately 31% in 2009. The effective tax rate for 2010 reflected the tax effect of a $10.4 million benefit associated with certain tax positions being remeasured as a result of new information related to the completion of the U.S. Internal Revenue Service examinations of the tax years 2003 and 2004, reductions of tax positions related to the completion of certain foreign tax examinations, and the expiration of statutes of limitation in certain foreign jurisdictions. The $10.4 million benefit was partially offset by a charge of $5.6 million associated with a cash repatriation of approximately $62 million of earnings from operations in certain foreign jurisdictions as a result of tax legislation enacted in the third quarter. The tax rate in 2010 also reflected the tax effect of acquisition related items (primarily integration and transaction costs, and purchased R&D).

As a result of the retroactive application of the research tax credit under the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010, the income tax provision for the year was reduced by $3.7 million in the fourth quarter of 2010.

The company's effective tax rate for 2009 was approximately 31% compared to approximately 24% in 2008. The tax rate for 2009 reflected the tax effect of the insurance settlements, acquisition related items (primarily purchased R&D) and an increase in the liability for uncertain tax positions resulting from a tax assessment that related to prior periods.

Net Income Attributable to Common Shareholders and Earnings per Share Available to Common Shareholders

The company reported 2010 net income attributable to common shareholders of $509.2 million, an increase of 11% from 2009 net income attributable to common shareholders of $460.1 million. The company reported 2010 diluted earnings per share available to common shareholders of $5.32, an increase of 16% from 2009 diluted earnings per share available to common shareholders of $4.60. Net income attributable to common shareholders in 2010 reflects restructuring costs of $11.4 million, or $0.12 per diluted share, and acquisition related items (primarily integration and transaction costs and purchased R&D) of $16.1 million, or $0.17 per diluted share. The current year also reflects bad debt expense of $3.8 million, or $0.04 per diluted share, related to the write-down of accounts receivable in Greece and a net decrease to the income tax provision of $4.8 million, or $0.05 per diluted share, as a result of the reductions of certain tax positions and the cash repatriation as discussed above.

The company reported 2009 net income attributable to common shareholders of $460.1 million, an increase of 10% from 2008 net income attributable to common shareholders of $416.5 million. The company reported 2009 diluted earnings per share available to common shareholders of $4.60, an increase of 14% from 2008 diluted earnings per share available to common shareholders of $4.05. Net income attributable to common shareholders in 2009 reflected acquisition related items of $16.9 million or $0.17 per diluted share, primarily consisting of purchased R&D charges and contract termination costs, insurance settlements, net, of $13.3 million or $0.13 per diluted share, restructuring costs of $10.2 million, or $0.10 per diluted share, non-cash charges related to asset write-offs of $6.9 million, or $0.07 per diluted share, and an increase in the income tax provision related to an uncertain tax position of $2.1 million, or $0.02 per diluted share.

Liquidity and Capital Resources

The company assesses its liquidity in terms of its ability to generate cash to fund its operating, investing and financing activities. Significant factors affecting the management of liquidity are cash flows generated from operating activities, capital expenditures, acquisitions of businesses and technologies, cash dividends and common stock repurchases. Cash provided from operations continues to be the company's primary source of funds. The company believes it could borrow adequate funds at competitive terms should it be necessary. The company also believes that its overall financial strength gives it sufficient financial flexibility. The table below summarizes liquidity measures for Bard for the following years ended December 31:

(dollars in millions)	2010	2009	2008
Cash and cash equivalents	$ 641.4	$ 674.4	$ 592.1
Working capital	1,131.6	1,210.1	1,081.1
Current ratio	3.85/1	5.30/1	4.96/1

For the years ended December 31, 2010, 2009 and 2008, net cash provided by operating activities was $637.8 million, $619.3 million and $516.2 million respectively. The increase in net cash provided by operating activities in 2010 reflects higher net income, excluding non-cash items, partially offset by higher levels of inventory and the timing of tax payments. The increase in 2009 reflects improvements in accounts receivable and inventories.

During 2010, the company used $355.1 million in cash for investing activities, $165.9 million more than in 2009. During 2009, the company used $189.2 million in cash for investing activities, $37.3 million more than in 2008. Capital expenditures amounted to $51.2 million, $48.1 million and $50.6 million for the years ended December 31, 2010, 2009 and 2008, respectively. The company spent $303.9 million in 2010, $141.1 million in 2009 and $185.2 million in 2008 for the acquisition of businesses, products and technologies to augment existing product lines. Net cash provided by the change in short-term investments, net, which matured in 2008, was $82.1 million.

During 2010, the company used $310.6 million in cash for financing activities, $67.8 million less than in 2009. During 2009, the company used $378.4 million in cash for financing activities, $162.4 million more than in 2008. Total debt was $977.4 million and $149.8 million at December 31, 2010 and December 31, 2009, respectively. The increase in debt reflected the net proceeds of $746.3 million from the issuance of the senior unsecured notes, net of debt issuance discount. Total debt to total capitalization was 37.5%, 6.4% and 7.0% at December 31, 2010, 2009 and 2008, respectively. The company spent approximately $1.1 billion to repurchase 12,025,000 shares of common stock in 2010 compared to $342.2 million to repurchase 4,535,047 shares and $227.0 million to repurchase 2,361,492 shares in 2009 and 2008, respectively. The repurchases of common stock in 2010 include $750.0 million to repurchase 8,100,000 shares upon initial settlement under an accelerated share repurchase agreement with a bank. The company paid cash dividends of $66.9 million, $65.4 million and $62.2 million in 2010, 2009 and 2008, respectively. In 2010, the company purchased the noncontrolling interest in its Malaysian operation for $25.9 million.

The company maintains a committed syndicated bank credit facility with a $400 million five-year credit agreement that expires in June 2012. The credit facility supports the company's commercial paper program and can be used for general corporate purposes. The facility includes pricing based on the company's long-term credit rating and includes a financial covenant that limits the amount of total debt to total capitalization. The company had outstanding commercial paper borrowings of $80.5 million at December 31, 2010. There were no outstanding borrowings or commercial paper borrowings at December 31, 2009.

Contractual Obligations

Payments due under contractual obligations at December 31, 2010, are as follows:

(dollars in millions)	Total	1 Year	2-3 Years	4-5 Years	5+ Years
Forward contracts	$ 130.5	$ 71.4	$ 59.1	$ —	$ —
Short-term borrowings	80.5	80.5	—	—	—
Long-term debt	1,314.0	23.9	71.6	81.6	1,136.9
Operating lease obligations	129.3	22.3	35.7	25.3	46.0
Acquisition and related milestones	22.2	9.9	8.3	4.0	—
Purchase obligations	172.5	139.5	31.0	0.3	1.7
Other long-term liabilities	88.5	12.7	11.0	10.5	54.3
	$1,937.5	$360.2	$216.7	$121.7	$1,238.9

The table above does not include $53.6 million of the total unrecognized tax benefits for uncertain tax positions and $11.4 million of associated accrued interest. Due to the high degree of uncertainty regarding the timing of potential future cash flows, the company is unable to make a reasonable estimate of the amount and period in which these liabilities might be paid.

Forward contracts - Forward contracts obligate the company for the forward purchase of currencies in which the company has known or anticipated sales or payments.

Short-term borrowings - Short-term borrowings consist of commercial paper.

Long-term debt - Long-term debt includes expected principal and interest payments, including the effect of an interest rate swap contract.

Operating lease obligations - The company is committed under noncancelable operating leases involving certain facilities and equipment.

Acquisition and related milestones - The company enters into various acquisition and related arrangements, including business combinations, research and development arrangements, and product and intellectual property acquisitions. In connection with some of these activities, the company agrees to make payments to third parties when milestones are achieved, such as the achievement of research and development targets, receipt of regulatory approvals or achievement of performance or operational targets.

Purchase obligations - The company's business creates a need to enter into commitments with suppliers. These inventory purchase commitments do not exceed the company's projected requirements over the related terms and are in the normal course of business.

Other long-term liabilities - The company estimates required funding obligations related to its pension and postretirement benefit plans and deferred compensation.

Management's Use of Non-GAAP Measures

Net sales "on a constant currency basis" is a non-GAAP measure. The company analyzes net sales on a constant currency basis to better measure the comparability of results between periods. Because changes in foreign currency exchange rates have a non-operating impact on net sales, the company believes that evaluating growth in net sales on a constant currency basis provides an additional and meaningful assessment of net sales to both management and the company's investors. Constant currency growth rates are calculated by translating the prior year's local currency sales by the current period's exchange rate. Constant currency growth rates are not indicative of changes in corresponding cash flows. The limitation of these non-GAAP measures is that they do not reflect results on a standardized reporting basis. Non-GAAP measures are intended to supplement the applicable GAAP disclosures and should not be viewed as a replacement of GAAP results.

Critical Accounting Policies and Estimates

The preparation of financial statements requires the company's management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Critical accounting policies are those that require application of management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. The following is not intended to be a comprehensive list of all of the company's accounting policies. The company's significant accounting policies are more fully described in the company's notes to consolidated financial statements. See Note 1 of the notes to consolidated financial statements. The critical accounting policies described below are areas in which management's judgment in selecting an available alternative might produce a materially different result.

Revenue Recognition - Generally, sales to end-user customers and European distributors are recognized at the point of delivery, and sales to domestic distributors are recognized at the time of shipment. In certain circumstances, end-user customers may require the company to maintain consignment inventory at the customer's location. In the case of consignment inventories, revenues and associated costs are recognized upon the notification of usage by the customer.

Share-Based Compensation - Share-based compensation cost is measured at the grant date based on the fair value of the award. Generally, compensation expense is recognized over the vesting period. In order to determine

the fair value of stock options on the grant date, the company utilizes a binomial model. Inherent in the binomial model are assumptions related to expected stock-price volatility, option life, risk-free interest rate and dividend yield. The expected stock-price volatility is based upon weightings of the historical volatility of the company's stock and the implied volatility from publicly traded options. The company reviews the trading volumes and option life of its publicly traded options in order to determine the appropriate weighting of implied volatility. This approach is used as a predictor of future realized and implied volatilities and is directly related to stock option valuations. With respect to the weighted-average option life assumption, the company considers the exercise behavior of past grants and models the pattern of aggregate exercises. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the grant date with a term equal to the contractual term of the stock option.

As share-based compensation expense is based on awards ultimately expected to vest, the amount of expense has been reduced for estimated forfeitures. The company estimates forfeitures at the time of grant based on historical experience and revises estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Contingencies - The company is subject to various legal proceedings and claims, including, for example, product liability matters, environmental matters, employment disputes, disputes on agreements and other commercial disputes, the outcomes of which are not within the company's complete control and may not be known for extended periods of time. In some cases, the claimants seek damages, as well as other relief, which, if granted, could require significant expenditures. The company records a liability in its consolidated financial statements for damages and/or costs related to claims, settlements and judgments where the company has assessed that the loss is probable and an amount can be reasonably estimated. If the estimate of a probable loss is a range and no amount within the range is more likely, the company accrues the minimum amount of the range. The company records a receivable from its product liability insurance carriers when those recoveries are probable and collectible. Amounts recovered under these policies may be less than the stated coverage limits and may not be adequate to cover damages and/or costs. In addition, there is no guarantee that insurers will pay claims or that coverage will be otherwise available. Legal costs associated with these matters are expensed as incurred. See Note 10 of the notes to consolidated financial statements.

Income Taxes - The company operates in multiple taxing jurisdictions, both within the United States and internationally. The company regularly assesses its tax positions and includes reserves for uncertain tax positions. These positions relate to transfer pricing, the deductibility of certain expenses, intercompany transactions and other matters. Although the outcome of tax audits is uncertain, in management's opinion, adequate provisions for income taxes have been made for potential liabilities resulting from such matters. The recognition and measurement of a tax position is based on the company's best judgment given the facts, circumstances and information available at the reporting date. The reserves are used or reversed once the statutes of limitation have expired or the position is effectively settled. The company believes that the ultimate outcome of these matters will not have a material impact on its financial condition and/or liquidity but may be material to the income tax provision and results of operations.

Allowance for Doubtful Accounts, Customer Rebates and Inventory Writedowns - The company makes estimates of the uncollectibility of the company's accounts receivable, amounts that are rebated to specific customers in accordance with contractual requirements and inventory adjustments to reflect inventory valuation at the lower of cost or market. In estimating the reserves necessary for the allowance for doubtful accounts, management considers historical bad debt trends, customer concentrations, customer creditworthiness and current economic trends. The company establishes an allowance for doubtful accounts for estimated amounts that are uncollectible from customers. In estimating the allowance for customer rebates, management considers the lag time between the point of sale and the payment of the customer's rebate claim, customer specific trend analysis and contractual commitments including the stated rebate rate. The company establishes an allowance for customer rebates and reduces sales for such rebate amounts. In estimating the adjustment for inventory writedowns, management considers product obsolescence, quantity on hand, future demand for the product and other market-related conditions. The company records an adjustment for inventory writedowns when such

conditions cause the inventory market value to be below carrying value. The company records such adjustments to cost of sales in the period in which the condition exists.

It is possible that the underlying factors discussed above for the allowance for doubtful accounts, customer rebates and inventory writedowns could change. Depending on the extent and nature of the change to the underlying factors, the impact to the company's results of operations and financial condition could be material in the period of change.

Acquisitions - On January 1, 2009, the company adopted Financial Accounting Standards Board ("FASB") guidance on accounting for business combinations. This guidance changed the way in which the purchase method is applied in a business combination. The guidance contained significant revisions requiring an acquirer to measure the identifiable assets acquired and liabilities assumed at their fair value, with goodwill being the excess value of consideration paid over the fair value of the net identifiable assets acquired. This guidance also required that acquired in-process research and development be capitalized and recorded as an intangible asset at the acquisition date, that contingent consideration be recorded at fair value at the acquisition date, and that transaction costs are to be expensed. The amount of the purchase price allocated to purchased R&D and other intangible assets is determined by estimating the future cash flows of each project or technology and discounting the net cash flows back to their present values. The discount rate used is determined at the time of the acquisition in accordance with accepted valuation methods. For purchased R&D, these methodologies include consideration of the risk of the project not achieving commercial feasibility. When the company acquires net assets that do not constitute a business under generally accepted accounting principles in the United States, no goodwill is recognized. The judgments made in determining fair value assigned to assets acquired and liabilities assumed, as well as asset lives, can materially impact results of operations.

Impairment of Long-Lived Assets - Goodwill is tested for impairment annually, or more frequently if changes in circumstances or the occurrence of events suggest an impairment exists. Intangible assets other than goodwill and other long-lived assets, such as property, plant and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The company evaluates the recoverability of assets to be held and used by comparing the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Pension Plans - The company sponsors pension plans covering substantially all domestic employees and certain foreign employees who meet eligibility requirements. Several statistical and other factors that attempt to anticipate future events are used in calculating the expense and liability related to the plans. These factors include assumptions about the discount rate, expected return on plan assets and rate of future compensation increases as determined by the company. In addition, the company's actuarial consultants also use subjective factors, such as withdrawal and mortality rates, to estimate these factors. The actuarial assumptions used by the company may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of the participants. A change of plus (minus) 25 basis points in the discount rate assumption, with other assumptions held constant, would have an estimated $0.9 million favorable (unfavorable) impact on the company's net pension cost. A change of plus (minus) 25 basis points in the expected rate of return on plan assets assumption, with other assumptions held constant, would have an estimated $0.7 million favorable (unfavorable) impact on the company's net pension cost.

Risks and Uncertainties; Cautionary Statement Regarding Forward-Looking Information

Certain statements contained herein or in other company documents and certain statements that may be made by management of the company orally may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project,"

"intend," "forecast," "plan," "believe" and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to product approvals, future performance of current and anticipated products, sales efforts, expenses, the outcome of contingencies, such as legal proceedings, and financial results. The company's forward-looking statements speak only as of the date of this report or as of the date they are made, and the company undertakes no obligation to update its forward-looking statements.

In addition, there are substantial risks inherent in the medical device business. The company's business involves the design, development, manufacture, packaging, distribution and sale of life-sustaining medical devices. These devices are often used on, or permanently or temporarily implanted in, patients in clinically demanding circumstances, such as operating rooms, emergency units, intensive care and critical care settings, among others. These circumstances, among other factors, can cause the products to become associated with adverse clinical events, including patient mortality and injury, and could lead to product liability claims (including lawsuits seeking class action status or seeking to establish multi-district litigation proceedings) and other litigation, product withdrawals, Warning Letters, recalls, field corrections or regulatory enforcement actions relating to one or more of the company's products, any of which could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

Because actual results are affected by these and other risks and uncertainties, the company cautions investors that actual results may differ materially from those expressed or implied. It is not possible to predict or identify all risks and uncertainties, but the most significant factors, in addition to those addressed above and those under Item 1A. "Risk Factors," that could adversely affect our business or cause the actual results to differ materially from those expressed or implied include, but are not limited to:

Effective management of and reaction to risks involved in our business, including:

- the ability to achieve manufacturing or administrative efficiencies, including gross margin benefits from our manufacturing processes and supply chain programs or in connection with the integration of acquired businesses;
- the effects of negative publicity concerning our products, which could result in product withdrawals or decreased product demand and which could reduce market or governmental acceptance of our products;
- the ability to identify appropriate companies, businesses and technologies as potential acquisition candidates, to consummate and successfully integrate such transactions or to obtain agreements for such transactions with favorable terms;
- the reduction in the number of procedures using our devices caused by customers' cost-containment pressures or preferences for alternate therapies;
- the ability to maintain or increase research and development expenditures;
- the uncertainty of whether increased research and development expenditures and sales force expansion will result in increased sales;
- the ability to maintain our effective tax rate and uncertainty related to tax audits, appeals and litigation;
- internal factors, such as retention of key employees, including sales force employees;
- the ability to achieve earnings forecasts, which are generated based, among other things, on projected volumes and sales of many product types, some of which are more profitable than others;
- changes in factors and assumptions or actual results that differ from our assumptions on stock valuation and employee stock option exercise patterns, which could cause compensation expense recorded in future periods to differ significantly from the compensation expense recorded in the current period;
- changes in factors and assumptions could cause pension cost recorded in future periods to differ from the pension cost recorded in the current period;

- the effect of market fluctuations on the value of assets in the company's pension plans and the possibility that the company may need to make additional contributions to the plans as a result of any decline in the fair value of such assets;
- damage to a company facility, which could render the company unable to manufacture one or more products (as the company may utilize only one manufacturing facility for certain of its major products) and may require the company to reduce the output of products at the damaged facility thereby making it difficult to meet product shipping targets;
- the potential impairment of goodwill and intangible assets of the company resulting from insufficient cash flow generated from such assets specifically, or our business more broadly, so as to not allow the company to justify the carrying value of the assets;
- the ability to obtain appropriate levels of product liability insurance on reasonable terms;
- the ability to recover for claims made to our insurance companies; and
- the ability to realize the anticipated benefits of the 2010 Restructuring Plan to improve its overall cost structure and improve efficiency.

Competitive factors, including:

- the trend of consolidation in the medical device industry as well as among our customers, resulting in potentially greater pricing pressures and more significant and complex contracts than in the past, both in the United States and abroad;
- development of new products or technologies by competitors having superior performance compared to our current products or products under development which could negatively impact sales of our products or render one or more of our products obsolete;
- technological advances, patents and registrations obtained by competitors that would have the effect of excluding the company from new market segments or preventing the company from selling a product or including key features in the company's products;
- attempts by competitors to gain market share through aggressive marketing programs; and
- reprocessing by third-party reprocessors of our products designed and labeled for single use.

Difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, including:

- the ability to complete planned clinical trials successfully, to develop and obtain regulatory approval for products on a timely basis and to launch products on a timely basis within cost estimates;
- lengthy and costly regulatory approval processes, which may result in lost market opportunities and/or delayed product launches;
- delays or denials of, or grants of low or reduced levels of reimbursement for, procedures using newly developed products;
- the suspension or revocation of authority to manufacture, market or distribute existing products;
- the imposition of additional or different regulatory requirements, such as those affecting manufacturing and labeling;
- performance, efficacy or safety concerns for existing products, whether scientifically justified or not, that may lead to product discontinuations, product withdrawals, recalls, field corrections, regulatory enforcement actions, litigation or declining sales, including adverse events relating to the company's vena cava filters, pelvic floor repair products and hernia repair products;

- FDA inspections resulting in Form-483 notices and/or Warning Letters identifying deficiencies in the company's manufacturing practices and/or quality systems; Warning Letters identifying violations of FDA regulations that could result in product holds, recalls, restrictions on future clearances by the FDA and/or civil penalties;
- the failure to obtain, limitations on the use of, or the loss of, patent and other intellectual property rights, and the failure of efforts to protect our intellectual property rights against infringement and legal challenges that can increase our costs;
- difficulties obtaining necessary components or raw materials used in the company's products and/or price increases from the company's suppliers of critical components or raw materials, including oil-based resins, or other interruptions of the supply chain; and
- customers that may limit the number of manufacturers or vendors from which they will purchase products, which can result in the company's inability to sell products to or contract with large hospital systems, integrated delivery networks or group purchasing organizations.

Governmental action, including:

- the impact of continued healthcare cost containment;
- new laws and judicial decisions related to healthcare availability, healthcare reform, payment for healthcare products and services or the marketing and distribution of products, including legislative or administrative reforms to the United States Medicare and Medicaid systems or other United States or international reimbursement systems in a manner that would significantly reduce or eliminate reimbursements for procedures that use the company's products;
- changes in the FDA and/or foreign regulatory approval processes that may delay or prevent the approval of new products and result in lost market opportunity;
- the impact of more vigorous compliance and enforcement activities affecting the healthcare industry in general or the company in particular;
- changes in the tax laws affecting our business, such as the recently-enacted excise tax in Puerto Rico;
- changes in the environmental laws or standards affecting our business;
- changes in laws that could require facility upgrades or process changes and could affect production rates and output; and
- compliance costs and potential penalties and remediation obligations in connection with environmental laws, including regulations regarding air emissions, waste water discharges and solid waste.

Legal disputes, including:

- disputes over intellectual property rights;
- product liability claims, which may involve lawsuits seeking class action status or seeking to establish multi-district litigation proceedings, including the Hernia Product Claims, the Women's Health Product Claims and the Filter Product Claims;
- claims asserting securities law violations;
- claims asserting, and/or subpoenas seeking information regarding, violations of law in connection with federal and/or state healthcare programs such as Medicare or Medicaid;
- derivative shareholder actions;
- claims and subpoenas asserting antitrust violations;
- environmental claims, including risks relating to accidental contamination or injury from the use of hazardous materials in the company's manufacturing, sterilization and research activities and the potential for the company to be held liable for any resulting damages; and

- commercial disputes, including disputes over distribution agreements, license agreements, manufacturing/supply agreements, development/research agreements, acquisition or sale agreements, and insurance policies.

General economic conditions, including:

- international and domestic business conditions;
- political or economic instability in foreign countries;
- interest rates;
- foreign currency exchange rates;
- changes in the rate of inflation; and
- instability of global financial markets and economies including certain countries in Southern Europe.

Other factors beyond our control, including catastrophes, both natural and man-made, earthquakes, floods, fires, explosions, acts of terrorism or war.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Bard operates on a global basis and therefore is subject to the exposures that arise from foreign currency exchange rate fluctuations. The company manages these exposures using operational and economic hedges as well as derivative financial instruments. The company's foreign currency exposures may change over time as changes occur in the company's international operations. The company's objective in managing its exposures to foreign currency fluctuations is to minimize earnings and cash flow volatility associated with assets, liabilities, net investments and probable commitments denominated in foreign currencies. In order to reduce the risk of foreign currency exchange rate fluctuations, the company will from time-to-time enter into derivative financial instruments to hedge a portion of its expected foreign currency denominated cash flow from operations. The instruments that the company uses for hedging are forward contracts and options with major financial institutions. The company expects that the changes in fair market value of such contracts will have a high correlation to the price changes in the related hedged cash flow. The principal currencies the company hedges are the Euro, the British Pound, the Mexican Peso, the Canadian Dollar, the Australian Dollar and the Japanese Yen. Any gains and losses on these hedge contracts are expected to offset changes in the value of the related exposure. Bard's risk management guidelines prohibit entering into financial instruments for speculative purposes. The company enters into foreign currency transactions only to the extent that foreign currency exposure exists. A sensitivity analysis of changes in the fair value of all foreign exchange derivative contracts at December 31, 2010 indicates that if the U.S. dollar uniformly strengthened by 10% against all currencies, the fair value of these contracts would decrease by $4.6 million, and if the U.S. dollar uniformly weakened by 10% against all currencies, the fair value of these contracts would increase by $6.9 million. Any gains and losses on the fair value of derivative contracts would be largely offset by gains and losses on the underlying transactions. These offsetting gains and losses are not reflected in the above analysis.

The company's investment portfolio primarily includes cash equivalents, for which the market values are not significantly affected by changes in interest rates. The market value of the company's fixed-rate debt is affected by a change in the medium- to long-term U.S. interest rates because the borrowings generally have longer maturities. The market value of the company's debt including the effect of the related interest rate swap contract effectively converting the 2.875% fixed-rate notes to floating-rate instruments approximated $937.7 million at December 31, 2010. A sensitivity analysis, assuming a 100 basis point increase or decrease in U.S. interest rates and assuming that the debt and related swap are held to maturity, indicates that the market value of the debt and related swap would have approximated $856.9 million or $1,007.9 million, respectively, on December 31, 2010.

Item 8. Financial Statements and Supplementary Data

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. The company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

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

Management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2010. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework.

Based on its assessment and those criteria, management believes that the company maintained effective internal control over financial reporting as of December 31, 2010.

The company's independent registered public accounting firm has issued an attestation report on the effectiveness of the company's internal control over financial reporting. That report appears on page II-21.

Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
C. R. Bard, Inc.:

We have audited the accompanying consolidated balance sheets of C. R. Bard, Inc. and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, shareholders' investment, and cash flows for each of the years in the three-year period ended December 31, 2010. In connection with our audits of the consolidated financial statements, we also have audited the consolidated financial statement schedule. These consolidated financial statements and financial statement schedule are the responsibility of C. R. Bard, Inc.'s management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of C. R. Bard, Inc. and subsidiaries as of December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

As discussed in Note 12 to the consolidated financial statements, the company changed its method of accounting for defined benefit pension plans in 2008 due to the adoption of the measurement date requirements of the Financial Accounting Standards Board statement on employers' accounting for defined benefit pension plans.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), C. R. Bard, Inc.'s internal control over financial reporting as of December 31, 2010, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 24, 2011 expressed an unqualified opinion on the effectiveness of C. R. Bard, Inc.'s internal control over financial reporting.

/s/ KPMG LLP
Short Hills, New Jersey
February 24, 2011

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
C. R. Bard, Inc.:

We have audited C. R. Bard, Inc.'s internal control over financial reporting as of December 31, 2010, based on criteria established in "Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)". C. R. Bard, Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Management's Annual Report on Internal Control Over Financial Reporting". Our responsibility is to express an opinion on the effectiveness of C. R. Bard, Inc.'s internal control over financial reporting based on our audit.

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

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

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

In our opinion, C. R. Bard, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in "Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)".

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of C. R. Bard, Inc. and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, shareholders' investment, and cash flows for each of the years in the three-year period ended December 31, 2010, and our report dated February 24, 2011 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP
Short Hills, New Jersey
February 24, 2011

C. R. BARD, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(dollars in thousands except per share amounts)

	For the Years Ended December 31,		
	2010	2009	2008
Net sales	$2,720,200	$2,534,900	$2,452,100
Costs and expenses:			
Cost of goods sold	1,020,000	959,000	949,300
Marketing, selling and administrative expense	759,800	682,500	709,500
Research and development expense	185,400	179,600	199,100
Interest expense	12,700	11,800	12,100
Other (income) expense, net	24,600	30,500	29,400
Total costs and expenses	2,002,500	1,863,400	1,899,400
Income from operations before income taxes	717,700	671,500	552,700
Income tax provision	208,100	210,100	133,400
Net income	509,600	461,400	419,300
Net income attributable to noncontrolling interest	400	1,300	2,800
Net income attributable to common shareholders	$ 509,200	$ 460,100	$ 416,500
Basic earnings per share available to common shareholders	$ 5.39	$ 4.66	$ 4.13
Diluted earnings per share available to common shareholders	$ 5.32	$ 4.60	$ 4.05

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

C. R. BARD, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(dollars in thousands except share and per share amounts)

	December 31,	
	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	$ 641,400	$ 674,400
Accounts receivable, less allowances of $10,500 and $9,700, respectively	460,800	442,100
Inventories	308,900	295,400
Short-term deferred tax assets	42,700	29,800
Other current assets	75,500	50,100
Total current assets	1,529,300	1,491,800
Property, plant and equipment, at cost:		
Land	14,100	14,400
Buildings and improvements	215,900	213,500
Machinery and equipment	368,800	379,100
	598,800	607,000
Less accumulated depreciation and amortization	270,900	273,900
Net property, plant and equipment	327,900	333,100
Goodwill	607,400	507,400
Core technologies, net	397,500	281,500
Other intangible assets, net	142,800	124,900
Deferred tax assets	78,400	97,400
Other assets	88,200	70,800
Total assets	$3,171,500	$2,906,900
LIABILITIES AND SHAREHOLDERS' INVESTMENT		
Current liabilities		
Short-term borrowings	$ 80,500	$ —
Accounts payable	51,400	50,800
Accrued expenses	142,300	117,500
Accrued compensation and benefits	121,600	98,000
Income taxes payable	1,900	15,400
Total current liabilities	397,700	281,700
Long-term debt	896,900	149,800
Other long-term liabilities	230,400	249,500
Deferred income taxes	15,000	20,000
Commitments and contingencies	—	—
Shareholders' investment:		
Preferred stock, $1 par value, authorized 5,000,000 shares; none issued	—	—
Common stock, $.25 par value, authorized 600,000,000 shares in 2010 and 2009; issued and outstanding 84,973,586 shares in 2010 and 95,917,095 shares in 2009	21,300	24,000
Capital in excess of par value	1,146,400	1,060,900
Retained earnings	520,000	1,133,400
Accumulated other comprehensive loss	(56,200)	(24,700)
Noncontrolling interest	—	12,300
Total shareholders' investment	1,631,500	2,205,900
Total liabilities and shareholders' investment	$3,171,500	$2,906,900

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

C. R. BARD, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' INVESTMENT

(dollars in thousands except share and per share amounts)

	Common Stock		Capital In Excess Of Par	Retained	Accumulated Other Comp.	Noncontrolling	
	Shares	Amount	Value	Earnings	(Loss) Inc.	Interest	Total
Balance at December 31, 2007	100,191,117	$25,000	$ 824,200	$ 956,300	$ 42,500	$ 8,200	$ 1,856,200
Adjustment for adoption of new accounting standard (net of $300 taxes)	—	—	—	(3,000)	600	—	(2,400)
Net income	—	—	—	416,500	—	2,800	419,300
Available for sale securities (net of $800 taxes)	—	—	—	—	(1,500)	—	(1,500)
Change in derivative instruments designated as cash flow hedges (net of $900 taxes)	—	—	—	—	5,600	—	5,600
Foreign currency translation adjustment	—	—	—	—	(98,700)	—	(98,700)
Benefit plan adjustments (net of $24,900 taxes)	—	—	—	—	(42,900)	—	(42,900)
Total comprehensive income							281,800
Cash dividends declared ($0.63 per share)	—	—	—	(63,200)	—	—	(63,200)
Issuance of common stock	1,563,395	400	56,000	—	—	—	56,400
Share-based compensation	—	—	53,300	—	—	—	53,300
Purchase of common stock for treasury	(2,361,492)	(600)	—	(226,400)	—	—	(227,000)
Tax benefit relating to share-based compensation plans	—	—	33,100	—	—	—	33,100
Balance at December 31, 2008	99,393,020	$24,800	$ 966,600	$ 1,080,200	$(94,400)	$ 11,000	$ 1,988,200
Net income	—	—	—	460,100	—	1,300	461,400
Change in derivative instruments designated as cash flow hedges (net of $400 taxes)	—	—	—	—	(4,800)	—	(4,800)
Foreign currency translation adjustment	—	—	—	—	83,500	—	83,500
Benefit plan adjustments (net of $4,000 taxes)	—	—	—	—	(9,000)	—	(9,000)
Total comprehensive income							531,100
Cash dividends declared ($0.67 per share)	—	—	—	(65,800)	—	—	(65,800)
Issuance of common stock	1,059,122	300	29,400	—	—	—	29,700
Share-based compensation	—	—	52,300	—	—	—	52,300
Purchase of common stock for treasury	(4,535,047)	(1,100)	—	(341,100)	—	—	(342,200)
Tax benefit relating to share-based compensation plans	—	—	12,600	—	—	—	12,600
Balance at December 31, 2009	95,917,095	$24,000	$1,060,900	$ 1,133,400	$(24,700)	$ 12,300	$ 2,205,900
Net income	—	—	—	509,200	—	400	509,600
Change in derivative instruments designated as cash flow hedges (net of $500 taxes)	—	—	—	—	900	—	900
Foreign currency translation adjustment	—	—	—	—	(38,400)	—	(38,400)
Benefit plan adjustments (net of $3,500 taxes)	—	—	—	—	6,000	—	6,000
Total comprehensive income							478,100
Cash dividends declared ($0.71 per share)	—	—	—	(65,900)	—	—	(65,900)
Issuance of common stock	1,081,491	300	43,000	—	—	—	43,300
Share-based compensation	—	—	58,100	—	—	—	58,100
Purchases of common stock for treasury	(12,025,000)	(3,000)	(10,200)	(1,056,700)	—	—	(1,069,900)
Tax benefit relating to share-based compensation plans	—	—	7,800	—	—	—	7,800
Purchase of noncontrolling interest	—	—	(13,200)	—	—	(12,700)	(25,900)
Balance at December 31, 2010	84,973,586	$21,300	$1,146,400	$ 520,000	$(56,200)	$ —	$ 1,631,500

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

C. R. BARD, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in thousands)

	For the Years Ended December 31,		
	2010	2009	2008
Cash flows from operating activities:			
Net income	$ 509,600	$461,400	$ 419,300
Adjustments to reconcile net income to net cash provided by operating activities, net of acquired businesses:			
Depreciation and amortization	104,900	93,500	90,900
Restructuring charge	16,700	—	—
Purchased research and development	2,600	16,100	49,300
Non-cash charges related to asset dispositions	—	8,400	40,500
Insurance settlements, net	—	7,000	—
Deferred income taxes	(2,300)	(15,000)	(32,900)
Share-based compensation	58,200	52,400	53,100
Inventory reserves and provision for doubtful accounts	21,900	17,400	13,500
Other noncash items	(2,800)	200	1,000
Changes in assets and liabilities, net of acquired businesses:			
Accounts receivable	(29,600)	(25,600)	(56,700)
Inventories	(32,900)	(18,500)	(47,400)
Current liabilities	17,900	13,700	3,900
Taxes	(28,800)	16,000	(12,000)
Other, net	2,400	(7,700)	(6,300)
Net cash provided by operating activities	637,800	619,300	516,200
Cash flows from investing activities:			
Capital expenditures	(51,200)	(48,100)	(50,600)
Payments made for purchases of businesses, net of cash acquired	(290,300)	(112,600)	(166,200)
Payments made for intangibles	(13,600)	(28,500)	(19,000)
Change in short-term investments, net	—	—	82,100
Other	—	—	1,800
Net cash used in investing activities	(355,100)	(189,200)	(151,900)
Cash flows from financing activities:			
Change in short-term borrowings, net	80,500	—	—
Proceeds from issuance of long-term debt, net of discount	746,300	—	—
Purchase of noncontrolling interest	(25,900)	—	—
Proceeds from exercises under share-based compensation plans, net	32,100	18,500	46,000
Excess tax benefit relating to share-based compensation plans	7,900	10,700	28,000
Purchase of common stock	(1,069,900)	(342,200)	(227,000)
Dividends paid	(66,900)	(65,400)	(62,200)
Other	(14,700)	—	(800)
Net cash used in financing activities	(310,600)	(378,400)	(216,000)
Effect of exchange rate changes on cash and cash equivalents	(5,100)	30,600	(44,600)
Increase in cash and cash equivalents during the year	(33,000)	82,300	103,700
Balance at January 1	674,400	592,100	488,400
Balance at December 31	$ 641,400	$ 674,400	$ 592,100
Supplemental cash flow information			
Cash paid for:			
Interest	$ 11,900	$ 11,800	$ 12,100
Income taxes	$ 230,800	$ 200,400	$ 146,000
Noncash transactions:			
Purchases of businesses and related costs	$ 5,700	$ 10,500	$ 2,100
Dividends declared, not paid	$ 15,500	$ 16,500	$ 16,100

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

C. R. BARD, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies

Nature of Operations - C. R. Bard, Inc. and its subsidiaries (the "company" or "Bard") are engaged in the design, manufacture, packaging, distribution and sales of medical, surgical, diagnostic and patient care devices. The company markets its products worldwide to hospitals, individual healthcare professionals, extended care facilities and alternate site facilities.

Consolidation - The consolidated financial statements include the accounts of C. R. Bard, Inc. and its subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation. The accounts of most foreign subsidiaries are consolidated as of November 30. No events occurred related to these foreign subsidiaries during the months of December 2010, 2009 or 2008 that materially affected the financial position or results of operations of the company. The company has no material interests in variable interest entities and none that require consolidation.

Related Parties - The company and Kobayashi Pharmaceutical Co., Ltd. are parties to an equally-owned joint venture, Medicon Inc. ("Medicon"), which distributes Bard's products in Japan. Bard accounts for the joint venture under the equity method of accounting. All transactions with Medicon are denominated in U.S. dollars. Bard recorded sales to Medicon of $128.7 million, $122.5 million and $117.2 million for the years ended 2010, 2009 and 2008, respectively. Bard eliminates the intercompany profits on sales to Medicon until Medicon sells Bard's products to a third party. Bard recorded Medicon equity income of $3.6 million, $2.3 million and $1.9 million for the years ended 2010, 2009 and 2008, respectively. Bard received dividends from Medicon of $1.6 million, $1.5 million and $1.3 million for the years ended December 31, 2010, 2009 and 2008, respectively. Bard's investment in Medicon was $20.0 million and $18.0 million at December 31, 2010 and 2009, respectively. Included in accounts receivable are trade receivables due from Medicon for purchases of Bard's products of $33.4 million and $33.8 million at December 31, 2010 and 2009, respectively.

Use of Estimates in the Preparation of Financial Statements - The preparation of these financial statements in conformity with accounting principles generally accepted in the United States requires the company to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities at the date of the financial statements. The company evaluates these estimates and judgments on an ongoing basis and bases its estimates on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets and liabilities as well as identifying and assessing the accounting treatment with respect to commitments and contingencies. Actual results may differ from these estimates under different assumptions or conditions.

Foreign Currency - Net assets of foreign subsidiaries are translated into U.S. dollars at current year-end rates, and revenues, costs and expenses are translated at average monthly rates during each monthly period. Net exchange gains or losses resulting from the translation of foreign financial statements and the effect of exchange rate changes on intercompany transactions of a long-term investment nature are accumulated and credited or charged directly to a separate component of shareholders' investment. Any foreign currency gains or losses related to monetary assets are charged to other (income) expense, net. Foreign currency translation gains included in accumulated other comprehensive loss were $29.0 million and $67.4 million at December 31, 2010 and 2009, respectively.

Revenue Recognition - The company's net sales represent gross sales invoiced to both end-user customers and independent distributors, less certain related charges, including discounts, returns, rebates and other allowances. The company recognizes product revenue when persuasive evidence of a sales arrangement exists, title and risk of loss have transferred, the selling price is fixed or determinable, contractual obligations have been satisfied and collectibility is reasonably assured. Generally, sales to end-user customers and European distributors are recognized at the point of delivery, and sales to domestic distributors are recognized at the time of shipment. In certain circumstances, end-user customers may require the company to maintain consignment inventory at the customer's location. In the case of consignment inventories, revenue and associated cost are recognized upon the notification of usage by the customer.

Charges for discounts, returns, rebates and other allowances are recognized as a deduction from revenue on an accrual basis in the period in which the revenue is recorded. The accrual for product returns, discounts and other allowances is based on the company's history. The company allows customers to return defective or damaged products. Historically, product returns have not been material. The company grants sales rebates to independent distributors based upon the distributor's reporting of end-user sales and pricing. Sales rebates are accrued by the company in the period in which the sale is recorded. The company's rebate accrual is based on its history of actual rebates paid. In estimating rebate accruals, the company considers the lag time between the point of sale and the payment of the distributor's rebate claim, distributor-specific trend analysis and contractual commitments including stated rebate rates. The company's reserves for rebates are reviewed at each reporting period and adjusted to reflect data available at that time. The company adjusts reserves to reflect any differences between estimated and actual amounts. Such adjustments impact the amount of net product sales revenue recognized by the company in the period of adjustment.

Shipping and Handling Costs - Shipping and handling costs are included in cost of goods sold.

Advertising Costs - Costs related to advertising are expensed as incurred. Advertising expense was $3.3 million, $2.5 million and $3.1 million in 2010, 2009 and 2008, respectively, and is included in marketing, selling and administrative expense.

Research and Development - Research and development expenses are comprised of expenses related to internal research and development activities, milestone payments for third-party research and development activities and purchased research and development ("purchased R&D") costs arising from acquisitions not accounted for as a business combination subsequent to January 1, 2009. All internal research and development costs are expensed as incurred.

Share-Based Compensation - Share-based compensation cost is measured at the grant date based on the fair value of the award. Generally, compensation expense is recognized over the vesting period. As share-based compensation expense is based on awards ultimately expected to vest, the amount of expense has been reduced for estimated forfeitures.

Cash Equivalents - Cash equivalents consist of highly liquid investments purchased with an original maturity of three months or less and amounted to $588.1 million and $644.1 million at December 31, 2010 and 2009, respectively.

Accounts Receivable - In addition to trade receivables, accounts receivable included $37.1 million and $33.1 million of non-trade receivables at December 31, 2010 and 2009, respectively.

Inventories - Inventories are stated at the lower of cost or market. For most domestic businesses, cost is determined using the last-in-first-out ("LIFO") method. For all other inventories, cost is determined using the first-in-first-out ("FIFO") method. The difference between the inventory valuation under the LIFO method and the FIFO method is not significant.

Depreciation - Depreciation is provided over the estimated useful lives of depreciable assets using the straight-line method. The estimated useful lives primarily range from three to 40 years for buildings and improvements and three to 20 years for machinery and equipment. Depreciation expense was $51.8 million in 2010, $51.0 million in 2009 and $51.3 million in 2008.

Software Capitalization - Internally used software, whether purchased or developed, is capitalized and amortized using the straight-line method over an estimated useful life of five to seven years. Capitalized software costs are included in machinery and equipment. The company capitalizes certain costs associated with internal-use software such as the payroll costs of employees devoting time to the projects and external direct costs for materials and services. Costs associated with internal-use software are expensed during the design phase until the point at which the project has reached the application development stage. Subsequent additions, modifications or upgrades to internal-use software are capitalized only to the extent that they allow the software to perform a task it previously did not perform. Software maintenance and training costs are expensed in the period in which they are incurred. The company capitalized $4.7 million, $4.5 million and $1.7 million of internal-use software for the years ended December 31, 2010, 2009 and 2008, respectively. Depreciation expense for capitalized software was $10.7 million, $11.1 million and $11.5 million in 2010, 2009 and 2008, respectively.

Goodwill and Other Intangible Assets - Goodwill is tested for impairment annually or more frequently if impairment indicators arise. The company assigns goodwill recorded in connection with acquisitions to its four reporting units, each of which is one level below the company's single reporting segment. Other intangible assets, including core technologies and patents, are amortized on a straight-line basis over their estimated useful lives ranging from seven to 21 years with a weighted average of 13 years. When events or circumstances indicate that the carrying amount of intangible assets may not be recoverable, the company will assess recoverability from future operations using undiscounted cash flows derived from the lowest appropriate asset groupings. To the extent carrying value exceeds the undiscounted cash flows, impairments are recognized in operating results to the extent that the carrying value exceeds the fair value, which is determined based on the net present value of estimated future cash flows.

Income Taxes - Deferred tax assets and liabilities are recognized based on the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial and income tax reporting purposes.

The company regularly assesses its tax positions to determine whether the benefits of tax positions are more likely than not of being sustained upon audit. These positions relate to transfer pricing, the deductibility of certain expenses, intercompany transactions and other matters. Although the outcome of tax audits is uncertain, provisions for income taxes have been made for potential liabilities resulting from such matters. Any reserves are used or reversed once the statutes of limitation have expired or the tax position is effectively settled. The company's policy is to classify interest and penalties related to unrecognized tax positions as income tax expense.

Income Statement Presentation of Taxes Collected from Customers and Remitted to Government Authorities - The company follows a net basis policy with regard to sales, use, value added or any other tax collected from customers and remitted to government authorities, which excludes them from both net sales and expenses.

Treasury Stock - The company accounts for treasury stock purchases as retirements by reducing retained earnings for the cost of the repurchase. Reissuances of these treasury shares are accounted for as new issuances. There were 30.8 million and 20.1 million treasury shares at December 31, 2010 and 2009, respectively.

Derivative Instruments - On January 1, 2009, the company adopted Financial Accounting Standards Board ("FASB") guidance on enhanced disclosure requirements regarding the company's derivative and hedging

activities. This guidance required disclosures about (a) how and why the company uses derivative instruments, (b) the accounting for derivative instruments and related hedged items, and (c) how derivative instruments and related hedged items affect the company's financial condition, financial performance and cash flow (see Note 6 of the notes to consolidated financial statements).

The company recognizes all derivative instruments at fair value in its consolidated balance sheets. Changes in fair value of derivative instruments are recorded in each period in current earnings or accumulated other comprehensive loss depending on whether the derivative instrument is designated as part of a hedged transaction, and if so, the type of hedge transaction.

The company's objective in managing its exposures to foreign currency fluctuations is to minimize earnings and cash flow volatility associated with future intercompany receivables and payables denominated in foreign currencies. These risks are managed using derivative instruments, mainly through forward currency and option contracts. The company does not utilize derivative instruments for trading or speculation purposes. No derivative instruments extend beyond December 2011. All of these derivative instruments are designated and qualify as cash flow hedges. The effective portion of the changes in fair value of the derivative instruments' gains or losses are reported as a component of accumulated other comprehensive loss and reclassified into earnings on the same line item associated with the forecasted transaction and in the same period or periods when the forecasted transaction affects earnings. At December 31, 2010, all of these derivative instruments used were highly effective hedging instruments because they were denominated in the same currency as the hedged item and because the maturities of the derivative instruments matched the timing of the hedged items.

When applicable, foreign currency exposures that arise from remeasuring intercompany loans denominated in currencies other than the functional currency are mitigated through the use of forward contracts. Hedges of these foreign exchange exposures are not designated as hedging instruments for accounting purposes. The gains or losses on these instruments are recognized in earnings and are effectively offset by the gains or losses on the underlying hedged items.

The company may use interest rate swap contracts to manage interest rate exposure on its long-term debt. The company entered into an interest rate swap contract with respect to its $250 million tranche of senior unsecured notes. Under this interest rate swap contract, the company exchanges, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to a notional principal amount of this tranche. The company's swap contract is designated and qualifies as a fair value hedge. Changes in the fair value of the swap contract offset changes in the fair value of the fixed rate debt due to changes in market interest rates.

Reclassifications - Certain prior year amounts have been reclassified to conform to the current year presentation.

2. Acquisitions and Divestiture

The company acquires businesses, products and technologies to augment its existing product lines and periodically divests product lines for strategic reasons. Unaudited pro forma financial information has not been presented because the effects of these acquisitions and divestitures were not material on either an individual or aggregate basis.

Acquisitions

On January 1, 2009, the company adopted FASB guidance on accounting for business combinations. This guidance requires an acquirer to measure the identifiable assets acquired and liabilities assumed at their fair value on the acquisition date, with goodwill being the excess value of consideration paid over the fair value of the net identifiable assets acquired. This guidance also requires that purchased R&D be capitalized and recorded as an intangible asset at the acquisition date, that contingent consideration be recorded at fair value at the acquisition date and that transaction costs be expensed.

On July 6, 2010, the company acquired all of the outstanding stock of SenoRx, Inc. ("SenoRx") for a purchase price of $11.00 per share in cash, totaling $213.5 million. SenoRx was a public company engaged in the manufacture and sale of minimally-invasive medical devices used in the percutaneous diagnosis and treatment of breast cancer. SenoRx's products expand Bard's existing biopsy product portfolio to include the EnCor® stereotactic-guided and MRI-guided breast biopsy systems, the Gel Mark® line of breast tissue markers and the Contura® brachytherapy catheter used in the treatment of breast cancer. Substantially all of the purchase price for the acquisition was funded through the issuance of commercial paper. The acquisition was accounted for as a business combination, and the results of operations have been included in the company's results since the acquisition date. The purchase price allocation at fair value resulted in the recognition of: deferred tax assets of $42.3 million, consisting primarily of net operating loss carryforwards; core technologies of $95.1 million; deferred tax liabilities of $44.0 million, primarily associated with core technologies; and other net assets of $23.5 million consisting of cash, accounts receivable and inventories. An indefinite-lived intangible asset of $12.8 million was also recorded primarily for the next generation of the EnCor® stereotactic-guided breast biopsy system. The fair value of this intangible asset was determined based upon the present value of expected future cash flows adjusted for the probability of technological and commercial risk, utilizing a risk-adjusted discount rate. The excess of the purchase price over fair value of the acquired net assets was recorded as goodwill of $83.8 million. The goodwill recognized is attributable to expected cost synergies and other benefits created by the expanded and more comprehensive biopsy product portfolio of the company as a result of the acquisition. The goodwill is not deductible for tax purposes. Core technologies are being amortized over their estimated useful lives of approximately 10 years. The company incurred acquisition related transaction costs of $3.2 million, which were expensed to marketing, selling and administrative expense. In connection with this acquisition, the company recorded charges of $6.9 million ($4.2 million after tax) to other (income) expense, net, associated with the termination of existing SenoRx commercial agreements, the settlement of disputes that arose under certain of these agreements and integration costs.

On May 20, 2010, the company, through its wholly-owned subsidiary, Bard Holdings Limited, acquired the remaining 15% of the common shares that it did not already own of its Malaysian manufacturing operation, Bard Sendirian Berhad, for $25.9 million. In connection with the transaction, Bard's shareholder's investment was reduced by $13.2 million, which represented the excess of the cash paid over the carrying amount of the noncontrolling interest.

On April 12, 2010, the company acquired all of the outstanding stock of FlowCardia, Inc. ("FlowCardia"), a privately-held company engaged in the design and manufacture of endovascular products used in the treatment of chronic total occlusions ("CTOs"), for total consideration of $80.1 million. FlowCardia's products complement Bard's percutaneous transluminal angioplasty products and peripheral stents. FlowCardia's Crosser® product line of clinically-proven catheters deliver vibrational energy, enabling physicians to cross CTOs and allow for subsequent therapies, such as balloon angioplasty, stent implantation and atherectomy. The acquisition was accounted for as a business combination, and the results of operations have been included in the company's results since the acquisition date. The purchase price allocation at fair value resulted in the recognition of:

deferred tax assets of $18.1 million, consisting primarily of net operating loss carryforwards; core technologies of $46.4 million; deferred tax liabilities of $19.3 million primarily associated with core technologies; and other net assets of $3.0 million. In addition, an indefinite-lived intangible asset of $4.7 million was recorded for follow-on product applications for CTOs. The excess of the purchase price over fair value of the acquired net assets was recorded as goodwill of $27.2 million. The goodwill recognized is attributable to complementary product sales opportunities and expected cost synergies. The goodwill is not deductible for tax purposes. Core technologies are being amortized over their estimated useful lives of approximately 11 years.

On November 18, 2009, the company acquired all of the outstanding stock of Y-Med, Inc. ("Y-Med"), a privately-held company focused on the development and manufacture of specialty percutaneous transluminal angioplasty ("PTA") catheters, for total consideration of $35.3 million. Y-Med's products complement Bard's peripheral stents and existing PTA products. Y-Med's VascuTrak™ PTA dilatation catheter product line is designed to treat highly stenotic and calcified lesions in patients with lower-limb arterial disease. The acquisition was accounted for as a business combination and the results of operations have been included in the company's results since the acquisition date. The purchase price allocation at fair value resulted in: the recognition of deferred tax assets of $2.3 million consisting of net operating loss carryforwards; core technologies of $28.4 million; deferred tax liabilities of $10.8 million primarily associated with core technologies; and other net assets of $2.7 million. The excess of the purchase price over fair value of the acquired net assets was recorded as goodwill of $12.7 million. The goodwill is not deductible for tax purposes. Core technologies are being amortized over their estimated useful lives of approximately 10 years. In connection with this acquisition, the company recorded a cost of $3.2 million ($2.0 million after tax) associated with the termination of certain existing Y-Med agreements. This termination cost was recorded to other (income) expense, net.

On June 15, 2009, the company acquired worldwide rights and related assets of the hernia products business of Brennen Medical, LLC for $17.0 million. The acquisition included technology for a non-crosslinked xenograft device, which expanded Bard's product offerings in hernia repair. The acquisition was accounted for as a business combination, and the results of operations have been included in the company's results since the acquisition date. The purchase price allocation at fair value resulted in the recognition of core technologies of $15.5 million and other assets of $1.5 million, which includes $0.9 million of goodwill. Core technologies are being amortized over their estimated useful lives of approximately 13 years. In connection with this acquisition, the company discontinued the sale of an existing xenograft device and recorded a related non-cash charge of $5.7 million ($5.2 million after tax). This charge consisted of acceleration of remaining depreciation costs related to property, plant and equipment of $4.5 million, which was recorded to other (income) expense, net, and the write-off of inventory of $1.2 million, which was recorded to cost of goods sold.

On June 5, 2008, the company acquired all of the outstanding shares of Specialized Health Products International, Inc. ("Specialized Health Products") for a purchase price of $1.00 per share in cash, totaling $68.4 million, plus direct acquisition costs of $2.3 million. Specialized Health Products manufactures and markets vascular access products, including winged infusion sets, which are used to deliver therapeutic agents through vascular access ports. The acquisition was a strategic addition to Bard's port franchise. The acquisition was accounted for as a business combination, and the results of operations have been included in the company's results since the acquisition date. The purchase price allocation resulted in: the recognition of core technologies of $34.0 million; patents of $11.2 million; deferred tax assets of $9.1 million consisting of a net operating loss carryforward; other net assets of $12.0 million primarily consisting of cash, inventory and accounts receivable; and deferred tax liabilities of $15.8 million primarily associated with acquired intangible assets. The acquired intangible assets are being amortized over their weighted average useful lives of approximately 12 years. The excess of the purchase price over the fair value of the assets acquired of $20.2 million was recorded as goodwill, which is not deductible for income tax purposes.

On January 11, 2008, the company acquired the assets of the LifeStent® family of stents from Edwards Lifesciences Corporation for a net cash payment of $73.3 million, plus direct acquisition costs of $3.6 million, and up to $65.0 million in contingent milestone payments. The contingent milestone payments consisted of $50.0 million related to regulatory approvals and $15.0 million related to the transfer of manufacturing operations to Bard. The acquisition was a strategic addition to Bard's portfolio of non-coronary stent and stent graft products that is complementary to the company's current products, call points and technology platforms. The acquisition was accounted for as a business combination, and the results of operations have been included in the company's results since the acquisition date. The fair value of the assets acquired was approximately $102.3 million. The difference between the fair value of the assets acquired and the initial payments was recognized as an acquisition related liability. This liability was reduced upon the payment of the contingent milestone payments with the remaining amounts recorded as a deferred tax asset and goodwill.

The purchase price allocation resulted in the recognition of core technologies of $52.0 million; customer relationships of $9.1 million; other assets of $13.1 million consisting primarily of inventory and equipment; an acquisition related liability of $25.4 million; and deferred tax liabilities of $16.3 million. Core technologies and customer relationships are being amortized over the estimated useful lives of 15 and 8 years, respectively. In addition, $44.4 million was allocated to purchased R&D for which technological feasibility had not been established and no alternative future use existed at the acquisition date. The purchased R&D relates to the Pre-Market Approval ("PMA") submitted to the U.S. Food and Drug Administration ("FDA") for use of the LifeStent® products in the superficial femoral artery and proximal popliteal artery. The company recorded a charge for purchased R&D in research and development expense in its consolidated statements of income. In connection with the write-off of purchased R&D, the company recorded a tax benefit of $16.4 million. The value assigned to purchased R&D was determined based upon the present value of expected future cash flows associated with the product adjusted for the probability of product approval and discounted at a risk-adjusted rate. The ongoing activity with respect to the future development for this product is not expected to be material to the company's research and development expense.

The contingent milestone payment related to regulatory approvals was amended, which resulted in $23.0 million being paid in December 2008. This payment resulted in a decrease to the acquisition related liability of $14.5 million and an increase to deferred tax assets of $8.5 million. The company received PMA approval in February 2009 for use of the LifeStent® in the superficial femoral artery and proximal popliteal artery, which resulted in a contingent milestone payment of $27.0 million. This payment resulted in a decrease to the acquisition related liability of $10.9 million, an increase to deferred tax assets of $7.8 million, and an increase to goodwill of $8.3 million. The $15.0 million contingent milestone payment related to the transfer of manufacturing operations to Bard was paid in September 2009. The payment resulted in an increase to goodwill.

Asset Disposition

On June 12, 2008, the company decided to discontinue the sale of its Salute II hernia fixation device. This decision was based on a strategic review, which considered the continued technical challenges associated with the product's manufacturing and its overall profitability, as well as an assessment of alternative hernia fixation devices under development. In connection with this decision, the company recorded a non-cash charge of $40.5 million ($34.9 million after tax). This charge consisted of the write-off of patents of $34.6 million and machinery and equipment of $2.2 million, which in total were recorded to other (income) expense, net, and inventory of $3.7 million, which was recorded to cost of goods sold.

3. Restructuring

On December 9, 2010, the company committed to a plan (the "2010 Restructuring Plan") to improve its overall cost structure and enhance operational effectiveness. The 2010 Restructuring Plan includes the

realignment of certain manufacturing, sales and marketing, and administrative functions. In connection with this plan, the company recorded employee separation costs under the company's existing severance programs and other costs related to one-time employee termination benefits of $16.7 million ($11.4 million after tax). Substantially all of these costs are expected to be cash expenditures. At December 31, 2010, the entire liability related to this restructuring charge was outstanding. The company expects activities under the 2010 Restructuring Plan to be substantially complete by the end of 2011.

On April 22, 2009, the company announced a plan (the "2009 Restructuring Plan") to reduce its overall cost structure and improve efficiency. The 2009 Restructuring Plan included the consolidation of certain businesses in the United States and the realignment of certain sales and marketing functions outside the United States. The 2009 Restructuring Plan resulted in the elimination of certain positions and other employee terminations worldwide. The company recorded employee separation costs under the company's existing severance programs and other costs primarily related to one-time termination benefits offered under this plan. The total cost of the 2009 Restructuring Plan was $15.4 million ($10.2 million after tax). Substantially all of these costs were cash expenditures. At December 31, 2010, no liability related to this restructuring charge remained.

4. Income Taxes

The components of income before income taxes for the following years ended December 31 consisted of:

(dollars in millions)	2010	2009	2008
United States	$455.8	$481.3	$348.0
Foreign	261.9	190.2	204.7
	$717.7	$671.5	$552.7

The income tax provision for the following years ended December 31 consisted of:

(dollars in millions)	2010	2009	2008
Current provision			
Federal	$168.3	$182.8	$120.4
Foreign	31.8	33.6	29.4
State	10.3	8.7	16.5
	210.4	225.1	166.3
Deferred (benefit) provision			
Federal	3.7	(13.3)	(25.0)
Foreign	(7.2)	(0.1)	(3.4)
State	1.2	(1.6)	(4.5)
	(2.3)	(15.0)	(32.9)
	$208.1	$210.1	$133.4

Deferred tax assets and deferred tax liabilities at December 31 consisted of:

(dollars in millions)	2010	2009
Deferred tax assets		
Employee benefits	$158.2	$137.4
Inventory	13.8	12.6
Receivables and rebates	24.2	24.7
Accrued expenses	16.6	3.4
Loss carryforwards and credits	73.8	27.7
Other	—	8.6
Gross deferred tax assets	286.6	214.4
Valuation allowance	(36.2)	(29.4)
	250.4	185.0
Deferred tax liabilities		
Amortization	97.0	40.0
Accelerated depreciation	40.3	37.8
Other	7.0	—
	144.3	77.8
	$106.1	$107.2

At December 31, 2010, the company had federal net operating loss carryforwards of $120.8 million, which generally expire between 2013 and 2031 and state net operating loss carryforwards of $176.1 million, which expire between 2011 and 2031. The company also had various tax credits of $10.0 million, with an indefinite life and $8.9 million, which expire between 2013 and 2031.

The company records valuation allowances to reduce its deferred tax assets to the amount that it believes is more likely than not to be realized. The company considers future taxable income and the periods over which it must be earned in assessing the need for valuation allowances. In the event the company determines it would not be able to realize all or part of its net deferred tax assets in the future, an adjustment to the deferred tax assets would be charged to expense in the period such determination was made. At December 31, 2010, the valuation allowance primarily related to state net operating loss carryforward and credits, and to certain other state deferred tax assets.

A reconciliation between the effective income tax rate and the federal statutory rate for the following years ended December 31 is:

	2010	2009	2008
Federal statutory rate	35%	35%	35%
State taxes, net of federal benefit	2%	1%	2%
Operations taxed at less than U.S. rate	(9)%	(5)%	(8)%
Other, net	1%	—	(5)%
	29%	31%	24%

The company's foreign tax incentives consist of incentive tax grants in Puerto Rico and Malaysia. The company's previous grant in Malaysia expired on June 30, 2008, and a new grant was entered into on March 1, 2010 that will expire in 2015. The incentive tax grant in Puerto Rico will expire in 2016. The approximate dollar and per share effects of the Puerto Rican and Malaysian grants are as follows:

(dollars in millions, except per share amounts)	2010	2009	2008
Tax benefit	$44.6	$24.0	$37.5
Per share benefit	$0.47	$0.24	$0.37

A tax benefit from an uncertain tax position may be recognized only if it is more likely than not that the position is sustainable based on its technical merits. The tax benefit of a qualifying position is the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement with a taxing authority having full knowledge of all relevant information. A reconciliation of the gross amounts of unrecognized tax benefits, excluding interest and penalties, is as follows:

(dollars in millions)	2010	2009
Balance, January 1	$53.2	$41.3
Additions related to prior year tax positions	2.1	5.8
Reductions related to prior year tax positions	(7.4)	(2.6)
Additions for tax positions of the current year	8.9	8.7
Settlements	(0.7)	—
Lapse of statutes of limitation	(2.5)	—
Balance, December 31	$53.6	$53.2

The company operates in multiple taxing jurisdictions and faces audits from various tax authorities regarding transfer pricing, the deductibility of certain expenses, intercompany transactions and other matters. As of December 31, 2010, the liability for unrecognized tax benefits related to federal, state and foreign taxes was $53.6 million (of which $44.6 million would impact the effective tax rate if recognized), plus $11.4 million of accrued interest. As of December 31, 2009, the liability for unrecognized tax benefits was $53.2 million plus $11.3 million of accrued interest. Interest and penalties associated with uncertain tax positions amounted to $0.7 million of expense in 2010, $2.6 million of expense in 2009, and a $2.8 million credit in 2008.

The company is currently under examination in several tax jurisdictions and remains subject to examination until the statutes of limitation expire for the applicable tax jurisdiction. Within specific countries, the company may be subject to audit by various tax authorities, or subsidiaries operating within the country may be subject to different statutes of limitation expiration dates. As of December 31, 2010, a summary of the tax years that remain subject to examination in the company's major tax jurisdictions are:

United States – federal	2005 and forward
United States – states	2003 and forward
Germany	2006 and forward
Malaysia	2005 and forward
Puerto Rico	2006 and forward
United Kingdom	2005 and forward

The company's federal tax filings have been examined by the U.S. Internal Revenue Service ("IRS") for calendar years ending prior to 2005. In 2008, the company's income tax provision was reduced by $28.3 million as a result of the completion of the IRS examination for tax years 2003 and 2004. The remaining two tax positions under review

through the administrative appeals process for those years were closed in 2010. Depending upon open tax examinations and/or the expiration of applicable statutes of limitation, the company believes that it is reasonably possible that the total amount of unrecognized tax benefits may decrease by up to $23.9 million within the next 12 months.

At December 31, 2010, the company had not provided for income taxes on the undistributed earnings of its foreign operations of approximately $1.3 billion as it is the company's intention to permanently reinvest these undistributed earnings.

5. Earnings per Common Share

Earnings per share ("EPS") is computed under the two-class method, which requires nonvested share-based payment awards that have non-forfeitable rights to dividend or dividend equivalents to be treated as a separate class of securities in calculating EPS. Participating securities include nonvested restricted stock, nonvested shares or units under the management stock purchase program, and certain other nonvested stock-based awards.

EPS is computed using the following common share information for the following years ended December 31:

(dollars and shares in millions)	2010	2009	2008
EPS Numerator:			
Net income attributable to common shareholders	$509.2	$460.1	$416.5
Less: Income allocated to participating securities	5.5	5.0	5.8
Net income available to common shareholders	$503.7	$455.1	$410.7
EPS Denominator:			
Weighted average common shares outstanding	93.4	97.7	99.5
Dilutive common share equivalents from share-based compensation plans	1.2	1.3	2.0
Weighted average common and common equivalent shares outstanding, assuming dilution	94.6	99.0	101.5

6. Financial Instruments

Foreign Exchange Derivative Instruments

The company enters into readily marketable forward and option contracts with financial institutions to help reduce its exposure to foreign currency exchange rate fluctuations. These contracts limit volatility because gains and losses associated with foreign exchange rate movements are generally offset by movements in the underlying hedged item. The notional value of the company's forward currency and option contracts was $182.7 million and $111.7 million at December 31, 2010 and 2009, respectively.

Interest Rate Derivative Instruments

On December 20, 2010, the company entered into an interest rate swap contract in connection with its debt offering. See Note 9 of the notes to consolidated financial statements. The swap contract effectively converts the 2.875% fixed-rate notes to a floating-rate instrument. The notional value of the company's interest rate swap contract is $250.0 million.

The location and fair values of derivative instruments segregated between those derivatives that are designated as hedging instruments and those that are not designated as hedging instruments at December 31, are as follows:

Derivatives Designated as Hedging Instruments	Balance Sheet Location	Fair Value of Derivatives 2010	2009
(dollars in millions)			
Forward currency contracts	Other current assets	$2.8	$ 1.5
Option contracts	Other current assets	1.5	0.9
Interest rate swap contract	Other assets	0.7	—
		$5.0	$ 2.4
Forward currency contracts	Accrued expenses	$1.1	$—
		$1.1	$—
Derivatives Not Designated as Hedging Instruments			
(dollars in millions)			
Forward currency contracts	Other assets	$1.8	$—
		$1.8	$—

The location and amounts of gains and losses on derivative instruments designated as cash flow hedges and the impact on the consolidated statement of shareholders' investment for the years ended December 31, are as follows:

(dollars in millions)	Gain/(Loss) Recognized in Other Comprehensive Income 2010	2009	Location of Gain/(Loss) Reclassified from Accumulated Other Comp. Loss to Income	Gain/(Loss) Reclassified from Accumulated Other Comp. Loss to Income 2010	2009
Forward currency contracts	$0.1	$ 3.6	Costs of goods sold	$0.4	$(2.0)
Option contracts	0.8	(8.4)	Costs of goods sold	0.4	5.0
	$0.9	$(4.8)		$0.8[A]	$ 3.0[A]

[A] The tax effect of the amount reclassified from accumulated other comprehensive loss to income was $0.1 million and $0.4 million at December 31, 2010 and 2009, respectively.

At December 31, 2010, the company had losses of approximately $0.1 million in accumulated other comprehensive loss in the consolidated balance sheet that are expected to be reclassified into earnings in 2011.

The location and amounts of gains and losses on the derivative instrument designated as a fair value hedge for the year ended December 31, 2010 are as follows:

(dollars in millions)	Income Statement Location	Gain Recognized on Swap	(Loss) Recognized on Long-Term Debt
Interest rate swap contract	Interest expense	$0.7	$(0.7)

The location and amounts of gains and losses on derivative instruments not designated as hedging instruments for the year ended December 31, 2010 are as follows:

(dollars in millions)	Income Statement Location	Gain Recognized in Earnings
Forward currency contracts[A]	Other (income) expense, net	$1.8

[A] These derivative contracts mitigate changes in the value of remeasured foreign currency denominated monetary loans attributable to changes in foreign currency exchange rates.

Financial Instruments Measured at Fair Value on a Recurring Basis

Fair value is defined as the exit price that would be received to sell an asset or paid to transfer a liability. Fair value is a market-based measurement that should be determined using assumptions that market participants would use in pricing an asset or liability. The fair value guidance establishes a three-level hierarchy to prioritize the inputs used in measuring fair value. The levels within the hierarchy range from Level 1 having the highest priority to Level 3 having the lowest.

The following table summarizes financial instruments measured at fair value on a recurring basis at December 31:

(dollars in millions)	2010	2009
Forward currency contracts	$3.5	$1.5
Option contracts	1.5	0.9
Interest rate swap contract	0.7	—

The fair values of these contracts were measured using significant other observable inputs and valued by reference to similar financial instruments, adjusted for restrictions and other terms specific to each contract. All of these financial instruments are categorized as Level 2 under the fair value hierarchy.

Financial Instruments Not Measured at Fair Value

The fair value of commercial paper borrowings of $80.5 million at December 31, 2010 approximates carrying value.

The estimated fair value of long-term debt including the effect of the related swap contract was $937.7 million and $163.1 million at December 31, 2010 and 2009, respectively. The fair value was estimated using dealer quotes for similarly-rated debt instruments over the remaining contractual term of the company's obligation. Long-term debt is categorized as Level 2 under the fair value hierarchy.

Concentration Risks

The company is potentially subject to financial instrument concentration of credit risk through its cash equivalents and accounts receivable. The company performs periodic evaluations of the relative credit standing of these financial institutions and limits the amount of credit exposure with any one institution. Concentrations of risk with respect to trade accounts receivable are limited due to the large number of customers dispersed across many geographic areas. However, accounts receivable balances include sales to government-supported healthcare systems outside the United States. The company monitors these receivables for potential collection risks. The company is experiencing significant delays in the collection of accounts receivable associated with the national healthcare system in Greece, which amounted to $32.8 million and $36.7 million, at December 31, 2010 and December 31, 2009, respectively. Due to the continued challenges with the financial stability and creditworthiness of Greece, the company recorded a write-down on these receivables of $3.8 million in the second quarter of 2010. The write-down was based on a proposal that the Greek government announced on June 15, 2010 to settle its outstanding debts from 2007 through 2009, primarily by issuing non-interest bearing bonds with maturities of one to three years. The proposal was adopted as law on August 3, 2010. On December 22, 2010, the Greek government began the process of issuing these bonds. The issuance process is ongoing and is expected to be complete in the first quarter of 2011.

Sales to distributors, which supply the company's products to many end users, accounted for approximately 32% of the company's net sales in 2010, and the five largest distributors combined, including the company's Medicon joint venture, accounted for approximately 66% of distributors' sales. One large distributor accounted for approximately 9% of the company's net sales in 2010, and approximately 10% in each of 2009 and 2008. This distributor represented gross receivables of approximately $39.1 million and $36.0 million as of December 31, 2010 and 2009, respectively.

7. Inventories

Inventories at December 31 consisted of:

(dollars in millions)	2010	2009
Finished goods	$176.3	$176.2
Work in process	18.6	27.1
Raw materials	114.0	92.1
	$308.9	$295.4

Approximately 68% of the company's inventory costs are determined using LIFO. Consigned inventory was $29.9 million and $30.5 million at December 31, 2010 and 2009, respectively.

8. Other Intangible Assets

Other intangible assets at December 31 consisted of:

	2010		2009	
(dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Core technologies	$515.8	$(118.3)	$364.5	$ (83.0)
Patents	80.5	(37.3)	76.7	(31.5)
Other intangibles	172.9	(73.3)	141.0	(61.3)
	$769.2	$(228.9)	$582.2	$(175.8)

Amortization expense was $53.1 million, $42.5 million and $39.6 million in 2010, 2009 and 2008, respectively. The estimated amortization expense for the years 2011 through 2015 based on the company's intangible assets as of December 31, 2010 is as follows: 2011 - $58.8 million; 2012 - $58.7 million; 2013 - $57.4 million; 2014 - $55.9 million; and 2015 - $53.8 million.

9. Debt

Long-term debt at December 31 consisted of:

	2010	2009
(dollars in millions)		
4.40% notes due 2021	$496.4	$ —
2.875% notes due 2016	250.7	—
6.70% notes due 2026	149.8	149.8
	$896.9	$149.8

On December 20, 2010, the company issued $750 million senior unsecured notes consisting of $250 million aggregate principal amount of 2.875% notes due 2016 and $500 million aggregate principal amount of 4.40% notes due 2021. Interest on the notes is payable semi-annually. The notes are redeemable in whole or in part at any time, at the company's option at the specified redemption prices or upon a change of control, as defined in the associated indenture. Net proceeds from this offering were $740.0 million, after deducting debt offering costs, consisting of underwriting commissions and offering expenses of $6.3 million, which were capitalized and recorded to other assets, and a debt issuance discount of $3.7 million, which was recorded to long-term debt. The debt offering costs have been allocated proportionately to each tranche of the notes and will be amortized over their respective terms. The debt issuance discount will be amortized over the terms of the respective notes. Net proceeds from the issuance of the notes were used to fund an accelerated share repurchase ("ASR") transaction.

In connection with the offering of the notes, on December 15, 2010, the company entered into an ASR agreement with a bank to repurchase $750 million of the company's outstanding common stock. The company received 8.1 million shares upon initial settlement under the ASR transaction. The initial settlement is subject to an adjustment related to a forward purchase contract based on the volume-weighted average share price of the company's common stock during a predetermined period of less than one year, less a discount. The fair value of the forward purchase contract of $10.2 million was recorded to capital in excess of par value. Upon final settlement of the forward purchase contract, the company will either receive a settlement amount of additional shares of its common stock or be required to remit a settlement amount, payable, at the company's option, in cash or common stock. The payment to the bank was recorded as a decrease to shareholders' investment, consisting of decreases of $2.0 million in common stock, $10.2 million in capital in excess of par value, and $737.8 million in retained earnings.

The company also maintains a $400 million committed syndicated bank credit facility that expires in June 2012. The credit facility supports the company's commercial paper program and can be used for general corporate purposes. The facility includes pricing based on the company's long-term credit rating and includes a financial covenant that limits the amount of total debt to total capitalization. There were commercial paper borrowings of $80.5 million at December 31, 2010 and no commercial paper borrowings at December 31, 2009.

10. Commitments and Contingencies

General

In the ordinary course of business, the company is subject to various legal proceedings and claims, including, for example, product liability matters, environmental matters, employment disputes, disputes on agreements and other commercial disputes. In addition, the company operates in an industry susceptible to significant patent legal claims. The company accounts for estimated losses with respect to legal proceedings and claims when such losses are probable and reasonably estimable. Legal costs associated with these matters are expensed as incurred. At any given time, in the ordinary course of business, the company is involved as either a plaintiff or defendant in a number of patent infringement actions. If a third party's patent infringement claim were to be determined against the company, the company might be required to make significant royalty or other payments or might be subject to an injunction or other limitation on its ability to manufacture or distribute one or more products. If a patent owned by or licensed to the company were to be determined to be invalid or unenforceable, the company might be required to reduce the value of the patent on the company's balance sheet and to record a corresponding charge, which could be significant in amount. The company believes that any of these proceedings and claims could have a material adverse effect on its business, results of operations, financial condition and/or liquidity.

The company requires limited product warranty accruals as the majority of the company's products are intended for single use. Certain of the company's products carry limited warranties that in general do not exceed one year from sale. The company accrues estimated product warranty costs at the time of sale.

Product Liability Matters

As of February 17, 2011, approximately 1,840 federal and 1,625 state lawsuits involving individual claims by approximately 3,580 plaintiffs, as well as two putative class actions in the United States and four putative class actions in various Canadian provinces, have been filed or asserted against the company with respect to its Composix® Kugel® and certain other hernia repair implant products (collectively, the "Hernia Product Claims"). One of the U.S. class action lawsuits consolidates ten previously-filed U.S. class action lawsuits. The putative class actions, none of which has been certified, seek (i) medical monitoring, (ii) compensatory damages, (iii) punitive damages, (iv) a judicial finding of defect and causation and/or (v) attorneys' fees. Approximately 1,600 of the state lawsuits, involving individual claims by a substantially equivalent number of plaintiffs, are pending in the Superior Court of the State of Rhode Island, with the remainder in various other jurisdictions. The Hernia Product Claims also generally seek damages for personal injury resulting from use of the products. The company voluntarily recalled certain sizes and lots of the Composix® Kugel® products beginning in December 2005.

On June 22, 2007, the Judicial Panel on Multidistrict Litigation transferred Composix® Kugel® lawsuits pending in federal courts nationwide into one Multidistrict Litigation ("MDL") for coordinated pre-trial proceedings in the United States District Court for the District of Rhode Island. The MDL court subsequently determined to include other hernia repair products of the company in the MDL proceeding. The first MDL trial was completed in April 2010 and resulted in a judgment for the company based on the jury's finding that the company was not liable for the plaintiff's damages. The second MDL trial was completed in August 2010 and

resulted in a judgment for the plaintiffs of $1.5 million. The company expects additional trials of Hernia Product Claims to take place over the next 12 months. While the company intends to vigorously defend the Hernia Product Claims, it expects to participate in court-mandated settlement conferences beginning in March 2011 with respect to certain lawsuits pending in the Superior Court of the State of Rhode Island and, where appropriate, may enter into settlement arrangements with respect to certain of these or other claims. The company cannot give any assurances that the resolution of the Hernia Product Claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

As of February 17, 2011, approximately 120 product liability lawsuits have been filed or asserted against the company in various federal and state jurisdictions alleging personal injuries associated with the use of the company's women's health products, principally its Avaulta® line of pelvic floor reconstruction products (collectively, the "Women's Health Product Claims"). The Women's Health Product Claims generally seek damages for personal injury resulting from use of the products. With respect to certain of these claims, the company believes that one of its suppliers has an obligation to defend and indemnify the company. On October 12, 2010, the Judicial Panel on Multidistrict Litigation transferred the Women's Health Product Claims involving Avaulta® products pending in federal courts nationwide into an MDL for coordinated pre-trial proceedings in the United States District Court for the Southern District of West Virginia. Approximately 60 of the Women's Health Product Claims involving Avaulta® products are pending in federal courts and have been or will be transferred to the MDL, with the remainder of the Women's Health Product Claims in various state or federal courts. While the company intends to vigorously defend the Women's Health Product Claims, it cannot give any assurances that the resolution of these claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

As of February 17, 2011, product liability lawsuits involving individual claims by approximately 30 plaintiffs have been filed or asserted against the company in various federal and state jurisdictions alleging personal injuries associated with the use of the company's vena cava filter products. In addition, a putative class action lawsuit has been filed against the company in California state court on behalf of plaintiffs who are alleged to have no present injury (all lawsuits, collectively, the "Filter Product Claims"). The putative class action, which has not been certified, seeks: (i) medical monitoring; (ii) punitive damages; (iii) a judicial finding of defect and causation; and/or (iv) attorneys' fees. While the company intends to vigorously defend the Filter Product Claims, it cannot give any assurances that the resolution of these claims will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

In most product liability litigations of this nature, including the Hernia Product Claims, the Women's Health Product Claims and the Filter Product Claims, plaintiffs allege a wide variety of claims, ranging from allegations of serious injury caused by the products to efforts to obtain compensation notwithstanding the absence of any injury. In the majority of these cases, the company has not yet received and reviewed complete information regarding the plaintiffs and their medical conditions, and consequently, is unable to fully evaluate the claims. The company expects that it will receive and review additional information regarding the Hernia Product Claims, the Women's Health Product Claims, the Filter Product Claims and related matters as these cases progress.

The company believes that many settlements and judgments, as well as legal defense costs, relating to product liability matters are or may be covered in whole or in part under its product liability insurance policies with a limited number of insurance carriers. In certain circumstances, insurance carriers reserve their rights with respect to coverage, or contest or deny coverage, as has occurred with respect to certain claims. When this occurs, the company intends to vigorously contest disputes with respect to its insurance coverage and to enforce its rights under the terms of its insurance policies, and accordingly, may record receivables with respect to amounts due under these policies. In connection with the Hernia Products Claims, the company is in dispute with

two of its excess insurance carriers relating to an aggregate of $50 million of insurance coverage. Regardless of the outcome of these disputes (including any arbitration proceedings), the company's insurance coverage with respect to the Hernia Product Claims may be fully depleted in the next 12 months. Amounts recovered under the company's product liability insurance policies may be less than the stated coverage limits and may not be adequate to cover damages and/or costs relating to claims. In addition, there is no guarantee that insurers will pay claims or that coverage will otherwise be available.

Other Legal Matters

On November 27, 2006, the company received a subpoena issued by the U.S. Department of Health and Human Services, Office of Inspector General, under the authority of the federal healthcare fraud and false claims statutes. The subpoena seeks documents related to the company's brachytherapy business. The company has responded to the subpoena and is cooperating with the government in this matter. Although the company recently began discussions with federal authorities with respect to a potential resolution of this matter, there can be no assurance that a resolution will be reached or what the terms of any such resolution may be. The company cannot give any assurances that this matter will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

On February 21, 2007, Southeast Missouri Hospital ("Southeast") filed a putative class action complaint on behalf of itself and all others similarly situated against the company and another manufacturer, Tyco International, Inc., which was subsequently dismissed from the action. The complaint was later amended to add St. Francis Medical Center ("St. Francis") as an additional named plaintiff. The action was re-named as *St. Francis Medical Center, et al. v. C. R. Bard, Inc., et al.* (Civil Action No. 1:07-cv-00031, United States District Court, Eastern District of Missouri, Southeastern District) when the court denied Southeast's motion to serve as a class representative and dismissed Southeast from the lawsuit. In September 2008, the court granted St. Francis's motion for class certification and determined the measurement period for any potential damages. St. Francis alleges that the company conspired to exclude competitors from the urological catheter market and that the company sought to maintain market share by engaging in conduct in violation of state and federal antitrust laws. St. Francis seeks injunctive relief and presented an expert report that calculates damages of up to approximately $320 million, a figure that the company believes is unsupported by the facts. The company's expert report establishes that, even assuming a determination adverse to the company, the plaintiffs suffered no damages. In September 2009, the District Court granted the company's summary judgment motion and dismissed with prejudice all counts in this action. St. Francis appealed the Court's decision to the Eighth Circuit Court of Appeals. In August 2010, the Eighth Circuit Court of Appeals affirmed the decision of the District Court. In October 2010, the Eighth Circuit Court of Appeals granted St. Francis's request for a re-hearing of its appeal. The re-hearing is pending. The company intends to defend this matter vigorously. If, however, St. Francis is ultimately successful, any damages awarded under the federal antitrust laws will be subject to statutory trebling and St. Francis's attorneys would be entitled to an award of reasonable fees and costs. At this time, it is not possible to assess the likelihood of an adverse outcome or determine an estimate, or a range of estimates, of potential damages. The company cannot give any assurances that this matter will not have a material adverse effect on the company's business, results of operations, financial condition and/or liquidity.

In December 2007, a U.S. District Court jury in Arizona found that certain of W.L. Gore & Associates Inc.'s ("Gore") ePTFE vascular grafts and stent-grafts infringe the company's patent number 6,436,135. The jury upheld the validity of the patent and awarded the company $185 million in past damages. The jury also found that Gore willfully infringed the patent. In a second phase of the trial, the Court ruled that Gore failed to prove

that the patent is unenforceable due to inequitable conduct. In March 2009, the U.S. District Court doubled the jury award to approximately $371 million for damages through June 2007. The Court also awarded the company attorneys' fees of $19 million and prejudgment interest of approximately $20 million. In addition, the Court denied Gore's remaining motions, including its motions for a new trial and to set aside the jury's verdict. In July 2010, the U.S. District Court awarded the company approximately $109 million in additional damages for the period from July 2007 through March 2009. The Court also assessed a royalty rate of between 12.5% and 20%, depending on the product, that will be used to calculate damages for Gore's infringing sales from April 2009 through the expiration of the patent. Gore has deposited with the Court an additional approximately $200 million, representing Gore's calculation of royalties for its infringing sales through December 2010. Gore has appealed this matter to the Court of Appeals for the Federal Circuit. Because the company considers this matter a gain contingency, no amounts have been recorded as of December 31, 2010.

The company is subject to numerous federal, state, local and foreign environmental protection laws governing, among other things, the generation, storage, use and transportation of hazardous materials and emissions or discharges into the ground, air or water. The company is or may become a party to proceedings brought under various federal laws including the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), commonly known as Superfund, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and similar state laws. These proceedings seek to require the owners or operators of contaminated sites, transporters of hazardous materials to the sites and generators of hazardous materials disposed of at the sites to clean up the sites or to reimburse the government for cleanup costs. In most cases, there are other potentially responsible parties that may be liable for any remediation costs. In these cases, the government alleges that the defendants are jointly and severally liable for the cleanup costs; however, these proceedings are frequently resolved so that the allocation of cleanup costs among the parties more closely reflects the relative contributions of the parties to the site contamination. The company's potential liability varies greatly from site to site. For some sites, the potential liability is de minimis and for others the costs of cleanup have not yet been determined. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study and are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable. The company believes that the proceedings and claims described above will likely be resolved over an extended period of time. While it is not feasible to predict the outcome of these proceedings, based upon the company's experience, current information and applicable law, the company does not expect these proceedings to have a material adverse effect on its financial condition and/or liquidity. However, one or more of the proceedings could be material to the company's business and/or results of operations.

Accruals for product liability and other legal matters amounted to $54.4 million and $47.1 million at December 31, 2010 and 2009, respectively. The company also has receivables from insurance companies for unresolved matters amounting to $54.6 million and $33.1 million at December 31, 2010 and 2009, respectively.

The company is committed under noncancelable operating leases involving certain facilities and equipment. The minimum annual rentals under the terms of these leases are as follows: 2011 - $22.3 million; 2012 - $19.4 million; 2013 - $16.3 million; 2014 - $14.7 million; 2015 - $10.6 million and thereafter - $46.0 million. Total rental expense for operating leases approximated $22.8 million in 2010, $22.6 million in 2009 and $21.2 million in 2008.

Effective December 31, 2009, the company entered into a settlement agreement with one of its insurance companies with respect to a previously-denied insurance claim. Pursuant to this agreement, the company secured a specified coverage commitment for the Hernia Product Claims. As a result, the company recorded a charge of $25.0 million ($24.5 million after tax) to other (income) expense, net, for the write-off of a related insurance receivable.

On December 30, 2009, the company reached a settlement with an insurance company related to a legal action settled in 2006 entitled *Rochester Medical Corporation. Inc. v. C R. Bard Inc*., et al. In connection with this settlement, the company recorded to other (income) expense, net, an insurance recovery of $18.0 million ($11.2 million after tax).

11. Share-Based Compensation Plans

The company may grant a variety of share-based payments under the 2003 Long Term Incentive Plan of C. R. Bard, Inc. (the "2003 Plan") and the 2005 Directors' Stock Award Plan of C. R. Bard, Inc. (the "Directors' Plan") to certain directors, officers and employees. In 2009, the company changed the timing of its annual grant of share-based compensation from July to December. The total number of remaining shares at December 31, 2010 that may be issued under the 2003 Plan was 4,607,991 and under the Directors' Plan was 57,166. Shares remaining for issuance under the 2003 Plan include 3,150,000 shares authorized by the shareholders at the company's Annual Meeting of Shareholders on April 21, 2010. Awards under the 2003 Plan may be in the form of stock options, stock appreciation rights, limited stock appreciation rights, restricted stock, unrestricted stock and other stock-based awards. Awards under the Directors' Plan may be in the form of stock awards, stock options or stock appreciation rights. The company has two employee stock purchase programs.

Amounts recognized for share-based compensation for the following years ended December 31 are:

(dollars in millions)	2010	2009	2008
Total cost of share-based compensation plans	$58.1	$52.3	$53.3
Amounts capitalized in inventory and fixed assets	(1.5)	(1.6)	(1.9)
Amounts charged against income for amounts previously capitalized in inventory and fixed assets	1.6	1.7	1.7
Amounts charged against income	$58.2	$52.4	$53.1
Amount of related income tax benefit recognized in income	$21.4	$18.2	$18.1

As of December 31, 2010, there were $97.2 million of unrecognized compensation expenses related to share-based payment arrangements. These costs are expected to be recognized over a weighted-average period of approximately three years. The company repurchases shares from time-to-time on the open market to satisfy share-based payment arrangements. The company has sufficient treasury shares to satisfy expected share-based payment arrangements in 2011.

Stock Options - The company grants stock options to certain employees and may grant stock options to directors with exercise prices equal to the average of the high and low prices of the company's common stock on the date of grant. These stock option awards generally have requisite service periods between four and five years, and ten-year contractual terms. Certain stock option awards provide for accelerated vesting after a minimum of two years if certain performance conditions are met. Summarized information regarding total stock option activity and amounts for the year ended December 31, 2010 is as follows:

Options	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (millions)
Outstanding - January 1	7,514,670	$67.96		
Granted	1,182,313	85.97		
Exercised	(647,656)	52.95		
Canceled/forfeited	(106,034)	84.69		
Outstanding - December 31	7,943,293	$71.64	6.3	$160.0
Exercisable	5,751,727	$66.87	5.1	$143.3

The company uses a binomial-lattice option valuation model to estimate the fair value of stock options. The assumptions used to estimate the fair value of the company's stock option grants for the following years ended December 31 are:

	2010	2009	2008
Dividend yield	0.9%	0.9%	0.7%
Risk-free interest rate	1.29%	1.72%	3.28%
Expected option life in years	7.2	7.1	7.5
Expected volatility	23%	24%	26%
Option fair value	$21.34	$22.64	$29.58

Compensation expense related to stock options was $22.1 million, $23.3 million and $26.9 million for the years ended December 31, 2010, 2009 and 2008, respectively. At December 31, 2010, there were $30.2 million of total unrecognized compensation costs related to nonvested stock options. These costs are expected to be recognized over a weighted-average period of approximately two years. During the years ended December 31, 2010, 2009 and 2008, 1,105,398, 1,166,246 and 676,343 options, respectively, vested with a weighted-average fair value of $29.40, $25.68 and $22.89, respectively. The total intrinsic value of stock options exercised during 2010, 2009 and 2008 was $21.3 million, $23.2 million and $72.0 million, respectively.

Cash received from stock option exercises for the years ended December 31, 2010, 2009 and 2008 was $34.3 million, $23.3 million and $49.8 million, respectively. The actual tax benefit realized for the tax deductions from option exercises was $7.1 million for each of the years ended December 31, 2010 and 2009, respectively, and $24.5 million for the year ended December 31, 2008.

Restricted Stock—Restricted stock awards entitle employees to voting and dividend rights. Certain restricted stock awards have performance features. Restricted stock grants have requisite service periods of between four to seven years. Compensation expense related to restricted stock was $21.5 million, $13.6 million and $12.2 million for the years ended December 31, 2010, 2009 and 2008, respectively. At December 31, 2010, there were $41.7 million of total unrecognized compensation costs related to nonvested restricted stock awards. These costs are

expected to be recognized over a weighted-average period of approximately three years. The activity in the nonvested restricted stock awards for the year ended December 31, 2010 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding - January 1	862,139	$81.92
Granted	297,112	85.91
Vested	(116,498)	69.49
Forfeited	(9,485)	80.94
Outstanding - December 31	1,033,268	$84.48

Restricted Stock Units—Restricted stock units have requisite service periods of between four and seven years. No voting or dividend rights are associated with these grants until the underlying shares are issued upon vesting. Compensation expense related to these awards was $4.8 million, $4.9 million and $3.4 million for the years ended December 31, 2010, 2009 and 2008, respectively. At December 31, 2010, there were $19.9 million of total unrecognized compensation costs related to nonvested restricted stock unit awards. These costs are expected to be recognized over a weighted-average period of approximately four years. The activity in the nonvested restricted stock unit awards for the year ended December 31, 2010 is as follows:

	Number of Units	Weighted Average Grant Date Fair Value
Outstanding - January 1	574,018	$71.69
Granted	162,140	80.52
Vested	(101,416)	45.66
Forfeited	(75,235)	76.71
Outstanding - December 31	559,507	$78.29

Other Stock-Based Awards—The company grants stock awards to directors. Shares are generally distributed to a director in his or her year of election and vest on a pro rata basis in each year of his or her term, although additional awards may be granted with other terms. The fair value of these awards is charged to compensation expense over the directors' terms. Restrictions limit the sale or transfer of these awards until the awarded stock vests and until an additional two-year period lapses. There are voting and dividend rights associated with these awards. Compensation expense related to these stock awards was $1.2 million, $0.8 million and $0.9 million for the years ended December 31, 2010, 2009 and 2008, respectively. At December 31, 2010, there were $0.5 million of total unrecognized compensation costs related to nonvested other stock-based awards. These costs are expected to be recognized over a weighted-average period of approximately two years. At December 31, 2010 and 2009, nonvested other stock-based awards of 19,600 and 15,200 shares, respectively, were outstanding.

Management Stock Purchase Program—The company maintains a management stock purchase program under the 2003 Plan (together with a predecessor stock purchase plan, the "MSPP"). Under the MSPP, employees at a specified level may purchase, with their eligible annual bonus, common stock units at a 30% discount from the lower of the price of the common stock on July 1 of the previous year or on the date of purchase, which occurs on the date bonuses are approved by the Board of Directors. Employees make an election on or before June 30 of the previous year as to the percentage of their eligible annual bonus that will be used to purchase common stock units under the MSPP. The company's predecessor plan provided for the purchase of shares of the company's common stock. Employees are required to allocate at least 25% of their eligible annual bonuses to purchase common stock units under the MSPP to the extent they have not satisfied certain stock ownership guidelines. MSPP shares or units are restricted from sale or transfer for four years from the purchase date. Only shares or units corresponding to the 30% discount are forfeited if the employee's employment terminates prior to the end of the four-year vesting period. Dividends or dividend-equivalents are paid on MSPP shares or units, and the participant has the right to vote all MSPP shares. The activity in the MSPP for the year ended December 31, 2010 is as follows:

	Number of Units	Weighted Average Grant Date Fair Value
Outstanding - January 1	194,162	$49.84
Purchased	64,656	28.20
Vested	(34,439)	68.21
Forfeited	(5,056)	38.77
Outstanding - December 31	219,323	$40.83

The company uses the Black-Scholes model, as a result of the option-like features of the MSPP, to estimate the expense associated with anticipated MSPP purchases. Compensation expense is recognized over a period that will end four years after purchase. The assumptions used for the following years ended December 31 are:

	2010	2009	2008
Dividend yield	0.9%	0.8%	0.7%
Risk-free interest rate	0.22%	0.35%	2.21%
Expected life in years	0.6	0.6	0.6
Expected volatility	20%	27%	24%
Fair value	$27.42	$28.20	$32.53

Compensation expense related to this program was $6.5 million, $7.3 million and $7.4 million for the years ended December 31, 2010, 2009 and 2008, respectively. At December 31, 2010, there were $4.9 million of total unrecognized compensation costs related to nonvested MSPP shares and units. These costs are expected to be recognized over a weighted-average period of approximately two years.

Employee Stock Purchase Plan—Under the 1998 Employee Stock Purchase Plan of C. R. Bard, Inc. ("ESPP"), domestic employees and certain foreign employees can purchase Bard stock at a 15% discount to the lesser of the market price on the beginning or ending date of the six-month periods ending June 30 and December 31 of each year. Participants may elect to make after tax payroll deductions of 1% to 10% of compensation as defined by the plan up to a maximum of $25,000 per year. The ESPP is intended to meet the requirements of Section 423 of the Internal Revenue Code of 1986, as amended. At December 31, 2010, 181,870 shares were available for purchase under the ESPP. Employee payroll deductions are for six-month periods beginning each January 1 and July 1. Shares of the company's common stock are purchased on June 30 or December 31 or the following business day, unless either the purchase of such shares was delayed at the election of the participant or the participant's employment was terminated. Purchased shares are restricted for sale or

transfer for a six-month period. All participant funds received prior to the ESPP purchase dates are held as company liabilities without interest or other increment. No dividends are paid on employee contributions until shares are purchased.

The company values the ESPP purchases utilizing the Black-Scholes model. The weighted average assumptions used for the following years ended December 31 are:

	2010	2009	2008
Dividend yield	0.9%	0.8%	0.7%
Risk-free interest rate	0.20%	0.30%	2.85%
Expected life in years	0.5	0.5	0.5
Expected volatility	20%	32%	23%
Fair value	$15.70	$18.74	$19.41

Compensation expense related to this plan was $2.1 million, $2.5 million and $2.3 million for the years ended December 31, 2010, 2009 and 2008, respectively. For the years ended December 31, 2010 and 2009, employees purchased 146,551 and 147,683 shares, respectively.

12. Pension and Other Postretirement Benefit Plans

Defined Benefit Pension Plans

The company has both tax-qualified and nonqualified, noncontributory defined benefit pension plans that together cover substantially all domestic and certain foreign employees. These plans provide benefits based upon a participant's compensation and years of service. The nonqualified plans are made up of the following arrangements: a nonqualified supplemental deferred compensation arrangement and a nonqualified excess pension deferred compensation arrangement (together, "the nonqualified plans"). The nonqualified supplemental deferred compensation arrangement provides supplemental income to key executives of the company. The benefit is determined by the accumulation of an account balance that results from a percentage of pay credit and interest. No deferrals of pay are required from participants. The balance is paid to a participant after retirement over a 15-year period. The nonqualified excess pension deferred compensation arrangement provides benefits to key employees that cannot be provided by the qualified plan due to IRS limitations.

The company amended its domestic tax qualified pension plan to provide that new hires, effective January 1, 2011 or later, will no longer be eligible to participate in the company's defined benefit plan. The company also amended its domestic defined contribution plan to provide for a new annual retirement contribution by the company for new hires beginning January 1, 2011. These amendments are not expected to have a material impact on the net pension cost of the company.

The company amended certain of its foreign tax qualified pension plans to provide that new hires, as of October 1, 2009 or later, will no longer be eligible to participate in the company's defined benefit plan. The company established a defined contribution plan for new hires beginning October 1, 2009. This amendment did not have a material impact on the net pension cost of the company.

In 2008, the company adopted FASB guidance to measure plan assets and benefit obligations as of the date of the company's year-end. The impact of this measurement date change reduced retained earnings by $3.0 million and increased accumulated other comprehensive (loss) income by $0.6 million at December 31, 2008.

The change in benefit obligation, change in fair value of plan assets and funded status for the plans are as follows:

(dollars in millions)	2010	2009
Benefit obligation - beginning	$348.6	$ 284.1
Service cost	25.2	20.6
Interest cost	18.9	17.4
Actuarial loss	11.5	39.8
Benefits paid	(20.9)	(17.5)
Currency/other	(6.3)	4.2
Benefit obligation - ending	$377.0	$ 348.6
Fair value of plan assets - beginning	$239.1	$ 181.0
Actual return on plan assets	32.3	44.5
Company contributions	33.4	26.7
Benefits paid	(20.9)	(17.5)
Currency/other	(2.3)	4.4
Fair value of plan assets - ending	$281.6	$ 239.1
Funded status of the plans, December 31	$ (95.4)	$(109.5)

Foreign benefit plan assets at fair value included in the preceding table were $56.8 million and $51.5 million at December 31, 2010 and 2009, respectively. The foreign pension plan benefit obligations included in this table were $59.2 million and $58.9 million at December 31, 2010 and 2009, respectively. The benefit obligation for nonqualified plans also included in this table were $55.6 million and $51.9 million at December 31, 2010 and 2009, respectively. The nonqualified plans are generally not funded.

At December 31, 2010 and 2009, the accumulated benefit obligation for all pension plans was $326.5 million and $297.4 million, respectively. At December 31, 2010 and 2009, the accumulated benefit obligation for foreign pension plans was $47.9 million and $47.6 million, respectively. The accumulated benefit obligation for the nonqualified plans was $50.9 million and $47.4 million at December 31, 2010 and 2009, respectively.

For pension plans with benefit obligations in excess of plan assets at December 31, 2010 and 2009, the fair value of plan assets was $281.6 million and $239.1 million, respectively, and the benefit obligation was $377.0 million and $348.6 million, respectively. For pension plans with accumulated benefit obligations in excess of plan assets at December 31, 2010 and 2009, the fair value of plan assets was $224.9 million and $187.5 million, respectively, and the accumulated benefit obligation was $278.6 million and $249.9 million, respectively.

Amounts recognized in accumulated other comprehensive loss at December 31 consisted of:

(dollars in millions)	2010	2009
Net loss	$132.3	$139.0
Prior service (credit) cost	(2.7)	0.1
Before tax amount	$129.6	$139.1
After tax amount	$ 83.1	$ 89.1

The change in net loss in the above table included net gains of $2.6 million and net losses of $16.7 million ($1.9 million and $11.5 million after tax) arising during the years ended December 31, 2010 and 2009, respectively.

Amounts recognized in the consolidated balance sheets at December 31 consisted of:

(dollars in millions)	2010	2009
Accrued compensation and benefits	$ (3.0)	$ (2.8)
Other long-term liabilities	(92.4)	(106.7)
Net amount recognized	$(95.4)	$(109.5)

The estimated net actuarial loss for pension benefits that will be amortized from accumulated other comprehensive loss into net pension cost over the next fiscal year is expected to be $7.8 million.

The components of net periodic benefit cost for the following years ended December 31 are:

(dollars in millions)	2010	2009	2008
Service cost, net of employee contributions	$ 24.6	$ 19.9	$ 18.5
Interest cost	18.9	17.4	17.3
Expected return on plan assets	(22.0)	(20.4)	(19.6)
Amortization of net loss	6.9	3.1	3.8
Amortization of prior service cost	—	0.1	0.1
Net periodic pension cost	$ 28.4	$ 20.1	$ 20.1

The net pension cost attributable to foreign plans included in the above table were $3.9 million, $1.2 million and $2.8 million in 2010, 2009 and 2008, respectively.

The weighted average assumptions used in determining pension plan information for the following years ended December 31 are:

	2010	2009	2008
Net Cost			
Discount rate	5.62%	6.32%	6.16%
Expected return on plan assets	8.15%	8.10%	8.16%
Rate of compensation increase	4.35%	4.27%	4.33%
Benefit Obligation			
Discount rate	5.15%	5.62%	6.32%
Rate of compensation increase	4.34%	4.35%	4.27%

The company's discount rates are determined by considering current yield curves representing high quality, long-term fixed income instruments. The resulting discount rates are consistent with the duration of plan liabilities.

The long-term rate of return for plan assets is derived from return assumptions determined for each of the significant asset classes. Under this approach, the historical real returns (net of inflation) on different asset classes are combined with long-term expectations for inflation to determine an expected return on assets within that class. These real rates of return for each asset class reflect the long-term historical relationships between equities and fixed income investments. Current market factors such as inflation and interest rates are evaluated before long-term assumptions are determined. The long-term portfolio return is established based on the combination of these asset class real returns and inflation with proper consideration of the effects of diversification and rebalancing.

Plan Assets - Plan assets consist of a diversified portfolio of equity securities, fixed income securities and cash equivalents. The company employs a total return investment approach whereby a mix of equities and fixed income investments are used to maximize the long-term return of plan assets for a prudent level of risk. The intent of this strategy is to minimize plan expenses by exceeding the interest growth in plan liabilities over the long run. Risk tolerance is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. This consideration involves the use of long-term measures that address both return and risk and are not impacted significantly by short-term fluctuations. Equity investments include a diversified mix of growth, value and small and large capitalization securities. Investment risks and returns are measured and monitored on an ongoing basis through quarterly investment portfolio reviews.

The weighted average target asset allocations for the plans at December 31, are as follows:

	Target Allocation 2010	2009
Asset Categories		
Equity securities	60.9%	60.8%
Fixed income securities	33.5%	33.4%
Cash equivalents	5.6%	5.8%
Total	100.0%	100.0%

Due to short-term fluctuations in asset performance, allocation percentages may temporarily deviate from these target allocation percentages before a rebalancing occurs. Cash equivalents are targeted at five percent of plan assets and are used to satisfy benefit disbursement requirements and will vary throughout the year.

The following table summarizes fair value measurements of plan assets at December 31:

	Quoted prices in active markets for identical assets (Level 1)		Significant other observable inputs (Level 2)		Total[B]	
	2010	2009	2010	2009	2010	2009
(dollars in millions)						
Cash equivalents	$ —	$ —	$ 7.1	$ 4.0	$ 7.1	$ 4.0
Equity securities:						
U.S. large-cap	—	—	73.3	62.3	73.3	62.3
U.S. mid-cap	26.7	20.5	—	—	26.7	20.5
U.S. small-cap	31.0	23.8	—	—	31.0	23.8
Foreign	21.4	17.1	28.6	27.2	50.0	44.3
Fixed income securities:						
Diversified bond fund[A]	—	—	75.5	60.3	75.5	60.3
Mortgage-backed securities	—	—	—	5.7	—	5.7
Foreign government bonds	—	—	6.7	6.9	6.7	6.9
Foreign corporate notes and bonds	—	—	6.7	6.7	6.7	6.7
Guaranteed insurance contracts	—	—	4.6	4.6	4.6	4.6
Total plan assets	$79.1	$61.4	$202.5	$177.7	$281.6	$239.1

[A] Diversified bond fund consists of U.S. Treasury bonds, mortgage backed securities, and corporate bonds.

[B] There were no assets categorized as Level 3 at December 31, 2010 and 2009, respectively.

Plan assets categorized as Level 2 primarily consist of commingled funds and mortgage-backed securities. These securities are valued using other inputs, such as net asset values provided by the fund administrators or by dealer quotes for similarly-rated instruments that are observable or that can be corroborated by observable market data for substantially the remaining term of the plan instruments.

Funding Policy and Expected Contributions - The company's objective in funding its domestic tax-qualified plan is to accumulate funds sufficient to provide for all benefits and to satisfy the minimum contribution requirements of ERISA. Outside the United States, the company's objective is to fund the international retirement costs over time within the limits of minimum requirements and allowable tax deductions. The company's annual funding decisions also consider the relationship between the returns on each asset compared to the plan's corresponding expense and consider the relationship between each tax-qualified plan's benefit obligation and its corresponding funded status. The company expects to make discretionary contributions of approximately $30 million to its qualified plans in 2011.

The total expected benefit payments are as follows:

(dollars in millions)	
2011	$ 23.8
2012	23.6
2013	26.3
2014	27.9
2015	37.1
2016 through 2020	165.0

Defined Contribution Retirement Plans

All domestic employees of the company not covered by a collective bargaining agreement who have been scheduled for 1,000 hours of service are eligible to participate in the company's defined contribution plan. The amounts charged to income for this plan were $9.5 million, $9.3 million and $8.4 million for the years ended December 31, 2010, 2009 and 2008, respectively. Outside the United States, the company maintains defined contribution plans along with small pension arrangements that are typically funded with insurance products. These arrangements had a total expense of $1.9 million, $1.8 million and $1.7 million for the years ended December 31, 2010, 2009 and 2008, respectively. In addition, the company maintains a long-term deferred compensation arrangement for directors that allows deferral of the annual retainer and meeting fees at the director's election. The company annually accrues for long-term compensation, which is paid out upon the director's retirement from the board. The total 2010 expense for these arrangements was not material.

Other Postretirement Benefit Plan

The company does not provide subsidized postretirement healthcare benefits and life insurance coverage except for a limited number of former employees. As this plan is unfunded, contributions are made as benefits are incurred.

The change in the benefit obligation is as follows:

(dollars in millions)	2010	2009
Benefit obligation at January 1	$ 9.5	$10.1
Interest cost	0.5	0.6
Participant contributions	0.1	0.1
Actuarial loss (gain)	0.2	(0.4)
Benefits paid	(0.9)	(0.9)
Benefit obligation at December 31	$ 9.4	$ 9.5

Amounts recognized in accumulated other comprehensive loss are $3.4 million ($2.1 million after tax) in each of the years ended December 31, 2010 and 2009.

The estimated net actuarial loss for other postretirement benefits that will be amortized from accumulated other comprehensive loss into net benefit cost over the next fiscal year is expected to be $0.2 million.

The net periodic benefit cost was $0.7 million, $0.8 million and $0.9 million for the years ended December 31, 2010, 2009 and 2008, respectively.

13. Other (Income) Expense, Net

The components of other (income) expense, net for the following years ended December 31 are:

(dollars in millions)	2010	2009	2008
Interest income	$ (3.7)	$ (3.6)	$(16.5)
Foreign exchange (gains) losses	(0.7)	(1.5)	7.1
Restructuring	16.7	15.4	—
Asset dispositions	—	7.2	36.8
Insurance settlements, net	—	7.0	—
Acquisition related items	9.3	3.2	—
Other, net	3.0	2.8	2.0
Total other (income) expense, net	$24.6	$30.5	$ 29.4

Interest income - In 2010, interest income was $3.7 million compared to $3.6 million and $16.5 million in 2009 and 2008, respectively. The decrease in 2009 was primarily due to lower global interest rates.

Restructuring - See Note 3 of the notes to consolidated financial statements.

Asset dispositions - In 2009, the amount reflected non-cash charges for asset write-offs primarily related to the company's decision to discontinue a hernia repair xenograft device. In 2008, the amount reflects a non-cash charge related to the write-off of certain assets as a result of the company's decision to discontinue the sale of the Salute II hernia fixation device. See Note 2 of the notes to consolidated financial statements.

Insurance settlements, net - In 2009, the amount reflected a charge for an insurance settlement, partially offset by an unrelated insurance recovery. See Note 10 of the notes to consolidated financial statements.

Acquisition related items - The amounts consist of acquisition related integration costs. See Note 2 to the notes of the consolidated financial statements.

14. Segment Information

The company's management considers its business to be a single segment entity — the manufacture and sale of medical devices. The company's products generally share similar distribution channels and customers. The company designs, manufactures, packages, distributes and sells medical, surgical, diagnostic and patient care devices. The company sells a broad range of products to hospitals, individual healthcare professionals, extended care health facilities and alternate site facilities on a global basis. In general, the company's products are intended to be used once and then discarded or implanted either temporarily or permanently. The company's chief operating decision makers evaluate the various global product portfolios on a net sales basis. The company's chief operating decision makers generally evaluate profitability and associated investments on an enterprise-wide basis due to shared geographic infrastructures. Net sales based on the location of the external customer and identifiable assets by geographic region for the following years ended December 31 are:

(dollars in millions)	2010	2009	2008
Net sales			
United States	$1,889.0	$1,759.2	$1,661.3
Europe	474.8	471.7	502.2
Japan	131.9	126.5	121.7
Other	224.5	177.5	166.9
	$2,720.2	$2,534.9	$2,452.1
Long-lived assets			
United States	$ 362.0	$ 339.7	$ 348.1
Europe	43.1	55.4	54.8
Other	11.0	8.8	8.0
	$ 416.1	$ 403.9	$ 410.9

Total net sales by disease state for the following years ended December 31 are:

(dollars in millions)	2010	2009	2008
Vascular	$ 755.9	$ 681.5	$ 643.1
Urology	718.1	700.3	708.5
Oncology	724.8	678.7	646.6
Surgical Specialties	434.6	387.8	368.2
Other	86.8	86.6	85.7
	$2,720.2	$2,534.9	$2,452.1

15. Unaudited Interim Financial Information

2010 (dollars in millions except per share amounts)	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Net sales	$650.8	$673.9	$678.4	$717.1	$2,720.2
Cost of goods sold	252.7	251.7	251.9	263.7	1,020.0
Income from operations before income taxes	175.0	182.7	183.2	176.8	717.7
Net income attributable to common shareholders	120.9	124.6	127.5	136.2	509.2
Basic earnings per share available to common shareholders	1.25	1.31	1.35	1.48	5.39
Diluted earnings per share available to common shareholders[A]	1.24	1.29	1.34	1.47	5.32

[A] Total per share amounts may not add due to rounding.

For the second quarter 2010, marketing, selling and administrative expenses included acquisition related items consisting of transaction costs (primarily legal and valuation costs) of $2.5 million and bad debt expense of $3.8 million related to the write-down of accounts receivable in Greece. These items decreased net income attributable to common shareholders by $6.3 million after tax, or $0.07 diluted earnings per share available to common shareholders.

For the third quarter 2010, other (income) expense, net, included acquisition related items consisting of integration costs of $7.7 million. The income tax provision increased $1.4 million resulting from the net effect of a charge for a cash repatriation, partially offset by the remeasurement of certain tax positions. These items decreased net income attributable to common shareholders by $6.1 million after tax, or $0.06 diluted earnings per share available to common shareholders.

For the fourth quarter 2010, other (income) expense, net, included a restructuring charge of $16.7 million. The income tax provision decreased $6.2 million resulting from reductions of certain tax positions. These items decreased net income attributable to common shareholders by $5.2 million after tax or $0.06 diluted earnings per share available to common shareholders.

2009 (dollars in millions except per share amounts)	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Net sales	$596.4	$624.6	$637.0	$676.9	$2,534.9
Cost of goods sold	224.3	238.6	240.9	255.2	959.0
Income from operations before income taxes	159.1	163.8	185.2	163.4	671.5
Net income attributable to common shareholders	112.5	112.2	129.5	105.9	460.1
Basic earnings per share available to common shareholders	1.12	1.13	1.32	1.09	4.66
Diluted earnings per share available to common shareholders	1.10	1.11	1.31	1.08	4.60

For the first quarter 2009, other (income) expense, net, included a restructuring charge of $9.8 million. This item decreased net income attributable to common shareholders by $6.5 million, or $0.07 diluted earnings per share available to common shareholders.

For the second quarter 2009, research and development expense included an acquisition related item consisting of a purchased R&D charge of $2.3 million. In addition, other (income) expense, net, included a non-cash charge of $4.5 million for an asset write-off and a restructuring charge of $5.6 million. These items decreased net income attributable to common shareholders by $10.5 million, or $0.10 diluted earnings per share available to common shareholders.

For the fourth quarter 2009, research and development expense included an acquisition related item consisting of a purchased R&D charge of $13.4 million. In addition, other (income) expense, net, included insurance settlements, net, of $7.0 million, an acquisition related item consisting of contract termination costs of $3.2 million, and an asset disposition of $2.7 million. The income tax provision increased $2.1 million resulting from a tax assessment that related to prior periods. These items decreased net income attributable to common shareholders by $29.7 million, or $0.30 diluted earnings per share available to common shareholders.

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

Not applicable.

Item 9A. Controls and Procedures

The company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the company's reports under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosures. Any controls and procedures, no matter how well defined and operated, can provide only reasonable assurance of achieving the desired control objectives.

The company's management, with the participation of the company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the company's disclosure controls and procedures as of December 31, 2010. Based upon that evaluation, as of December 31, 2010, the company's Chief Executive Officer and Chief Financial Officer have concluded that the design and operation of the company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) provide reasonable assurance that the disclosure controls and procedures are effective as of December 31, 2010 to accomplish their objectives. There have been no changes in internal control over financial reporting for the year ended December 31, 2010 that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

Management's Report On Internal Control Over Financial Reporting is included in Item 8 and is incorporated herein by reference.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information with respect to Directors of the company is incorporated herein by reference to the material contained under the heading "Proposal No. 1 — Election of Directors" in the company's definitive Proxy Statement for its 2011 annual meeting of shareholders (the "2011 Proxy Statement").

Information with respect to Executive Officers of the company begins on page I-14 of this filing and is incorporated by reference into this Item.

The information contained under the caption "Section 16(a) Beneficial Ownership Reporting Compliance" in the company's 2011 Proxy Statement is incorporated herein by reference.

The information contained under the caption "Corporate Governance — The Board of Directors and Committees of the Board" in the company's 2011 Proxy Statement is incorporated herein by reference.

Code of Ethics

The company has adopted, and has posted on its website at *www.crbard.com*, a Code of Ethics for Senior Financial Officers that applies to the company's chief executive officer, chief financial officer and controller. To the extent required, the company intends to disclose any amendments to, or waivers from, the Code of Ethics on its website.

Item 11. Executive Compensation

The information contained under the captions "Executive Officer Compensation," "Director Compensation," "Corporate Governance — The Board of Directors and Committees of the Board — Compensation Committee — Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report" in the company's 2011 Proxy Statement is incorporated herein by reference.

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

The information contained under the captions "Security Ownership of Certain Beneficial Owners," "Security Ownership of Management" and "Equity Compensation Plan Information" in the company's 2011 Proxy Statement is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information contained under the captions "Related Person Transactions" and "Corporate Governance — Director Independence" in the company's 2011 Proxy Statement is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information contained under the caption "Proposal No. 2 — Ratification of the Appointment of KPMG LLP as Independent Registered Public Accounting Firm" in the company's 2011 Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)

l. Financial Statements. See Index to Consolidated Financial Statements at Item 8, page II-19 of this report.

2. Financial Statement Schedules.

Schedule II. Valuation and Qualifying Accounts for the years ended December 31, 2010, 2009 and 2008.

(dollars in millions)	Balance Beginning of Year	Charges to Costs and Expenses	Deductions[1]	Balance End of Year
Year Ended December 31, 2010				
Allowance for inventory obsolescence	$26.4	$17.9	$(17.8)	$26.5
Allowance for doubtful accounts	9.7	4.0	(3.2)	10.5
Totals	$36.1	$21.9	$(21.0)	$37.0

	Balance Beginning of Year	Charges to Costs and Expenses	Deductions[1]	Balance End of Year
Year Ended December 31, 2009				
Allowance for inventory obsolescence	$22.7	$16.1	$(12.4)	$26.4
Allowance for doubtful accounts	10.4	1.3	(2.0)	9.7
Totals	$33.1	$17.4	$(14.4)	$36.1

	Balance Beginning of Year	Charges to Costs and Expenses	Deductions[1]	Balance End of Year
Year Ended December 31, 2008				
Allowance for inventory obsolescence	$23.0	$12.5	$(12.8)	$22.7
Allowance for doubtful accounts	15.6	1.0	(6.2)	10.4
Totals	$38.6	$13.5	$(19.0)	$33.1

(1) Includes writeoffs and the impact of foreign currency exchange rates.

All other schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

3. Exhibits

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and should not be relied upon for that purpose. In particular, any representations and warranties made by the company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

Number	
3b	Registrant's Bylaws amended as of December 10, 2004, filed as Exhibit 3b to the company's December 31, 2004 Annual Report on Form 10-K, is incorporated herein by reference.
3c	Registrant's Restated Certificate of Incorporation, as amended, as of June 11, 2008, filed as Exhibit 3c to the company's June 16, 2008 Form 8-K, is incorporated herein by reference.
4b	Form of Indenture, dated as of December 1, 1996 between C. R. Bard, Inc. and The Chase Manhattan Bank, N.A., as trustee, filed as Exhibit 4.1 to the company's Registration Statement on Form S-3, File No. 333-05997, is incorporated herein by reference.
4c	Indenture, dated December 20, 2010, between C. R. Bard, Inc. and Wells Fargo Bank, National Association, as Trustee filed as Exhibit 4.1 to the company's December 20, 2010 Form 8-K, is incorporated herein by reference.
4d	First Supplemental Indenture, dated December 20, 2010, between C. R. Bard, Inc. and Wells Fargo Bank, National Association, as Trustee filed as Exhibit 4.2 to the company's December 20, 2010 Form 8-K, is incorporated herein by reference.
4e	Form of 2.875% Notes due 2016, filed as Exhibit 4.3 to the company's December 20, 2010 Form 8-K (included as Exhibit A in Exhibit 4.2 to the company's December 20, 2010 Form 8-K), is incorporated herein by reference.
4f	Form of 4.400% Notes due 2021, filed as Exhibit 4.4 to the company's December 20, 2010 Form 8-K (included as Exhibit B in Exhibit 4.2 to the company's December 20, 2010 Form 8-K), is incorporated herein by reference.
10f*	C. R. Bard, Inc. Agreement and Plans Trust amended and restated as of September 29, 2004, filed as Exhibit 10f to the company's December 31, 2004 Annual Report on Form 10-K, is incorporated herein by reference.
10l*	C. R. Bard, Inc. Supplemental Executive Retirement Plan, as of July 13, 1988, filed as Exhibit 10p to the company's December 31, 1993 Annual Report on Form 10-K, is incorporated herein by reference.
10q*	1993 Long Term Incentive Plan of C. R. Bard, Inc., as amended effective October 9, 2002, filed as Exhibit 10q to the company's September 30, 2002 Form 10-Q, is incorporated herein by reference.
10z*	C. R. Bard, Inc. Management Stock Purchase Plan, amended and restated as of July 10, 2002, filed as Exhibit 10z to the company's December 31, 2002 Annual Report on Form 10-K, is incorporated herein by reference.
10at*	Letter agreement entered into by the company with John H. Weiland dated December 12, 1995, filed as Exhibit 10at to the company's December 31, 2004 Annual Report on Form 10-K, is incorporated herein by reference.
10ba*	Form of Stock Option Agreement under the 2005 Directors' Stock Award Plan of C. R. Bard, Inc., filed as Exhibit 10ba to the company's June 30, 2005 Form 10-Q, is incorporated herein by reference.

Number	
10bb*	Stock Equivalent Plan for Outside Directors of C. R. Bard, Inc. (as Amended and Restated), effective as of June 8, 2005, filed as Exhibit 10bb to the company's June 30, 2005 Form 10-Q, is incorporated herein by reference.
10bd*	Form of Restricted Stock Award Agreement under the 2005 Directors' Stock Award Plan of C. R. Bard, Inc., filed as Exhibit 10bd to the company's September 30, 2005 Form 10-Q, is incorporated herein by reference.
10be*	Form of Supplemental Insurance/Retirement Plan Agreement (as Amended and Restated) between the company and its executive officers, including each of its named executive officers, filed as Exhibit 10be to the company's September 30, 2005 Form 10-Q, is incorporated herein by reference.
10bf*	Form of Amended and Restated Change of Control Agreement between the company and its executive officers, including each of its named executive officers, filed as Exhibit 10bf to the company's September 30, 2005 Form 10-Q, is incorporated herein by reference.
10bj*	2005 Directors' Stock Award Plan of C. R. Bard, Inc. (as Amended and Restated), filed as Exhibit 10bj to the company's March 31, 2006 Form 10-Q, is incorporated herein by reference.
10bk*	1998 Employee Stock Purchase Plan of C. R. Bard, Inc. (as Amended and Restated), filed as Exhibit 10bk to the company's March 31, 2006 Form 10-Q, is incorporated herein by reference.
10bn	Amended and Restated Credit Agreement, dated as of June 28, 2007, among C. R. Bard, Inc., J.P. Morgan Securities Inc. and Banc of America Securities LLC (as Joint Lead Arrangers and Joint Bookrunners), JPMorgan Chase Bank, N.A. (as Administrative Agent), Bank of America, N.A. (as Syndication Agent) and Barclays Bank PLC, UBS Loan Finance LLC and Wachovia Bank, N.A. (each as Documentation Agents), filed as Exhibit 10bn to the company's July 3, 2007 Form 8-K, is incorporated herein by reference.
10bp*	Management Stock Purchase Program Elective and Premium Share Units Terms and Conditions (as Amended and Restated), under the company's 2003 Long Term Incentive Plan, filed as Exhibit 10bp to the company's December 31, 2007 Annual Report on Form 10-K, is incorporated herein by reference.
10bq*	Form of Deferred Compensation Contract, Deferral of Directors' Fees of C. R. Bard, Inc. (as Amended and Restated) filed as Exhibit 10bq of the company's December 31, 2007 Annual Report on Form 10-K, is incorporated herein by reference.
10bt*	Form of Aircraft Time Sharing Agreement between the company and certain of its named executive officers, filed as Exhibit 10bt to the company's September 30, 2008 Form 10-Q, is incorporated herein by reference.
10bu*	Executive Bonus Plan of C. R. Bard, Inc., effective as of January 1, 2009, filed as Exhibit 10bu to the company's December 31, 2008 Annual Report on Form 10-K, is incorporated herein by reference.
10bv*	2003 Long Term Incentive Plan of C. R. Bard, Inc. (as Amended and Restated), filed as Exhibit 10bw to the company's April 21, 2010 Form 8-K, is incorporated herein by reference.
10bw*	2005 Directors' Stock Award Plan of C. R. Bard, Inc. (as Amended and Restated) (effective as of December 8, 2010).**
10bx*	Executive Choice Plan of C. R. Bard, Inc.**
10by*	Form of Stock Option Award Certificate and Form of Stock Option Terms and Conditions under the Company's 2003 Long Term Incentive Plan.**

Number	
10bz*	Form of Restricted Stock Award Certificate and Form of Restricted Stock/Restricted Stock Units Terms and Conditions under the Company's 2003 Long Term Incentive Plan.**
10ca*	Form of Change of Control Agreement between the company and certain of its officers.**
10cb	Master confirmation agreement with Goldman, Sachs & Co., dated as of December 15, 2010, between Goldman, Sachs & Co. and C. R. Bard, Inc.***
10cc	Supplemental confirmation agreement, dated as of December 15, 2010, between Goldman, Sachs & Co. and C. R. Bard, Inc.***
12.1	Computation of Ratio of Earnings to Fixed Charges**
21	Subsidiaries of the Registrant**
23.1	Consent of Independent Registered Public Accounting Firm**
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer**
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer**
32.1	Section 1350 Certification of Chief Executive Officer**
32.2	Section 1350 Certification of Chief Financial Officer**
99	Form of indemnity agreement between the company and each of its directors and officers, filed as Exhibit 99 to the company's December 31, 1993 Annual Report on Form 10-K, is incorporated herein by reference.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
*	Each of these exhibits listed under the number 10 constitutes a management contract or a compensatory plan or arrangement.
**	Filed herewith.
***	Filed herewith. An application for confidential treatment for selected portions of these agreements has been filed with the Securities and Exchange Commission.

Signatures

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

C. R. BARD, INC.
(Registrant)

Date: February 24, 2011

By: /s/ TODD C. SCHERMERHORN
Todd C. Schermerhorn
Senior Vice President and
Chief Financial Officer

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

Signatures	Title	Date
/s/ TIMOTHY M. RING **Timothy M. Ring**	Chairman and Chief Executive Officer and Director (Principal Executive Officer)	February 24, 2011
/s/ JOHN H. WEILAND **John H. Weiland**	President and Chief Operating Officer and Director	February 24, 2011
/s/ TODD C. SCHERMERHORN **Todd C. Schermerhorn**	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 24, 2011
/s/ FRANK LUPISELLA JR. **Frank Lupisella Jr.**	Vice President and Controller (Principal Accounting Officer)	February 24, 2011
/s/ DAVID M. BARRETT **David M. Barrett**	Director	February 24, 2011
/s/ MARC C. BRESLAWSKY **Marc C. Breslawsky**	Director	February 24, 2011
/s/ T. KEVIN DUNNIGAN **T. Kevin Dunnigan**	Director	February 24, 2011
/s/ HERBERT L. HENKEL **Herbert L. Henkel**	Director	February 24, 2011
/s/ JOHN C. KELLY **John C. Kelly**	Director	February 24, 2011
/s/ THEODORE E. MARTIN **Theodore E. Martin**	Director	February 24, 2011
/s/ GAIL K. NAUGHTON **Gail K. Naughton**	Director	February 24, 2011
/s/ TOMMY G. THOMPSON **Tommy G. Thompson**	Director	February 24, 2011
/s/ ANTHONY WELTERS **Anthony Welters**	Director	February 24, 2011
/s/ TONY L. WHITE **Tony L. White**	Director	February 24, 2011

Exhibit 10bw

2005 DIRECTORS' STOCK AWARD PLAN
OF
C. R. BARD, INC.
(AS AMENDED AND RESTATED)

Effective as of December 8, 2010, the 2005 Directors' Stock Award Plan of C. R. Bard, Inc. (the "Plan") is hereby amended and restated by C. R. Bard, Inc., a New Jersey corporation (the "Corporation"), as set forth herein.

The Corporation's objectives in maintaining the Plan are (a) to attract and retain highly qualified individuals to serve on the Board of Directors of the Corporation, (b) to relate non-employee directors' compensation more closely to the Corporation's performance and its shareholders' interests, and (c) to increase non-employee directors' stock ownership in the Corporation.

SECTION 1. DEFINITIONS.

For purposes of the Plan, the following terms shall have the indicated meanings:

1.01 *"Award"* shall mean an Option, Stock Award, SAR or other stock-based award granted pursuant to the Plan.

1.02 *"Board"* shall mean the Board of Directors of the Corporation.

1.03 *"Code"* shall mean the Internal Revenue Code of 1986, as amended (or any successor statute thereto).

1.04 *"Committee"* shall mean the Governance Committee of the Board or such other committee as may be designated by the Board.

1.05 *"Common Stock"* shall mean the Common Stock of the Corporation, par value $0.25 per share.

1.06 *"Corporation"* shall mean C. R. Bard, Inc., a New Jersey corporation.

1.07 *"Director"* shall mean a member of the Board.

1.08 *"Exchange Act"* shall mean the Securities Exchange Act of 1934, as amended.

1.09 *"Fair Market Value"* shall mean on any given date: (a) the mean between the high and low sale price of the Common Stock on that day as reported on the New York Stock Exchange-Composite Transactions Tape or, if no sale of Common Stock shall have occurred on the New York Stock Exchange on that day, on the next preceding day on which there was a sale; or (b) in the case of a simultaneous exercise and sale, the actual price Optionee receives in the open market on the date of the exercise. If the Common Stock is not traded on the New York Stock Exchange, the Fair Market Value shall be the amount that is reasonably determined by the Committee.

1.10 *"Option"* shall mean a stock option granted pursuant to Section 5 of the Plan.

1.11 *"Option Price"* shall mean the purchase price per Share of an Option, as determined pursuant to Section 5.04 of the Plan.

1.12 *"Option Period"* shall mean the period from the date of the grant of an Option to the date of its expiration as provided in Section 5.

1.13 *"Optionee"* shall mean a Participant who has been granted an Option under the Plan.

1.14 *"Participant"* shall mean any non-employee Director who receives an Award.

1.15 *"Permanent Disability"* shall mean any disability which prevents a Director from performing all duties as a Director.

1.16 *"Plan"* shall mean the C. R. Bard, Inc. 2005 Directors' Stock Award Plan (as amended and restated).

1.17 *"Retirement"* shall mean the voluntary cessation of service as a director by a director who is 55 years of age or older and who has served on the Board for at least five years.

1.18 *"SAR"* shall mean stock appreciation right granted pursuant to Section 6 of the Plan.

1.19 *"Stock Award"* shall mean Common Stock awards granted pursuant to Section 4 of the Plan.

1.20 *"Term"* shall mean the number of years that the Participant is appointed or elected to serve as a Director.

1.21 *"Transfer Restriction Period"* shall mean the period of time during which a Stock Award will remain subject to the transfer restrictions set forth in Section 4.04 of the Plan.

1.22 *"Unrestricted Stock"* shall mean Common Stock awarded to a Participant which Common Stock is not subject to a vesting period or installment delivery specified by the Committee.

1.23 *"Vesting Restriction Period"* shall mean the period of time during which a Stock Award will remain subject to vesting restrictions as described in Section 4.01(b) of the Plan.

SECTION 2. SHARES SUBJECT TO THE PLAN.

Subject to adjustment as provided in Section 10, the total number of shares of Common Stock which may be issued under the Plan is 350,000. The shares may consist, in whole or in part, of unissued shares or treasury shares. The issuance of shares or the payment of cash upon the exercise of an Award or in consideration of the cancellation or termination of an Award shall reduce the total number of shares available under the Plan, as applicable. Shares subject to Awards which are forfeited, terminate or otherwise lapse will be added back to the aggregate number of shares available under the Plan.

SECTION 3. ADMINISTRATION.

3.01 *Determination of Awards*. Subject to the provisions of the Plan, the Committee shall have exclusive power to select the Participants and to determine the amount of, or method of determining, the Awards to be made to Participants. All Awards granted to Participants under the Plan shall be evidenced by an Award agreement which specifies the type of Award granted pursuant to the Plan, the number of shares of Common Stock underlying the Award and all terms governing the Award, including, without limitation, terms regarding vesting, exercisability and expiration of the Award.

3.02 *Interpretation of Plan*. The Committee is authorized to interpret the Plan, to establish, amend or rescind any rules and regulations relating to the Plan and to make any other determinations that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The Committee shall have the full power and authority, consistent with the provisions of the Plan, to establish the terms and conditions of any Award and to waive any such terms or conditions at any time (including, without limitation, accelerating or waiving any vesting conditions).

3.03 *Tax Withholding*. The Committee shall require payment of any amount it may determine to be necessary to withhold for federal, state, local or other taxes as a result of the exercise, grant or vesting of an Award as a condition to such exercise, grant or vesting. Unless the Committee specifies otherwise, the Participant may elect to pay a portion or all of such withholding taxes by (a) delivery in shares of Common Stock or (b) having shares of Common Stock withheld by the Corporation from any shares of Common Stock that would have otherwise been received by the Participant.

SECTION 4. STOCK AWARDS.

4.01 *Formula Grant of Stock Award*.

(a) *Grant*. On the first business day in October following the appointment or election of an individual as a Director (the "Grant Date"), each nonemployee Director shall receive a Stock Award of 400 shares of Common Stock for each year or partial year remaining in his or her Term (other than a partial year resulting from the appointment or election of a Director subsequent to the October 1st immediately preceding the annual meeting at which the term of office of such Director will expire).

(b) *Formula Grant Vesting Restriction Period.* Unless otherwise determined by the Committee, each Stock Award granted pursuant to Section 4.01 shall vest with respect to the first 400 shares of Common Stock on the Grant Date and, with respect to the remaining shares of Common Stock included in such Stock Award, on each October 1 following the date on which the Stock Award was granted. If for any reason, the Participant ceases to serve as a Director prior to the date on which he or she is fully vested in the Stock Award granted under this Section 4.01, he or she shall forfeit all of the unvested shares underlying such Stock Award.

(c) *Formula Grant Transfer Restriction Period*. The transfer restrictions set forth in Section 4.04 of this Plan shall apply to shares of Common Stock underlying grants of Stock Awards made pursuant to Section 4.01 of the Plan until the second anniversary of the end of the Vesting Restriction Period applicable to such shares. Notwithstanding the foregoing sentence, however, the Transfer Restriction Period shall end upon the death or Permanent Disability of the Participant.

4.02 *Additional Stock Awards*. The Committee may grant Stock Awards in addition to those provided in Section 4.01 of the Plan in such form, and dependent on such conditions and restrictions (or without conditions and restrictions), as the Committee, in its sole discretion, shall determine and as set forth in the Stock Award agreement, including, without limitation, the right to receive, or vest with respect to the Stock Award upon the completion of a specified period of service as a Director, the occurrence of an event and/or the attainment of performance objectives, and all other terms and conditions of such Stock Award. Except as otherwise provided by the Committee, Stock Awards granted pursuant to this Section 4.02 shall not vest earlier than the third anniversary of the date on which they are granted. Restrictions on Stock Awards shall lapse

over a period of time or according to such other criteria as set forth in the Stock Award agreement. Notwithstanding anything else to the contrary, a Stock Award that is not subject to vesting shall be made only in lieu of the payment of a cash retainer to the Director.

4.03 *Termination of Director, Death, Permanent Disability, or Retirement*.

(a) With respect to formula based Stock Awards (granted pursuant to Section 4.01) of the Plan, if for any reason, the Participant ceases to serve as a Director prior to the end of the Vesting Restriction Period applicable to such shares, he or she shall forfeit all unvested shares underlying such Stock Award.

(b) With respect to additional Stock Awards (granted pursuant to Section 4.02 of the Plan), except as otherwise provided herein, in the event that a Participant ceases during the Vesting Restriction Period to be a Director for any reason other than death or Retirement, the Participant shall forfeit the Stock Award as to all shares of Common Stock covered by the Award with respect to which such Vesting Restriction Period has not ended, and those shares of Common Stock must be immediately returned to the Corporation. The Committee may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(c) With respect to additional Stock Awards (granted pursuant to Section 4.02 of the Plan), in the event the Participant ceases to be a Director during the Vesting Restriction Period due to death or Retirement, the Vesting Restriction Period shall terminate and all of the shares of Common Stock covered by the Award shall be free of all restrictions.

4.04 *Restrictions on Transfer and Legend on Stock Certificate*.

(a) During the Transfer Restriction Period set forth in Section 4.01(c) or in the applicable grant Agreement governing a Stock Award granted pursuant to Section 4.02 of the Plan, a Participant may not sell, assign, transfer, pledge, or otherwise dispose of the shares of Common Stock of the Stock Award except as provided under Section 7. Shares of Common Stock related to a Stock Award shall be held at the Corporation's transfer agent in book entry form and shall contain a legend giving appropriate notice of the restrictions in the Stock Award agreement. The Participant shall be entitled to have the legend removed from the book entry covering the shares of Common Stock subject to restrictions when all restrictions on such shares of Common Stock have lapsed.

(b) Each share of Common Stock representing a Stock Award subject to restrictions shall be registered in the name of the Participant to whom the Stock Award was granted and bear the following, or a substantially similar, legend:

> "The transferability of this Certificate and the Common Stock represented hereby is subject to the terms and conditions, including forfeiture, contained in Section 4 of the C. R. Bard, Inc. 2005 Directors' Stock Award Plan, as amended from time to time, and an agreement entered into between the registered owner and C. R. Bard, Inc. Copies of the Plan and Stock Award agreement are on file in the executive office of C. R. Bard, Inc., 730 Central Avenue, Murray Hill, New Jersey 07974."

4.05 *Right to Vote and to Receive Dividends*. During the Vesting Restriction Period and Transfer Restriction Period, the Participant shall have the right to vote shares of Common Stock subject to Stock Awards and to receive any dividends or other distributions paid on such shares of Common Stock.

4.06 *Delivery of Certificates*. When each of the Vesting Restriction Period and Transfer Restriction Period have lapsed with regard to shares of Common Stock related to a Stock Award, the Corporation shall direct the transfer agent to remove the restrictions relating to the Award or, at the Participant's request, (or at the request of the Participant's legal representative, beneficiary or heir) shall deliver within 60 days after such vesting to the Participant, or to the Participant's legal representative, beneficiary or heir, a certificate or certificates without the legend referred to in Section 4.04 above, for such shares of Common Stock.

SECTION 5. OPTIONS.

5.01 *Grant of Options*. The Committee, in its sole discretion, may grant Options to any Director under the Plan.

5.02 *Term of Option*. The term of any Option shall not exceed ten years from the date of grant.

5.03 *Conditions of Option*. Except to the extent otherwise provided in the Plan, Options shall be in such form, and dependent on such conditions, as the Committee shall determine and as set forth in the Option agreement, including, without limitation, the right to receive, or vest with respect to the Option upon the completion of a specified period of service as a Director, the occurrence of an event and/or the attainment of performance objectives, and all other terms and conditions of such Option.

5.04 *Option Price*. The Option Price per share of Common Stock shall not be less than 100% of the Fair Market Value of a share of Common Stock on the date the Option is granted. Notwithstanding any provision in this Plan to the contrary

other than the last sentence of this paragraph, no Option may be amended to reduce the per Share Option Price of any outstanding Option below the Option Price determined as of the date the Option is granted without the approval of the Corporation's shareholders, nor may an Option or other Award be granted in exchange for, or in connection with, the cancellation or surrender of an Option or other Award having a higher Option Price or exercise price without the approval of the Corporation's shareholders. The restrictions set forth in this Section 5.04 shall not apply to the assumption of, substitution for, or adjustment of outstanding Options that are assumed, substituted, or adjusted in connection with a transaction described in Section 10, provided that the aggregate Option Price times the number of shares underlying the Option immediately before the transaction equals or exceeds the aggregate Option Price times the number of Shares underlying the Option (or substituted Option) immediately following the transaction.

5.05 *Exercisability*. Except as determined by the Committee and set forth in the Option agreement, an Option shall become exercisable with regard to twenty-five percent of the Option on the date of the four successive anniversary dates of the grant date. Further, all Options shall become immediately exercisable upon the death of a Participant if as of the date of the Participant's death, the Participant had not otherwise ceased to be a Director. In no event shall an Option be exercisable at any time after the expiration of the term of the Option.

5.06 *Exercise of Options*. Except as otherwise provided in the Plan or in an Option agreement, an Option may be exercised for all, or from time to time any part, of the shares of Common Stock for which it is then vested and exercisable.

(a) The exercise date of an Option shall be the later of the date a notice of exercise is received by the Corporation and, if applicable, the date payment is received by the Corporation pursuant to (b) below.

(b) The purchase price for the shares of Common Stock as to which an Option is exercised shall be paid to the Corporation in full at the time of exercise at the election of the Participant (i) in cash or its equivalent (*e.g*., by check), (ii) to the extent permitted by the Committee, in shares of Common Stock having a Fair Market Value equal to the aggregate Option Price for the shares of Common Stock being purchased and satisfying such other requirements as may be imposed by the Committee; provided, that such shares of Common Stock have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles), (iii) partly in cash and, to the extent permitted by the Committee, partly in such shares of Common Stock or (iv) subject to rules and limitations established by the Committee, through the delivery of irrevocable instructions to a broker to sell shares of Common Stock obtained upon the exercise of the Option and to deliver promptly to the Corporation an amount out of the proceeds of such sale equal to the aggregate Option Price for the shares of Common Stock being purchased.

(c) No Participant shall have any rights to dividends or other rights of a stockholder with respect to shares of Common Stock subject to an Option until the Participant has given written notice of exercise of the Option, paid in full for such shares of Common Stock, received such shares of Common Stock from the Corporation and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to the Plan.

(d) If a Participant pays the exercise price of an Option or taxes relating to the exercise of an Option by delivering shares of Common Stock, the Participant may, subject to procedures established by the Committee, satisfy such delivery requirement by presenting proof that he or she is the beneficial owner (as such term is defined in Rule 13d-3 under the Act (or any successor rule thereto)) of such shares of Common Stock, in which case the Corporation shall treat the Option as exercised without further payment and shall withhold such number of shares of Common Stock from the shares of Common Stock acquired by the exercise of the Option.

5.07 *Cessation of Service as a Director.*

(a) Except as provided below, an Option may be exercised at anytime during the term of the Option.

(b) Except as provided in Sections (c), (d) and (e) below, any of the Participant's Options that are not otherwise exercisable as of the date on which the Participant ceases to be a Director for any reason shall terminate as of such date.

(c) Any of the Participant's Options that are exercisable as of the date on which the Participant ceases to be a Director for any reason other than death or Retirement shall terminate sixty (60) days from the date the Participant ceases to be a Director; but in no event beyond the term of the Option.

(d) If a Participant ceases to be a Director by reason of his or her death, his or her personal representative shall be permitted to exercise his or her outstanding vested and unvested Option for a period of one (1) year from the date of the Director's death, but in no event beyond the term of the Option.

(e) If a Participant ceases to be a Director by reason of his or her Retirement, his or her outstanding vested Option shall remain exercisable for the remaining term of the Option and the portion of his or her Option that was not vested on the date of his or her Retirement shall be forfeited. Notwithstanding the foregoing, if a Participant ceases to be a Director by reason of his or her Retirement, any of his or her outstanding vested Option issued on or prior to April 18, 2001 shall remain exercisable only for a period of three years from the last day of the month in which he or

she retired and the portion of his or her Option that was not vested on the date of his or her Retirement shall be forfeited.

SECTION 6. STOCK APPRECIATION RIGHTS.

The Committee, in its sole discretion, may grant SARs in connection with an Option, or a portion thereof. An SAR represents a right to receive appreciation on the Corporation's Common Stock in cash or stock as the Committee shall determine. An SAR may be granted at the time the related Option is granted or at any time prior to the exercise or cancellation of the related Option, shall cover the same number of shares of Common Stock covered by an Option (or such lesser number of shares of Common Stock as the Committee may determine), and shall be subject to the same terms and conditions as such Option except for such additional limitations as are contemplated by this Section 6 (or such additional limitations as may be included in an Award agreement). Notwithstanding any provision in this Plan to the contrary other than the last sentence of this Section 6, no Stock Appreciation Right may be amended to reduce the exercise price per share of the shares subject to such Stock Appreciation Right below the exercise price determined as of the date the Stock Appreciation Right is granted, nor may a Stock Appreciation Right be granted in exchange for, or in connection with, the cancellation or surrender of a Stock Appreciation Right or other Award having a higher exercise price. The restrictions set forth in this Section 6 shall not apply to the assumption of, substitution for, or adjustment of outstanding Stock Appreciation Rights that are assumed, substituted, or adjusted in connection with a transaction described in Section 10, provided that the aggregate exercise price times the number of shares underlying the Stock Appreciation Right immediately before the transaction equals or exceeds the aggregate exercise price times the number of shares underlying the Stock Appreciation Right (or substituted Stock Appreciation Right) immediately following the transaction.

SECTION 7. TRANSFERABILITY OF AWARDS.

7.01 *Limits on Transferability*. Except as otherwise provided, Options, SARs or Stock Awards may not, prior to the end of the Transfer Restriction Period, be assigned, alienated, attached, sold or transferred, pledged or otherwise disposed or encumbered by the Participant, other than by will or by the laws of descent and distribution. Any attempt to assign, transfer, pledge or otherwise dispose of an Award contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the Award, shall be null, void and without effect; provided, however, that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. A Participant may designate a beneficiary, on a form supplied by the Committee, who may possess all rights with respect to an Award in the event of Employee's death. No such permitted transfer of an Award to heirs or legatees of a Participant shall be effective to bind the Corporation unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

7.02 *Transferability of Certain Awards*. Notwithstanding the foregoing, an Award agreement may provide that a Participant may transfer certain Awards to family members, or one or more trusts or other entities for the benefit of or owned by family members, consistent with applicable securities laws, provided that the Participant receives no consideration for the transfer of the Award and the transferred Award shall continue to be subject to the same terms and conditions as were applicable to the Award immediately before the transfer.

SECTION 8. NO LIMITATION ON RIGHTS OF THE CORPORATION.

The granting of any Awards under this Plan shall not in any way affect the right or power of the Corporation to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 9. SHARE OF COMMON STOCK ISSUANCE AND DELIVERY IN COMPLIANCE WITH SECURITIES LAWS.

If in the opinion of counsel for the Corporation (who may be an employee of the Corporation or independent counsel employed by the Corporation), any issuance or delivery of shares of Common Stock to a Participant will violate the requirements of any applicable federal or state laws, rules or regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, or the Act), such issuance or delivery may be postponed until the Corporation is satisfied that the distribution will not violate such laws, rules or regulations. The transfer agent's book entry relating to a Stock Award (and, if requested in accordance with Section 4.06 above, certificates delivered to Participants pursuant to the Plan) may bear such legends as the Corporation may deem advisable.

SECTION 10. ADJUSTMENT UPON CERTAIN EVENTS.

In the event after the Effective Date there is any share of Common Stock dividend or split, reorganization, recapitalization, merger, consolidation, spin-off, combination, combination or transaction or exchange of shares of Common Stock or other corporate exchange, or any distribution to shareholders of shares of Common Stock or other property or securities (other than regular cash dividends) or any transaction similar to the foregoing or other transaction that results in a change to the Corporation's equity capitalization, the Committee in its sole discretion and without liability to any person may make such substitution or adjustment, if any, as it deems to be equitable or appropriate, as to (i) the number or kind of shares of Common Stock or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Awards, (ii) the maximum number of shares of Common Stock for which Stock Awards, Options and Stock Appreciation Rights may be granted (ii) the Option Price, exercise price of any Stock Appreciation Right or purchase price of any Award and/or (iii) any other affected terms of an Award or the Plan.

SECTION 11. AMENDMENTS OR TERMINATION.

The Board may amend the Plan at any time, provided that no amendment shall be made without the approval of the shareholders of the Corporation that would (a) increase the maximum number of shares of Common Stock which may be acquired under the Plan, (b) extend the term during which Options may be granted under the Plan, (c) permit the Option Price or exercise price per share of Common Stock to be less than 100% of the Fair Market Value of the shares of Common Stock on the date an Option or Stock Appreciation Right is granted (other than as specifically provided in Sections 5.04 and 6), (d) terminate restrictions applicable to Awards (except in connection with a Participant's death, Disability or termination of employment or in connection with a Change of Control) or (e) provide for Awards not permitted pursuant to the terms of the Plan. The Board shall also have the right to terminate the Plan at any time. Without the consent of a Participant (except as otherwise provided for in Section 10), no amendment shall materially diminish any of the rights of such Participant under any Award theretofore granted to such Participant under the Plan; provided, however, that the Committee may amend the Plan in such manner as it deems necessary to permit the granting of Awards meeting the requirements of the Code or other applicable laws.

SECTION 12. NO RIGHTS TO CONTINUED DIRECTORSHIP.

Nothing in this Agreement shall confer upon a Director any right to continue to service as a member of the Board of Directors or any committee of the Board of Directors, to be retained by the Corporation as a consultant or to be employed by the Corporation as an employee and shall not interfere in any way with the right of the Corporation to terminate the Director's service as a member of the Board of Directors or any committee of the Board of Directors as set forth in the by-laws of the Corporation or the Director's consulting or employment relationship with the Corporation, if any, at any time.

SECTION 13. CHOICE OF LAW.

The Plan shall be governed by and construed in accordance with the laws of the State of New Jersey without regard to conflicts of laws.

SECTION 14. EFFECTIVE DATE.

The Plan was originally effective as of July 13, 1988, was subsequently amended from time-to-time, and was amended and restated as of June 8, 2005. The Plan was initially approved by the shareholders of the Corporation on April 19, 1989. The effective date of the Plan as amended and restated herein is December 8, 2010, provided, however that the version of the Plan that was last approved by the Corporation's shareholders was effective as of April 19, 2006.

Exhibit 10bx

C. R. BARD, INC.

Executive Choice Plan

I. Purpose.

The purpose of this Executive Choice Plan (the "Plan") is to provide a competitive level of perquisites to top level executives and division heads of C. R. Bard, Inc. (the "Company") by providing a cash allowance for such executives in lieu of perquisites typically provided by other companies.

II. Definitions.

For the purposes of this Plan, the following words shall have the indicated meanings:

(a) "Allowance" means the monthly cash payment to a Participant in an amount to be determined by the Committee.

(b) "Committee" means the Compensation Committee of the Board of Directors of the Company or its delegate.

(c) "Participant" means an officer or division head of the Company who has been designated by the Committee as a participant in the Plan.

III. Cash Allowance.

(a) Allowance. Each Participant will receive the Allowance subject to all applicable taxes and deductions.

(b) Accountability. The Participant may use the Allowance as he or she determines in the Participant's sole discretion. Participants shall not be accountable to the Company for the expenditure of the Allowance.

(c) Source of Funds. The Allowance shall be paid from the general assets of the Company.

(d) Character of Funds. The Allowance shall not be considered compensation or earnings for any purposes under any Company-sponsored employee benefit plan, including the calculation of pension, 401(k), and severance benefits.

IV. Plan Administration.

(a) Administration. The Plan shall be administered by the Committee. The Committee shall determine the officers and employees who are entitled to participate in the Plan. The Committee may adopt such rules and regulations as it may deem necessary for the proper administration of this Plan, and its decision in all matters shall be final, conclusive and binding. Unless otherwise determined by the Committee, all of the Committee's authority under the Plan is hereby delegated to the Company's Vice President, Human Resources.

(b) Amendment and Termination. The Committee may amend the Plan in any respect and may terminate the Plan at any time.

V. Miscellaneous.

(a) Termination of Participation. An individual's designation as a Participant shall be terminated automatically and without further action by the Committee on the date that such Participant's employment terminates for any reason. The Committee may prospectively terminate a Participant's participation in the Plan at any time.

(b) No Right to Continued Employment. An individual's designation as a Participant shall not create any right to continued employment with the Company nor, during such employment, continued designation as a Participant.

(c) Taxes. The amount of the Allowance paid to a Participant during any calendar year shall be included in his or her compensation and shall be subject to withholding taxes as required under federal, state and local law.

(d) Applicable Law. This Plan shall be construed and administered in accordance with the laws of the State of New Jersey applicable to persons performing services in New Jersey.

(e) No Assignment. No person entitled to a benefit under the Plan shall have any power to assign, transfer, pledge, hypothecate or otherwise encumber the right to receive such payment and any attempt to do so shall be void and will not be recognized by the Committee.

IN WITNESS WHEREOF, C. R. Bard, Inc. has caused this Plan to be executed by its duly authorized officer on this 8th day of December, 2010.

C. R. BARD, INC.

/s/ Bronwen Kelly

By: Bronwen Kelly
Vice President, Human Resources

Exhibit 10by

C. R. BARD, INC.
2003 LONG TERM INCENTIVE PLAN

Stock Option

Award Certificate

Granted To: Grant Date: _____, 20__

Employee Number: Options Granted:

Exercise Price per Share:

Grant Expiration Date:

C. R. Bard, Inc., a New Jersey corporation (the "Corporation") hereby grants you a Stock Option (the "Option") under the 2003 Long Term Incentive Plan of C. R. Bard, Inc., as amended from time-to-time (the "Plan"), to purchase the number of shares of the Corporation's common stock shown above at the Exercise Price per Share shown above, subject to the terms of this Award Certificate, the Plan and the attached Stock Option Terms and Conditions (the "Terms and Conditions"), which are incorporated herein by reference and are a part of this Award Certificate.

Please sign and return the attached copy of this Award Certificate to: **Royal Olson, 730 Central Avenue, Murray Hill, New Jersey 07974.**

I acknowledge receipt of, and understand and agree to, the terms of this Stock Option Award Certificate, the Plan, and the Terms and Conditions.

_____ _____
Employee Signature Date

_____
Print Name

Attachments: Stock Option Terms and Conditions
2003 Long Term Incentive Plan
Plan Prospectus dated _____, 20__

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

2003 LTIP – FORM OF STOCK OPTION TERMS AND CONDITIONS

C. R. BARD, INC.
2003 LONG TERM INCENTIVE PLAN

Stock Option

Terms and Conditions

Grant Date: _____

C. R. Bard, Inc., a New Jersey corporation (the "Corporation") has granted you a Stock Option (the "Option") under the 2003 Long Term Incentive Plan of C. R. Bard, Inc., as amended from time-to-time (the "Plan"). The Option provides you with the opportunity to purchase the number of shares of the Corporation's common stock (the "Shares") that is set forth in the Stock Option Award Certificate (the "Award Certificate") accompanying these Stock Option Terms and Conditions (the "Terms and Conditions"), at the price per share not less than the Fair Market Value of a Share on the Grant Date as set forth in the Award Certificate (the "Exercise Price"). The Option is subject to the Plan, the Award Certificate, and these Terms and Conditions. All capitalized terms not otherwise defined in these Terms and Conditions or in the Award Certificate shall have the same meaning set forth in the Plan. The Plan is administered by the Compensation Committee (the "Committee") of the C. R. Bard, Inc. Board of Directors (the "Board").

1. Vesting.

   (a) Except as otherwise provided in Section 2, the term of the Option shall commence on the Grant Date and shall expire on the tenth anniversary of the Grant Date (the "Grant Expiration Date").

   (b) At any time, the portion of the Option that has become vested and exercisable as described in this Section 1 is hereinafter referred to as the "Vested Portion."

   (c) [Performance-based (based on earnings per share growth generally exclusive of items of an unusual or infrequent nature) and/or time-based vesting criteria]

   (d) For the avoidance of doubt, you must be employed by the Corporation or one of its Subsidiaries on the date vesting occurs, which with respect to Section 1(c) will occur upon the later of (i) the Board's determination that the applicable targets have been achieved and (ii) public disclosure by the Corporation of the results of operations that are the basis for such determination.

(e) Upon termination of your employment by reason of death, Retirement or Disability, the Option shall, to the extent not expired pursuant to Section 1(a) and not vested and exercisable at that time, become fully vested and exercisable.

(f) If you cease to be an employee of the Corporation or one of its Subsidiaries for any reason, the Committee may, in its sole discretion, accelerate the vesting of the Option, or any portion thereof, which has not expired pursuant to Section 1(a) and would not otherwise be vested and exercisable on the date of such termination of employment.

(g) If your employment with the Corporation is terminated for any reason other than death, Retirement or Disability, or the Committee does not otherwise exercise its discretion, pursuant to the Plan and Section 1(f) above, to accelerate the vesting of the Option in full upon your termination for any reason, the Option shall expire immediately without consideration to the extent not vested and exercisable on the date of any such termination and the Vested Portion of the Option shall remain exercisable for the period set forth in Section 2(a).

2. Exercise.

(a) Exercise of Option. Subject to the provisions of the Plan and these Terms and Conditions, you may exercise all or any part of the Vested Portion of the Option at any time prior to the *earliest* to occur of:

(i) the Grant Expiration Date (including with respect to termination of your employment by reason of Retirement and with respect to the termination of your employment for reasons other than Cause within the one-year period immediately following a Change in Control);

(ii) one year following the first day of the month following the month in which your employment with the Corporation or one of its Subsidiaries is terminated due to death or Disability;

(iii) sixty days following the date your employment with the Corporation or one of its Subsidiaries is terminated for any reason other than (A) death, (B) Disability, (C) Retirement, or (D) for any termination within the one-year period immediately following a Change in Control (excluding termination for Cause during such one-year period, which will be subject to the sixty-day exercise period).

For purposes of these Terms and Conditions, "Cause" shall mean "Cause" as defined in (A) any employment or severance agreement then in effect between you and the Corporation or one of its Subsidiaries or (B) any severance plan in which you participate, or if not defined therein or if there shall be no such agreement or plan, "Cause" shall include, but not be limited to, your misconduct, insubordination, violation of the Corporation's policies, or performance issues. The determination of the existence of Cause shall be made by the Committee in good faith, which determination shall be conclusive for purposes of these Terms and Conditions.

For purposes of these Terms and Conditions, "Retirement" shall mean the termination of employment of an employee of the Corporation who has attained the age of 55 and been credited with a minimum of 5 years of vesting service under the Employees' Retirement Plan of C. R. Bard, Inc. or any successor plan thereto (the "U.S. Retirement Plan"); *provided,* that the term "Retirement" shall not refer to an employee that is terminated for Cause. For purposes of determining whether, and to what extent, an employee is credited with vesting service under the preceding sentence, service provided to a foreign affiliate of the Corporation shall be treated as service provided to a U.S. participating employer in the U.S. Retirement Plan.

(b) Method of Exercise.

(i) Subject to Section 2(a), the Vested Portion of the Option may be exercised, by you or the individual having the right to exercise the Option in accordance with Section 2(b)(v), by delivering to the Corporation at its principal office written notice of intent to so exercise; *provided,* that the Option may be exercised with respect to whole Shares only. Such notice shall specify the number of Shares for which the Option is being exercised and shall be accompanied by payment in full of the Option Price. The payment of the Option Price may be made by you:

(A) in cash or its equivalent (*e.g.,* by check);

(B) to the extent permitted by the Committee, in Shares having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee; *provided,* that you have held such Shares for no less than six months (or such other period as established from time-to-time by the Committee in order to avoid adverse accounting treatment applying US GAAP);

(C) partly in cash and, to the extent permitted by the Committee, partly in such Shares, as described in clause (B), above; or

(D) if there is a public market for the Shares at the time of exercise, subject to rules and limitations established by the Committee or the Board, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Corporation an amount out of the proceeds of such Sale equal to the aggregate Option Price for the Shares being purchased.

The purchased Shares shall be held at the Corporation's transfer agent in book entry form or, at your request (or at the request of the individual having the right to exercise the Option in accordance with Section 2(b)(v)), shall be delivered to you, or the individual having the right to exercise the Option in accordance with Section 2(b)(v), as soon as administratively feasible following exercise of the Option. No fractional Shares will be issued upon

exercise of the Option; unless otherwise determined by the Committee, the cash equivalent of any fractional Share will be payable upon exercise.

(ii) If in the opinion of counsel for the Corporation (who may be an employee of the Corporation or independent counsel employed by the Corporation), any issuance or delivery of Shares upon exercise of the Option to you will violate the requirements of any applicable federal or state laws, rules or regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended), such issuance or delivery may be postponed until the Corporation is satisfied that the distribution will not violate such federal or state laws, rules or regulations.

(iii) Notwithstanding any other provision of these Terms and Conditions to the contrary, prior to a Change of Control the Option may not be exercised, as the Committee shall in its sole discretion determine to be necessary or advisable, prior to the completion of any registration or qualification of the Option or the Shares, or during any period of suspension of trading of the Shares, under applicable state and federal securities or other laws or under any ruling or regulation of any governmental body or national securities exchange.

(iv) Upon the Corporation's determination that the Option (if to be settled in Shares) has been validly exercised, the Shares shall be held or delivered in accordance with the last paragraph of Section 2(b)(i)(D). However, the Corporation shall not be liable to you for damages relating to any delays in issuing certificates for such Shares, any loss of the certificates or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

(v) In the event of your death, the Vested Portion of the Option shall remain exercisable to the extent set forth in Section 2(a) by your executor or administrator, or the person or persons to whom your rights under these Terms and Conditions shall pass by will or by the laws of descent and distribution, as the case may be. In the event of your Disability, the Option may be exercisable by your conservator or representative. Any of your heirs, legatees, conservators or representatives shall take rights herein granted subject to the Plan, the Award Certificate, and these Terms and Conditions.

(vi) Neither you nor your legal representatives, legatees or distributees, as the case may be, shall have any rights to dividends or other rights of a stockholder with respect to Shares subject to an Option until you or the individual having the right to exercise the Option has given written notice of exercise, paid in full for such Shares, received such Shares from the Corporation and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to the Plan.

3. No Right to Continued Employment. The granting of the Option evidenced by the Award Certificate and these Terms and Conditions shall impose no obligation on the Corporation or any affiliate to continue your employment and shall not lessen or affect the Corporation's or any affiliate's right to terminate your employment.

4. Legend on Certificates. If the Corporation determines that any issuance or delivery of Shares to you pursuant to these Terms and Conditions will violate the requirements of any applicable federal or state laws, rules or regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended), such issuance or delivery may be postponed until the Corporation is satisfied that the distribution will not violate such federal or state laws, rules or regulations. Any such Shares shall be subject to such stop transfer orders and other restrictions as the Committee or the Corporation may deem necessary or advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed and any applicable federal, state or foreign laws, rules or regulations. Certificates delivered to you may bear such legends as the Corporation may deem necessary or advisable.

5. Transferability. You may not assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Option other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Corporation or any affiliate; *provided*, *however,* that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. You may designate a beneficiary, on a form supplied by the Corporation, who may exercise the Option under these Terms and Conditions in the event of your death. No such permitted transfer of the Option to your heirs or legatees shall be effective to bind the Corporation unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee or the Corporation may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of these Terms and Conditions.

6. Withholding. You may be required to pay to the Corporation or one of its Subsidiaries, and the Corporation or one of its Subsidiaries shall have the right and is hereby authorized to withhold, any applicable amount it may determine to be necessary to withhold for federal, state, local or other taxes as a result of the exercise, grant or vesting of the Option, as a condition to such exercise, grant or vesting, or as a result of any payment or transfer under or with respect to the Option. The Committee may take such other action as may be advisable in the opinion of the Corporation to satisfy all obligations for the payment of such withholding taxes. You may elect to pay all or a portion of the minimum amount of taxes required to be withheld by (a) delivery of Shares or (b) having Shares withheld by the Corporation from any Shares that you would have otherwise received, such Shares in either case having an aggregate Fair Market Value at the time of payment equal to the amount of such withholding taxes.

7. Securities Laws. Upon the acquisition of any Shares pursuant to the exercise of the Option, you will make or enter into such written representations, warranties and agreements as the Corporation may reasonably request in order to comply with applicable securities laws or with these Terms and Conditions.

8. Notices. Any notice required or permitted under these Terms and Conditions shall be deemed given when delivered personally, or when deposited in a United States Post Office as registered mail, postage prepaid, addressed, as appropriate, either to you at your address on file at the Corporation or such other address as you may designate in writing to the Corporation, or to the Corporation, Attention: Secretary, at 730 Central Avenue, Murray Hill, New Jersey 07974, or such other address as the Corporation may designate to you in writing.

9. Failure to Enforce Not a Waiver. The failure of the Corporation to enforce at any time any provision of the Plan or of these Terms and Conditions shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. No Limitation on Rights of the Corporation. The grant of the Option shall not in any way affect the right or power of the Corporation to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

11. Choice of Law. **THE PLAN, THE AWARD CERTIFICATE AND THESE TERMS AND CONDITIONS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REGARD TO CONFLICTS OF LAWS.**

12. Option Subject to Plan. By your receipt of these Terms and Conditions and the Award Certificate, you agree and acknowledge that you have received and read a copy of the Plan and the related prospectus. The Option is in all respects governed by the Plan and subject to all of the terms and provisions thereof. The terms and provisions of the Plan as it may be amended from time-to-time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

Exhibit 10bz

C. R. BARD, INC.
2003 LONG TERM INCENTIVE PLAN

Restricted Shares

Award Certificate

Granted To: Grant Date: _____, 20__

Employee Number: Restricted Shares Granted:

C. R. Bard, Inc., a New Jersey corporation (the "Corporation") hereby grants you a number of Restricted Shares (the "Restricted Shares") under the 2003 Long Term Incentive Plan of C. R. Bard, Inc., as amended from time-to-time (the "Plan"), subject to the terms of this Award Certificate, the Plan and the attached Restricted Shares Terms and Conditions (the "Terms and Conditions"), which are incorporated herein by reference and are a part of this Award Certificate.

Please sign and return the attached copy of this Award Certificate to: **Royal Olson, 730 Central Avenue, Murray Hill, New Jersey 07974.**

I acknowledge receipt of, and understand and agree to, the terms of this Restricted Shares Award Certificate, the Plan, and the Terms and Conditions.

_____ _____
Employee Signature Date

_____
Print Name

Attachments: Restricted Shares Terms and Conditions
2003 Long Term Incentive Plan
Plan Prospectus dated _____, 20__

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

2003 LTIP – FORM OF RESTRICTED STOCK/RESTRICTED STOCK UNITS TERMS AND CONDITIONS

C. R. BARD, INC.
2003 LONG TERM INCENTIVE PLAN

Restricted Shares

Terms and Conditions

Grant Date: _____

C. R. Bard, Inc., a New Jersey corporation (the "Corporation") has granted you the number of Restricted Shares (the "Restricted Shares")[1] under the 2003 Long Term Incentive Plan of C. R. Bard, Inc., as amended from time-to-time (the "Plan") that is set forth in the Restricted Shares Award Certificate (the "Award Certificate") accompanying these Restricted Shares Terms and Conditions (the "Terms and Conditions"). The Restricted Shares are subject to the Plan, the Award Certificate, and these Terms and Conditions. All capitalized terms not otherwise defined in these Terms and Conditions or in the Award Certificate shall have the same meaning set forth in the Plan. The Plan is administered by the Compensation Committee (the "Committee") of the C. R. Bard, Inc. Board of Directors (the "Board").

1. Vesting.

(a) Performance-Based Vesting.

(i) The Restricted Shares shall become vested based on performance objectives ("**Performance Vested**") (and, therefore, become subject to Section 1(b)) if [Performance-based vesting criteria based on earnings per share growth generally exclusive of items of an unusual or infrequent nature] Such vesting shall occur upon the date on which the Committee certifies that the performance goal described in this paragraph has been attained (the **"Performance Vesting Date"**); *provided*, in each case, that you are employed by the Corporation or one of its Subsidiaries on the Performance Vesting Date.

(ii) If you cease to be an employee of the Corporation or one of its Subsidiaries for any reason other than death or Disability prior to the Performance Vesting Date, the Committee may, in its sole discretion, deem some or all of such Restricted Shares to be Performance Vested. If the Restricted Shares have not become Performance Vested in accordance with Section 1(a)(i), and to the extent the Committee does not exercise its discretion to deem the Restricted Shares Performance Vested pursuant to

[1] Restricted Stock Units or RSUs, not Restricted Shares, are granted to non-US employees.

the foregoing sentence, such Restricted Shares shall immediately terminate and be forfeited upon termination of employment (including any right to receive dividends with respect thereto).

(iii) The portion of the Restricted Shares that have become Performance Vested pursuant to Section 1(a)(i) or Section 1 (a)(ii) is hereinafter referred to as the **"Performance Vested Portion."**

(b) Time Vesting.

(i) The Performance Vested Portion of the Restricted Shares shall vest and become nonforfeitable on [an anniversary to be determined] of the Performance Vesting Date (such period, the "Restricted Period") if you remain employed by the Corporation or one of its Subsidiaries through the last day of such Restricted Period ("Time Vested").[2]

(ii) If your employment with the Corporation or one of its Subsidiaries is terminated during the Restricted Period for any reason other than death or Disability, the Committee may, in its sole discretion, terminate the Restricted Period with respect to some or all of the Performance Vested Portion of the Restricted Shares, so that such Restricted Shares shall become Time Vested. If the Restricted Shares have not become Time Vested in accordance with Section 1(b)(i) or Section 1(b)(ii), and to the extent the Committee does not exercise its discretion to terminate the Restricted Period with respect to all Restricted Shares pursuant to the foregoing sentence, such Restricted Shares (even if Performance Vested) shall immediately terminate and be forfeited upon termination of employment (including any right to vote such Restricted Shares or receive dividends with respect thereto).

(c) Notwithstanding anything to the contrary in the Plan or these Terms and Conditions, if your employment with the Corporation or one of its Subsidiaries is terminated by reason of death or Disability, the Restricted Shares shall automatically become both Performance Vested and Time Vested and no longer subject to any of the vesting or transferability restrictions described in these Terms and Conditions.

(d) Notwithstanding anything to the contrary in the Plan or these Terms and Conditions, upon the occurrence of a Change of Control, the Restricted Shares shall automatically

[2] For employees other than Named Executive Officers, if on or prior to the seventh anniversary of the Grant Date (i) the Restricted Shares have not Performance Vested during any Performance Period or (ii) if Performance Vested Restricted Shares have not Time Vested, then notwithstanding anything to the contrary in these Terms and Conditions or the Plan, the Restricted Shares shall automatically become both Performance Vested and Time Vested and no longer subject to any of the vesting or transferability restrictions described in these Terms and Conditions.

become both Performance Vested and Time Vested and no longer subject to any of the vesting or transferability restrictions described in these Terms and Conditions.[3]

2. No Right to Continued Employment. The granting, issuance or vesting of the Restricted Shares evidenced by the Award Certificate and these Terms and Conditions shall impose no obligation on the Corporation or any affiliate to continue your employment and shall not lessen or affect the Corporation's or any affiliate's right to terminate your employment.

3. Rights as a Stockholder. You shall be the record owner of the Restricted Shares unless and until such Restricted Shares shall terminate and be forfeited pursuant to Section 1 hereof. As record owner, you shall be entitled to all rights of a holder of common stock of the Corporation, including, without limitation, voting rights with respect to such Restricted Shares and the right to receive all dividends paid on such Restricted Shares; *provided*, *however*, that the Restricted Shares shall be subject to the limitations on transfer and encumbrance set forth in Sections 4 and 5.

4. Delivery of Shares.

(a) Restricted Shares granted to you pursuant to the Award Certificate shall be held at the Corporation's transfer agent in book entry form with appropriate restrictions relating to the vesting and/or transfer of such Shares. Until the Restricted Shares have become both Performance Vested and Time Vested, the Restricted Shares shall be registered in your name and shall bear the following, or a substantially similar, legend:

The transferability of this certificate and the shares of common stock represented hereby is subject to the terms and conditions, including forfeiture, contained in the 2003 Long Term Incentive Plan of C. R. Bard, Inc. and an Agreement entered into between the registered owner and C. R. Bard, Inc. Copies of such Plan and Agreement are on file in the executive office of C. R. Bard, Inc., 730 Central Avenue, Murray Hill, New Jersey 07974.

(b) When the Restricted Shares have become both Performance Vested and Time Vested, the Corporation shall direct the transfer agent to remove the restrictions relating to such Shares or, at your request (or at the request of your legal representative, beneficiary or heir) shall deliver within 60 days after such Time Vesting to you, or to your legal representative, beneficiary or heir, a certificate or certificates, without the legend referred to in Section 4(a) above, for such Shares. At such time, these Terms and Conditions shall terminate as to those Shares.

(c) If the Corporation determines that any issuance or delivery of Shares to you pursuant to these Terms and Conditions will violate the requirements of any applicable federal or state laws, rules or regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended), such issuance or delivery may be postponed until the Corporation is satisfied

[3] This provision is not included in any Terms and Conditions with respect to any retention grant that may be awarded to Named Executive Officers.

that the distribution will not violate such federal or state laws, rules or regulations. Any such Shares shall be subject to such stop transfer orders and other restrictions as the Committee or the Corporation may deem necessary or advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed and any applicable federal, state or foreign laws, rules or regulations. Certificates delivered to you may bear such legends as the Corporation may deem necessary or advisable.

5. Transferability. You may not, at any time prior to becoming both Performance Vested and Time Vested pursuant to Section 1, assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Restricted Shares other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Corporation or any affiliate; *provided*, *however,* that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. You may designate a beneficiary, on a form supplied by the Corporation, who may receive the Restricted Shares under these Terms and Conditions in the event of your death. No such permitted transfer of the Restricted Shares to your heirs or legatees shall be effective to bind the Corporation unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee or the Corporation may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of these Terms and Conditions.

6. Withholding. You may be required to pay to the Corporation or one of its Subsidiaries, and the Corporation or one of its Subsidiaries shall have the right and is hereby authorized to withhold, any applicable amount it may determine to be necessary to withhold for federal, state, local or other taxes as a result of the grant, issuance or vesting of the Restricted Shares, as a condition to such grant, issuance or vesting, or as a result of any payment or transfer under or with respect to the Restricted Shares. The Committee may take such other action as may be advisable in the opinion of the Corporation to satisfy all obligations for the payment of such withholding taxes. You may elect to pay all or a portion of the minimum amount of taxes required to be withheld by (a) delivery of Shares or (b) having Shares withheld by the Corporation from any Shares that you would have otherwise received, such Shares in either case having an aggregate Fair Market Value at the time of payment equal to the amount of such withholding taxes.

7. Securities Laws. Upon the issuance, vesting or delivery of any Restricted Shares, you will make or enter into such written representations, warranties and agreements as the Corporation may reasonably request in order to comply with applicable securities laws or with these Terms and Conditions.

8. Notices. Any notice required or permitted under these Terms and Conditions shall be deemed given when delivered personally, or when deposited in a United States Post Office as registered mail, postage prepaid, addressed, as appropriate, either to you at your address on file at the Corporation or such other address as you may designate in writing to the Corporation, or to the Corporation, Attention: Secretary, at 730 Central Avenue, Murray Hill, New Jersey 07974, or such other address as the Corporation may designate to you in writing.

9. Failure to Enforce Not a Waiver. The failure of the Corporation to enforce at any time any provision of the Plan or of these Terms and Conditions shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. No Limitation on Rights of the Corporation. The grant of the Restricted Shares shall not in any way affect the right or power of the Corporation to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

11. Choice of Law. **THE PLAN, THE AWARD CERTIFICATE AND THESE TERMS AND CONDITIONS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REGARD TO CONFLICTS OF LAWS.**

12. Restricted Shares Subject to Plan. By your receipt of these Terms and Conditions and the Award Certificate, you agree and acknowledge that you have received and read a copy of the Plan and the related prospectus. The Restricted Shares are in all respects governed by the Plan and subject to all of the terms and provisions thereof. The terms and provisions of the Plan as it may be amended from time-to-time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

Exhibit 10ca

AGREEMENT

This agreement (the "Agreement"), by and between C. R. BARD, INC., a domestic corporation organized and existing under the laws of the State of New Jersey (the "Corporation"), and _____ (the "Executive"), is hereby effective as of _____, 20__.

WITNESSETH:

WHEREAS, the Corporation, on behalf of itself and its shareholders, wishes to assure that the Corporation will have the continued dedication of the Executive, notwithstanding the possibility, threat, or occurrence of a Change of Control (as defined below) of the Corporation. The Board of Directors of the Corporation (the "Board") believes it is imperative to diminish the inevitable distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened Change of Control, to encourage his attention and dedication to his assigned duties currently and in the event of any threatened or pending Change of Control, and to provide the Executive with competitive compensation arrangements; therefore, the Board has caused the Corporation to enter into this Agreement (i) to ensure the Executive of individual financial security in the event of a Change of Control, and (ii) to provide such protection in a manner which is competitive with that of other corporations.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Certain Definitions.

(a) The "Effective Date" shall be the first date during the "Change of Control Period" (as defined in Section 1(b)) on which a Change of Control occurs. Anything in this Agreement to the contrary notwithstanding, if the Executive's employment with the Corporation is terminated prior to the date on which a Change of Control occurs, and the Executive can reasonably demonstrate that such termination (1) was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or (2) otherwise arose in connection with or anticipation of a Change of Control, then for all purposes of this Agreement the "Effective Date" shall mean the date immediately prior to the date of such termination.

(b) The "Change of Control Period" is the period commencing on the date hereof and ending on the earlier to occur of (i) the third anniversary of such date or (ii) the first day of the month next following the Executive's normal retirement date ("Normal Retirement Date") under the Corporation's retirement plan; provided, however, that commencing on the date one year after the date hereof, and on each annual anniversary of such date (such date and each annual anniversary thereof is hereinafter referred to as the "Renewal Date"), the Change of Control Period shall be automatically extended so as to terminate on the earlier of (x) two years from such Renewal Date or (y) the first day of the month coinciding with or next following the Executive's Normal Retirement Date, unless at least 60 days prior to the Renewal Date the Corporation shall give notice that the Change of Control Period shall not be so extended.

2. Change of Control.

(a) For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred if a change of control of the nature that would be required to be reported on the Current Report on Form 8-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") occurs, provided that, without limitation, a "Change of Control" shall be

deemed to have occurred if (i) the beneficial ownership at any time hereafter by any person, as defined herein, of capital stock of the Corporation, constitutes 20 percent or more of the general voting power of all of the Corporation's outstanding capital or (ii) individuals who, as of the date hereof, constitute the Board (as of the date hereof, the "Incumbent Board") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a Director subsequent to the date hereof whose election, or nomination for election by the Corporation's shareholders, was approved by a vote of at least three-quarters of the Directors comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the Directors of the Corporation, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board. No sale to underwriters or private placement of its capital stock by the Corporation, nor any acquisition initiated by the Corporation, through merger, purchase of assets or otherwise, effected in whole or in part by issuance or reissuance of shares of its capital stock, shall constitute a Change of Control.

(b) For purposes of the definition of "Change of Control," the following definitions shall be applicable:

(i) The term "person" shall mean any individual, corporation or other entity and any group as such term is used in Section 13 (d) (3) or 14 (d) (2) of the Exchange Act.

(ii) Any person shall be deemed to be the beneficial owner of any shares of capital stock of the Corporation:

A. which that person owns directly, whether or not of record, or

B. which that person has the right to acquire pursuant to any agreement or understanding or upon exercise of conversion rights, warrants, or options, or otherwise, or

C. which are beneficially owned, directly or indirectly (including shares deemed owned through application of clause (B) above), by an "affiliate" or "associate" (as defined in the rules of the Securities and Exchange Commission under the Securities Act of 1933, as amended) of that person, or

D. which are beneficially owned, directly or indirectly (including shares deemed owned through application of clause (B) above), by any other person with which that person or his "affiliate" or "associate" (defined as aforesaid) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of capital stock of the Corporation.

(iii) The outstanding shares of capital stock of the Corporation shall include shares deemed owned through application of clauses (ii) (B), (C) and (D), above, but shall not include any other shares which may be issuable pursuant to any agreement or upon exercise of conversion rights, warrants or options, or otherwise, but which are not actually outstanding.

3. Employment Period. Except as otherwise provided herein, the Corporation hereby agrees to continue the Executive in its employ, and the Executive hereby agrees to remain in the employ of the Corporation, for the period commencing on the Effective Date and ending on the earlier to occur of (a) the third anniversary of such date or (b) the first day of the month coinciding with or next following the Executive's Normal Retirement Date (the "Employment Period").

4. Terms of Employment.

(a) Position and Duties.

(i) During the Employment Period, (A) the Executive's position (including status, offices, titles and reporting requirements), authority, duties and responsibilities shall be at least commensurate in all material respects with the most significant of those held, exercised and assigned at any time during the 90-day period immediately preceding the Effective Date and (B) the Executive's services shall be performed at the location where the Executive was employed immediately preceding the Effective Date or any office or location less than thirty-five (35) miles from such location.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote reasonable attention and time during normal business hours to the business and affairs of the Corporation and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to (A) serve on corporate, civic or charitable boards or committees, (B) deliver lectures, fulfill speaking engagements or teach at educational institutions and (C) manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Corporation in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Corporation.

(b) Compensation.

(i) Base Salary. During the Employment Period, the Executive shall receive a base salary ("Base Salary") at a monthly rate at least equal to the highest monthly base salary paid to the Executive by the Corporation during the twelve-month period immediately preceding the month in which the Effective Date occurs. During the Employment Period, the Base Salary shall be reviewed at least annually and shall be increased at any time and from time to time as shall be consistent with increases in base salary awarded in the ordinary course of business to other key executives of the Corporation. Any increase in Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Base Salary shall not be reduced after any such increase.

(ii) Annual Bonus. In addition to Base Salary, the Executive shall be awarded, for each fiscal year during the Employment Period, an annual bonus (an "Annual Bonus") in cash at least equal to (x) the sum of the annual bonuses paid, or payable to the extent deferred, to the Executive in respect of each of the three fiscal years immediately preceding the fiscal year in which the Effective Date occurs, divided by (y) the number of such three fiscal years with respect to which the Executive was eligible to earn an annual bonus from the Corporation (the "Recent Bonus"). In the event that the date first above written and the Effective Date occur in the same fiscal year, the Recent Bonus shall be equal to your target bonus under the applicable annual bonus.

(iii) Incentive, Savings and Retirement Plans. In addition to Base Salary and Annual Bonus payable as hereinabove provided, the Executive shall be entitled to participate

during the Employment Period in all equity incentive, deferred compensation, supplemental savings and retirement plans and programs, whether qualified or non-qualified, then applicable to other key executives of the Corporation and its affiliates; provided, however, that such plans and programs, in the aggregate, shall provide the Executive with compensation, benefits and reward opportunities at least as favorable as the most favorable such compensation benefits and reward opportunities provided by the Corporation for the Executive under such plans and programs as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided at any time thereafter with respect to other key executives.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans provided by the Corporation (including, without limitation, medical, prescription, dental, disability, salary continuance, executive life, group life, accidental death and travel accident insurance plans and programs), at least comparable to those in effect at any time during the 90-day period immediately preceding the Effective Date which would be most favorable to the Executive or, if more favorable to the Executive, as in effect at any time thereafter with respect to other key executives.

(v) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in accordance with the most favorable policies and procedures of the Corporation and its affiliates in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect at any time thereafter with respect to other key executives.

(vi) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, in accordance with the most favorable policies of the Corporation and its affiliates in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect at any time thereafter with respect to other key executives.

(vii) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to secretarial and other assistance, at least equal to those provided to the Executive at any time during the 90-day period immediately preceding the Effective Date which would be most favorable to the Executive or, if more favorable to the Executive, as provided at any time thereafter with respect to other key executives.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable policies of the Corporation and its affiliates as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect at any time thereafter with respect to other key executives.

5. Termination.

(a) Death or Disability. This Agreement shall terminate automatically upon the Executive's death. The Corporation may terminate this Agreement, after having established the Executive's Disability (pursuant to the definition of "Disability" set forth below), by giving to the Executive written notice of its intention to terminate the Executive's employment. In such a case, the Executive's employment with the Corporation shall terminate effective on the 180th

day after receipt of such notice (the "Disability Effective Date"), provided that, within 180 days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, "Disability" means disability which, at least 26 weeks after its commencement, is determined to be total and permanent by a physician selected by the Corporation or its insurers and acceptable to the Executive or the Executive's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(b) Cause. The Corporation may terminate the Executive's employment for "Cause." For purposes of this Agreement, "Cause" means (i) an act or acts of dishonesty taken by the Executive and intended to result in substantial personal enrichment of the Executive at the expense of the Corporation, (ii) repeated violations by the Executive of the Executive's obligations under Section 4 (a) of this Agreement which are demonstrably willful and deliberate on the Executive's part and which are not remedied after the receipt of notice from the Corporation or (iii) the conviction of the Executive of a felony.

(c) Termination by Executive for Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, "Good Reason" means

(i) (A) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 4(a) of this Agreement, or (B) any other action by the Corporation which results in a diminution in such position, authority, duties or responsibilities, other than an insubstantial and inadvertent action which is remedied by the Corporation promptly after receipt of notice thereof given by the Executive;

(ii) any breach of this Agreement by the Corporation, or failure by the Corporation to comply with any of the provisions of Section 4(b) of this Agreement, other than an insubstantial and inadvertent breach which is remedied by the Corporation promptly, but in no event more than five (5) days, after receipt of notice thereof given by the Executive;

(iii) the Corporation's requiring the Executive to be based at any office or location other than that described in Section 4(a) (i)(B) hereof, except for travel reasonably required in the performance of the Executive's responsibilities;

(iv) any purported termination by the Corporation of the Executive's employment otherwise than as permitted by this Agreement;

(v) any failure by the Corporation to comply with and satisfy Section 11(c) of this Agreement; or

(vi) any failure by the Corporation to pay compensation to the Executive when due, other than an inadvertent failure which is remedied by the Corporation within five (5) days after receipt of notice thereof given by the Executive.

For purposes of this Section 5(c), any good faith determination of "Good Reason" made by the Executive shall be conclusive.

(d) Notice of Termination. Any termination by the Corporation for Cause or by the Executive for Good Reason shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 12(b) of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific

termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the termination date is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen (15) days after the giving of such notice).

(e) Date of Termination. "Date of Termination" means the date of receipt of the Notice of Termination or any later date specified therein, as the case may be. If the Executive's employment is terminated by the Corporation other than for Cause or Disability, the Date of Termination shall be the date on which the Corporation notifies the Executive of such termination.

6. Obligations of the Corporation upon Termination.

(a) Death. If the Executive's employment is terminated by reason of the Executive's death, this Agreement shall terminate without further obligations to the Executive's legal representatives under this Agreement, other than those obligations accrued or earned by the Executive hereunder at the date of the Executive's death. Anything in this Agreement to the contrary notwithstanding, the Executive's family shall be entitled to receive benefits at least equal to the most favorable benefits provided by the Corporation to surviving families of executives of the Corporation under such plans, programs and policies relating to family death benefits, if any, as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect on the date of the Executive's death with respect to other key executives and their families.

(b) Disability. If the Executive's employment is terminated by reason of the Executive's Disability, this Agreement shall terminate without further obligations to the Executive, other than those obligations accrued or earned by the Executive hereunder as of the Disability Effective Date. Anything in this Agreement to the contrary notwithstanding, the Executive shall be entitled after the Disability Effective Date to receive disability and other benefits at least equal to the most favorable of those provided by the Corporation to disabled employees and/or their families in accordance with such plans, programs and policies relating to disability, if any, as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect at any time thereafter with respect to other key executives and their families.

(c) Cause; Other than for Good Reason. If the Executive's employment shall be terminated for Cause or the Executive terminates his employment other than for Good Reason, the Corporation shall pay the Executive his full Base Salary through the Date of Termination at the rate in effect at the time Notice of Termination is given and shall have no further obligations to the Executive under this Agreement.

(d) Termination by Executive for Good Reason; Termination by Corporation Other Than for Cause or Disability. If, during the Employment Period, the Corporation shall terminate the Executive's employment other than for Cause or Disability, or the employment of the Executive shall be terminated by the Executive for Good Reason:

(i) the Corporation shall pay to the Executive in a lump sum in cash within 10 days after the Date of Termination (the "Payment Date") the aggregate of the following amounts:

A. to the extent not theretofore paid, the Executive's Base Salary through the Date of Termination at the rate in effect on the Date of Termination or, if higher, at

the highest rate in effect at any time within the three year period preceding the Effective Date (the "Highest Base Salary"); and

B. the product of (x) the Recent Bonus and (y) the fraction obtained by dividing (i) the number of days between the Date of Termination and the last day of the last full fiscal year and (ii) 365; and

C. the product of (x) three and (y) the sum of the Highest Base Salary and the Recent Bonus;

D. in the case of compensation previously deferred by the Executive, all amounts previously deferred and not yet paid by the Corporation to the extent that acceleration of such payments will not result in past, present or future adverse tax treatment to the Executive under Section 409A of the Code; and

E. the difference between (x) the present value of the Executive's accrued benefit under the Corporation's qualified and nonqualified defined benefit retirement plans calculated as of his or her Date of Termination with three (3) additional years of age and service credit for all purposes under such plans (assuming a 6% compensation increase for each additional year of service credit) with such present value calculated using the lump sum assumptions that apply under the plans and for those participants, reflecting their age with the added 3 years, who are not yet age 55 taking the present value of the age 55 benefit after adjusting for the 3 years of additional age and service credit; and (y) the present value of the Executive's accrued benefit under the Corporation's qualified and nonqualified defined benefit retirement plans calculated as of his or her Date of Termination with no additional age or service credit with such present value calculated using the lump sum assumptions that apply under the plans and for those participants who are not yet age 55, taking the present value of the age 55 benefit; and

(ii) for three years after the Date of Termination, the Corporation shall continue benefits to the Executive and/or the Executive's family at least equal to those which would have been provided to them in accordance with the plans, programs and policies described in Section 4(b)(iv) of this Agreement if the Executive's employment had not been terminated, including health insurance and life insurance, if and as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect at any time thereafter with respect to other key executives and their families and for purposes of eligibility for retiree benefits pursuant to such plans, programs and policies, the Executive shall be considered to have remained employed until the end of the Employment Period and to have retired on the last day of such period.

(iii) The Corporation shall provide the Executive with the financial planning services of a reputable firm and commensurate with the Executive's position for a period of three years following the termination of Executive's employment with the Company at no cost to the Executive.

(iv) The Corporation shall provide the Executive with the outplacement services of a reputable firm and commensurate with the Executive's position for a period of three years following the termination of Executive's employment with the Company at no cost to the Executive.

(e) Installment Election. Anything herein to the contrary notwithstanding, the Executive may elect to receive the payments provided for pursuant to Section 6(d)(i)(C), (D),

and (E) hereof (the "Severance Payment") in installments. Such an election must be made in writing on a form prescribed by the Corporation. Any election made pursuant to this Section 6(e) shall only become effective if it is made at least twelve (12) months in advance of the date on which the Executive would otherwise be entitled to receive the payment. If such an election becomes effective, one-quarter of the Severance Payment shall be paid to the Executive on the fifth anniversary of the Payment Date and one-quarter of the severance payment shall be paid to the Executive on each of the next three anniversaries thereof and, in the case of each of these four payments, the amounts to be paid shall include interest from the Payment Date on the remaining unpaid balance of the Severance Payment calculated at the prime rate as in effect from time to time as published in the Wall Street Journal.

(f) Key Employees. Notwithstanding anything herein to the contrary, to the extent required in order to avoid past, present or future adverse tax treatment to the Executive under Section 409A of the Code, if the Executive is a Specified Employee as defined in Section 409A of the Code and the regulations promulgated thereunder, any payments which are required to be paid to the Executive both within six (6) months of the termination of his or her employment with the Corporation and as a result of his or her termination of employment shall be delayed for a period of six (6) months from his or her termination of employment with the Corporation. Any such payments shall earn interest during such delay at the prime rate as in effect from time to time as published in the Wall Street Journal.

7. Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Corporation or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any stock option or other agreements with the Corporation or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Corporation or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan or program.

8. Full Settlement. The Corporation's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Corporation may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. The Corporation agrees to pay, to the full extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Corporation or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof, plus in each case interest at the Federal Rate (as defined below).

9. Modification of Payments.

(a) In the event it shall be determined that any payment, right or distribution by the Corporation or any other person or entity to or for the benefit of the Executive pursuant to the terms of this Agreement or otherwise, which is made in connection with, or arising out of, his employment with the Corporation or a change in ownership or effective control of the Corporation or a substantial portion of its assets (a "Payment") is a "parachute payment" within the meaning of Section 280G of the Code on account of the aggregate value of the Payments due to the Executive being equal to or greater than three times the "base amount," as defined in

Section 280G(b)(3) of the Code, (the "Parachute Threshold") so that the Executive would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax") and the net after-tax benefit that the Executive would receive by reducing the Payments to the Parachute Threshold is greater than the net after-tax benefit the Executive would receive if the full amount of the Payments were paid to the Executive, then the Payments payable to the Executive shall be reduced (but not below zero) so that the Payments due to the Executive do not exceed the amount of the Parachute Threshold, reducing first any Payments under Section 6(d)(i) hereof.

(b) All determinations required to be made under this Section 9, including whether any Payment is a "parachute payment" and the assumptions to be utilized in arriving at such determination, shall be made by a nationally recognized law or accounting firm designated by the Corporation (the "Firm") and shall be based upon "substantial authority" (within the meaning of Section 6662 of the Code). The Firm shall provide detailed supporting calculations both to the Corporation and the Executive within 15 business days of the receipt of notice from the Corporation or the Executive that there has been a Payment, or such earlier time as is requested by the Corporation. All fees and expenses of the Firm shall be borne by the Corporation. Any determination by the Firm shall be binding upon the Corporation and the Executive.

10. Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Corporation all secret or confidential information, knowledge or data relating to the Corporation or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Corporation or any of its affiliated companies and which shall not be public knowledge (other than by acts by the Executive or his representatives in violation of this Agreement). After termination of the Executive's employment with the Corporation, the Executive shall not, without the prior written consent of the Corporation, communicate or divulge any such information, knowledge or data to anyone other than the Corporation and those designated by it. In no event shall an asserted violation of the provisions of this Section 10 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

11. Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Corporation shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Corporation and its successors.

(c) The Corporation will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform it if no such succession had taken place. As used in this Agreement, "Corporation" shall mean the Corporation as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

12. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without reference to principles of conflict of laws. The captions of

this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

[Name]
[Address]
[Address]

If to the Corporation:

C. R. BARD, INC.
730 Central Avenue
Murray Hill, New Jersey 07974
Attention: General Counsel

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the, addressee.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The Corporation may withhold from any amounts payable under this Agreement such Federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) The Executive's failure to insist upon strict compliance with any provision hereof shall not be deemed to be waiver of such provision or any other provision thereof.

(f) This Agreement contains the entire understanding of the Corporation and the Executive with respect to the subject matter hereof.

(g) The Executive and the Corporation acknowledge that the employment of the Executive by the Corporation is "at will", and, prior to the Effective Date, may be terminated by either the Executive or the Corporation at any time. Upon a termination of the Executive's employment or upon the Executive's ceasing to be an officer of the Corporation, in each case, prior to the Effective Date, there shall be no further rights under this Agreement.

IN WITNESS WHEREOF, the Executive has hereunto set his hand and, pursuant to the authorization from its Board of Directors, the Corporation has caused these presents to be executed in its name on its behalf.

(Executive)	Date
C. R. BARD, INC.	
By:	
Bronwen Kelly Vice President, Human Resources C. R. Bard, Inc.	Date

EXHIBIT 10cb

A MARK OF [**] IN THE TEXT OF THIS EXHIBIT INDICATES THAT CONFIDENTIAL MATERIAL HAS BEEN OMITTED. THIS EXHIBIT, INCLUDING THE OMITTED PORTIONS, HAS BEEN FILED SEPARATELY WITH THE SECRETARY OF THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO AN APPLICATION REQUESTING CONFIDENTIAL TREATMENT UNDER RULE 24B-2 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

GOLDMAN, SACHS & CO. | 200 WEST STREET | NEW YORK, NEW YORK 10282-2198 | TEL: 212-902-1000

Opening Transaction

To:	C. R. Bard, Inc. 730 Central Avenue Murray Hill, NJ 07974
A/C:	**042352708**
From:	Goldman, Sachs & Co.
Re:	Accelerated Stock Buyback
Ref. No:	As provided in the Supplemental Confirmation
Date:	**December 15, 2010**

This master confirmation (this "**Master Confirmation**"), dated as of December 15, 2010 is intended to set forth certain terms and provisions of certain Transactions (each, a "**Transaction**") entered into from time to time between Goldman, Sachs & Co. ("**GS&Co.**") and C. R. Bard, Inc. ("**Counterparty**"). This Master Confirmation, taken alone, is neither a commitment by either party to enter into any Transaction nor evidence of a Transaction. The additional terms of any particular Transaction shall be set forth in a Supplemental Confirmation in the form of Schedule A hereto (a "**Supplemental Confirmation**"), which shall reference this Master Confirmation and supplement, form a part of, and be subject to this Master Confirmation. This Master Confirmation and each Supplemental Confirmation together shall constitute a "Confirmation" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the "**Equity Definitions**"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Master Confirmation. This Master Confirmation and each Supplemental Confirmation evidence a complete and binding agreement between Counterparty and GS&Co. as to the subject matter and terms of each Transaction to which this Master Confirmation and such Supplemental Confirmation relate and shall supersede all prior or contemporaneous written or oral communications with respect thereto.

This Master Confirmation and each Supplemental Confirmation supplement, form a part of, and are subject to an agreement in the form of the 2002 ISDA Master Agreement (the "**Agreement**") as if GS&Co. and Counterparty had executed the Agreement on the date of this Master Confirmation (but without any Schedule except for (i) the election of New York law (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law) as the governing law and US Dollars ("**USD**") as the Termination Currency, (ii) the election that subparagraph (ii) of Section 2(c) will not apply to the Transactions and (iii) the election that the "Cross Default" provisions of Section 5(a)(vi) shall apply to both GS&Co., with respect to which a "Threshold Amount" of USD 75 million shall be applicable, and Counterparty, with respect to which a "Threshold Amount" of USD 75 million shall be applicable, provided that (a) the phrase "or becoming capable at such time of being declared" shall be deleted from clause (1) of such Section 5(a)(vi); and (b) the following language shall be added to the end thereof: "Notwithstanding the foregoing, a default under subsection (2) hereof shall not constitute

an Event of Default if (i) the default was caused solely by error or omission of an administrative or operational nature; (ii) funds were available to enable the party to make the payment when due; and (iii) the payment is made within two Local Business Days of such party's receipt of written notice of its failure to pay.").

The Transactions shall be the sole Transactions under the Agreement. If there exists any ISDA Master Agreement between GS&Co. and Counterparty or any confirmation or other agreement between GS&Co. and Counterparty pursuant to which an ISDA Master Agreement is deemed to exist between GS&Co. and Counterparty, then notwithstanding anything to the contrary in such ISDA Master Agreement, such confirmation or agreement or any other agreement to which GS&Co. and Counterparty are parties, the Transactions shall not be considered Transactions under, or otherwise governed by, such existing or deemed ISDA Master Agreement.

All provisions contained or incorporated by reference in the Agreement shall govern this Master Confirmation and each Supplemental Confirmation except as expressly modified herein or in the related Supplemental Confirmation.

If, in relation to any Transaction to which this Master Confirmation and a Supplemental Confirmation relate, there is any inconsistency between the Agreement, this Master Confirmation, any Supplemental Confirmation and the Equity Definitions, the following will prevail for purposes of such Transaction in the order of precedence indicated: (i) such Supplemental Confirmation, (ii) this Master Confirmation, (iii) the Agreement, and (iv) the Equity Definitions.

1. Each Transaction constitutes a Share Forward Transaction for the purposes of the Equity Definitions. Set forth below are the terms and conditions that, together with the terms and conditions set forth in the Supplemental Confirmation relating to any Transaction, shall govern such Transaction.

General Terms:

Trade Date:	For each Transaction, as set forth in the related Supplemental Confirmation.
Effective Date:	The Closing Date (as defined in the Underwriting Agreement (the "Underwriting Agreement"), dated December 15, 2010, among Counterparty and Merrill Lynch, Pierce, Fenner & Smith Incorporated, GS&Co. and Wells Fargo Securities, LLC as representatives of the several underwriters named therein) or such later date as the parties thereto may otherwise agree.
Buyer:	Counterparty
Seller:	GS&Co.
Shares:	Common stock, par value USD 0.25 per share, of Counterparty (Ticker: BCR)
Exchange:	New York Stock Exchange
Related Exchange(s):	All Exchanges.
Prepayment\Variable Obligation:	Applicable
Prepayment Amount:	For each Transaction, as set forth in the related Supplemental Confirmation.
Prepayment Date:	For each Transaction, as set forth in the related Supplemental Confirmation.

Valuation:

VWAP Price:	For any Exchange Business Day, the composite 10b-18 Volume Weighted Average Price per Share for the regular trading session (including any extensions thereof) of the Exchange on such Exchange Business Day (without

regard to pre-open or after hours trading outside of such regular trading session for such Exchange Business Day), as published by Bloomberg at 4:15 p.m. New York time (or 15 minutes following the end of any extension of the regular trading session) on such Exchange Business Day, on Bloomberg page "BCR <Equity> AQR_SEC" (or any successor thereto), or if such price is not so reported on such Exchange Business Day for any reason or is, in the Calculation Agent's reasonable discretion, erroneous, such VWAP Price shall be as reasonably determined by the Calculation Agent. For purposes of calculating the VWAP Price, the Calculation Agent will include only those trades that are reported during the period of time during which Counterparty could purchase its own shares under Rule 10b-18(b)(2) and are effected pursuant to the conditions of Rule 10b-18(b)(3), each under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") (such trades, "**Rule 10b-18 eligible transactions**").

Forward Price: The average of the VWAP Prices for the Exchange Business Days in the Calculation Period, subject to "Valuation Disruption" below.

Forward Price Adjustment Amount: For each Transaction, as set forth in the related Supplemental Confirmation.

Calculation Period: The period from and including the Calculation Period Start Date to and including the Termination Date.

Calculation Period Start Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Termination Date: The Scheduled Termination Date; *provided* that GS&Co. shall have the right to designate any Exchange Business Day on or after the First Acceleration Date to be the Termination Date (the "**Accelerated Termination Date**") by delivering notice to Counterparty of any such designation prior to 11:59 p.m. New York City time on the Exchange Business Day immediately following the designated Accelerated Termination Date.

Scheduled Termination Date: For each Transaction, as set forth in the related Supplemental Confirmation, subject to postponement as provided in "Valuation Disruption" below.

First Acceleration Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Valuation Disruption: The definition of "Market Disruption Event" in Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words "at any time during the one-hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be" and inserting the words "at any time on any Scheduled Trading Day during the Calculation Period or Settlement Valuation Period" after the word "material," in the third line thereof.

Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof.

Notwithstanding anything to the contrary in the Equity Definitions, to the extent that a Disrupted Day occurs (i) in the Calculation Period, the Calculation Agent may, in its good faith and commercially reasonable discretion, postpone the Scheduled Termination Date, or (ii) in the Settlement Valuation Period, the Calculation Agent may extend the Settlement Valuation Period, in either case, by delivering notice in writing to Counterparty of any such postponement or extension and any related adjustments within two (2) Scheduled Trading Days

after the occurrence of such Disrupted Day. If any such Disrupted Day is a Disrupted Day because of a Market Disruption Event (or a deemed Market Disruption Event as provided herein), the Calculation Agent shall determine whether (i) such Disrupted Day is a Disrupted Day in full, in which case the VWAP Price for such Disrupted Day shall not be included for purposes of determining the Forward Price or the Settlement Price, as the case may be, or (ii) such Disrupted Day is a Disrupted Day only in part, in which case the VWAP Price for such Disrupted Day shall be determined by the Calculation Agent based on Rule 10b-18 eligible transactions in the Shares on such Disrupted Day taking into account the nature and duration of such Market Disruption Event on such day, and the weighting of the VWAP Price for the relevant Exchange Business Days during the Calculation Period or the Settlement Valuation Period, as the case may be, shall be adjusted in a commercially reasonable manner by the Calculation Agent for purposes of determining the Forward Price or the Settlement Price, as the case may be, with such adjustments based on, among other factors, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares. Any Scheduled Trading Day on which, as of the date hereof, the Exchange is scheduled to close prior to its normal close of trading shall be deemed not to be a Scheduled Trading Day; if a closure of the Exchange prior to its normal close of trading on any Scheduled Trading Day is scheduled following the date hereof, then such Scheduled Trading Day shall be deemed to be a Disrupted Day in full.

If a Disrupted Day occurs during the Calculation Period or the Settlement Valuation Period, as the case may be, and each of the nine immediately following Scheduled Trading Days is a Disrupted Day, then such ninth Scheduled Trading Day shall be deemed an Exchange Business Day that is not a Disrupted Day (unless such ninth Scheduled Trading Day is a Disrupted Day because of a deemed Market Disruption Event as provided in Section 5 below, in which case the Calculation Agent may, but shall not be required to, deem such Exchange Business Day not a Disrupted Day), and the Calculation Agent shall (or may, as the case may be) determine the VWAP Price for such ninth Scheduled Trading Day using its good faith and commercially reasonable estimate of the value of the Shares on such ninth Scheduled Trading Day based on the volume, historical trading patterns and price of the Shares and such other factors as it deems appropriate.

Settlement Terms:

Settlement Procedures:	If the Number of Shares to be Delivered is positive, Physical Settlement shall be applicable; *provided* that GS&Co. does not, and shall not, make the agreement or the representations set forth in Section 9.11 of the Equity Definitions related to the restrictions imposed by applicable securities laws with respect to any Shares delivered by GS&Co. to Counterparty under any Transaction. If the Number of Shares to be Delivered is negative, then the Counterparty Settlement Provisions in Annex A shall apply and Section 9.11 of the Equity Definitions shall not apply.
Adjusted Forward Price:	For each Transaction, the Forward Price *minus* the Forward Price Adjustment Amount.
Number of Shares to be Delivered:	A number of Shares equal to (a) the Prepayment Amount *divided by* (b) the Adjusted Forward Price. The Number of Shares to be Delivered on the Settlement Date shall be reduced by any Shares delivered pursuant to the Initial Share Delivery as described below. Notwithstanding Section 9.2 of the Equity Definitions, the Number of Shares to be Delivered shall be rounded down to the

nearest whole number of Shares and no Fractional Share Amounts shall be delivered.

Excess Dividend Amount: For the avoidance of doubt, all references to the Excess Dividend Amount shall be deleted from Section 9.2(a)(iii) of the Equity Definitions.

Settlement Date: If the Number of Shares to be Delivered is positive, the date that is one Settlement Cycle immediately following the Termination Date.

Settlement Currency: USD

Initial Share Delivery: GS&Co. shall deliver a number of Shares equal to the Initial Shares to Counterparty on the Initial Share Delivery Date in accordance with Section 9.4 of the Equity Definitions, with the Initial Share Delivery Date deemed to be a "Settlement Date" for purposes of such Section 9.4.

Initial Share Delivery Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Initial Shares: For each Transaction, as set forth in the related Supplemental Confirmation.

Share Adjustments:

Potential Adjustment Event: Notwithstanding anything to the contrary in Section 11.2(e) of the Equity Definitions, each of (i) an Extraordinary Dividend, (ii) any repurchase by Counterparty or any of its subsidiaries of Shares, or (iii) any distribution of Shares pursuant to restricted stock grants or any employee plans or options issued by Counterparty pursuant to compensatory employee plans adopted by Counterparty in the ordinary course of business shall not constitute a Potential Adjustment Event.

It shall constitute an additional Potential Adjustment Event if the Scheduled Termination Date for any Transaction is postponed pursuant to "Valuation Disruption" above, in which case the Calculation Agent shall, in its commercially reasonable discretion, make Fair Value Adjustments in respect of such postponement. "**Fair Value Adjustments**" means, in respect of any event, adjustments to any relevant terms of any such Transaction as necessary to preserve as nearly as practicable the fair value of such Transaction to GS&Co. prior to such event, where the Calculation Agent, in making such adjustments, shall take into account any increase or decrease in such fair value to GS&Co. as a result of the relevant event.

Section 11.2(e)(vii) of the Equity Definitions is hereby amended by replacing the words "any other event" therein with the clause "any other action taken by Counterparty with respect to the Shares".

Extraordinary Dividend: For any calendar quarter, any dividend or distribution on the Shares with an ex-dividend date occurring during such calendar quarter (other than any dividend or distribution of the type described in Section 11.2(e)(i) or Section 11.2(e)(ii)(A) of the Equity Definitions) (a "**Dividend**") the amount or value of which (as determined by the Calculation Agent), when aggregated with the amount or value (as determined by the Calculation Agent) of any and all previous Dividends with ex-dividend dates occurring in the same calendar quarter, exceeds the Ordinary Dividend Amount.

Ordinary Dividend Amount: For each Transaction, as set forth in the related Supplemental Confirmation.

Method of Adjustment:	Calculation Agent Adjustment
Scheduled Ex-Dividend Dates:	For each Transaction for each calendar quarter, as set forth in the related Supplemental Confirmation.

Extraordinary Events:

Consequences of Merger Events:	Not Applicable.
Consequences of Tender Offers:	Not Applicable.
Nationalization, Insolvency or Delisting:	Cancellation and Payment; *provided* that in addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it shall also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the American Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Additional Disruption Events:

Change in Law:	Applicable; *provided* that the parties agree that, for the avoidance of doubt, for purposes of Section 12.9(a)(ii) of the Equity Definitions, "any applicable law or regulation" shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation, without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated and the consequences specified in Section 12.9(b)(i) of the Equity Definitions shall apply to any Change in Law arising from any such act, rule or regulation".
Failure to Deliver:	Applicable
Insolvency Filing:	Applicable
Loss of Stock Borrow:	Applicable
Maximum Stock Loan Rate:	100 basis points per annum
Increased Cost of Stock Borrow:	Applicable
Initial Stock Loan Rate:	25 basis points per annum
Hedging Party:	For all applicable Extraordinary Events, GS&Co.

Determining Party:	For all Extraordinary Events, GS&Co.; *provided* that, upon receipt of written request from Counterparty, Determining Party shall promptly (but in no event later than within seven (7) Scheduled Trading Days from the receipt of such request) provide Counterparty with a written explanation describing in reasonable detail any determination made by it (including any quotations, market data or information from internal sources used in making such calculations, but without disclosing GS&Co.'s proprietary models or other information that may be proprietary or confidential).
Additional Termination Event(s):	The declaration by the Issuer of any Extraordinary Dividend, the ex-dividend date for which occurs or is scheduled to occur during the Relevant Dividend Period, will constitute an Additional Termination Event, with Counterparty as the sole Affected Party and all Transactions hereunder as the Affected Transactions. If an ex-dividend date for any Dividend that is not an Extraordinary Dividend occurs during any calendar quarter occurring (in whole or in part) during the Relevant Period (as defined below) and is prior to the Scheduled Ex-Dividend Date for such calendar quarter, such occurrence will constitute an Additional Termination Event, with Counterparty as the sole Affected Party and all Transactions hereunder as the Affected Transactions.
Relevant Dividend Period:	The period from and including the Calculation Period Start Date to and including the Relevant Dividend Period End Date.
Relevant Dividend Period End Date:	If Annex A applies, the last day of the Settlement Valuation Period; otherwise, the Termination Date.
Non-Reliance/Agreements and Acknowledgements Regarding Hedging Activities/Additional Acknowledgements:	Applicable
Transfer:	Notwithstanding anything to the contrary in the Agreement, GS&Co. may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of GS&Co. under any Transaction, in whole or in part, to an affiliate of GS&Co. whose obligations are guaranteed by The Goldman Sachs Group, Inc. ("GS Parent") without the consent of Counterparty; provided that (i) an Event of Default, Potential Event of Default or Termination Event will not occur as a result of such transfer and assignment and (ii) as a result of such transfer and assignment, Counterparty will not (x) be required to pay or deliver to the transferee on any payment date or delivery date an amount under Section 2(d)(i)(4) of the Agreement or a number of Shares, as applicable, greater than the amount or the number of Shares, respectively, that Counterparty would have been required to pay or deliver to GS&Co. in the absence of such transfer and assignment, (y) receive from the transferee on any payment date or delivery date an amount under Section 2(d)(i)(4) of the Agreement or a number of Shares, as applicable, lower than the amount or the number of Shares, respectively, that GS&Co. would have been required to pay or deliver to Counterparty in the absence of such transfer and assignment, or (z) suffer any negative tax consequence in performing its obligations or exercising its rights under any Transaction.

GS&Co. Payment Instructions:	Chase Manhattan Bank New York For A/C Goldman, Sachs & Co. A/C #930-1-011483 ABA: 021-000021
Counterparty's Contact Details for Purpose of Giving Notice:	To be provided by Counterparty
GS&Co.'s Contact Details for Purpose of Giving Notice:	Goldman, Sachs & Co. 200 West Street New York, NY 10282-2198 Attention: Serge Marquie, Equity Capital Markets Telephone: 212-902-9779 Facsimile: 917-977-4253 Email: serge.marquie@gs.com With a copy to: Attention: Jared Kramer, Equity Capital Markets Equity Capital Markets Telephone: +1-212-902-3002 Facsimile: +1-212-256-5847 Email: jared.kramer@gs.com And email notification to the following address: Eq-derivs-notifications@am.ibd.gs.com

2. Calculation Agent. GS&Co.; *provided* that, upon receipt of written request from Counterparty, Calculation Agent shall promptly (but in no event later than within seven (7) Scheduled Trading Days from the receipt of such request) provide Counterparty with a written explanation describing in reasonable detail any calculation, adjustment or determination made by it (including any quotations, market data or information from internal sources used in making such calculations, but without disclosing GS&Co.'s proprietary models or other information that may be proprietary or confidential).

3. Additional Mutual Representations, Warranties and Covenants of Each Party. In addition to the representations, warranties and covenants in the Agreement, each party represents, warrants and covenants to the other party that:

(a) Eligible Contract Participant. It is an "eligible contract participant", as defined in the U.S. Commodity Exchange Act (as amended), and is entering into each Transaction hereunder as principal (and not as agent or in any other capacity, fiduciary or otherwise) and not for the benefit of any third party.

(b) Accredited Investor. Each party acknowledges that the offer and sale of each Transaction to it is intended to be exempt from registration under the Securities Act of 1933, as amended (the "**Securities Act**"), by virtue of Section 4(2) thereof. Accordingly, each party represents and warrants to the other that (i) it has the financial ability to bear the economic risk of its investment in each Transaction and is able to bear a total loss of its investment, (ii) it is an "accredited investor" as that term is defined under Regulation D under the Securities Act and (iii) the disposition of each Transaction is restricted under this Master Confirmation, the Securities Act and state securities laws.

(c) **[**]***

4. Additional Representations, Warranties and Covenants of Counterparty. In addition to the representations, warranties and covenants in the Agreement, Counterparty represents and warrants, as of the Trade Date for each Transaction, and covenants to GS&Co. that:

(a) It will not be engaged in an "issuer tender offer" as such term is defined in Rule 13e-4 under the Exchange Act nor is it aware of any third party tender offer with respect to the Shares within the meaning of Rule 13e-1 under the Exchange Act.

(b) It is not entering into any Transaction (i) on the basis of, and is not aware of, any material non-public information with respect to the Shares (ii) in anticipation of, in connection with, or to facilitate, a distribution of its securities (other than the offering of (x) $250,000,000 aggregate principal amount of 2.875% Senior Notes due 2016 and (y) $500,000,000 aggregate principal amount of 4.400% Senior Notes due 2021 announced by Counterparty on the date hereof), a self tender offer or a third-party tender offer or (iii) to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) for the purpose of inducing the purchase or sale of the Shares by others.

(c) Each Transaction is being entered into pursuant to a publicly disclosed Share buy-back program and its Board of Directors has approved the use of accelerated share repurchase programs to effect the Share buy-back program.

(d) Without limiting the generality of Section 13.1 of the Equity Definitions, Counterparty acknowledges that neither GS&Co. nor any of its affiliates is making any representations or warranties or taking any position or expressing any view with respect to the treatment of any Transaction under any accounting standards including ASC Topic 260, *Earnings Per Share*, ASC Topic 815, *Derivatives and Hedging*, ASC Topic 480, *Distinguishing Liabilities from Equity* and ASC 815-40, *Derivatives and Hedging – Contracts in Entity's Own Equity*.

(e) As of (i) the date hereof, (ii) the Trade Date for each Transaction hereunder, and (iii) the date of any election by Counterparty that Shares or Alternative Delivery Property be delivered by it or by GS&Co. pursuant to Section 14 below, Counterparty is in compliance with its reporting obligations under the Exchange Act and its most recent Annual Report on Form 10-K, together with all reports subsequently filed by it pursuant to the Exchange Act, taken together and as amended and supplemented to the date of this representation, do not, as of their respective filing dates, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) Counterparty shall report each Transaction to the extent required under the Exchange Act and the rules and regulations thereunder.

(g) The Shares are not, and Counterparty will not cause the Shares to be, subject to a "restricted period" (as defined in Regulation M promulgated under the Exchange Act) at any time during any Regulation M Period (as defined below) for any Transaction unless Counterparty has provided written notice to GS&Co. of such restricted period not later than the Scheduled Trading Day immediately preceding the first day of such "restricted period"; Counterparty acknowledges that any such notice may cause a Disrupted Day to occur pursuant to Section 5 below; accordingly, Counterparty acknowledges that its delivery of such notice must comply with the standards set forth in Section 6 below; "**Regulation M Period"** means, for any Transaction, (i) the Relevant Period (as defined below) and (ii) the Settlement Valuation Period, if any, for such Transaction. "**Relevant Period**" means, for any

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* **CONFIDENTIAL INFORMATION HAS BEEN OMITTED AND HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.**

Transaction, the period commencing on the Calculation Period Start Date for such Transaction and ending on the earliest of (i) the Scheduled Termination Date, (ii) the last Additional Relevant Day (as specified in the related Supplemental Confirmation) for such Transaction, or such earlier day as elected by GS&Co. and communicated to Counterparty on such day, and (iii) in the event Section 14 below applies to a Transaction, and Counterparty elects to require GS&Co. to deliver Shares or Alternative Delivery Property pursuant to such Section 14, the GS Share Delivery Date (as defined in Section 15 below).

(h) As of the Trade Date, the Prepayment Date, the Initial Share Delivery Date and the Settlement Date for each Transaction, Counterparty is not "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the "**Bankruptcy Code**")) and Counterparty would be able to purchase a number of Shares with a value equal to the Prepayment Amount in compliance with the laws of the jurisdiction of Counterparty's incorporation.

(i) Counterparty is not and, after giving effect to any Transaction, will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(j) Counterparty has not and will not enter into agreements similar to the Transactions described herein where any initial hedge period, calculation period, relevant period or settlement valuation period (each however defined) in such other transaction will overlap at any time (including as a result of extensions in such initial hedge period, calculation period, relevant period or settlement valuation period as provided in the relevant agreements) with any Relevant Period or, if applicable, any Settlement Valuation Period under this Master Confirmation. In the event that the initial hedge period, relevant period, calculation period or settlement valuation period in any other similar transaction overlaps with any Relevant Period or, if applicable, Settlement Valuation Period under this Master Confirmation as a result of any postponement of the Scheduled Termination Date or extension of the Settlement Valuation Period pursuant to "Valuation Disruption" above, Counterparty shall promptly amend such transaction to avoid any such overlap.

5. Regulatory Disruption. In the event that GS&Co. concludes, in its good faith and reasonable discretion, upon advice of counsel, that it is appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by GS&Co.), for it to refrain from, or decrease, any market activity on any Scheduled Trading Day or Days during the Calculation Period or, if applicable, the Settlement Valuation Period, GS&Co. may by written notice to Counterparty elect to deem that a Market Disruption Event has occurred and will be continuing on such Scheduled Trading Day or Days; *provided* that if any such deemed Market Disruption Event results in the Scheduled Termination Date being postponed to a date that is on or after the first anniversary of the Trade Date, then such postponement will constitute an Additional Termination Event, with (i) Counterparty as the sole Affected Party, (ii) all Transactions hereunder as the Affected Transactions and (iii) such first anniversary as the Early Termination Date.

6. 10b5-1 Plan. Counterparty represents, warrants and covenants to GS&Co. that:

(a) Counterparty is entering into this Master Confirmation and each Transaction hereunder in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 under the Exchange Act ("**Rule 10b5-1**") or any other antifraud or anti-manipulation provisions of the federal or applicable state securities laws and that it has not entered into or altered and will not enter into or alter any corresponding or hedging transaction or position with respect to the Shares. Counterparty acknowledges that it is the intent of the parties that each Transaction entered into under this Master Confirmation comply with the requirements of paragraphs (c)(1)(i)(A) and (B) of Rule 10b5-1 and each Transaction entered into under this Master Confirmation be interpreted to comply with the requirements of Rule 10b5-1(c).

(b) Counterparty will not seek to control or influence GS&Co.'s decision to make any "purchases or sales" (within the meaning of Rule 10b5-1(c)(1)(i)(B)(3)) under any Transaction entered into under this Master Confirmation, including, without limitation, GS&Co.'s decision to enter into or unwind any Hedge Positions in respect of any Transaction. Counterparty represents and warrants that it has consulted with its own advisors as to

the legal aspects of its adoption and implementation of this Master Confirmation and each Supplemental Confirmation under Rule 10b5-1.

(c) Counterparty acknowledges and agrees that any amendment, modification, waiver or termination of this Master Confirmation or the relevant Supplemental Confirmation must be effected in accordance with the requirements for the amendment or termination of a "plan" as defined in Rule 10b5-1(c). Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5, and no such amendment, modification or waiver shall be made at any time at which Counterparty is aware of any material non-public information regarding Counterparty or the Shares.

7. Counterparty Purchases. Counterparty (or any "affiliated purchaser" as defined in Rule 10b-18 under the Exchange Act ("**Rule 10b-18**")) shall not, without the prior written consent of GS&Co., directly or indirectly purchase any Shares (including by means of a derivative instrument), listed contracts on the Shares or securities that are convertible into, or exchangeable or exercisable for Shares (including, without limitation, any Rule 10b-18 purchases of blocks (as defined in Rule 10b-18)) during any Relevant Period or, if applicable, Settlement Valuation Period, except through GS&Co.

8. Special Provisions for Merger Transactions. Notwithstanding anything to the contrary herein or in the Equity Definitions, Counterparty agrees that it:

(i) will not during the period commencing on the Trade Date through the end of the Relevant Period or, if applicable, the Settlement Valuation Period for any Transaction make, or permit to be made, any public announcement (as defined in Rule 165 (f) under the Securities Act) of any Merger Transaction or potential Merger Transaction unless such public announcement is made prior to the opening or after the close of the regular trading session on the Exchange for the Shares;

(ii) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) notify GS&Co. following any such announcement that such announcement has been made; and

(iii) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) provide GS&Co. with written notice specifying (i) Counterparty's average daily Rule 10b-18 Purchases (as defined in Rule 10b-18) during the three full calendar months immediately preceding the announcement date that were not effected through GS&Co. or its affiliates and (ii) the number of Shares purchased pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act for the three full calendar months preceding the announcement date. Such written notice shall be deemed to be a certification by Counterparty to GS&Co. that such information is true and correct. In addition, Counterparty shall promptly notify GS&Co. of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders if such earlier date occurs during the period commencing on the Trade Date through the end of the Relevant Period or, if applicable, the Settlement Valuation Period for any Transaction.

"**Merger Transaction**" means any merger, acquisition or similar transaction involving a recapitalization as contemplated by Rule 10b-18(a)(13)(iv) under the Exchange Act.

9. Special Provisions for Acquisition Transaction Announcements. (a) If an Acquisition Transaction Announcement occurs on or prior to the Settlement Date for any Transaction, then such occurrence shall constitute an Additional Termination Event, with the date of such announcement as the Early Termination Date, Counterparty as the sole Affected Party and all Transactions hereunder as the Affected Transactions.

(b) "**Acquisition Transaction Announcement**" means (i) the announcement or the consummation of an Acquisition Transaction, (ii) an announcement that Counterparty or any of its subsidiaries has entered into an agreement, a letter of intent or an understanding designed to result in an Acquisition Transaction, or (iii) the announcement of the intention to solicit or enter into, or to explore strategic alternatives or other similar undertaking

that may include, an Acquisition Transaction. For the avoidance of doubt, announcements as used in the definition of Acquisition Transaction Announcement refer to any public announcement whether made by the Issuer or a third party.

(c) "**Acquisition Transaction**" means (i) any Merger Event (for purposes of this definition the definition of Merger Event shall be read with the references therein to "100%" being replaced by "20%" and to "50%" by "66 2/3%" and without reference to the clause beginning immediately following the definition of Reverse Merger therein to the end of such definition) or Merger Transaction or any other transaction involving the merger of Counterparty with or into any third party or Tender Offer (for purposes of this definition, the definition of Tender Offer shall be amended (x) by replacing ", proposal or other event" in the second line thereof with "or proposal" and (y) by replacing reference therein to "10%" with "15%"), (ii) the sale or transfer of all or substantially all of the assets of Counterparty, (iii) a recapitalization, reclassification, binding share exchange or other similar transaction, (iv) any acquisition, lease, exchange, transfer, disposition (including by way of spin-off or distribution) of assets (including any capital stock or other ownership interests in subsidiaries) or other similar event by Counterparty or any of its subsidiaries where the aggregate consideration transferable or receivable by or to Counterparty or its subsidiaries exceeds 25% of the market capitalization of Counterparty and (v) any transaction in which Counterparty or its board of directors has a legal obligation to make a recommendation to its shareholders in respect of such transaction (whether pursuant to Rule 14e-2 under the Exchange Act or otherwise).

10. Acknowledgments. (a) The parties hereto intend for:

(i) each Transaction to be a "securities contract" as defined in Section 741(7) of the Bankruptcy Code, a "swap agreement" as defined in Section 101(53B) of the Bankruptcy Code and a "forward contract" as defined in Section 101(25) of the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(17), 362(b)(27), 362(o), 546(e), 546(g), 546(j), 555, 556, 560 and 561 of the Bankruptcy Code;

(ii) the Agreement to be a "master netting agreement" as defined in Section 101(38A) of the Bankruptcy Code;

(iii) a party's right to liquidate, terminate or accelerate any Transaction, net out or offset termination values or payment amounts, and to exercise any other remedies upon the occurrence of any Event of Default or Termination Event under the Agreement with respect to the other party or any Extraordinary Event that results in the termination or cancellation of any Transaction to constitute a "contractual right" (as defined in the Bankruptcy Code); and

(iv) all payments for, under or in connection with each Transaction, all payments for the Shares (including, for the avoidance of doubt, payment of the Prepayment Amount) and the transfer of such Shares to constitute "settlement payments" and "transfers" (as defined in the Bankruptcy Code).

(b) Counterparty acknowledges that:

(i) during the term of any Transaction, GS&Co. and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to establish, adjust or unwind its hedge position with respect to such Transaction;

(ii) GS&Co. and its affiliates may also be active in the market for the Shares other than in connection with hedging activities in relation to any Transaction;

(iii) GS&Co. shall make its own determination as to whether, when or in what manner any hedging or market activities in Counterparty's securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Forward Price and the VWAP Price;

(iv) any market activities of GS&Co. and its affiliates with respect to the Shares may affect the market price and volatility of the Shares, as well as the Forward Price and VWAP Price, each in a manner that may be adverse to Counterparty; and

(v) each Transaction is a derivatives transaction in which it has granted GS&Co. an option; GS&Co. may purchase shares for its own account at an average price that may be greater than, or less than, the price paid by Counterparty under the terms of the related Transaction.

11. Credit Support Documents. The parties hereto acknowledge that no Transaction hereunder is secured by any collateral that would otherwise secure the obligations of Counterparty herein or pursuant to the Agreement. All the obligations of GS&Co. under each Transaction shall be unconditionally guaranteed in favor of Counterparty by GS Parent under the guarantee filed as Exhibit 10.45 to GS Parent's Form 10-K filed with the Securities Exchange Commission on February 7, 2006, which shall constitute a Credit Support Document under the Agreement. GS Parent shall be designated as a Credit Support Provider in relation to GS&Co.

12. Set-off. Notwithstanding anything to the contrary set forth in Section 6(f) of the Agreement, GS&Co. agrees not to set off or net amounts due from Counterparty with respect to any Transaction against amounts due from GS&Co. to Counterparty with respect to contracts or instruments that are not Equity Contracts. "**Equity Contract**" means any transaction or instrument that does not convey to GS&Co. rights, or the ability to assert claims, that are senior to the rights and claims of common stockholders in the event of Counterparty's bankruptcy.

13. Delivery of Shares. Notwithstanding anything to the contrary herein, GS&Co. may, by prior notice to Counterparty, satisfy its obligation to deliver any Shares or other securities on any date due (an "**Original Delivery Date**") by making separate deliveries of Shares or such securities, as the case may be, at more than one time on or prior to such Original Delivery Date, so long as the aggregate number of Shares and other securities so delivered on or prior to such Original Delivery Date is equal to the number required to be delivered on such Original Delivery Date.

14. Early Termination. In the event that an Early Termination Date (whether as a result of an Event of Default or a Termination Event) occurs or is designated with respect to any Transaction (except as a result of a Merger Event in which the consideration or proceeds to be paid to holders of Shares consists solely of cash), if either party would owe any amount to the other party pursuant to Section 6(d)(ii) of the Agreement (any such amount, a "**Payment Amount**"), then, in lieu of any payment of such Payment Amount, Counterparty may, no later than the Early Termination Date or the date on which such Transaction is terminated (the "**Termination Date**"), elect to deliver or for GS&Co. to deliver, as the case may be, to the other party a number of Shares (or, in the case of a Merger Event, a number of units, each comprising the number or amount of the securities or property that a hypothetical holder of one Share would receive in such Merger Event (each such unit, an "**Alternative Delivery Unit**" and, the securities or property comprising such unit, "**Alternative Delivery Property**")) with a value equal to the Payment Amount, as determined by the Calculation Agent (and the parties agree that, in making such determination of value, the Calculation Agent may take into account a number of factors, including the market price of the Shares or Alternative Delivery Property on the date of early termination and, if such delivery is made by GS&Co., the prices at which GS&Co. purchases Shares or Alternative Delivery Property to fulfill its delivery obligations under this Section 14); *provided* that in determining the composition of any Alternative Delivery Unit, if the relevant Merger Event involves a choice of consideration to be received by holders, such holder shall be deemed to have elected to receive the maximum possible amount of cash. If such delivery is made by Counterparty, paragraphs 2 through 7 of Annex A shall apply as if such delivery were a settlement of the Transaction to which Net Share Settlement applied, the Cash Settlement Payment Date were the Early Termination Date and the Forward Cash Settlement Amount were zero (0) *minus* the Payment Amount owed by Counterparty.

15. Calculations and Payment Date upon Early Termination. Notwithstanding anything to the contrary in Section 6(d)(ii) of the Agreement, all amounts calculated as being due in respect of an Early Termination Date under Section 6(e) of the Agreement will be payable on the day that notice of the amount payable is effective; *provided* that if Counterparty elects to receive Shares or Alternative Delivery Property in accordance with Section 14, such Shares or Alternative Delivery Property shall be delivered on the date (the "**GS Share Delivery Date**") selected by GS&Co as promptly as practicable following the Termination Date where such GS Share Delivery Date may only be delayed in the event that GS&Co. concludes, in its good faith and reasonable discretion, upon advice of counsel, that

such delay is appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by GS&Co.); *provided*, *further* that, for the avoidance of doubt, if an Early Termination Date occurs in respect of any Transaction as a result of an Additional Termination Event of the type described in the first paragraph opposite "Additional Termination Event(s)" above, the relevant party's Early Termination Amount for purposes of Section 6(e) of the Agreement in respect of such Additional Termination Event shall be determined without regard to the difference between such Extraordinary Dividend giving rise to such Additional Termination Event and the expected dividend as of the Trade Date for such Transaction.

16. Automatic Termination Provisions. Notwithstanding anything to the contrary in Section 6 of the Agreement, if a Termination Price is specified in any Supplemental Confirmation, then an Additional Termination Event with Counterparty as the sole Affected Party and the Transaction to which such Supplemental Confirmation relates as the Affected Transaction will automatically occur without any notice or action by GS&Co. or Counterparty if the price of the Shares on the Exchange at any time falls below such Termination Price, and the Exchange Business Day that the price of the Shares on the Exchange at any time falls below the Termination Price will be the "Early Termination Date" for purposes of the Agreement.

17. Effectiveness. In the event that the Closing Date (as defined in the Underwriting Agreement) does not occur for any reason by the close of business in New York on December 20, 2010 or such later date as agreed upon by Counterparty and GS&Co. (December 20, 2010 or such later date as agreed upon being the "Early Unwind Date"), each Transaction shall automatically terminate (the "Early Unwind") on the Early Unwind Date and (i) such Transaction and all of the respective rights and obligations of GS&Co. and Counterparty under such Transaction shall be cancelled and terminated and (ii) each party shall be released and discharged by the other party from, and agrees not to make any claim against the other party with respect to, any obligations or liabilities of the other party arising out of and to be performed in connection with such Transaction either prior to or after the Early Unwind Date. GS&Co. and Counterparty represent and acknowledge to the other that, upon an Early Unwind, all obligations with respect to such Transaction shall be deemed fully and finally discharged.

18. Delivery of Cash. For the avoidance of doubt, nothing in this Master Confirmation shall be interpreted as requiring Counterparty to deliver cash in respect of the settlement of the Transactions contemplated by this Master Confirmation following payment by Counterparty of the relevant Prepayment Amount, except in circumstances where the required cash settlement thereof is permitted for classification of the contract as equity by ASC 815-40, *Derivatives and Hedging – Contracts in Entity's Own Equity* as in effect on the relevant Trade Date (including, without limitation, where Counterparty so elects to deliver cash or fails timely to elect to deliver Shares or Alternative Delivery Property in respect of the settlement of such Transactions).

19. Claim in Bankruptcy. GS&Co. acknowledges and agrees that this Confirmation is not intended to convey to it rights with respect to the Transaction that are senior to the claims of common stockholders in the event of Counterparty's bankruptcy.

20. Illegality. The parties agree that, for the avoidance of doubt, for purposes of Section 5(b)(i) of the Agreement, "any applicable law" shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation, without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date, and the consequences specified in the Agreement, including without limitation, the consequences specified in Section 6 of the Agreement, shall apply to any Illegality arising from any such act, rule or regulation.

21. Governing Law. The Agreement, this Master Confirmation, each Supplemental Confirmation and all matters arising in connection with the Agreement, this Master Confirmation and each Supplemental Confirmation shall be governed by, and construed and enforced in accordance with, the laws of the State of New York (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law).

22. Offices.

(a) The Office of GS&Co. for each Transaction is: 200 West Street, New York, New York 10282-2198.

(b) The Office of Counterparty for each Transaction is: C. R. Bard, Inc., 730 Central Avenue, Murray Hill, NJ 07974.

23. Waiver of Jury Trial. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION, ANY TRANSACTION HEREUNDER AND/OR ALL MATTERS ARISING IN CONNECTION WITH THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION AND/OR ANY TRANSACTION HEREUNDER.

24. Submission to Jurisdiction. THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS LOCATED IN THE BOROUGH OF MANHATTAN, IN THE CITY OF NEW YORK, IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION AND/OR ANY TRANSACTION HEREUNDER.

25. Counterparts. This Master Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Master Confirmation by signing and delivering one or more counterparts.

Counterparty hereby agrees (a) to check this Master Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to any particular Transaction to which this Master Confirmation relates, by manually signing this Master Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, Facsimile No. 212-428-1980/83.

Yours faithfully,

GOLDMAN, SACHS & CO.

By: _____
Authorized Signatory

Agreed and Accepted By:

C. R. BARD, INC.

By: _____
Name:
Title:

SCHEDULE A

SUPPLEMENTAL CONFIRMATION

To: C. R. Bard, Inc.
730 Central Avenue
Murray Hill, NJ 07974

From: Goldman, Sachs & Co.

Subject: Accelerated Stock Buyback

Ref. No: **[Insert Reference No.]**

Date: **[Insert Date]**

The purpose of this Supplemental Confirmation is to confirm the terms and conditions of the Transaction entered into between Goldman, Sachs & Co. ("**GS&Co.**") and C. R. Bard, Inc. ("**Counterparty**") (together, the "**Contracting Parties**") on the Trade Date specified below. This Supplemental Confirmation is a binding contract between GS&Co. and Counterparty as of the relevant Trade Date for the Transaction referenced below.

1. This Supplemental Confirmation supplements, forms part of, and is subject to the Master Confirmation dated as of **[Insert Date]** (the "**Master Confirmation**") between the Contracting Parties, as amended and supplemented from time to time. All provisions contained in the Master Confirmation govern this Supplemental Confirmation except as expressly modified below.

2. The terms of the Transaction to which this Supplemental Confirmation relates are as follows:

Trade Date:	[ ]
Forward Price Adjustment Amount:	USD [ ]
Calculation Period Start Date:	[ ]
Scheduled Termination Date:	[ ]
First Acceleration Date:	[ ]
Prepayment Amount:	USD [ ]
Prepayment Date:	[ ]

Initial Shares:	[ ] Shares; *provided* that if, in connection with the Transaction, after using commercially reasonable efforts, GS&Co. is unable to borrow or otherwise acquire a number of Shares equal to the Initial Shares for delivery to Counterparty on the Initial Share Delivery Date, the Initial Shares delivered on the Initial Share Delivery Date shall be reduced to such number of Shares that GS&Co. is able to so borrow or otherwise acquire, and GS&Co. shall use commercially reasonable efforts to borrow or otherwise acquire a number of Shares equal to the shortfall in the Initial Share Delivery and to deliver such additional Shares as soon as reasonably practicable. The aggregate of all Shares delivered to Counterparty in respect of the Transaction pursuant to this paragraph shall be the "Shares delivered pursuant to the Initial Share Delivery" for purposes of "Number of Shares to be Delivered" in the Master Confirmation.
Initial Share Delivery Date:	[ ]
Ordinary Dividend Amount:	For any calendar quarter, USD [ ].
Scheduled Ex-Dividend Dates:	[ ]
Termination Price:	USD [ ] per Share
Additional Relevant Days:	The [ ] Exchange Business Days (or such lesser number of Exchange Business Days as elected by GS&Co. and communicated to Counterparty) immediately following the Calculation Period.

3. Counterparty represents and warrants to GS&Co. that neither it nor any "affiliated purchaser" (as defined in Rule 10b-18 under the Exchange Act) has made any purchases of blocks pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act during either (i) the four full calendar weeks immediately preceding the Trade Date or (ii) during the calendar week in which the Trade Date occurs.

4. This Supplemental Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Supplemental Confirmation by signing and delivering one or more counterparts.

Counterparty hereby agrees (a) to check this Supplemental Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to the Transaction to which this Supplemental Confirmation relates, by manually signing this Supplemental Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, facsimile No. 212-428-1980/83.

Yours sincerely,

GOLDMAN, SACHS & CO.

By: _____
Authorized Signatory

Agreed and Accepted By:

C. R. BARD, INC.

By: _____
Name:
Title:

ANNEX A

COUNTERPARTY SETTLEMENT PROVISIONS

1. The following Counterparty Settlement Provisions shall apply to the extent indicated under the Master Confirmation:

Settlement Currency:	USD
Settlement Method Election:	Applicable; *provided* that (i) Section 7.1 of the Equity Definitions is hereby amended by deleting the word "Physical" in the sixth line thereof and replacing it with the words "Net Share" and (ii) the Electing Party may make a settlement method election only if the Electing Party represents and warrants to GS&Co. in writing on the date it notifies GS&Co. of its election that, as of such date, the Electing Party is not aware of any material non-public information concerning Counterparty or the Shares and is electing the settlement method in good faith and not as part of a plan or scheme to evade compliance with the federal securities laws.
Electing Party:	Counterparty
Settlement Method Election Date:	The earlier of (i) the Scheduled Termination Date and (ii) the second Exchange Business Day immediately following the Accelerated Termination Date (in which case the election under Section 7.1 of the Equity Definitions shall be made no later than 10 minutes prior to the open of trading on the Exchange on such second Exchange Business Day), as the case may be.
Default Settlement Method:	Cash Settlement
Forward Cash Settlement Amount:	The Number of Shares to be Delivered *multiplied by* the Settlement Price.
Settlement Price:	The average of the VWAP Prices for the Exchange Business Days in the Settlement Valuation Period, subject to Valuation Disruption as specified in the Master Confirmation.
Settlement Valuation Period:	A number of Scheduled Trading Days selected by GS&Co. in its reasonable discretion, beginning on the Scheduled Trading Day immediately following the earlier of (i) the Scheduled Termination Date or (ii) the Exchange Business Day immediately following the Termination Date.
Cash Settlement:	If Cash Settlement is applicable, then Buyer shall pay to Seller the absolute value of the Forward Cash Settlement Amount on the Cash Settlement Payment Date.
Cash Settlement Payment Date:	The date one Settlement Cycle following the last day of the Settlement Valuation Period.

Net Share Settlement Procedures:	If Net Share Settlement is applicable, Net Share Settlement shall be made in accordance with paragraphs 2 through 7 below.

2. Net Share Settlement shall be made by delivery on the Cash Settlement Payment Date of a number of Shares satisfying the conditions set forth in paragraph 3 below (the "**Registered Settlement Shares**"), or a number of Shares not satisfying such conditions (the "**Unregistered Settlement Shares**"), in either case with a value equal to the absolute value of the Forward Cash Settlement Amount, with such Shares' value based on the value thereof to GS&Co. (which value shall, in the case of Unregistered Settlement Shares, take into account a commercially reasonable illiquidity discount), in each case as determined by the Calculation Agent.

3. Counterparty may only deliver Registered Settlement Shares pursuant to paragraph 2 above if:

(a) a registration statement covering public resale of the Registered Settlement Shares by GS&Co. (the "**Registration Statement**") shall have been filed with the Securities and Exchange Commission under the Securities Act and been declared or otherwise become effective on or prior to the date of delivery, and no stop order shall be in effect with respect to the Registration Statement; and a printed prospectus relating to the Registered Settlement Shares (including any prospectus supplement thereto, the "**Prospectus**") shall have been delivered to GS&Co., in such quantities as GS&Co. shall reasonably have requested, on or prior to the date of delivery;

(b) the form and content of the Registration Statement and the Prospectus (including, without limitation, any sections describing the plan of distribution) shall be reasonably satisfactory to GS&Co.;

(c) as of or prior to the date of delivery, GS&Co. and its agents shall have been afforded a reasonable opportunity to conduct a due diligence investigation with respect to Counterparty customary in scope for underwritten offerings of equity securities of similar size and the results of such investigation are satisfactory to GS&Co., as shall be reasonably necessary, in the judgment of counsel to GS&Co., to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; and

(d) as of the date of delivery, an agreement (the "**Underwriting Agreement**") shall have been entered into with GS&Co. in connection with the public resale of the Registered Settlement Shares by GS&Co. substantially similar to underwriting agreements customary for underwritten offerings of equity securities of similar size, in form and substance reasonably satisfactory to GS&Co., which Underwriting Agreement shall include, without limitation, customary provisions substantially similar to those contained in such underwriting agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, GS&Co. and its affiliates and the provision of customary opinions, accountants' comfort letters and lawyers' negative assurance letters for underwritten offerings of equity securities of similar size.

4. If Counterparty delivers Unregistered Settlement Shares pursuant to paragraph 2 above:

(a) all Unregistered Settlement Shares shall be delivered to GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) thereof;

(b) as of or prior to the date of delivery, GS&Co. and any potential purchaser of any such shares from GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) identified by GS&Co. shall be afforded a commercially reasonable opportunity to conduct a due diligence investigation with respect to Counterparty customary in scope for private placements of equity securities of similar size (including, without limitation, the right to have made available to them for inspection all financial and other records, pertinent corporate documents and other information reasonably requested by them);

(c) as of the date of delivery, Counterparty shall enter into an agreement (a "**Private Placement Agreement**") with GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) in connection with the

private placement of such shares by Counterparty to GS&Co. (or any such affiliate) and the private resale of such shares by GS&Co. (or any such affiliate), substantially similar to private placement purchase agreements customary for private placements of equity securities of similar size, in form and substance commercially reasonably satisfactory to GS&Co., which Private Placement Agreement shall include, without limitation, provisions substantially similar to those contained in such private placement purchase agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, GS&Co. and its affiliates and the provision of customary opinions, accountants' comfort letters and lawyers' negative assurance letters for private placements of equity securities of similar size, and shall provide for the payment by Counterparty of all fees and expenses in connection with such resale, including all fees and expenses of counsel for GS&Co., and shall contain representations, warranties, covenants and agreements of Counterparty reasonably necessary or advisable to establish and maintain the availability of an exemption from the registration requirements of the Securities Act for such resales; and

(d) in connection with the private placement of such shares by Counterparty to GS&Co. (or any such affiliate) and the private resale of such shares by GS&Co. (or any such affiliate), Counterparty shall, if so requested by GS&Co., prepare, in cooperation with GS&Co., a customary private placement memorandum in form and substance reasonably satisfactory to GS&Co.

5. GS&Co., itself or through an affiliate (the "**Selling Agent**") or any underwriter(s), will sell all, or such lesser portion as may be required hereunder, of the Registered Settlement Shares or Unregistered Settlement Shares and any Makewhole Shares (as defined below) (together, the "**Settlement Shares**") delivered by Counterparty to GS&Co. pursuant to paragraph 6 below commencing on the Cash Settlement Payment Date and continuing until the date on which the aggregate Net Proceeds (as such term is defined below) of such sales, as determined by GS&Co., is equal to the absolute value of the Forward Cash Settlement Amount (such date, the "**Final Resale Date**"). If the proceeds of any sale(s) made by GS&Co., the Selling Agent or any underwriter(s), net of any fees and commissions (including, without limitation, underwriting or placement fees) customary for similar transactions of similar size under the circumstances at the time of the offering, together with carrying charges and expenses incurred in connection with the offer and sale of the Shares (including, but without limitation to, the covering of any over-allotment or short position (syndicate or otherwise)) (the "**Net Proceeds**") exceed the absolute value of the Forward Cash Settlement Amount, GS&Co. will refund, in USD, such excess to Counterparty on the date that is three (3) Currency Business Days following the Final Resale Date, and, if any portion of the Settlement Shares remains unsold, GS&Co. shall return to Counterparty on that date such unsold Shares.

6. If the Calculation Agent determines that the Net Proceeds received from the sale of the Registered Settlement Shares or Unregistered Settlement Shares or any Makewhole Shares, if any, pursuant to this paragraph 6 are less than the absolute value of the Forward Cash Settlement Amount (the amount in USD by which the Net Proceeds are less than the absolute value of the Forward Cash Settlement Amount being the "**Shortfall**" and the date on which such determination is made, the "**Deficiency Determination Date**"), Counterparty shall on the Exchange Business Day next succeeding the Deficiency Determination Date (the "**Makewhole Notice Date**") deliver to GS&Co., through the Selling Agent, a notice of Counterparty's election that Counterparty shall either (i) pay an amount in cash equal to the Shortfall on the day that is one (1) Currency Business Day after the Makewhole Notice Date, or (ii) deliver additional Shares. If Counterparty elects to deliver to GS&Co. additional Shares, then Counterparty shall deliver additional Shares in compliance with the terms and conditions of paragraph 3 or paragraph 4 above, as the case may be (the "**Makewhole Shares**"), on the first Clearance System Business Day which is also an Exchange Business Day following the Makewhole Notice Date in such number as the Calculation Agent reasonably believes would have a market value on that Exchange Business Day equal to the Shortfall. Such Makewhole Shares shall be sold by GS&Co. in accordance with the provisions above; *provided* that if the sum of the Net Proceeds from the sale of the originally delivered Shares and the Net Proceeds from the sale of any Makewhole Shares is less than the absolute value of the Forward Cash Settlement Amount then Counterparty shall, at its election, either make such cash payment or deliver to GS&Co. further Makewhole Shares until such Shortfall has been reduced to zero.

7. Notwithstanding the foregoing, in no event shall the aggregate number of Settlement Shares and Makewhole Shares be greater than the Reserved Shares *minus* the amount of any Shares actually delivered by Counterparty under any other Transaction(s) under this Master Confirmation (the result of such calculation, the "**Capped Number**"). Counterparty represents and warrants (which shall be deemed to be repeated

on each day that a Transaction is outstanding) that the Capped Number is equal to or less than the number of Shares determined according to the following formula:

A – B

Where A = the number of authorized but unissued shares of the Counterparty that are not reserved for future issuance on the date of the determination of the Capped Number; and

B = the maximum number of Shares required to be delivered to third parties if Counterparty elected Net Share Settlement of all transactions in the Shares (other than Transactions in the Shares under this Master Confirmation) with all third parties that are then currently outstanding and unexercised.

"**Reserved Shares**" means initially, 16,422,159 Shares. The Reserved Shares may be increased or decreased in a Supplemental Confirmation.

EXHIBIT 10cc

A MARK OF [**] IN THE TEXT OF THIS EXHIBIT INDICATES THAT CONFIDENTIAL MATERIAL HAS BEEN OMITTED. THIS EXHIBIT, INCLUDING THE OMITTED PORTIONS, HAS BEEN FILED SEPARATELY WITH THE SECRETARY OF THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO AN APPLICATION REQUESTING CONFIDENTIAL TREATMENT UNDER RULE 24B-2 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

SUPPLEMENTAL CONFIRMATION

To:	C. R. Bard, Inc. 730 Central Avenue Murray Hill, NJ 07974
From:	Goldman, Sachs & Co.
Subject:	Accelerated Stock Buyback
Ref. No:	**SDB4164748332**
Date:	**December 15, 2010**

The purpose of this Supplemental Confirmation is to confirm the terms and conditions of the Transaction entered into between Goldman, Sachs & Co. ("**GS&Co**.") and C. R. Bard, Inc. ("**Counterparty**") (together, the "**Contracting Parties**") on the Trade Date specified below. This Supplemental Confirmation is a binding contract between GS&Co. and Counterparty as of the relevant Trade Date for the Transaction referenced below.

1. This Supplemental Confirmation supplements, forms part of, and is subject to the Master Confirmation dated as of December 15, 2010 (the "**Master Confirmation**") between the Contracting Parties, as amended and supplemented from time to time. All provisions contained in the Master Confirmation govern this Supplemental Confirmation except as expressly modified below.

2. The terms of the Transaction to which this Supplemental Confirmation relates are as follows:

Trade Date:	December 15, 2010
Forward Price Adjustment Amount:	[**]*
Calculation Period Start Date:	December 21, 2010
Scheduled Termination Date:	[**]*
First Acceleration Date:	[**]*
Prepayment Amount:	USD 750,000,000.00
Prepayment Date:	December 21, 2010

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* **CONFIDENTIAL INFORMATION HAS BEEN OMITTED AND HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.**

Initial Shares:	8,100,000 Shares; *provided* that if, in connection with the Transaction, after using commercially reasonable efforts, GS&Co. is unable to borrow or otherwise acquire a number of Shares equal to the Initial Shares for delivery to Counterparty on the Initial Share Delivery Date, the Initial Shares delivered on the Initial Share Delivery Date shall be reduced to such number of Shares that GS&Co. is able to so borrow or otherwise acquire, and GS&Co. shall use commercially reasonable efforts to borrow or otherwise acquire a number of Shares equal to the shortfall in the Initial Share Delivery and to deliver such additional Shares as soon as reasonably practicable. The aggregate of all Shares delivered to Counterparty in respect of the Transaction pursuant to this paragraph shall be the "Shares delivered pursuant to the Initial Share Delivery" for purposes of "Number of Shares to be Delivered" in the Master Confirmation.
Initial Share Delivery Date:	December 21, 2010
Ordinary Dividend Amount:	[**]*
Scheduled Ex-Dividend Dates:	[**]*
Termination Price:	USD [**]* per Share
Additional Relevant Days:	The 10 Exchange Business Days (or such lesser number of Exchange Business Days as elected by GS&Co. and communicated to Counterparty) immediately following the Calculation Period.

3. Counterparty represents and warrants to GS&Co. that neither it nor any "affiliated purchaser" (as defined in Rule 10b-18 under the Exchange Act) has made any purchases of blocks pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act during either (i) the four full calendar weeks immediately preceding the Trade Date or (ii) during the calendar week in which the Trade Date occurs.

4. This Supplemental Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Supplemental Confirmation by signing and delivering one or more counterparts.

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* **CONFIDENTIAL INFORMATION HAS BEEN OMITTED AND HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.**

Counterparty hereby agrees (a) to check this Supplemental Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to the Transaction to which this Supplemental Confirmation relates, by manually signing this Supplemental Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, facsimile No. 212-428-1980/83.

Yours sincerely,

GOLDMAN, SACHS & CO.

By: _____
Authorized Signatory

Agreed and Accepted By:

C. R. BARD, INC.

By: _____
Name:
Title:

Exhibit 12.1 - Computation of Ratio of Earnings to Fixed Charges

(dollars in millions)	2010	2009	2008	2007	2006
Earnings from continuing operations before taxes	$717.7	$671.5	$552.7	$579.4	$396.8
Add (Deduct):					
Fixed charges	18.4	17.5	17.4	16.6	21.8
Undistributed earnings of equity investments	(3.6)	(2.3)	(1.9)	(0.7)	(0.2)
Earnings available for fixed charges	$732.5	$686.7	$568.2	$595.3	$418.4
Fixed charges:					
Interest, including amounts capitalized[1]	$ 12.7	$ 11.8	$ 12.1	$ 11.9	$ 16.9
Proportion of rent expense deemed to represent interest factor	5.7	5.7	5.3	4.7	4.9
Fixed charges	$ 18.4	$ 17.5	$ 17.4	$ 16.6	$ 21.8
Ratio of earnings to fixed charges	39.81	39.24	32.66	35.86	19.19

(1) Interest related to unrecognized tax benefits is included as income tax expense and not included in fixed charges.

Exhibit 21

Subsidiaries of the Registrant

The following table lists, as of December 31, 2010, the company and its significant subsidiaries and indicates the jurisdiction of organization of each subsidiary and the percentage of voting securities owned by the immediate parent of each subsidiary:

	Where Incorporated	% of Voting Stock
C. R. Bard, Inc.	New Jersey	(Registrant)
Bard Access Systems, Inc.	Utah	100
Dymax Corporation	Pennsylvania	100
Now Medical Distribution, Inc.	Delaware	100
Bard ASDI, Inc.	New Jersey	100
Bard Acquisition Sub, Inc.	Delaware	100
Bard Brachytherapy, Inc.	Delaware	100
Bard Canada Inc.	Canada	100
Vas-Cath, Inc.	Canada	100
Bard Reynosa S.A. de C.V.	Mexico	100
Bard Devices, Inc.	Delaware	100
Davol Inc.	Delaware	100
American Hydro-Surgical Instruments, Inc.	Maryland	100
Bridger Biomed, Inc.	Montana	100
DVL Acquisition Sub, Inc.	Delaware	100
Davol Surgical Innovations, S.A. de C.V.	Mexico	100
Bard Healthcare, Inc.	Texas	100
Bard Holding SAS	France	100
Bard Holdings Limited	England	100
Bard Financial Services Ltd.	England	100
Bard Limited	England	100
Bard Sendirian Berhad	Malaysia	100
Bard Sweden AB	Sweden	100
Bard Norway AS	Norway	100
Bard Finland OY	Finland	100
Bard Norden AB	Sweden	100
Davol International Limited	England	100
Bard International, Inc.	Delaware	100
Bard Australia Pty. Ltd.	Australia	100
Bard Healthcare India Pvt. Ltd.	India	100
Bard Korea Medical Devices Limited	Korea	100
Bard Singapore Private Limited	Singapore	100
Bard Pacific Health Care Company Ltd.	Taiwan	100
Bard Brasil-Serviços em Equipamentos Médicos Ltda.	Brazil	100
C. R. Bard Do Brasil Produtos Medicos Ltda.	Brazil	100
Bard Produtos Plasticos e Medicos Ltda.	Brazil	100
Bard MRL Acquisition Corp.	Delaware	100
Bard Peripheral Vascular, Inc.	Arizona	100
Flowcardia, Inc.	Delaware	100
SenoRx, Inc.	Delaware	100
Bard Shannon Limited	Ireland	100
Alpha Altitude Sdh Bhd	Malaysia	100
Angiomed GmbH	Germany	100
Gamer Lasertechnik GmbH	Germany	100

Exhibit 21

Subsidiaries of the Registrant (continued)

	Where Incorporated	% of Voting Stock
Bard Benelux N.V.	Belgium	100
Bard Dublin ITC Limited	Ireland	100
Bard de España, S.A.	Spain	100
Bard Portugal Lda.	Portugal	100
Bard European Distribution Center N.V.	Belgium	100
Bard Hellas S.A.	Greece	100
Bard Healthcare Science (Shanghai) Limited	People's Republic of China	100
Bard Medical Devices (Beijing) Co., Ltd	People's Republic of China	100
Bard Medica S.A.	Switzerland	100
Bard Medical S.A. (Proprietary) Limited	South Africa	100
Bard Mexico Realty, S. de R.L. de C.V.	Mexico	100
Bard S.p.A.	Italy	100
C. R. Bard GmbH	Germany	100
Bard Czech Republic s.r.o.	Czech Republic	100
Bard Poland Sp. z.o.o.	Poland	100
Bard France S.A.S.	France	100
Cardial S.A.S.	France	100
Promur-Productos Medicos e Urologicos Lda.	Brazil	100
Limited Liability Company Bard Rus	Russia	100
MedChem Products, Inc.	Massachusetts	100
Gesco International Inc.	Massachusetts	100
Navarre Biomedical, Ltd.	Minnesota	100
Productos Bard de Mexico S.A. de C.V.	Mexico	100
Productos Para el Cuidada de la Salud, S.A. de C.V.	Mexico	100
ProSeed, Inc.	New Jersey	100
Roberts Laboratories, Inc.	Arizona	100
Shield Healthcare Centers, Inc.	Delaware	100
Specialized Health Products International, Inc	Delaware	100
Specialized Health Products, Inc.	Utah	100
Safety Syringe Corp.	Utah	100
Med-Design Corp.	Delaware	100
MDC Investment Holdings, Inc.	Delaware	100
Venetec International, Inc.	Delaware	100
Y-Med Inc.	Delaware	100

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors of
C. R. Bard, Inc.:

We consent to the incorporation by reference in the registration statements (Nos. 333-86668, 333-59156, 333-55684, 333-78089, 333-51793, 333-69857, 333-30217, 333-07189, 33-63147, 33-35544, 33-64874, 333-104683, 333-135098, 333-151740, 333-159928 and 333-167576) on Form S-8 and (Nos. 333-05997 and 333-171166) on Form S-3 of C. R. Bard, Inc. and subsidiaries of our reports dated February 24, 2011, with respect to the consolidated balance sheets of C. R. Bard, Inc. and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of income, shareholders' investment, and cash flows for each of the years in the three-year period ended December 31, 2010, and the related consolidated financial statement schedule and the effectiveness of internal control over financial reporting as of December 31, 2010 which reports appear in the December 31, 2010 annual report on Form 10-K of C. R. Bard, Inc.

Our report on the consolidated financial statements refers to the company's adoption of the measurement date requirements of the Financial Accounting Standards Board ("FASB") statement on employers' accounting for defined benefit pension plans.

/s/ KPMG LLP
Short Hills, New Jersey
February 24, 2011

EXHIBIT 31.1
Certification of Chief Executive Officer

I, Timothy M. Ring, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2010 of C. R. Bard, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2011

/s/ Timothy M. Ring
Timothy M. Ring
Chief Executive Officer

EXHIBIT 31.2
Certification of Chief Financial Officer

I, Todd C. Schermerhorn, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2010 of C. R. Bard, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2011

/s/ Todd C. Schermerhorn
Todd C. Schermerhorn
Senior Vice President and Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of C. R. Bard, Inc. on Form 10-K for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Timothy M. Ring, Chairman and Chief Executive Officer of C. R. Bard, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of C. R. Bard, Inc.

/s/ Timothy M. Ring
Name: Timothy M. Ring
Date: February 24, 2011

EXHIBIT 32.2

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of C. R. Bard, Inc. on Form 10-K for the year ended December 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Todd C. Schermerhorn, Senior Vice President and Chief Financial Officer of C. R. Bard, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of C. R. Bard, Inc.

/s/ Todd C. Schermerhorn
Name: Todd C. Schermerhorn
Date: February 24, 2011