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**J. ROBERT WOOLEY, COMMISSIONER  
OF INSURANCE FOR THE STATE OF  
LOUISIANA IN HIS CAPACITY AS  
LIQUIDATOR OF AmCARE HEALTH**

**SUIT NUMBER 509,297 SEC. 21  
19TH JUDICIAL DISTRICT COURT**

**VERSUS**

**PARISH OF EAST BATON ROUGE**

**FOUNDATION HEALTH CORPORATION,  
FOUNDATION HEALTH SYSTEMS, INC.,  
AND HEALTH NET, INC.**

**COST OK Amt. 100**

**STATE OF LOUISIANA**

**OCT - 1 2003**

**BY [Signature]  
CLERK OF COURT**

**DECLINATORY EXCEPTION OF LACK OF PERSONAL JURISDICTION  
AND PEREMPTORY EXCEPTION OF NO CAUSE OF ACTION**

Defendant, Health Net, Inc. (formerly known as Foundation Health Systems, Inc. and successor to Foundation Health Corporation), excepts to the Petition to Enforce Guarantee, for Damages and Equitable Relief ("Petition") filed by the plaintiff, J. Robert Wooley, Commissioner of Insurance for The State of Louisiana in His Capacity as Liquidator of Amcare Health, through his duly appointed Receiver, Marlon Harrison ("The Commissioner"), on the following grounds:

**Declinatory Exception of Lack of Personal Jurisdiction**

1.

This Court lacks personal jurisdiction over Health Net on the "Guarantee" executed by a predecessor of Health Net, because the "Guarantee" was not signed in Louisiana for the benefit of any creditor located in Louisiana.

2.

This Court further lacks personal jurisdiction over Health Net because Health Net does not do business in Louisiana. Rather, Health Net was, at the time, merely a non-resident shareholder of a Louisiana corporation, and Louisiana courts do not have personal jurisdiction over non-residents simply on the basis of their ownership interest in a Louisiana corporation.

**Peremptory Exception of No Cause of Action**

3.

The Petition fails to state a cause of action against Health Net because the Petition seeks specific performance of the "Guarantee," and specific performance is not an available remedy when a party seeks the payment of money.

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4.

Furthermore, the Commissioner does not have a cause of action against Health Net because the Commissioner is not a third-party creditor to whom a guarantee was issued, and, consequently, the "Guarantee" is not a suretyship under Louisiana law.

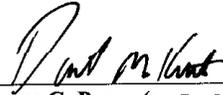
5.

Finally, there is no cause of action against a non-shareholder on a "parental guarantee."

**WHEREFORE**, Health Net prays that after due proceedings there be judgment maintaining its exceptions dismissing the Commissioner's claims. Alternatively, Health Net prays that this Court order the Commissioner to amend the Petition to cure the vagueness of the Petition and the failure of the Petition to conform with the requirements of Article 891, *et seq.*, of the Louisiana Code of Civil Procedure.

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STATE OF LOUISIANA  
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**Counsel for Health Net, Inc.**

**Please serve:**

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In His Capacity as Liquidator of Amcare  
Health, through his duly appointed Receiver,  
Marlon Harrison  
Through counsel of record:  
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Buser & Associates, APLC  
1518 Highway 30 East  
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served on all counsel of record by First Class Mail, properly addressed and posted, on the 13 day of OCTOBER, 2003.

Paul M. Kent

10th JUDICIAL DISTRICT  
 EAST BAY AREA OFFICE  
 FILED

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DAVID W. KENT  
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