

McGLINCHEY STAFFORD PLLC

M. BRENT HICKS
 (225) 382-3622
 Fax (225) 343-3076
 bhicks@mcglinchey.com

BATON ROUGE
 NEW ORLEANS
 HOUSTON
 JACKSON
 CLEVELAND
 MONROE
 DALLAS
 ALBANY

May 25, 2004

REC'D MAY 27 2004

Mr. Marlon Harrison
 Office of Receiverships
 Post Office Box 91064
 Baton Rouge, LA 70821

Mr. L.D. Barringer
 Deputy Receiver
 1555 Poydras Street, Suite 1100
 New Orleans, LA 70112

Ms. Cara Girouard
 Estate Manager
 Office of Receiverships
 P.O. Box 91064
 Baton Rouge, LA 70821

Ms. S. Denise Brignac, CFE
 Financial Analysis Manager
 Louisiana Department of Insurance
 Post Office Box 94214
 Baton Rouge, LA 70804-9214

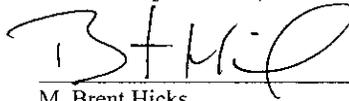
RE: J. Robert Wooley, Commissioner of Insurance for the State of Louisiana
 in his capacity as Liquidator of AmCare Health Plans of Louisiana v.
 Foundation Health Corporation, et al; Suit No. 509-297, Div. D
 Our File No: 03967.0006

Dear All:

Enclosed is a copy of the Ruling on Exceptions, pursuant to which the Court denied Health Net's exceptions.

Sincerely,

McGlinchey Stafford, PLLC



M. Brent Hicks

MBH/std
 Enclosure

cc: Sue Buser, Esq.
 Arlene Knighten, Esq.
 Dominique Jones Sam, Esq.
 Rudy Aguilar, Esq.

165493.1

19th JUDICIAL DISTRICT COURT
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA

STATE
FILED *cat*

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

RECEIVED
MAY 17 2004
Q

D

VERSUS

SUIT NO. 509,297 SEC. 21

FOUNDATION HEALTH CORPORATION,
FOUNDATION HEALTH SYSTEMS, INC.
and HEALTH NET, INC.

RULING ON EXCEPTIONS

This matter came for hearing on March 22, 2004 on Health Net, Inc.'s (formerly known as Foundation Health Systems, Inc. and successor to Foundation Health Corporation) declinatory exception of lack of personal jurisdiction, and preemptory exception of no cause of action to the original petition, and the dilatory exceptions of nonconformity of the petition to Article 891, vagueness, lack of procedural capacity, and preemptory exceptions of no right of action, and no cause of action to the amended petition.

PRESENT

M. Brent Hicks and Sue Buser for J. Robert Wooley,
Commissioner of Insurance for the State of Louisiana in his
capacity as Liquidator of AmCare Health Plans of Louisiana;
and

James C. Percy and David M. Kerth for Health Net, Inc.
(formerly known as Foundation Health Systems, Inc. and
successor to Foundation Health Corporation)

Considering the exceptions and memoranda filed, and argument of counsel, and the Court finding that the parties are entitled to the relief granted, and for the reasons assigned,

IT IS ORDERED, ADJUDGED AND DECREED that the declinatory exception of lack of personal jurisdiction, and the preemptory exception of no cause of action to the original petition, and the dilatory exceptions of nonconformity of the petition to Article 891, lack of procedural capacity, and preemptory exceptions of no right of action, and no cause of action to the amended petition filed on behalf of Health Net, Inc. (formerly known as Foundation Health Systems, Inc. and successor to Foundation Health Corporation), be and hereby are overruled.

I hereby certify that on this day a notice of the
above judgement was mailed by me, with sufficient
postage affixed, to: *Buser, Kerth, Liguier*

Done and signed on 5-20-04

E. Knight
Deputy Clerk of Court

CERTIFIED
TRUE COPY

MAY 20 2004

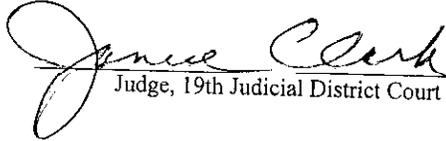
(63847.1)

BY *E. Knight*
DEPUTY CLERK

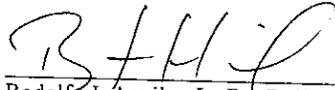
REC'D C.P.
MAY 17 2004

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that a ruling on the dilatory exception of vagueness to the amended petition filed on behalf of Health Net, Inc. (formerly known as Foundation Health Systems, Inc. and successor to Foundation Health Corporation) be and hereby is deferred pending further discovery and further order of this Court.

Baton Rouge, this 18 day of May, 2004


Judge, 19th Judicial District Court

Respectfully submitted:


Rodolfo J. Aguilar, La Bar Roll 1192
M. Brent Hicks, La Bar Roll 23778
MCGLINCHAY STAFFORD, PLLC
9th Floor, One American Place
Baton Rouge, LA 70825
Telephone: (225) 383-9000
Facsimile: (225) 343-3076

Sue Buser, La Bar Roll 18151
BUSER & ASSOCIATES, APLC
1518 Highway 30 East
Gonzales, Louisiana 70737
Telephone: (225) 644-6100
Facsimile: (225) 644-6111

RULE 9.5 CERTIFICATE

IN ACCORDANCE WITH Rule 9.5 of the Rules for Louisiana District Courts the undersigned counsel has circulated a draft of this judgment and all counsel approve of its form.

Baton Rouge, Louisiana, this 14 day of May, 2004.


M. Brent Hicks

FILED
2004 MAY 14 AM 5:00
DOUG WELBORN
DEPUTY CLERK OF COURT FOR
CLERK OF COURT E.B.R. PARISH