

COPY

CAUSE NO. GV 204523

THE STATE OF TEXAS,

v.

AMCARE HEALTH PLANS OF TEXAS,  
INC. and AMCARE MANAGEMENT,  
INC.

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IN THE DISTRICT COURT

TRAVIS COUNTY, TEXAS

200<sup>TH</sup> JUDICIAL DISTRICT

ORDER ALLOWING PAYMENT OF DEFENSE COSTS

This Court has considered the Outside Director Defendants' Amended Application for Advancement of Certain Legal Expenses Under Insurance Policy filed by Michael K. Jhin, William F. Galtney, and John P. Mudd, the First Amended Application for Advancement of Certain Legal Expenses Under Insurance Policy filed by AmCareco, Inc., Thomas J. Lucksinger, Stephen J. Nazarenus, and Michael D. Nadler (collectively the "Movants' Applications"), as well as all objections, responses, replies, and oral argument concerning such applications, and finds that Movants' Applications should be granted.

It is hereby ORDERED, ADJUDGED, and DECREED that Movants' Applications are GRANTED.

It is further ORDERED, ADJUDGED, and DECREED that the payment of defense costs by Executive Risk Indemnity, Inc. ("ERII") under the Diversified Health Care Organization Directors and Officers Liability Insurance Policy (the "D&O Policy") to movants Michael K. Jhin, William F. Galtney, John P. Mudd, AmCareco, Inc., Thomas S. Lucksinger, Stephen J. Nazarenus, and Michael D. Nadler and/or their counsel in either *Jean Johnson v. PricewaterhouseCoopers LLP, et al*, Cause No. GN 303897, pending in the 250<sup>th</sup> Judicial District Court, Travis County, Texas or *J. Robert Wooley as Commissioner of Insurance for the State of Louisiana v. Thomas S. Lucksinger, et al.*, No.

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*Amelia Rodriguez*  
DISTRICT CLERK  
TRAVIS COUNTY, TEXAS

499,737, pending in the 19<sup>th</sup> Jud. Dist. Ct., Parish of East Baton Rouge, Louisiana is not subject to the permanent injunction previously entered by this Court on January 21, 2003.

Signed this 20 day of September, 2004.

  
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JUDGE PRESIDING