

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re UICI SECURITIES LITIGATION	§	Master File No. 3-04-CV-1149-P
_____	§	
	§	<u>CLASS ACTION</u>
This Document Relates To:	§	
	§	
ALL ACTIONS.	§	
_____	§	

FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

This matter came before the Court for hearing pursuant to the Order of this Court, dated October 11, 2007, on the application of the parties for approval of the settlement set forth in the Stipulation of Settlement dated as of October 4, 2007 (the "Stipulation"). Due and adequate notice having been given of the settlement as required in said Order, and the Court having considered all papers filed and proceedings had herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Class.

3. Pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure and the Stipulation, this Court certifies a Class of all Persons who purchased or acquired UICI common stock on the open market from February 7, 2002 through July 21, 2003, inclusive, and including any Person or entity acting for or on behalf of, or claiming under or through, any of them, excluding Defendants, members of their families, Persons or entities in which any of them has a controlling interest or which are related to or affiliated with any such Person, and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party. Also excluded are those Persons who timely and validly requested exclusion from the Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action that was sent to the Class.

4. With respect to the Class, this Court finds and concludes that: (a) the Members of the Class are so numerous that joinder of all Class Members in the Litigation is impracticable; (b) there are questions of law and fact common to the Class which predominate over any individual questions;

(c) the claims or defenses of the Lead Plaintiffs are typical of the claims or defenses of the Class; (d) the Lead Plaintiffs and their counsel have fairly and adequately represented and protected the interests of all of the Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of the Class in individually controlling the prosecution of the separate actions, (ii) the extent and nature of any litigation concerning the controversy already commenced by Members of the Class, (iii) the desirability or undesirability of concentrating the litigation of these claims in this particular forum, and (iv) the difficulties likely to be encountered in the management of the class action.

5. Except as to any individual claim of those Persons (identified in Exhibit 1 attached hereto) who have validly and timely requested exclusion from the Class, this Litigation and all of the Released Claims, are dismissed with prejudice as to all Released Persons. The parties are to bear their own costs, except as otherwise provided in the Stipulation.

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves the settlement set forth in the Stipulation and finds that said settlement is, in all respects, fair, reasonable and adequate to, and is in the best interests of, the Lead Plaintiffs, the Class and each of the Class Members, especially in light of the benefits to the Members of the Class, the complexity, expense and possible duration of further litigation, the discovery and investigation conducted, and the risk, uncertainty and difficulty of establishing liability, causation and damages. This Court further finds that the settlement set forth in the Stipulation is the result of arm's-length negotiations between experienced counsel representing the interests of the Lead Plaintiffs, the Class Members and the Defendants. Accordingly, the settlement embodied in the Stipulation is hereby approved and shall be consummated in accordance with the terms and provisions of the Stipulation.

7. Upon the Effective Date hereof, the Plaintiffs and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished and discharged all Released Claims (including Unknown Claims) and any and all claims arising out of, relating to or in connection with the settlement or resolution of the Litigation (other than claims to enforce rights and obligations under the Stipulation and this Judgment) against each and all of the Released Persons, whether or not such Plaintiff or Class Member executes and delivers a Proof of Claim and Release.

8. Upon the Effective Date hereof, each of the Released Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released, relinquished and discharged each and all of Lead Plaintiffs, Lead Plaintiffs' counsel and any confidential witness referenced in the Litigation from all claims (including Unknown Claims) relating to, arising out of, or in connection with, the institution, prosecution, assertion, settlement or resolution of the Litigation or the Released Claims other than claims to enforce rights and obligations under the Stipulation and this Judgment.

9. All Plaintiffs and Class Members are hereby forever barred and enjoined from instituting and/or prosecuting any other action against the Released Persons in any court asserting any Released Claims.

10. Consistent with 15 U.S.C. §78u-4(f)(7)(A), any similar provision of law of the United States or any state or territory of the United States, and any and all other applicable contribution statutes or doctrines: (a) all Persons are hereby permanently barred, restrained, and enjoined from commencing, prosecuting, or asserting against any of the Defendants any claims (including, without limitation, claims for contribution, indemnity, and/or equitable indemnity) based upon, arising from,

and/or in any way connected with or relating to the Released Claims, and (b) all Persons (except HealthMarkets) are hereby permanently barred, restrained, and enjoined from commencing, prosecuting, or asserting any such claims or seeking discovery related to any such claims against the non-Defendant Released Persons in any litigation. Any obligation or liability with respect to any such claims, except such obligations and liability by the non-Defendant Released Persons to HealthMarkets, is hereby fully, finally, and forever discharged, extinguished, and unenforceable. For the purpose of this ¶10, references to the Defendants shall include any/all of the Defendants and their assigns and subrogees.

11. The Notice of Pendency and Proposed Settlement of Class Action given to the Class, including the individual notice by mail to all Members of the Class who could be identified through reasonable efforts, was the best notice practicable under the circumstances. Said notice provided the best notice practicable under the circumstances of these proceedings and of the matters set forth therein, including the proposed settlement set forth in the Stipulation, to all Persons entitled to such notice; and said notice fully satisfies the requirements of Federal Rule of Civil Procedure 23, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995, and the requirements of Due Process.

12. Any plan of allocation of the Settlement Fund submitted by Lead Counsel or any order entered regarding the application for attorneys' fees and expenses shall in no way disturb or affect this Final Judgment and shall be considered separately from this Final Judgment.

13. Neither the Stipulation nor the settlement contained therein, nor any act performed, statement made or document prepared, executed and/or entered pursuant to or in furtherance of the Stipulation or the settlement or the negotiation or drafting thereof: (i) is or may be deemed to be or

may be used as an admission of, or evidence of, the validity of any Released Claim, or of any damage to Plaintiffs or the Class or any wrongdoing or liability of the Defendants or any Released Person or the infirmity of any defense; or (ii) is, may be deemed to be, or may be used as an admission or evidence of any fault or omission of, or damages caused by, any of the Defendants or any Released Persons in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal; or (c) is admissible in any proceeding except in an action to enforce or interpret the terms of the Stipulation, the settlement (including releases of claims) contained therein, or any other documents executed in connection with the performance of the agreements embodied therein. Defendants and/or the Released Persons may file the Stipulation, this Judgment, and/or any document prepared pursuant to or in furtherance of the Stipulation or the settlement (including this Judgment) in any action for any purpose. All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive the Stipulation.

14. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction with respect to: (a) the consummation, administration, supervision, interpretation, implementation, construction and/or enforcement of the terms of the Stipulation, this Judgment, and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees, interest and expenses in the Litigation; and (d) the Settling Parties hereto and Members of the Class, for the purpose of construing, enforcing and administering the Stipulation and/or this Judgment.

15. The Court finds that during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure

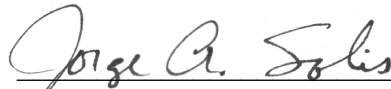
11.

16. In the event that the settlement does not become effective in accordance with the terms of the Stipulation then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

17. There is no just reason for delay in the entry of this Judgment and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

IT IS SO ORDERED.

DATED: January 23, 2008.



JORGE A. SOLIS
UNITED STATES DISTRICT JUDGE

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