

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA

_____X
:
IN RE HEALTHSOUTH CORP. ERISA LITIGATION : CV-03-BE-1700
:
_____X

COURT-ORDERED LEGAL NOTICE

A settlement has been preliminarily approved by the federal court in a class action lawsuit alleging breaches of fiduciary duties under the Employee Retirement Income Security Act ("ERISA") in connection with the HealthSouth Corporation Employee Stock Benefit Plan (the "Plan"). The terms and conditions of the *Settlement* are fully set forth in a Class Action *Amended Settlement Agreement* and *First Addendum*, which are available at www.erisafraud.com.

The proposed *Settlement* is conditioned on, among other things, the entry by the United States District Court of an order (the "*Bar Order*") that generally would bar the bringing of (i) claims against the *Settling Defendants* or other persons receiving releases pursuant to the *Settlement* for indemnity, contribution or other relief arising out of the claims being released, and (ii) claims against any of the *Underwriters* with respect to the fiduciary liability insurance policies that are providing funds in connection with the *Settlement*, or otherwise with respect to claims being released. The preceding description of the *Bar Order* is only a summary. The complete terms and conditions of the *Bar Order* can be found in the Class Action *Amended Settlement Agreement* and *First Addendum*.

The Court has scheduled a hearing on final approval of the *Settlement* (including whether to enter the proposed the *Bar Order*) before the Hon. Karon O. Bowdre on June 27, 2006, at 2 p.m. in Courtroom 509, of the United States District Court for the Northern District of Alabama, 1729 Fifth Avenue North, Birmingham, Alabama.

Any objections to the proposed *Settlement* (including objections to entry of the proposed *Bar Order*) must be in writing and sent or delivered to *Lead Counsel* and *Liaison Counsel* for Plaintiffs on or before June 13, 2006 at the following addresses:

Plaintiffs' Lead Counsel:

Lynn Lincoln Sarko, Esq.
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Liaison Counsel for Plaintiffs:

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Birmingham, AL 35203
Telephone: (205) 252-1146;
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Email: rosenthallaw@bellsouth.net

Any objections must also be sent to the Post Office Box identified below on or before June 13, 2006:

In re HealthSouth ERISA Litigation
c/o Liaison Counsel for Plaintiffs
P.O. Box 2373
Birmingham, AL 35201
Re: Case No. CV-03-BE-1700

You may obtain further information with respect to the *Settlement* and proposed *Bar Order*, and the procedures for objecting thereto, at www.erisafraud.com, or by contacting Plaintiffs' *Lead Counsel*.