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IN RE OXFORD HEALTH PLANS, INC. :
SECURITIES LITIGATION :

X
THIS DOCUMENT APPLIES TO ALL :
CLASS ACTIONS :

X

MDL Dkt. No. 1222 (CLB)

**NOTICE OF PROPOSED SETTLEMENTS OF CLASS ACTION,
HEARING ON PROPOSED SETTLEMENTS AND ATTORNEYS' FEE PETITION
AND RIGHT TO SHARE IN SETTLEMENT FUNDS**

TO: ALL PERSONS OR ENTITIES (THE "CLASS") WHO PURCHASED THE COMMON STOCK OF, OR CALL OPTIONS ON, OXFORD HEALTH PLANS, INC. ("OXFORD"), OR SOLD OXFORD PUT OPTIONS, DURING THE PERIOD FROM NOVEMBER 6, 1996 THROUGH AND INCLUDING DECEMBER 9, 1997 (THE "CLASS PERIOD"), AND WHO WERE DAMAGED THEREBY; and TO ALL CURRENT SHAREHOLDERS OF OXFORD.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY PROCEEDINGS IN THIS ACTION. IF YOU ARE A CLASS MEMBER, YOU ULTIMATELY MAY BE ENTITLED TO RECEIVE BENEFITS PURSUANT TO THE PROPOSED SETTLEMENTS DESCRIBED HEREIN.

CLAIMS DEADLINE: CLAIMANTS MUST SUBMIT PROOFS OF CLAIM, ON THE FORM ACCOMPANYING THIS NOTICE, POSTMARKED ON OR BEFORE **JULY 11, 2003**.

SECURITIES BROKERS AND OTHER NOMINEES: PLEASE SEE INSTRUCTIONS ON PAGE 11 HEREIN.

SUMMARY OF SETTLEMENTS AND RELATED MATTERS

I. Purpose of this Notice

1. This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court dated April 14, 2003. The purpose of this Settlement Notice is to inform you that this Action, and the proposed Settlements, will affect all Class Members' rights. This Settlement Notice describes rights you may have under the proposed Settlements and what steps you may take in relation to this Action. This Settlement Notice is also to inform current Oxford shareholders of the proposed release of claims as between Oxford and KPMG. This Settlement Notice is not an expression of any opinion by the Court as to the merits of any claims or any defenses asserted by any party in this Action, or the fairness or adequacy of the proposed Settlements.

II. Statement of Plaintiff Recovery

2. Pursuant to the Settlements described herein, Settlement Funds totaling Three Hundred Million Dollars (\$300,000,000) in cash, plus interest, have been established and other benefits have been obtained. Plaintiffs estimate that there were approximately 46 million shares of Oxford common stock traded during the Class Period and retained at the end of the Class Period which may have been damaged as a result of the alleged wrongdoing described below. Plaintiffs estimate that the average recovery per damaged share of Oxford common stock under the Settlements is \$6.53 per damaged share¹ before deduction of Court-awarded attorneys' fees and expenses. Depending on the number of claims submitted, when during the Class Period a Class Member purchased his or her shares of Oxford common stock, and whether those shares were held at the end of the Class Period or sold during the Class Period, and if sold, when they were sold, an individual Class Member may receive more or less than this average amount.

3. Under the relevant securities laws, a claimant's recoverable damages are limited to the losses attributable to the alleged securities law violations. Losses which resulted from factors other than an alleged securities law violation are not recoverable from the Settlement Funds. For purposes of the Settlements herein, a Class Member's distribution from the Net Settlement Funds will be governed by the proposed Plan of Allocation described below at paragraphs 41 - 49, or such other Plan of Allocation as may be approved by the Court.

¹ Per share recovery is based on common stock only because information to determine the average number of options which may have been affected during the Class Period is not available. A damaged share may have been traded more than once during the Class Period, and the indicated average recovery would be the total for all purchasers of that share.

III. Statement of Potential Outcome of Case

4. The parties disagreed on both liability and damages and do not agree on the average amount of damages per share that would be recoverable if plaintiffs were to have prevailed on each claim alleged. The issues on which the parties disagree include (a) the appropriate economic model (if any) for determining the amount by which Oxford common stock was allegedly artificially inflated (if at all) during the Class Period; (b) the amount by which Oxford common stock was allegedly artificially inflated (if at all) during the Class Period; (c) the effect of various market forces influencing the trading price of Oxford common stock at various times during the Class Period; (d) the extent to which external factors, such as general market and industry conditions, influenced the trading price of Oxford common stock at various times during the Class Period; (e) the extent to which the various matters that plaintiffs alleged were materially false or misleading influenced (if at all) the trading price of Oxford common stock at various times during the Class Period; (f) the extent to which the various allegedly adverse material facts that plaintiffs alleged were omitted influenced (if at all) the trading price of Oxford common stock at various times during the Class Period; and (g) whether the statements made or facts allegedly omitted were material or otherwise actionable under the federal securities laws.

5. While Plaintiffs' Lead Counsel were prepared to go to trial and were confident in their ability to present a *prima facie* case, they recognize that a trial is a risky proposition and that plaintiffs and the Class might not have prevailed on all their claims. Defendants were ready to defend the trial and asserted confidence that they did not violate the securities laws and were not liable. Trial presented many risks to plaintiffs, who bore the burden of proving both liability and damages. In addition to denying liability, Defendants denied that plaintiffs and the Class were legally damaged and would contend that the decline in the price of Oxford common stock could be attributed, in whole or in part, to other factors. Therefore, plaintiffs could have recovered nothing or substantially less than the amount of the Settlements.

6. The agreement in principle to settle the Action was reached on the very eve of trial. While plaintiffs believe that they would have been able to establish that they were injured and that they suffered substantial damages as a direct result of the alleged securities law violations, it is not possible to predict with certainty how a jury would have responded to plaintiffs' arguments and Defendants' counter-arguments. Moreover, even if liability and damages issues had been resolved in plaintiffs' favor, the calculation of damages to the Class would have inevitably been difficult and highly contested as each side's experts differed dramatically about the "fair value" of Oxford common stock during the Class Period. In the unavoidable "battle of experts," it would have been impossible to predict with any certainty which arguments would find favor with the jury. There was, in short, considerable uncertainty as to what damages plaintiffs might have been able to recover in the event of a successful trial. Further, even assuming plaintiffs had won at trial, plaintiffs anticipated that Defendants would have appealed any plaintiffs' verdict and that would have created further uncertainty and delay.

7. Plaintiffs' Lead Counsel submit that the \$300 million recovery for the Class is fair, reasonable and adequate and should be approved by the Court.

8. The Defendants deny that they are liable to the plaintiffs or the Class and deny that plaintiffs or the Class have suffered any damages.

IV. Statement of Attorneys' Fees and Costs Sought

9. Plaintiffs' Counsel intend to apply for fees of up to one-third (33-1/3%) of the Gross Settlement Funds, and for reimbursement of expenses incurred in connection with the prosecution of this Action in the approximate amount of \$7,000,000. The requested fees and expenses would amount to an average of \$2.33 per damaged share in total for fees and expenses. Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent fee basis, and have advanced substantial expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees. Defendants intend to take no position as to the amount of attorneys' fees to be awarded to Plaintiffs' Counsel.

V. Further Information

10. Further information regarding the Action and this Settlement Notice may be obtained by contacting Plaintiffs' Lead Counsel: Deborah Clark-Weintraub, Esq., Milberg Weiss Bershad Hynes & Lerach LLP, One Pennsylvania Plaza, New York, New York 10119-0165, Telephone (212) 594-5300; Jay W. Eisenhofer, Esq., Grant & Eisenhofer, P.A., 1201 N. Market, Suite 2100, Wilmington, Delaware 19801, Telephone (302) 622-7000; or Martin D. Chitwood, Esq., Chitwood & Harley LLP, 2300 Promenade II, 1230 Peachtree Street, N.E., Atlanta, Georgia 30309, Telephone (404) 873-3900.

VI. Reasons for the Settlements

11. From the perspective of the plaintiffs, the principal reason for the Settlements is the substantial monetary benefits to be provided to the Class now. These benefits must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future. From the perspective of the Defendants, the principal reasons

for the Settlements is to settle and terminate all existing or potential claims against them, and to eliminate the risk of a substantial judgment against Defendants, without in any way acknowledging any fault or liability, in order to eliminate the burden and expense of further litigation.

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NOTICE OF SETTLEMENT FAIRNESS HEARING

12. NOTICE IS HEREBY GIVEN, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, White Plains Division (the "Court") dated April 14, 2003, that a hearing will be held before the Honorable Charles L. Brieant in the United States Courthouse, 300 Quarropas Street, White Plains, New York 10601, at 2:15 p.m., on June 11, 2003 (the "Settlement Fairness Hearing") to determine whether the two proposed settlements (the "Settlement with the Oxford Defendants" and the "Settlement with KPMG") (collectively, the "Settlements") of the above-captioned action (the "Action") as set forth in the Stipulation and Agreements of Settlement dated April 14, 2003 (the "Stipulation"), are fair, reasonable and adequate and to consider the proposed Plan of Allocation for the proceeds of the Settlements and the application of Plaintiffs' Counsel for attorneys' fees and reimbursement of expenses.

13. The Court, by Order dated March 21, 2001, has previously certified a plaintiff Class, and a Sub-Class, consisting of:

all persons or entities (the "Class") who purchased the common stock of Oxford Health Plans, Inc. ("Oxford" or the "Company"), or purchased Oxford call options or sold Oxford put options, during the period from November 6, 1996 through and including December 9, 1997 (the "Class Period"), and who were damaged thereby, and a sub-class consisting of all persons or entities who purchased Oxford common stock contemporaneously with sales of such stock by Individual Defendants Stephen F. Wiggins, William M. Sullivan, Andrew B. Cassidy, Brendan R. Shanahan, Benjamin H. Safirstein, Robert M. Smoler, Robert M. Milligan, David Finkel, Jeffery H. Boyd and Thomas A. Travers (the "20A Sub-Class") during the Class Period, and who were damaged thereby. Excluded from the Class [and Sub-Class] are Oxford, the Individual Defendants and KPMG LLP ("KPMG") (collectively, the "Defendants"), the officers and directors of the Company, members of the immediate families of the Individual Defendants and each of their legal representatives, heirs, successors, or assigns, and any entity in which any defendant has or had a controlling interest.

Notice of Pendency of Class Action (the "Notice of Pendency") dated February 4, 2002 was mailed to Class Members on February 4, 2002 and a summary notice was published in the national edition of The Wall Street Journal on or about March 4, 2002. If you submitted a request for exclusion in accordance with the requirements set forth in the Notice of Pendency, then you are excluded and may not submit a Proof of Claim herein.

BACKGROUND OF THE LITIGATION

14. Throughout the Class Period, Oxford was a managed care company engaged in the business of providing its members in New York, New Jersey, Pennsylvania, and Connecticut with comprehensive health care services through a network of medical service providers. Throughout the Class Period, KPMG was a firm of certified public accountants and served as Oxford's outside auditor. KPMG audited Oxford's 1996 financial statements and issued an unqualified audit opinion dated February 18, 1997, on those financial statements, which was included in Oxford's 1996 Form 10-K and 1996 Annual Report.

15. On October 27, 1997, Oxford announced that it expected to report: i) a charge to net earnings of between approximately \$47 million to \$53 million in the third quarter of 1997 in order to increase reserves for medical claims, ii) a \$111 million shortfall in expected third quarter revenues, and iii) a loss of \$0.83 to \$0.88 per share for the third quarter of 1997 rather than the consensus estimate of a profit of \$0.47 per share. The price of shares of Oxford common stock dropped from \$68.75 per share at the close of trading on Friday, October 24, 1997 to \$25.875 per share at the close of trading on Monday, October 27, 1997, a 62% drop and loss of approximately \$3.5 billion in market capitalization on extremely heavy trading volume of more than 50 million shares. On November 4, 1997, Oxford announced a third quarter 1997 net loss of \$78.2 million, or \$0.99 per share.

16. On December 9, 1997, the last day of the Class Period, Oxford announced that, *inter alia*, at the direction of the New York State Insurance Department, Oxford would increase its medical claim reserves for its New York subsidiaries by \$164 million during the fourth quarter of 1997 and that it would also increase its medical claim reserves of its non-New York subsidiaries. Trading was halted in Oxford shares on December 9, 1997 before the announcement was made and had not resumed at the market's close on December 9, 1997. Just before trading was halted, the price of Oxford common stock, which had reached a Class Period high of \$87.50 per share on July 24, 1997, hit a 52-week low of \$20.167 per share, down \$1.31 from the previous day's close. On December 10, 1997, Oxford's common stock closed at \$17.125 per share, for a two-day decline of over \$4.25 per share, or approximately 15%.

17. On October 2, 1998, plaintiffs filed their Consolidated and Amended Class Action Complaint (the "Complaint") alleging that the Company, Individual Defendants who were officers and/or directors of Oxford, and KPMG made materially false and misleading statements and omissions in Oxford's financial reports and other public documents disseminated to the investing

public during the Class Period – November 6, 1996 through and including December 9, 1997 – thereby artificially inflating the price of Oxford common stock in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder.

18. Plaintiffs alleged that during the Class Period, following Oxford's 1996 computer conversion, the company's systems could not generate accurate and reliable financial information. Plaintiffs further alleged that Defendants made materially false and misleading statements that reassured investors that Oxford's computer conversion-related issues were resolving, misstated Oxford's financial condition and results, and omitted to disclose that Oxford's financial reporting was inaccurate and unreliable. Specifically, Plaintiffs alleged that Defendants materially misrepresented the Company's revenues, expenses, earnings, receivables, liabilities, medical loss ratio, membership, and its progress in remedying errors and delays in billing and claims processing. Plaintiffs alleged that these misrepresentations resulted in the Company's issuance of financial statements that were materially false and misleading, in violation of Generally Accepted Accounting Principles ("GAAP"), and the federal securities laws.

19. In addition, plaintiffs alleged that KPMG knew or recklessly disregarded that: i) Oxford's 1996 computer conversion had corrupted the Company's financial data and rendered its financial reporting inaccurate and unreliable; ii) Oxford's system of internal controls was materially deficient; and iii) Oxford's December 31, 1996 year end financial statements were materially false and misleading. Plaintiffs also alleged that KPMG, in violation of the federal securities laws, issued a materially false and misleading audit opinion which stated that Oxford's 1996 year end financial statements were prepared in conformity with GAAP, and that KPMG's audit was conducted in accordance with Generally Accepted Auditing Standards ("GAAS").

20. Defendants made motions to dismiss the Complaint. The Court, by Memoranda and Orders dated May 25, 1999 and June 8, 1999, denied the Defendants' motions to dismiss the Complaint.

21. By a Memo Endorsed letter dated January 9, 2003 and the Court's Partial Judgment filed January 28, 2003, plaintiffs voluntarily dismissed the Complaint as to Individual Defendant Robert M. Milligan with prejudice and without costs. By Stipulation of Voluntary Dismissal with Prejudice dated February 19, 2003 and an Order of the Court filed February 20, 2003, plaintiffs voluntarily dismissed the Complaint as to Individual Defendants Benjamin H. Safirstein and Thomas A. Travers with prejudice and without costs.

22. The remaining Defendants made motions for summary judgment. The Court, by Memorandum and Order dated February 28, 2003, dismissed the Complaint as to Individual Defendant Robert M. Smoler, but in all other respects denied Defendants' motions for summary judgment. These voluntary dismissals, and the Court's ruling on summary judgment left Oxford, Jeffery H. Boyd, Andrew B. Cassidy, David A. Finkel, Brendan R. Shanahan, Robert M. Smoler, William M. Sullivan, and Stephen F. Wiggins, and KPMG as the remaining Defendants.

23. An action entitled Young v. KPMG Peat Marwick LLP, (the "Derivative Action") was brought in the Supreme Court of the State of New York, County of Westchester as a derivative action on behalf of Oxford. At Oxford's request, the plaintiffs in the Derivative Action are moving to discontinue that action, which will facilitate an exchange of releases between Oxford and KPMG as provided for in the Settlements in this Action. It is not a condition to the Settlements in this Action that the Derivative Action be discontinued.

BACKGROUND TO THE SETTLEMENTS

24. The Defendants (as defined below) have denied all averments of wrongdoing or liability in the Action and all other accusations of wrongdoing or violations of law. The Stipulation is not and shall not be construed or be deemed to be evidence or an admission or a concession on the part of any of the Defendants of any fault or liability or damages whatsoever, and Defendants do not concede any infirmity in the defenses which they have asserted or intended to assert in the Action.

25. The Settlements were entered into on the eve of trial. Prior to entering into the Settlements, Plaintiffs' Lead Counsel had completed a thorough investigation relating to the events and transactions underlying plaintiffs' claims; completed extensive pretrial discovery on the merits, including, inter alia, analysis of over one million pages of documents produced by Oxford, KPMG and numerous non-parties, and approximately 80 depositions, including depositions of all of the Individual Defendants, other members of Oxford's senior management, representatives of KPMG, and Defendants' testifying experts; and fully briefed and argued oppositions to motions to dismiss, a motion for class certification, oppositions to motions for summary judgment, and evidentiary motions in preparation for trial. Plaintiffs' decisions to enter into these Settlements were made with full knowledge of the facts and circumstances underlying plaintiffs' claims and the strengths and weaknesses of those claims. In determining to settle the Action, plaintiffs and their counsel have evaluated the exhaustive pre-trial investigation and discovery taken in the Action and taken into account the substantial expense and length of time necessary to prosecute the Action through trial, post-trial motions, and likely appeals, taking into consideration the significant uncertainties in predicting the outcome of this complex litigation. Plaintiffs' Lead Counsel consider that the \$300 million recovery for the Class and other benefits from the Settlements represents fair, reasonable and adequate compensation for the claims of the plaintiffs and the Class, particularly in

view of the risks plaintiffs faced at trial and beyond trial from any appeals. Plaintiffs deem such Settlements to be fair, reasonable and adequate, and in the best interests of the members of the Class.

26. The Defendants, while continuing to deny all allegations of wrongdoing or liability whatsoever, desired to settle and terminate all existing or potential claims against them, and to eliminate the risk of a substantial judgment against Defendants, without in any way acknowledging any fault or liability.

27. The amount of damages, if any, that plaintiffs could prove was also a matter of serious dispute, and the Settlements' use of a Recognized Claim formula for distributing the proceeds of the Settlements does not constitute a finding, admission or concession that provable damages could be measured by the Recognized Claim formula. No determination has been made by the Court as to liability or the amount, if any, of damages suffered by the Class, nor on the proper measure of any such damages. The determination of damages, like the determination of liability, is a complicated and uncertain process, typically involving conflicting expert opinions. During the course of the Action, Defendants, in addition to denying any liability, disputed that plaintiffs and the Class were damaged by any wrongful conduct on the part of Defendants. The Settlements herein provide an immediate and substantial cash benefit and avoid the risks that liability or damages might not have been proven at trial.

28. The Court has not determined the merits of the plaintiffs' claims or the defenses thereto. This Settlement Notice does not imply that there has been or would be any finding of violation of the law or that recovery could be had in any amount if the Action were not settled.

TERMS OF THE SETTLEMENTS

The Oxford Defendants Settlement:

29. In full and complete settlement of the Oxford Settled Claims (as defined below), and subject to the terms and conditions of the Stipulation, the Oxford Defendants agreed to cause the sum of Two Hundred Twenty-Five Million Dollars (\$225,000,000) (the "Oxford Settlement Amount") to be deposited into escrow on behalf of plaintiffs and the Class. \$100,000,000 was deposited on April 7, 2003. The remaining \$125,000,000 is to be deposited on or before May 6, 2003. In addition, Oxford shall adopt the corporate governance provisions attached hereto as Exhibit 1.

30. Pursuant to the Settlement with the Oxford Defendants, and on the Effective Date of the Settlement with the Oxford Defendants, plaintiffs and other members of the Class who have not previously excluded themselves therefrom on behalf of themselves, their heirs, executors, administrators, successors and assigns shall release and forever discharge, and shall forever be enjoined from prosecuting, the Oxford Released Parties (defined below) with respect to each and every Oxford Settled Claim (defined below).

31. The "Oxford Defendants" include the following, each of whom will be released from all Oxford Settled Claims: (1) Oxford Health Plans, Inc. ("Oxford"); (2) Jeffery H. Boyd (Oxford's Executive Vice President and General Counsel during the Class Period); (3) Andrew B. Cassidy (Oxford's Executive Vice President and Chief Financial Officer during the Class Period); (4) David A. Finkel (Oxford's Vice President, Operations during the Class Period); (5) Robert M. Milligan (a member of Oxford's Board of Directors during the Class Period); (6) Brendan R. Shanahan (Oxford's Vice President and Controller during the Class Period); (7) Benjamin H. Safirstein (Oxford's New York Regional Vice President and Medical Director and a member of Oxford's Board of Directors during the Class Period); (8) Robert M. Smoler (Oxford's Executive Vice President and Chief Executive Officer -- New York Region during the Class Period); (9) Thomas A. Travers (Oxford's Vice President, Medical Delivery Systems during the Class Period); (10) William M. Sullivan (Oxford's President and Chief Operating Officer during the Class Period); and (11) Stephen F. Wiggins (Oxford's Chief Executive Officer during the Class Period until his resignation as CEO on August 5, 1997 and Oxford's Chairman of the Board of Directors during the Class Period). In addition, the Settlement with the Oxford Defendants will release all Class Members' Oxford Settled Claims against the Oxford Defendants, their past or present subsidiaries, parents, successors and predecessors, officers, directors, shareholders, agents, employees, attorneys, advisors, investment advisors, insurers, co-insurers, and reinsurers, and any person, firm, trust, corporation, foundation, officer, director or other individual or entity in which Oxford or any Individual Defendant has a controlling interest or which is related to or affiliated with Oxford or any of the Individual Defendants, and the legal representatives, heirs, successors in interest or assigns of the Oxford Defendants (collectively, the "Oxford Released Parties").

32. "Oxford Settled Claims" means any and all claims, rights, demands, suits, matters, issues, causes of action, or liabilities whatsoever, whether known or unknown, against the Oxford Defendants and/or the Oxford Released Parties whether under federal, state, local, statutory or common law or any other law, rule or regulation, and whether directly, indirectly, representatively or in any other capacity, in connection with, based upon, arising out of, or relating in any way to any allegations, claims, transactions, facts, matters or occurrences, representations or omissions involved, set forth, referred to or that could have been asserted by the Class Members in this Action relating to the purchase of Oxford common stock and/or purchase of Oxford call options and/or sale of Oxford put options during the Class Period and including but not limited to claims in connection with, based upon, arising out of, or relating to the Settlement (but excluding any claims to enforce the terms of the Settlement).

33. If the Settlement with the Oxford Defendants is approved by the Court, all Oxford Settled Claims will be dismissed on the merits and with prejudice as to all Class Members and all Class Members shall be forever barred from prosecuting a class action or any other action raising any Oxford Settled Claims against any Oxford Released Party.

34. The Settlement with the Oxford Defendants will become effective at such time as an Order entered by the Court approving the Settlement with the Oxford Defendants shall become final and not subject to appeal (the "Effective Date of the Settlement with the Oxford Defendants").

The KPMG Settlement:

35. KPMG shall pay or cause to be paid to the Class, in settlement of the KPMG Settled Claims (as defined below), the total sum of Seventy-Five Million Dollars (\$75,000,000) (the "KPMG Settlement Amount") on or before the later of June 2, 2003, or 10 days before the Settlement Fairness Hearing. The KPMG Settlement Amount and any interest earned thereon shall be the Gross KPMG Settlement Fund.

36. Pursuant to the Settlement with KPMG, and on the Effective Date of the Settlement with KPMG, plaintiffs and other members of the Class who have not previously excluded themselves therefrom on behalf of themselves, their heirs, executors, administrators, successors and assigns shall release and forever discharge, and shall forever be enjoined from prosecuting, the KPMG Released Parties (defined below) with respect to each and every KPMG Settled Claim (defined below). In addition, the Settlement with KPMG will release all Class Members' KPMG Settled Claims against KPMG and its present and former partners, principals, employees, predecessors, successors, affiliates, officers, attorneys, agents, insurers and assigns (collectively, the "KPMG Released Parties").

37. "KPMG Settled Claims" means any and all claims, rights, demands, suits, matters, issues, causes of action, or liabilities whatsoever, whether known or unknown, against KPMG and/or the KPMG Released Parties whether under federal, state, local, statutory or common law or any other law, rule or regulation, in connection with, based upon, arising out of, or relating in any way to any allegations, claims, transactions, facts, matters or occurrences, representations or omissions involved, set forth, referred to or that could have been asserted in the Action relating to the purchase of Oxford common stock and/or purchase of Oxford call options and/or sale of Oxford put options during the Class Period, including, but not limited to claims in connection with, based upon, arising out of, or relating to the Settlement (but excluding any claims to enforce the terms of the Settlement).

38. If the Settlement with KPMG is approved by the Court, all KPMG Settled Claims will be dismissed on the merits and with prejudice as to all Class Members and all Class Members shall be forever barred from prosecuting a class action or any other action raising any KPMG Settled Claims against any KPMG Released Party.

39. The Settlement with KPMG will become effective at such time as an Order entered by the Court approving the Settlement with KPMG shall become final and not subject to appeal (the "Effective Date of the Settlement with KPMG").

EXCHANGE OF RELEASES BETWEEN OXFORD AND KPMG

40. At Oxford's request, the plaintiffs in the Derivative Action are moving to discontinue that action, which will facilitate the exchange of releases between Oxford and KPMG as provided for herein. It is not a condition to the Settlements herein that the Derivative Action be discontinued. KPMG has agreed to pay such fees and expenses to Plaintiffs' Counsel in the Derivative Action as are ultimately awarded by the Court, up to \$1,550,000, after the Supreme Court of the State of New York discontinues the Derivative Action. If the Settlements herein are approved and become effective, Oxford and KPMG shall exchange mutual releases of (i) all claims for contribution or indemnity, however denominated, arising out of the claims of the plaintiffs and the Class in this Action, and (ii) all other claims by the Oxford Defendants against KPMG and by KPMG against the Oxford Defendants arising out of the facts and circumstances underlying this Action.

PLAN OF ALLOCATION OF THE PROCEEDS OF THE SETTLEMENTS AMONG CLASS MEMBERS

41. The \$225,000,000 Oxford Settlement Amount, and the interest earned thereon, shall be the Oxford Gross Settlement Fund. The Oxford Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the "Net Oxford Settlement Fund") shall be distributed to members of the Class who submit timely and valid Proofs of Claim ("Authorized Oxford Claimants"). The \$75,000,000 KPMG Settlement Amount, and the interest earned thereon shall be the KPMG Gross Settlement Fund. The KPMG Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the "Net KPMG Settlement Fund") shall be distributed to members of the Class who submit timely and valid Proofs of Claim based on purchases of Oxford common stock or call options, or sales of Oxford put options, made on or after February 18, 1997, the date of KPMG's audit opinion on Oxford's 1996 financial statements, through December 9, 1997 ("Authorized KPMG Claimants").

42. The following proposed Plan of Allocation reflects plaintiffs' contention that because of alleged misrepresentations and omissions about Oxford's financial condition and prospects, the prices of Oxford common stock and call

options were allegedly inflated artificially (and Oxford put option prices were allegedly deflated artificially) during the Class Period, through December 9, 1997. The Defendants deny that they made any material misrepresentations or omitted to disclose any material information and assert that Defendants are not liable to plaintiffs for anything. Defendant KPMG further asserts that any claims against it could only relate to its audit opinion on Oxford's 1996 financial statements which opinion was dated February 18, 1997, so that purchasers prior to that date could state no claim against KPMG in any event. Without admitting any liability, the Oxford Defendants and KPMG further contend that even if liability were shown, the plaintiffs suffered no compensable damages, or that at most only a small percentage of the alleged artificial inflation (or deflation) could be attributed to the claims plaintiffs asserted. Defendants assert the prices of Oxford common stock were not inflated artificially during the Class Period, and that the prices of its securities reflected market valuations prevalent at that time. Defendants further contend that the decrease in the prices of Oxford securities were explained and caused, in whole or substantial part, by other, non-actionable factors and causes outside the control of the Defendants and not by any alleged fraud. The Defendants take no position as to any proposed Plan of Allocation and disclaim any endorsement of the Plan of Allocation proposed by plaintiffs herein. The Court has not made any finding that Defendants are liable to plaintiffs or the Class or that plaintiffs have suffered any compensable damages.

43. The Claims Administrator shall determine each Authorized Oxford Claimant's pro rata share of the Net Oxford Settlement Fund based upon each Authorized Claimant's "Recognized Claim" from transactions during the entire Class Period. The Claims Administrator shall determine each Authorized KPMG Claimant's pro rata share of the Net KPMG Settlement Fund, based upon each Authorized Claimant's "Recognized Claim" from transactions during the period February 18, 1997 through and including December 9, 1997. The Recognized Claim formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlements. The Recognized Claim formula is the basis upon which the net settlement funds will be proportionately allocated to the Authorized Claimants.

44. An Authorized Claimant's "Recognized Claim" shall mean the amount determined in accordance with the following:

(a) Common Stock Purchases:

(i) for each share of Oxford common stock purchased on the open market during the Class Period which an Authorized Claimant continued to hold as of the close of trading on December 9, 1997 (the end of the Class Period), the "Recognized Claim" shall be equal to **the lesser of** (a) "Plaintiffs' Contention of the Estimated Inflation per Share" on the date of purchase of the Oxford common stock (as shown on the table set forth at **www.oxfordhealthplansincsecuritieslitigation.com/share.php3**), **or** (b) the difference, if a loss, between (x) the purchase price paid (including commissions, etc.) and (y) the greater of either (i) \$16.66 per share², or (ii) if sold on or before March 9, 1998, the proceeds received on sale (net of commissions, etc.). If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction;

(ii) for each share of Oxford common stock purchased on the open market during the Class Period which an Authorized Claimant sold at a loss prior to the close of trading on December 9, 1997 (including purchases to cover shares sold short prior to the Class Period), the Recognized Claim shall be equal to **the lesser of**³ (a) the difference, if a loss, between (x) the "Plaintiffs' Contention Of The Estimated Inflation Per Share" on the date of purchase of the Oxford common stock during the Class Period and (y) the "Plaintiffs' Contention Of The Estimated Inflation Per Share" on the date of sale of the Oxford common stock, **or** (b) the difference, if a loss, between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.). If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction;

(iii) The "Recognized Claim" from Purchases of Oxford Common Stock on any of the following dates: 11/08/96, 11/11/96, 11/12/96, 11/13/96, 11/14/96, 11/25/96, 11/26/96, 12/05/96, 12/30/96, 02/20/97, 02/21/97, 02/24/97, 08/11/97, 08/18/97, 08/19/97, 08/21/97, 08/26/97, 08/27/97, 8/28/97, and 8/29/97, shall also be multiplied by One Hundred and One Percent (101%).

(b) Call Option Purchases:

(i) For Oxford call options purchased during the Class Period and not owned as of the close of trading on October 27, 1997, November 5, 1997 or December 9, 1997, an Authorized Claimant's "Recognized Claim" shall be **the lesser of**: (a) 25%⁴ of the difference, if a loss, between (x) the amount paid for the call options during the Class Period

² This is the mean trading price for Oxford common stock for the 90 day period following the end of the Class Period.

³ For the purposes hereof, the lesser of two loss figures is the number closer to zero. Thus, for example, comparing a loss of \$5.00 to a loss of \$10.00, the \$5.00 loss is the lesser loss.

⁴ This discount reflects both (a) the fact that a purchase of a Call option includes the payment of a time premium, and (b) the fact that the option was not held by the purchaser on October 27, 1997, November 5, 1997 or December 9, 1997.

(including brokerage commissions and transaction charges) and (y) the sum for which said call options were subsequently sold at a loss (after brokerage commissions and transaction charges)(or \$0.00 if the Call Option expired worthless while still owned by the Authorized Claimant); **or** (b) the difference, if a loss, between (x) the “Plaintiffs’ Contention Of The Estimated Inflation Per Call Option Contract” on the date of purchase of the Oxford Call Option (as shown on the table set forth at www.oxfordhealthplansincsecuritieslitigation.com/call.php3), and (y) the “Plaintiffs’ Contention Of The Estimated Inflation Per Call Option Contract” on the subsequent date of sale of the Oxford Call Option (or \$0.00 if the Call Option expired worthless while still owned by the Authorized Claimant), multiplied by the number of Call Option contracts. If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction.

(ii) For Oxford call options purchased during the Class Period that were owned by the Authorized Claimant on October 27, 1997, November 5, 1997 or December 9, 1997, the “Recognized Claim” shall be **the lesser of**: (a) 50%⁵ of the difference, if a loss, between (x) the amount paid for the call options during the Class Period (including brokerage commissions and transaction charges) and (y) the sum for which said call options were sold at a loss (after brokerage commissions and transaction charges)(or \$0.00 if the Call Option expired worthless while still owned by the Authorized Claimant), **or** (b) the difference, if a loss, between (x) the “Plaintiffs’ Contention Of The Estimated Inflation Per Call Option Contract” on the date of purchase of the Oxford Call Option and (y) the “Plaintiffs’ Contention Of The Estimated Inflation Per Call Option Contract” on the date of sale of the Oxford Call Option (or \$0.00 if the Call Option expired worthless while still owned by the Authorized Claimant), multiplied by the number of Call Option contracts. If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction.

(iii) No Loss shall be Recognized based on a sale or writing of any Call Option that was subsequently repurchased.

(c) Put Option Sales:

(i) For Oxford Put Options sold (written) during the Class Period, but which were not the obligation of the Authorized Claimant on October 27, 1997, November 5, 1997 or December 9, 1997, an Authorized Claimant’s “Recognized Claim” shall be **the lesser of**: (a) 50%⁶ of the difference, if a loss, between (x) the amount received for writing the put options during the Class Period (net of brokerage commissions and transaction charges) and (y) the sum for which said put options were repurchased at a loss⁷ (including brokerage commissions and transaction charges); **or** (b) the difference, if a loss, between (x) the “Plaintiffs’ Contention Of The Estimated Inflation Per Put Option Contract” on the date of sale (writing) of the Oxford Put Option (as shown on the table set forth at www.oxfordhealthplansincsecuritieslitigation.com/put.php3), and (y) the “Plaintiffs’ Contention Of The Estimated Inflation Per Put Option Contract” on the date of repurchase of the Oxford Put Option, multiplied by the number of Put Option contracts. If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction.

(ii) For Oxford Put Options sold (written) during the Class Period that were the obligation of the Authorized Claimant on October 27, 1997, November 5, 1997 or December 9, 1997, the “Recognized Claim” shall be **the lesser of**: (a) the difference, if a loss, between (x) the amount received for writing the Put Options during the Class Period (net of brokerage commissions and transaction charges) and (y) the sum for which said Put Options were repurchased at a loss (including brokerage commissions and transaction charges); **or** (b) the difference, if a loss, between (x) the “Plaintiffs’ Contention Of The Estimated Inflation Per Put Option Contract” on the date of sale (writing) the Oxford Put Option and (y) the “Plaintiffs’ Contention Of The Estimated Inflation Per Put Option Contract” on the date of repurchase of the Oxford Put Option, multiplied by the number of Put Option contracts. If either (a) or (b) is a gain, there shall be no Recognized Claim from that transaction.

(iii) For Oxford Put Options written during the Class Period that were “put” to the Authorized Claimant (i.e. exercised), the Authorized Claimant’s “Recognized Claim” shall be calculated under paragraph 44(a) above, and as if the sale of the Put Option were instead a purchase of Oxford common stock on the date of the sale of the Put Option, and the “purchase price paid” shall be the strike price less the proceeds received on the sale of the Put Option.

(iv) No Loss shall be Recognized based on a sale of any Put Option that was previously purchased.

45. Copies of the tables setting forth Plaintiffs’ Contention Of The Estimated Inflation Per Share, Call Option and Put Option on a daily basis during the time Period, November 6, 1996 through and including December 9, 1997 are available on the internet at www.oxfordhealthplansincsecuritieslitigation.com/plaintiff.php3, and may also be obtained by request to

⁵ This discount reflects the fact that a purchase of a Call option includes the payment of a time premium.

⁶ This discount reflects the fact that the option was not held by the purchaser on October 27, 1997, November 5, 1997 or December 9, 1997).

⁷ For Oxford put options sold (written) during the Class Period that expired worthless and unexercised, an Authorized Claimant’s “Recognized Claim” shall be \$0.00.

46. Transactions resulting in a gain shall not be included. For Class Members who held Oxford securities at the beginning of the Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases and sales for purposes of calculating a claim. Under the FIFO method, each sale of an Oxford security during the Class Period will be matched, in chronological order, first against the Oxford securities held at the beginning of the Class Period. Such holdings and sales will be excluded from the calculation of the loss. The remaining sales of an Oxford security during the Class Period will then be matched, in chronological order, against purchases of such Oxford securities during the Class Period. Purchases made during the Class Period to cover Oxford common stock sold "short" prior to the Class Period have a Recognized Claim equal to the amount of the "Plaintiffs' Contention Of The Estimated Inflation Per Share" on the date of the covering purchase. A purchase or sale of Oxford securities shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, devise or operation of law of Oxford securities during the Class Period shall not be deemed a purchase or sale of Oxford securities for the calculation of an Authorized Claimant's Recognized Claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Oxford securities during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Oxford securities.

47. (i) Each Authorized Oxford Claimant shall be allocated a *pro rata* share of the Net Oxford Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all Authorized Oxford Claimants. Each Authorized Oxford Claimant shall be paid an amount determined by multiplying his, her or its "Recognized Claim" by a fraction the numerator of which shall be the Net Oxford Settlement Fund and the denominator of which shall be the Total Recognized Claims of all Authorized Oxford Claimants.

(ii) Each Authorized KPMG Claimant shall be allocated a *pro rata* share of the Net KPMG Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all Authorized KPMG Claimants. Each Authorized KPMG Claimant shall be paid an amount determined by multiplying his, her or its "Recognized Claim" by a fraction the numerator of which shall be the Net KPMG Settlement Fund and the denominator of which shall be the Total Recognized Claims of all Authorized KPMG Claimants.

48. Class Members who do not file acceptable Proofs of Claim will not share in the settlement proceeds. Class Members who do not submit an acceptable Proof of Claim will nevertheless be bound by the Settlement(s) and the Order(s) and Final Judgment(s) of the Court dismissing this Action.

49. Bank drafts will be distributed to Authorized Claimants after the Effective Date of the Settlement(s) and after all claims have been processed. If any funds remain in the Net Settlement Funds by reason of uncashed bank drafts or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Funds cash their bank drafts, any balance remaining in the Net Settlement Funds one (1) year after the initial distribution of such funds shall be re-distributed, after payment of any unpaid costs or fees incurred in administering the Net Settlement Funds for such re-distribution, to Class Members who have cashed their bank drafts and who would receive at least \$10.00 from such re-distribution. If after six months after such re-distribution any funds shall remain in the Net Settlement Funds, then such balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) designated by Plaintiffs' Lead Counsel.

THE RIGHTS OF CLASS MEMBERS

50. The Court has certified this Action to proceed as a class action. If you purchased Oxford common stock or purchased Oxford call options or sold Oxford put options during the period from November 6, 1996 through and including December 9, 1997 and were damaged thereby and you are not excluded from the definition of the Class, and you did not submit a request for exclusion in accordance with the terms of the Notice of Pendency, then you are a Class Member. Class Members may object to either or both of the Settlements or any of their terms, the proposed Plan of Allocation and/or the Plaintiffs' Counsel's application for fees and expenses by following the instructions in paragraph 56 below.

SUBMISSION AND PROCESSING OF PROOFS OF CLAIM

51. In order to be eligible to receive any distribution from the Settlement Funds, you must complete and sign the accompanying Proof of Claim and Release form and send it by first class mail postmarked on or before **July 11, 2003**, addressed as follows:

In re Oxford Health Plans, Inc. Securities Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 8846
Melville, New York 11747-8846

52. If you do not submit a proper Proof of Claim form, you will not be entitled to any share of the Settlement Funds.

53. All Proofs of Claim must be submitted by the date specified in this Settlement Notice unless such period is extended by Order of the Court.

54. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York, White Plains Division with respect to his, her or its Proof of Claim. The Court has reserved jurisdiction to allow, disallow, or adjust any claim on equitable grounds.

SETTLEMENT FAIRNESS HEARING

55. At the Settlement Fairness Hearing, the Court will determine whether to finally approve either or both of these Settlements and dismiss the Action and the claims of the Class Members. The Court will also determine whether the Plan of Allocation for the proceeds of the Settlements is fair and reasonable. The Settlement Fairness Hearing may be adjourned from time to time by the Court without further written notice to the Class. If you intend to attend the Settlement Fairness Hearing, you should confirm the date and time with Plaintiffs' Lead Counsel. If either or both of the Settlements are approved, the Court will also consider the application of Plaintiffs' Counsel for attorneys' fees for the approved Settlement(s).

56. At the Settlement Fairness Hearing, any Class Member who has not previously submitted a request for exclusion from the Class may appear in person or by counsel and be heard to the extent allowed by the Court in opposition to the fairness, reasonableness and adequacy of either or both of the Settlements, the Plan of Allocation, or the application for an award of attorneys' fees and reimbursement of expenses, provided, however, that in no event shall any person be heard in opposition to either or both of the Settlements, the Plan of Allocation, or Plaintiffs' Counsel's application for attorneys' fees and expenses and in no event shall any paper or brief submitted by any such person be accepted or considered by the Court, unless, on or before **May 28, 2003**, such person (a) files with the Clerk of the Court notice of such person's intention to appear, showing proof of such person's membership in the Class, and providing a statement that indicates the basis for such opposition, along with any documentation in support of such objection, and (b) simultaneously serves copies of such notice, proof, statement and documentation, together with copies of any other papers or briefs such person files with the Court, in person or by mail upon Plaintiffs' Lead Counsel:

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Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to the approval of either or both of the Settlements, the Plan of Allocation, and/or the request for attorneys' fees are required to indicate in their written objection their intention to appear at the hearing. Persons who intend to object to either or both of the Settlements, the Plan of Allocation, and/or counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

ATTORNEYS' FEES AND DISBURSEMENTS

57. At the Settlement Fairness Hearing or at such other time as the Court may direct, Plaintiffs' Counsel intend to apply to the Court for an award of attorneys' fees from the Settlement Funds from the approved Settlement(s) in an amount not to exceed one-third (33-1/3%) of the Gross Settlement Funds from the approved Settlement(s) and for reimbursement of their expenses up to a maximum amount of \$7,000,000, plus interest at the same rate as earned by the Gross Settlement Fund(s). Plaintiffs' Lead Counsel, without further notice to the Class, may subsequently apply to the Court for fees and expenses incurred in connection with administering and distributing the proceeds of the Settlement(s) to the members of the Class and any proceedings subsequent to the Settlement Fairness Hearing.

FURTHER INFORMATION

58. For a more detailed statement of the matters involved in this Action, reference is made to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, United States Courthouse, 300 Quarropas Street, White Plains, New York 10601, during regular business hours.

59. ALL INQUIRIES CONCERNING THIS SETTLEMENT NOTICE OR THE PROOF OF CLAIM FORM BY CLASS MEMBERS SHOULD BE MADE TO THE CLAIMS ADMINISTRATOR IN WRITING AT THE ADDRESS INDICATED BELOW.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

60. If you purchased Oxford common stock or purchased Oxford call options or sold Oxford put options during the period from November 6, 1996 through and including December 9, 1997 for the beneficial interest of a person or organization other than yourself, AND IF YOU HAVE NOT PREVIOUSLY PROVIDED LISTS OF SUCH BENEFICIARIES TO THE CLAIMS ADMINISTRATOR IN CONNECTION WITH THE PRIOR NOTICE OF PENDENCY⁸, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS SETTLEMENT NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such stock during such time period or (b) request additional copies of this Settlement Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) days mail the Settlement Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Funds of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

In re Oxford Health Plans, Inc. Securities Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 8846
Melville, New York 11747-8846
Telephone: (888) 367-8273

Dated: White Plains, New York
April 18, 2003

By Order of the Court
CLERK OF THE COURT

⁸ The Claims Administrator will mail copies of this Notice to all persons or entities previously identified by nominees in connection with the Notice of Pendency dated February 4, 2002. Nominees who previously submitted lists of their beneficiaries who are Class Members do not need to submit those lists again.

EXHIBIT 1

PROPOSED CORPORATE GOVERNANCE PROVISIONS

Oxford Health Plans, Inc. ("Oxford") shall establish and maintain at least until December 31, 2005, the following corporate governance provisions:

1. Oxford shall maintain a Nominating Committee, a Compensation Committee and an Audit Committee of its Board of Directors.
2. The Compensation Committee, Audit Committee and Nominating Committee shall be empowered to hire their own independent advisors.
3. The Compensation Committee, Audit Committee and Nominating Committee shall meet the independence requirements of the New York Stock Exchange ("NYSE") on the schedule and as defined by the rules of the NYSE, as amended.
4. The Board of Directors of Oxford shall consist of a majority of independent directors, as defined in the NYSE rules, as amended.
5. The independent directors, as defined in the NYSE rules, as amended, shall meet at least once a year without the CEO or other non-independent directors present.
6. The compensation of Oxford's directors shall be reviewed from time to time by the Compensation Committee, which shall make recommendations to the full Board of Directors.
7. Oxford shall make disclosures as to those financial or business relationships with and payments to directors, their immediate family members, and related business entities, as defined in and required by SEC Regulation S-K.
8. Oxford's Board of Directors, on its own or acting through the Nominating Committee, shall evaluate itself and individual members on a regular basis. This evaluation shall include an assessment of the Board's skills, experience, and participation in Board meetings.
9. Oxford shall develop and maintain a Code of Ethics for officers and employees.
10. Oxford shall develop and maintain Disclosure Controls and Procedures to promote the full and fair disclosure of information in Oxford's Forms 10-K, 10-Q and 8-K filings with the SEC.
11. Oxford shall maintain an internal audit function, which function shall not be performed by the Company's independent auditors but may be outsourced to another nationally recognized accounting firm. The internal audit function shall report on substantive audit matters (including audit plans, findings, and recommendations), directly to the Audit Committee of the Oxford Board of Directors.
12. Oxford shall not engage its independent auditors for non-audit services without approval of the Audit Committee or its delegate.
13. Oxford shall maintain insider trading policies, including a compliance program designed to ensure compliance with applicable laws and regulations regarding insider trading.
14. Oxford shall maintain a Regulation FD policy to ensure compliance with SEC Regulation FD.