

Appendix A

[letterhead of Preferred Health]

[name of payor's CEO]
[address]

Dear _____:

Enclosed is a copy of a complaint and a consent order (“Order”) issued by the Federal Trade Commission against Preferred Health Services, Inc. (“Preferred Health”).

Pursuant to Paragraph V.C of the Order, Preferred Health must allow you to terminate, upon your written request, without any penalty or charge, any contracts with Preferred Health that were in effect prior to your receipt of this letter.

Paragraph V.C of the Order also provides that, if you do not terminate a contract, the contract will terminate on its earliest termination or renewal date (including any automatic renewal date). However, at your request, the contract may be extended to a date no later than [appropriate date, pursuant to the Order, to be filled in by Preferred Health]. If you choose to extend the term of the contract, you may later terminate the contract at any time.

Any request either to terminate or to extend the contract should be made in writing, and sent to me at the following address: [address].

Sincerely,