

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SANTA BARBARA  
ANACAPA DIVISION

IN RE TENET HEALTHCARE CORPORATION	)	Lead Case No. 01098905
DERIVATIVE LITIGATION	)	(consolidated with Case Nos. 01098907,
	)	01098931, 01098984, 01099024, 01110874)
_____	)	
This Document Relates To:	)	
ALL ACTIONS.	)	(Derivative Action)
_____	)	

**NOTICE OF PROPOSED SETTLEMENT**

**TO: ALL SHAREHOLDERS OF TENET HEALTHCARE CORPORATION ("TENET" OR THE "COMPANY") COMMON STOCK AS OF THE CLOSE OF BUSINESS ON JANUARY 11, 2006 (THE "SHAREHOLDERS").**

**PLEASE READ THIS NOTICE OF PROPOSED SETTLEMENT OF DERIVATIVE ACTION (THE "NOTICE") CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE PERTAINS TO A PROPOSED SETTLEMENT OF THE SHAREHOLDER DERIVATIVE ACTION REFERRED TO IN THE CAPTION ABOVE AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS.**

NOTICE IS HEREBY GIVEN that a hearing (the "Settlement Hearing") will be held before the Honorable Denise de Bellefeuille in the Santa Barbara Superior Court (the "Court"), 1100 Anacapa Street, Santa Barbara, CA 93101, in Judge de Bellefeuille's courtroom, on May 4, 2006 at 9:30 a.m., to determine whether the settlement (the "Settlement") of the above-captioned action (the "Derivative Action") as set forth in the Stipulation of Settlement dated January 11, 2006 (the "Stipulation"), is fair, reasonable and adequate and to consider the application of Plaintiffs' Co-Lead Counsel, as defined herein, for attorneys' fees and reimbursement of expenses.

The Court has authorized this notice.

**I. SUMMARY OF PLAINTIFFS' RECOVERY**

1. Pursuant to the Settlement, a Settlement Fund (as defined in Section III.1.A below) consisting of \$51,500,000 plus interest, will be established.

2. If the Securities and Exchange Commission ("SEC") consents to the establishment of a Fair Fund, and if payments are made by Tenet into the Fair Fund for alleged violations of the federal securities laws, Tenet, with the consent of the SEC, can use the funds paid into the Fair Fund to fund any part of its obligation to fund the settlement of the federal securities class action ("Class Action Settlement") pending in the United States District for the Central District of California, Western Division entitled: *In re Tenet Healthcare Corp. Securities Litigation*, No. CV-02-8462-RSWL (RZx) ("Federal Securities Action"). To date, the SEC has not established a Fair Fund or consented to the substitution of payments described in this paragraph.

3. As detailed in Section III below, Tenet, due to the pendency of the Derivative Action, has undertaken, and will further undertake additional, extensive corporate governance reforms.

**II. BACKGROUND OF THE LITIGATION**

1. Beginning on November 12, 2002, several derivative actions were filed in this Court alleging that certain of Tenet's current and former officers and/or directors had violated, among other things, their fiduciary obligations to Tenet and its shareholders. On March 13, 2003, the Court consolidated the lawsuits and approved the motion of plaintiffs Bob Lankford and James Milite to have their respective counsel, Robbins Umeda & Fink, LLP and Faruqi & Faruqi, LLP, appointed plaintiffs' co-lead counsel ("Plaintiffs' Co-Lead Counsel").

2. On March 4, 2003, Plaintiffs' Co-Lead Counsel filed the Consolidated Derivative Complaint for Violations of California Corporations Code, Breach of Fiduciary Duty, Gross Mismanagement, Waste of Corporate Assets, Abuse of Control and Unjust Enrichment (the "Complaint"). Defendants named in the Complaint were Jeffrey C. Barbakow, Bernice B. Bratter, Sanford Cloud, Jr., Maurice J. DeWald, Van B. Honeycutt, J. Robert Kerrey, Lester B. Korn, Lawrence Biondi, S.J., Floyd D. Loop, Monica C. Lozano, Michael H. Focht, Sr., Thomas B. Mackey, Raymond L. Mathiasen, Christi R. Sulzbach, David L. Dennis and Nominal Defendant Tenet (collectively the "Defendants"). The Complaint alleged, *inter alia*, that the Individual Defendants damaged Tenet because they breached their fiduciary duties by failing to properly monitor, investigate and oversee Tenet's patient procedures and Tenet's receipt of outlier payments from Medicare. The Complaint further alleged that the Individual Defendants failed to monitor or investigate a scheme to cause patients to undergo unnecessary invasive procedures and failed to monitor Tenet's accounting and financial disclosure practices.

3. On July 22, 2003, the Court denied Defendants' demurrer seeking to dismiss the Complaint and granted Defendants' motion to stay (the "Stay") in the Derivative Action.

4. On July 7, 2004, the Court partially lifted the Stay allowing Plaintiffs' Co-Lead Counsel to receive copies of all documents produced by Defendants to plaintiffs in the Federal Securities Action.

5. Beginning in February 2005, Plaintiffs' Co-Lead Counsel received and reviewed millions of pages of documents produced by Defendants.

6. On September 27, 2005, the Court further lifted the stay allowing Plaintiffs' Co-Lead Counsel to go ahead with the depositions of defendants Biondi, Loop and Lozano. The Court also ordered that Plaintiffs' Co-Lead Counsel would be permitted to attend all depositions scheduled in the Federal Securities Action.

7. On August 24, 2005, Plaintiffs' Co-Lead Counsel made a demand on Defendants setting forth terms on which the Derivative Action could be settled.

8. On January 6, 2006, Plaintiffs' Co-Lead Counsel and Defendants' counsel engaged in negotiations, assisted by retired California Court of Appeal Judge and Justice *Pro Tem* of the California Supreme Court, The Honorable Nat Agliano, as mediator, leading to the settlement set forth herein.

### **III. TERMS OF THE SETTLEMENT**

1. In full and complete settlement of the Released Claims (as defined below), and subject to the terms and conditions of the Stipulation, Defendants have agreed to the following:

#### **A. Monetary Compensation**

*Monetary Contribution.* The Defendants will cause \$51,500,000 to be paid to Tenet ("Settlement Fund"). The Settlement Fund shall be funded as follows: (i) Fifty Million dollars (\$50,000,000) from insurance carriers of Tenet and the Individual Defendants ("Insurance Carriers"); (ii) Five Hundred Thousand dollars (\$500,000) from Defendant Thomas B. Mackey; and (iii) One Million dollars (\$1,000,000) from Defendant Jeffrey C. Barbakow (collectively "the Payors"). The \$50,000,000 from the insurance carriers shall be paid by the earlier of ten (10) calendar days of written notice by Plaintiffs' Co-Lead Counsel to all Parties hereto of the Court's entry of the Preliminary Approval Order or March 1, 2006, by depositing such funds into the Insurance Contribution Escrow Account – Derivative. The \$1,500,000 from Barbakow and Mackey collectively shall be paid on or before ten (10) calendar days of written notice by Plaintiffs' Co-Lead Counsel to all Parties of the Court's entry of the Preliminary Approval Order or March 1, 2006 by depositing such funds into the Individual Defendants' Escrow Account. Within five (5) calendar days of the Effective Date of the Stipulation occurring, the Settlement Fund, including any accrued interest, shall be paid to Tenet. In the event the Effective Date of this Settlement occurs, the sums contributed by Defendants Jeffrey C. Barbakow and Thomas B. Mackey shall not be reimbursed to them by their insurance carriers or by Tenet or its agents. In the event that the Effective Date of the Stipulation does not occur, then the respective contributions made by each of the Payors to the Settlement Fund, including any and all accrued interest, shall be paid back to the respective Payors.

#### **B. Fair Fund**

In the event that Tenet makes any payment to the SEC based upon matters also raised as a basis for claims asserted in the Federal Securities Action, and the SEC permits any portion of such payment to be placed in a fund to be distributed to class members in the Federal Securities Action (a "Fair Fund"), Plaintiffs' Co-Lead Counsel has obtained the agreement of plaintiffs in the Federal Securities Action, and their counsel, to apply the Fair Fund in partial payment of any obligations of Tenet in settlement of the Federal Securities Action, thus reducing Tenet's financial contribution to that settlement in the same amount as the payment. To date, the SEC has not established a Fair Fund or consented to the substitution of payments described in this paragraph.

#### **C. Corporate Governance Changes**

Tenet has implemented, or agreed to implement, the following substantial corporate governance changes:

a. Require that two-thirds of Tenet's directors be Independent. Currently 8 out of 9 Tenet directors are Independent.

b. Amend the Corporate Governance Principles to require that the Board will meet in executive session following every regularly-scheduled Board meeting, rather than just once per quarter as currently required.

c. Require that the Compensation, Nominating and Corporate Governance ("Corporate Governance Committee") and Audit committees be composed solely of Independent directors.

d. Limit service by its directors on other boards/committees such that directors who serve as CEOs or in equivalent positions of public companies may not serve on the boards of more than two public companies in addition to Tenet's board. Other directors may not serve on the boards of more than three public companies in addition to Tenet's board.

e. Members of the Board of Directors will not be nominated for election after their 72nd birthday.

f. Prohibit interlocking directorships such that no two Tenet directors may serve together on the board of any public company other than Tenet.

g. Created a "Non-Executive Chairman" or "Lead Director" position so that the CEO and Chairman positions are currently not held by the same individual. In the event that the board desires to elect a member of management to the board and to appoint such individual as Chairman of the Board, the board will designate an independent, non-employee director as Lead Director. The duties of the Lead Director will include, but not be limited to, chairing executive sessions of the board, serving as the principal liaison between the non-employee directors and members of senior management, representing the board in meetings with investors, legislators, regulators and other government officials, and working with the Chairman to finalize information flow to the board, meeting agendas and meeting schedules. The Lead Director, in conjunction with the Nominating and Corporate Governance Committee, also will take a role in the board performance evaluation process.

h. Require an annual performance review of the board and its committees.

i. Require directors to attend 75% of board and committee meetings and expect 100% attendance.

j. Expect directors to attend annual shareholder meetings.

k. Each director upon appointment shall complete a course of introduction to the Company.

l. Sought and received shareholder approval to declassify the board of directors by including in Tenet's 2003 proxy statement a proposal seeking shareholder approval to amend its articles of incorporation to provide for the declassification of the board of directors. Prior to that time, Tenet directors were elected on a staggered basis with each director serving three year terms. Tenet's shareholders voted in favor of the declassification proposal at Tenet's 2003 annual shareholder meeting and, as a consequence of receiving this favorable vote, all Tenet directors are elected annually.

m. Expense stock options such that the Company now accounts for the cost of stock-based compensation using the "fair-value" method recommended under accounting standard SFAS No. 123, under which the cost of stock option grants is measured by the fair value of the awards on their grant date and is recognized over the vesting periods of the awards.

n. Amend Compensation Committee Charter to require that the Committee must recommend that the Board seek shareholder approval for the adoption of any new equity-based compensation plans they recommend for board approval.

o. For a period of at least 5 years, no previously issued options shall be repriced at a lower exercise price without shareholder approval. All plans for granting of options must be approved by the Company's stockholders.

p. Impose stock ownership guidelines on directors and executives such that all officers at or above the senior vice president level are required to own an amount of Tenet common stock valued at a certain multiple of base salary, depending upon position, within five years of the time such individual becomes a senior officer. The board also reaffirmed existing stock ownership guidelines for directors such that directors are required to hold an amount of Tenet common stock valued at three times the annual retainer fee paid to directors within five years of the time such individual becomes a director.

q. Impose stock retention guidelines upon exercise of options and vesting of restricted stock units such that directors and executive officers who have not yet fulfilled their stock ownership requirement described in the immediately preceding paragraph are required to hold for one year 100% of the shares received upon the exercise of stock options and upon the vesting of restricted stock units, in each case net of those shares required to pay the exercise price and any taxes due upon exercise or vesting.

r. Amend the Audit Committee Charter to require quarterly executive sessions, rather than periodic executive sessions as currently required, with each of the following: (i) management, (ii) independent auditors and (iii) the director of the Audit Services Department.

s. Amend the Audit Committee Charter to require a quarterly report from the Audit Services Department and any independent internal auditors the company may have retained.

t. Established means for shareholder communication with the board such that shareholders may communicate with the board by e-mail using the e-mail address published each year in Tenet's annual proxy statement and publicly available on Tenet's website or by writing the board in care of Tenet's Corporate Secretary.

u. Expect directors to attend continuing education programs such that Tenet's Corporate Governance Principles contain a provision which states that each director is expected to attend a continuing education program related to their responsibilities as a director at least once every two years.

v. Expect directors to visit Company hospitals such that Tenet's Corporate Governance Principles contain a provision which states that directors are expected to visit at least one Tenet hospital each year.

w. The Nominating and Corporate Governance Committee should consist of not less than three Board members.

x. The Nominating and Corporate Governance Committee Charter should set forth the Nominating and Corporate Governance Committee's role and responsibilities, which should incorporate functions described herein including:

- (i) making nominations to serve on the Board or its committees (or as a committee chairman); and
- (ii) overseeing all proposed amendments to the Articles, By Laws or governance guidelines.

y. The Board's Committees shall have standing authorization, on their own decision, to retain legal or other advisors of their choice, who shall report directly to the Board of Committee.

z. Within 30 business days after the Effective Date, Tenet will amend its insider trading policy to:

(i) prohibit directors and all officers at the rank of Senior Vice President and above from (a) selling Tenet common stock during any Company buy-back program and (b) engaging in any put or call transactions, in each case without first obtaining the approval of the Corporate Governance Committee of the Board of Directors;

(ii) require that each employee covered by the insider trading policy will be required to undergo thorough training with respect to the policy, such training will include an overview of the rules and regulations concerning insider trading and an explanation of the consequences for not following the policy, including disciplinary action up to and including discharge. Tenet will disseminate the amended policy to covered employees within six months of the date of the Stipulation and to initiate the training program within that time frame;

(iii) include a provision whereby the General Counsel of the Company will report to the Corporate Governance Committee any known violations of the Company's insider trading policies and the actions taken by the Company in response to any known violations.

Tenet has agreed that the corporate governance reforms detailed above will continue and will not be modified except upon approval of a majority of the Corporate Governance Committee and/or a majority of Tenet's independent board members and/or by a majority vote of Tenet's shareholders, or as otherwise required by law or regulation.

#### **D. Definitions**

1. "Effective Date" means the first date by which all of the events and conditions specified in Section IV, paragraph 5.1 of the Stipulation have been met and have occurred, which include: (a) the Tenet board of directors has approved this Stipulation as executed; (b) the Court has entered the Preliminary Approval Order; (c) Defendants have caused to be paid the sums set forth above in paragraph III.1.A above; (d) the Court has entered the Judgment dismissing the Litigation with prejudice and such Judgment has become Final, as defined below; (e) dismissal with prejudice of *In re Tenet Healthcare Corporation Corporate Derivative Litigation*, No. CV-03-11 RSWL (Rsx) (C.D. Cal.) and the judgment dismissing that action has become Final; (f) Tenet and the defendants in the Federal Securities Action executing a settlement agreement to settle that action, and the settlement in the Federal Securities Action becoming Final, as defined in paragraph 1.11 of the Federal Securities Stipulation and Agreement of Partial Settlement (A notice summarizing the Federal Securities Stipulation and Agreement of Partial Settlement is available online at [www.gardencitygroup.com](http://www.gardencitygroup.com)); (g) Tenet's Insurance Carriers have approved the Stipulation within fifteen (15) business days after execution of the Stipulation or in the event they have not, the sums set forth above in paragraph III.1.A above have been paid; and (h) written notice of the occurrence of the events described in subsections (a) through (g) of this paragraph is provided by Plaintiffs' Co-Lead Counsel to all Parties and all Parties have consented that the Effective Date has occurred, and notice of such Effective Date is then provided by Plaintiffs' Co-Lead Counsel. All Parties shall respond to such notice within two (2) business days of receiving written notice from Plaintiffs' Co-Lead Counsel ("Two-Day Notice Period"). The failure to respond within the Two-Day Notice Period shall be consent that the Effective Date has occurred. Following the Two-Day Notice Period, Plaintiffs' Co-Lead Counsel shall provide written notice to all Parties that the Effective Date has occurred.

2. "Final" means the later of: (a) the date of final affirmance on an appeal of the Judgment, the expiration of the time for a petition to review the Judgment and, if any such writ or petition is granted, the date of final affirmance of the Judgment following review pursuant to that grant; or (b) the date of final, non-appealable dismissal of any appeal from the Judgment or the final, non-appealable dismissal of any proceeding on petition for review of the Judgment; or (c) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the Court's Judgment approving the Stipulation. Any proceeding or order, or any appeal or petition for review pertaining solely to any claim for attorneys' fees and reimbursement of expenses in this Litigation or the Federal Securities Action shall not in any way delay or preclude the Judgment from becoming Final within the meaning of this paragraph. Provided, in no event shall the Judgment in this Litigation be deemed "Final" for purposes of this Stipulation unless and until the dismissal with prejudice in *In re Tenet Healthcare Corporation Corporate Derivative Litigation*, No. CV-03-11 RSWL (Rsx) (C.D. Cal.), has become "Final" as defined in this paragraph.

3. "Independent" means that the Company's board of directors has affirmatively determined that a director has no material relationship with the Company and that the director otherwise qualifies as independent under the corporate governance listing standards of the New York Stock Exchange as amended from time-to-time.

4. "Individual Defendants" means Jeffrey C. Barbakow, Bernice B. Bratter, Sanford Cloud, Jr., Maurice J. DeWald, Van B. Honeycutt, J. Robert Kerrey, Lester B. Korn, Lawrence Biondi, S.J., Floyd D. Loop, Monica C. Lozano, Michael H. Focht, Sr., Thomas B. Mackey, Raymond L. Mathiasen, Christi R. Sulzbach, and David L. Dennis.

5. "Individual Defendants' Escrow Agreement" means the escrow agreement governing the interest bearing escrow account ("Individual Defendants' Escrow Account") into which the sums contributed by defendants Thomas B. Mackey and Jeffrey C. Barbakow for settlement will be deposited, which is to be signed by Plaintiffs' Co-Lead Counsel, counsel for Jeffrey C. Barbakow, counsel for Thomas B. Mackey, and GCG, and attached as Exhibit A to the Stipulation.

6. "Insurance Contribution Escrow Agreement – Derivative" means the escrow agreement governing the interest bearing escrow account ("Insurance Contribution Escrow Account – Derivative") into which the funds contributed by the Insurance Carriers is deposited, which is to be signed by Plaintiffs' Co-Lead Counsel, counsel for Tenet, counsel for Jeffrey C. Barbakow, counsel for Thomas B. Mackey, and GCG, and attached as Exhibit B to the Stipulation.

7. "Preliminary Approval Order" means the order approving the Stipulation.

8. "Settling Parties" means, collectively, Defendants and Plaintiffs (as defined in the Stipulation).

9. "Related Persons" means each of a Defendant's present or former spouses, heirs, executors, estates, administrators, any entity in which a Defendant has or had a controlling interest, any members of their immediate families, or any trust of which any Defendant is or was the settlor or which is or was for the benefit of any Defendant and/or member(s) of his or her family, and each of the Defendants' present and former attorneys, legal representatives, and assigns in connection with this Litigation, and all past and present directors, officers, agents, servants, employees, affiliates, insurers and attorneys for nominal defendant Tenet and their counsel.

10. "Released Persons" means each and all of the Defendants and the Related Persons.

11. "Released Claims" shall collectively mean any and all claims (including "Unknown Claims" as defined below), rights, demands, suits, matters, issues or causes of action or liabilities whatsoever, including, without limitation, claims for negligence, breach of duty, fraud, or violations of law, whether based on 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 have been or could have been or could be asserted in any forum by any Plaintiff, Tenet, or Person derivatively on behalf of Tenet against any of the Released Persons which arise out of or relate in any way to any of the wrongful transactions, disclosures, acts, or occurrences, statements, or omissions, or failures to act which were alleged in this Litigation (and, as to the Released Persons only, could have been alleged in this Litigation), including, but not limited to, claims for insider trading, mismanagement, waste of corporate assets, abuse of control, unjust enrichment, securities fraud, claims based upon SEC filings or other public disclosures, or any claims in connection with, based upon, or arising out of, or relating to the Settlement (but excluding any claims to enforce the terms of the Settlement).

12. "Tenet Releasees" means (i) all current officers, directors and employees of Tenet who could have been named as defendants in this Litigation but were not; and (ii) all former officers, directors and employees of Tenet who could have been named as defendants in this Litigation but were not.

13. "Unknown Claims" means any Released Claim which Plaintiffs, Plaintiffs' Co-Lead Counsel or Tenet do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons or Tenet Releasees, and any claims relating to the filing and prosecution of the Litigation that any Defendant does not know or suspect to exist in his, her or its favor, which, if known by him, her or it, might have affected his, her or its decisions with respect to this Settlement. With respect to any and all Released Claims, Plaintiffs, on behalf of Tenet, Tenet, and Defendants, on behalf of themselves, agree that, upon the entry of the Judgment, each shall expressly waive, and by operation of the Judgment shall be deemed to have expressly waived, the provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

*A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.*

The Settling Parties each shall expressly waive, and by operation of the Judgment shall be deemed to have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code §1542.

#### **IV. ATTORNEYS FEES AND REIMBURSEMENT OF EXPENSES**

1. Plaintiffs' Co-Lead Counsel intend to apply for up to \$5,000,000 for their fees and reimbursement of expenses. Defendants have agreed not to oppose this application.

#### **V. EFFECT OF FINAL APPROVAL OF THE SETTLEMENT**

1. If the Settlement receives final approval by the Court, a Final Judgment will be entered by the Court, forever barring any and all of the shareholders of Tenet as of the close of business January 11, 2006, from asserting on Tenet's behalf any claim arising out of or related to the factual allegations in the Derivative Action.

2. The Settlement will become effective upon final judicial approval and the expiration of a specified period of time. The Settlement Hearing may be adjourned by the Court without further notice.

3. The information in this Notice only summarizes the Derivative Action and the Settlement. The actual papers filed in the Derivative Action are open for your inspection during regular business hours.

**VI. OBJECTIONS TO SETTLEMENT**

1. Any person who is a shareholder of Tenet as of the close of business on January 11, 2006, may appear in person or through counsel at the Settlement Hearing and object to the Settlement and show cause, if he has any, why the Settlement should not be approved as reasonable, fair and adequate; why a judgment should not be entered and the claims of the Shareholders against Tenet and the Defendants should not permanently be barred; provided, however, that objections will not be considered by the Court unless they are in writing, and are filed with the clerk of the Santa Barbara Superior Court, 1100 Anacapa Street, Santa Barbara, CA 93101, (with copies thereof served upon the following counsel) no later than April 13, 2006.

Tenet's Counsel:

Harriet S. Posner  
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Plaintiffs' Co-Lead Counsel:

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2. These written objections must contain: (i) proof of record ownership as of the close of business on January 11, 2006 of Tenet publicly-traded securities; (ii) a detailed statement of your specific objections to any matter before the Court; and (iii) the grounds of such objections, as well as all documents and writings that you desire the Court to consider. The written objection must be filed with the Court and served on all parties no later than April 13, 2006. Any person who fails to object in the manner and within the time period provided above shall forever be barred from making any such objection in this Derivative Action or in any other action or proceeding.

3. Any person who is a shareholder of Tenet as of the close of business on January 11, 2006 and who wishes to appear at the Settlement Hearing and be heard on such objection, must, in addition to filing and serving an objection, file with the Santa Barbara County of the Superior Court Clerk and serve upon the aforementioned counsel, on or before April 13, 2006 a notice of intention to appear, together with all supporting papers and briefs.

4. All papers submitted must contain a specific reference to *In re Tenet Healthcare Corporation Derivative Litigation*, Lead Case No. 01098905.

**VII. NOTICE TO BANKS, BROKERAGE FIRMS AND OTHER NOMINEES**

Brokerage firms, banks and other nominees (the "Nominees") are requested within ten (10) days of receipt of this Notice either to transmit the Notice by first-class mail directly to Shareholders for whom they held common stock of Tenet as of the close of business on January 11, 2006, or to provide *In re Tenet Healthcare Corporation Derivative Litigation* c/o The Garden City Group, Inc., Notice Administrator, P.O. Box 9000 #6404, Merrick, NY 11566-9000, with the names and addresses of such beneficial owners. Nominees may obtain additional copies of the Notice by writing to: *In re Tenet Healthcare Corporation Derivative Litigation* c/o The Garden City Group, Inc., Notice Administrator, P.O. Box 9000 #6404, Merrick, NY 11566-9000, or by calling (800) 767-3032 toll-free. Upon request, Nominees will be reimbursed for out-of-pocket expenses reasonably incurred in identifying shareholders and forwarding the Notice to such persons.

**VIII. MISCELLANEOUS**

THIS NOTICE SHOULD NOT BE CONSTRUED AS AN EXPRESSION OF ANY VIEW UPON THE MERITS OF THIS CONTROVERSY BY THE COURT.

**PLEASE DO NOT WRITE OR CALL THE COURT. IF YOU HAVE QUESTIONS REGARDING THE SETTLEMENT DESCRIBED IN THIS NOTICE, WRITE TO PLAINTIFFS' COUNSEL AT THE ADDRESSES LISTED ABOVE.**

**Dated: March 6, 2006**

**BY ORDER OF THE COURT**