

**In re HealthSouth Corporation Securities Litigation**  
**Ernst & Young Settlement**  
c/o Rust Consulting, Inc.  
P.O. Box 1983  
Faribault, MN 55021-6179  
Phone: (800) 611-9738

Dear Investor:

Enclosed is the Proof of Claim and Release form that you requested. However, if you are NOT a member of the Stockholder Settlement Class (as defined in the Notice of Proposed Settlement of Class Action With Ernst & Young LLP) DO NOT submit this Proof of Claim form. You are not entitled to a recovery.

If you are a member of the Stockholder Settlement Class and you have not timely and validly requested to be excluded from the Stockholder Settlement Class, you will be bound by the terms of the Judgment and Order of Dismissal with Prejudice as to Ernst & Young LLP entered by the court, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

Separate Proofs of Claims must be filed for each differently named account or ownership (e.g., individual account, IRA account, joint account, etc.) However, joint tenants, co-owners or UGMA custodians should file a single claim.

1. You are a member of the Stockholder Settlement Class if you purchased or otherwise acquired the stock or options of HealthSouth Corporation ("HealthSouth") between March 30, 2000 and March 18, 2003 ("Settlement Class Period") and were damaged thereby ("Stockholder Settlement Class"). Excluded from the Stockholder Settlement Class are current and former defendants; members of the immediate family of any current or former defendants; the directors and officers of HealthSouth during the Settlement Class Period; any person determined to have violated the securities laws in connection with the Litigation; subsidiaries and affiliates of HealthSouth, any person, firm, trust, corporation, officer, director or other individual or entity in which any current or former defendant has a controlling interest; and the legal representatives, affiliates, heirs, successors-in-interest, or assigns of any such excluded party. Also excluded from the Stockholder Settlement Class are those Persons who timely and validly request exclusion from the Stockholder Settlement Class pursuant to the Notice.
2. If you held HealthSouth common stock or options in your name, you are the beneficial purchaser or acquirer as well as the record purchaser or acquirer. If, however, you purchased or otherwise acquired HealthSouth equity securities during the Settlement Class Period through a third party, such as a nominee or brokerage firm, and the securities were registered in the name of that third party, you are the beneficial purchaser or acquirer of these securities, but the third party is the record purchaser or acquirer of these securities.
3. Complete Page 1 of the Proof of Claim to identify each beneficial purchaser or acquirer of HealthSouth equity securities that forms the basis of this claim, as well as the purchaser or acquirer of record if different. THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL PURCHASER(S), OR AUTHORIZED ACQUIRER(S) OR LEGAL REPRESENTATIVE(S) OF SUCH BENEFICIAL PURCHASER(S) OR ACQUIRER(S), OF HEALTHSOUTH UPON WHICH THIS CLAIM IS BASED.
4. All joint beneficial purchasers or acquirers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of Persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of one of the beneficial owner(s) may be used in verifying this claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of your claim.

## INSTRUCTIONS FOR THE IDENTIFICATION OF TRANSACTION(S)

Use Steps 1 and 2 of this form to supply all required details of your transaction(s) in HealthSouth equity securities. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to: (i) **all** of your holdings of HealthSouth common stock or options as of the close of trading on March 29, 2000; (ii) **all** of your purchases, other acquisitions and sales of HealthSouth common stock or options which took place at any time beginning March 30, 2000 through March 18, 2003, inclusive; and (iii) proof of your holdings of HealthSouth common stock or options as of the close of trading on March 18, 2003, whether such purchases, acquisitions, sales or transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

List each purchase, acquisition, sale and transaction in the Settlement Class Period separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each such transaction you list. All holdings and transactions must be documented.

Copies of broker confirmations, monthly account statements or other documentation of your purchases, acquisitions, sales or transactions in HealthSouth equity securities must be attached to your claim. **DO NOT SEND ORIGINALS.** Failure to provide this documentation could delay verification of your claim or result in rejection of your claim. The Settling Parties and the Claims Administrator do not independently have information about your investments in HealthSouth. The Claims Administrator may also request additional information as needed to efficiently and reliably calculate your losses.

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**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.  
THANK YOU FOR YOUR PATIENCE.**

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### Reminder Checklist:

1. Please sign the release on page 4 of the Proof of Claim.
2. Remember to attach supporting documentation.
3. Do not send original or copies of stock certificates.
4. Keep a copy of the completed claim form and documentation for your records.
5. If your address changes in the future, or if these documents were sent to an old or incorrect address, please send us **written** notification of your new address.
6. You must mail your completed and signed Proof of Claim postmarked no later than August 11, 2009 to the Claims Administrator at the address listed below.
7. If you move, please send the Claims Administrator your new address:

*HealthSouth Corporation Securities Litigation - E&Y*  
c/o Rust Consulting, Inc.  
P.O. Box 1983  
Faribault, MN 55021-6179  
Phone: 1-800-611-9738  
Email: [info@HealthSouthErnstAndYoungSettlement.com](mailto:info@HealthSouthErnstAndYoungSettlement.com)  
Website: [www.HealthSouthErnstAndYoungSettlement.com](http://www.HealthSouthErnstAndYoungSettlement.com)

RESPONSE DEADLINE  
POSTMARKED NO LATER THAN  
AUGUST 11, 2009

HealthSouth Corporation Securities Litigation  
Ernst & Young Settlement

Official Use Only

**PROOF OF CLAIM AND RELEASE**  
Please print clearly in black ink.

To receive a recovery from the Net Settlement Fund, created as a result of the settlement (the "Settlement") with defendant Ernst & Young LLP ("E&Y" or the "Settling Defendant"), as a member of the Stockholder Settlement Class in the class action lawsuit entitled *In re HealthSouth Corporation Stockholder Litigation*, Consol. Case No. 03-BE-1501-S (the "Litigation" or "Stockholder Action"), you must complete and, on page 4 below, sign this Proof of Claim and Release form ("Proof of Claim"). If you fail to submit a timely, properly completed and addressed Proof of Claim, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund. However, if you have **already** submitted a Proof of Claim in connection with the previously announced settlement with defendant HealthSouth Corporation, and others, (the "HealthSouth Settlement"), you do not need to do so again. Your earlier claim will be considered for participation in this Settlement. All defined terms contained herein shall have the same meanings as set forth in the Corrected Stipulation of Settlement with Ernst & Young LLP, dated as of March 26, 2009.

Name of Beneficial Owner (First, Middle, Last) if Beneficial Owner is an individual, joint or IRA account:

Name of Joint Beneficial Owner, if any (First, Middle, Last):

Name of Entity if Beneficial Owner is an entity, i.e., corporation, trustee, estate, etc.:

Representative Name, if applicable (executor, administrator, trustee, etc.)  
(attach documentation for your authority to act on behalf of the Beneficial Owner):

Street Address:

City:

State:

Zip Code:

Foreign Province and Postal Code:

Country:

Email Address:

Telephone No.:

Account Number/Fund Number (not necessary for individual filers):

Enter Taxpayer Identification Number below for the Beneficial Owner(s)

Social Security No. (for individuals):

or

Taxpayer Identification No.:



**Step 1 – Provide HealthSouth Common Stock Trading/Acquisition History from March 30, 2000 through March 18, 2003. If no stocks traded or acquired, skip this step.**

**BEGINNING HOLDINGS**

Number of shares of HealthSouth common stock owned at the close of trading on **March 29, 2000:**   
 (If none, write "zero" or "0"; if other than zero, must be documented.)

**PURCHASES AND SALES**

List each individual purchase and sale of HealthSouth common stock from March 30, 2000 through March 18, 2003, inclusive, as follows: (a) the trade date; (b) the type of transaction by letter code; (c) the number of shares traded; (d) price per share; and (e) the total transaction amount. If you require additional space, attach extra sheets in the same format as below.

(a) Trade Date (List in chronological order) Month/Day/Year	(b) Transaction Type Purchase (P), Sale (S)	(c) Number of Shares	(d) Price per Share	(e) Total Transaction Amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ .	\$ .

**UNSOLD**

Number of shares of HealthSouth common stock owned at the close of trading on **March 18, 2003:**

**Step 2 – Provide HealthSouth Call and Put Option Contract Trading History. If no option contracts traded, skip this step.**

**BEGINNING HOLDINGS**

For calls or puts list (a) the number of contracts purchased; (b) the expiration date (month/year); and (c) the exercise price that you held at the close of trading on **March 29, 2000:**

Type of Contract	(a) Number of Contracts	(b) Expiration Date	(c) Exercise Price
<input type="text"/>	<input type="text"/>	<input type="text"/> Month/Year	\$ .
<input type="text"/>	<input type="text"/>	<input type="text"/> Month/Year	\$ .

**PURCHASES AND SALES**

List each individual transaction of HealthSouth call and put options from **March 30, 2000 through March 18, 2003**, inclusive, as follows: (a) the trade date; (b) the type of transaction by letter code; (c) call or put; (d) the number of contracts; (e) the price per contract; (f) the date of expiration; (g) the exercise price; (h) the transaction amount; and (i) an indication if the option was assigned, exercised, expired, or closed out. If you require additional space, attach extra sheets in the same format as below.

(a) Trade Date Month/Day/Year	(b) Transaction Type: Purchase (P), Sale (S)	(c) Call (C) Or Put (P)	(d) Number of Contracts	(e) Price Per Contract	(f) Expiration month/year	(g) Exercise Price	(h) Transaction Amount	(i) A-Assigned, E-Exercised, X-Expired OR O-Closed Out
				\$ .		\$ .	\$ .	
				\$ .		\$ .	\$ .	
				\$ .		\$ .	\$ .	
				\$ .		\$ .	\$ .	
				\$ .		\$ .	\$ .	

For calls or puts list (a) the number of contracts; (b) the expiration date (month/year); and (c) the exercise price that you held at the close of trading on **March 18, 2003**:

Type of Contract	(a) Number of Contracts	(b) Expiration Date	(c) Exercise Price
Calls		Month/Year	\$ .
Puts		Month/Year	\$ .

**Step 3 – Please submit supporting documentation for your claim.**

You must submit documentation for your trading history. Acceptable documentation may include: (a) monthly stock brokerage or other investment account statements; (b) trade confirmation slips; (c) a signed letter from your broker on firm letterhead verifying the information you are providing; (d) a Deposit or Escrow Receipt showing your holdings; or (e) other equivalent proof of your transactions. **DO NOT SEND ORIGINALS.** If you have questions please call, 1-800-611-9738.

**Step 4 – Please review the release for the claims against Ernst & Young LLP and sign below.**

- I hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release, relinquish and discharge, all of the Released Claims against the Settling Defendant and each and all of its "Related Parties," defined as, with respect to the Settling Defendant, the immediate family members, heirs, executors, administrators, successors, assigns, present and former partners, employees, officers, directors, attorneys, legal representatives, and agents of each of them, and any person or entity which is or was related to or affiliated with the Settling Defendant or in which the Settling Defendant has or had a controlling interest and the present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, partners, employees, officers, directors, attorneys, assigns, and agents of each of them. Notwithstanding anything in this paragraph, Related Parties shall not include any Non-Settling Defendant.
- "Released Claims" means all claims (including "Unknown Claims" as defined below) and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common or foreign law, whether brought directly or derivatively, that Stockholder Lead Plaintiffs or any member of the Stockholder Settlement Class in the Stockholder Action asserted in the Complaint, or could have asserted against the Settling Defendant, as a result of purchases, acquisitions, sales, or exercises

made during the Settlement Class Period in stock or options issued by HealthSouth (including, without limitation, all claims arising out of or relating to any disclosures, public filings, registration statements or other statements by HealthSouth or any Defendant in the Litigation), based upon or arising out of any facts, allegations or claims set forth in the Complaint. Released Claims do not include any claims of the Stockholder Class against the Non-Settling Defendants or any claims of the Bondholder Class, the Derivative Plaintiffs and/or HealthSouth Corporation. Released Claims shall not be construed as, and do not change or modify, the release given in the Stipulation of Partial Settlement, filed with the court September 26, 2006.

- 3. "Unknown Claims" means all claims, demands, rights, liabilities, and causes of action of every nature and description which the Stockholder Lead Plaintiffs or any Stockholder Settlement Class Member do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Stockholder Lead Plaintiffs shall expressly waive, and each of the Stockholder Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights and benefits of California Civil 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 Stockholder Lead Plaintiffs shall expressly waive and each of the Stockholder Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall 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 California Civil Code § 1542. The Stockholder Lead Plaintiffs and Stockholder Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Stockholder Lead Plaintiffs shall expressly fully, finally and forever settle and release, and each Stockholder Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Stockholder Lead Plaintiffs acknowledge, and the Stockholder Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

- 4. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.
- 5. I (We) hereby warrant and represent to the best of my (our) knowledge that I (we) have included information about all of my (our) transactions in HealthSouth common stock and options that occurred during the Settlement Class Period as well as the number and type of HealthSouth stock and options, held by me (us) at the close of trading on March 29, 2000.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Month/Day/Year

Month/Day/Year

Signature of Claimant

Signature of Joint Claimant, if any

(Type or Print Your Name Here)

(Type or Print Your Name Here)

(Capacity of person(s) signing, e.g., beneficial purchaser(s), executor, administrator, trustee, etc.)

Please submit your Proof of Claim and the required documentation POSTMARKED NO LATER THAN AUGUST 11, 2009 TO:

Claims Administrator  
c/o Rust Consulting, Inc.  
P.O. Box 1983  
Faribault, MN 55021-6179

