STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of Financial and Insurance Services

In the matter of:

Ultimed HMO of Michigan, Inc. No. 05-047-M

_____/

AGREEMENT MODIFYING CERTAIN TERMS OF THE
OCTOBER 18, 2005 CONSENT ORDER OF TRANSITION TO REHABILITATION

Factual Recitals

WHEREAS, on October 18, 2005, the Commissioner of the Michigan Department of Labor and Economic Growth, Office of Financial and Insurance Services (the "Commissioner") issued and entered a Consent Order of Transition to Rehabilitation (the "Consent Order"), the terms of which were stipulated and agreed to by Ultimed HMO of Michigan, Inc. ("Ultimed"); and

WHEREAS, Paragraphs 1 and 2 of the Consent Order require Ultimed to secure cash infusions of unrestricted capital by stated deadlines (collectively, the "Cash Infusion Deadlines"), as follows:

1. On or before October 25, 2005, Ultimed shall secure a cash infusion of unrestricted capital in the amount of One Million Five Hundred Thousand and 00/100 Dollars ($1,500,000.00)(the "Initial Cash Infusion"). Simultaneously with Ultimed's receipt of the Initial Cash Infusion, Ultimed shall provide to the Commissioner adequate documentation evidencing both the source of the Initial Cash Infusion and that the Initial Cash Infusion was in fact received by Ultimed.

2. On or before November 10, 2005, Ultimed shall secure an additional cash infusion of unrestricted capital in the amount of Two Million and 00/100 Dollars ($2,000,000.00)(the "Additional Cash Infusion"). Simultaneously with Ultimed's receipt of the Additional Cash Infusion, Ultimed shall provide to the Commissioner adequate documentation evidencing both the source of the

EXHIBIT D

Additional Cash Infusion and that the Additional Cash Infusion was in fact received by Ultimed; and

WHEREAS, Paragraphs 4 and 5 of the Consent Order require Ultimed to reduce and ultimately eliminate its current unpaid claims liability by stated deadlines (collectively, the "Unpaid Claims Liability Deadlines"), as follows:

4. On or before October 27, 2005, Ultimed shall reduce by forty percent (40%) the total dollar amount of its liability for unpaid claims. In accomplishing this reduction of its unpaid claims liability, Ultimed shall process and pay claims in reverse chronological order, beginning with claims bearing the oldest dates of service and dates of receipt. Notwithstanding the foregoing, Ultimed shall give immediate priority to the processing and payment of any claim for which Ultimed receives notice, from OFIS, a policyholder, or otherwise, that nonpayment of the claim has resulted in the corresponding policyholder's referral to a collection service.

5. On or before November 14, 2005, Ultimed shall eliminate any remaining unpaid claims backlog and shall be current in the processing and payment of claims. In accomplishing this further reduction, Ultimed shall continue to process and pay claims in reverse chronological order, beginning with claims bearing the oldest dates of service and dates of receipt. For purposes of this paragraph, "current" is defined as a period of not more than forty-five (45) days after the date that Ultimed received a claim; and

WHEREAS, Paragraph 11 of the Consent Order provides that upon Ultimed's failure to fully comply with any of the Consent Order's terms and conditions, including but not limited to the Cash Infusion Deadlines and Unpaid Claims Liability Deadlines set forth above, the Michigan Department of Labor and Economic Growth, Office of Financial and Insurance Services ("OFIS") is entitled to immediately file a Rehabilitation Petition against Ultimed; and

WHEREAS, Ultimed and/or its principals have arranged for the sale of certain real estate (the "Funding Real Estate"), the proceeds of which will: (a) provide the capital necessary to satisfy the cash infusion requirements contained in Paragraphs 1 and 2 of the Consent Order; and (b) be used to eliminate Ultimed's current unpaid claims liability as required by Paragraphs 4 and 5 of the Consent Order; and

WHEREAS, because the parties to the purchase and sale of the Funding Real Estate are in the process of conducting necessary due diligence, the closing on the sale of the Funding Real Estate cannot occur prior to the Cash Infusion Deadlines and Unpaid Claims Liability Deadlines provided in the Consent Order; and

WHEREAS, Ultimed has requested that the Cash Infusion Deadlines and Unpaid Claims Liability Deadlines be extended to accommodate the closing on the sale of the Funding Real Estate;

Agreement

NOW, THEREFORE, based upon the foregoing facts, the Commissioner and Ultimed hereby agree to modify the terms of the Consent Order in the following respects only:

1. In order to accommodate the closing on the sale of the Funding Real Estate, the October 25, 2005 cash infusion deadline contained in Paragraph 1 of the Consent Order and the November 10, 2005 cash infusion deadline contained in Paragraph 2 of the Consent Order are each extended until Monday, November 14, 2005.

2. The proceeds from the sale of the Funding Real Estate, up to and including the amount of Three Million Five Hundred Thousand and 00/100 Dollars ($3,500,000.00), shall be secured by Ultimed for the purpose of satisfying the cash infusion requirements contained in Paragraphs 1 and 2 of the Consent Order.

3. Upon receipt of the proceeds from the sale of the Funding Real Estate, Ultimed shall immediately apply such proceeds to the payment of any unpaid claims. In paying unpaid claims with the sale proceeds, Ultimed shall continue to give first priority to the payment of any claim for which Ultimed has received notice, from OFIS, a policyholder, a health care provider, or otherwise, that nonpayment of the claim has resulted in the corresponding policyholder's

referral to a collection service. With respect to any unpaid claims for which Ultimed has not received such notice, Ultimed shall continue to pay these claims in reverse chronological order, beginning with claims bearing the oldest dates of service and dates of receipt.

4. On or before Friday, November 18, 2005, Ultimed shall completely eliminate its unpaid claims liability and be current in the processing and payment of claims. For purposes of this paragraph, "current" is defined as a period of not more than forty-five (45) days after the date that Ultimed received a claim.

5. Ultimed's failure to fully comply with the foregoing Paragraphs 1 through 4 shall entitle OFIS to file a Rehabilitation Petition, as provided in Paragraph 11 of the Consent Order.

With the exception of the foregoing modifications, the terms of the Consent Order remain unaltered and continue in full force and effect. Specifically, but without limitation, Ultimed must comply with the provisions in Paragraphs 1 and 2 of the Consent Order requiring Ultimed, simultaneously with its receipt of the Initial and Additional Cash Infusions (collectively, the "Cash Infusions"), to provide the Commissioner with documentation identifying the source of the Cash Infusions and verifying that the Cash Infusions have in fact been received by Ultimed.

By entering into this Extension Agreement, OFIS does not waive its right to enforce any terms of the Consent Order not expressly modified herein.

Ultimed HMO of Michigan, Inc.

By: _____
Harley K. Brown
Its: President & Chief Executive Officer

Dated: _____

Michigan Department of Labor & Economic Growth

By: _____
Linda A. Watters, Commissioner
Office of Financial and Insurance Services

Dated: _____