



This Stipulation of Settlement dated as of February 19, 2016 (the “Stipulation” or “Settlement Agreement”), submitted pursuant to Rule 23 of the Federal Rules of Civil Procedure and Rule 408 of the Federal Rules of Evidence embodies a settlement (the “Settlement”) made and entered into by and among the following Settling Parties: (i) Lead Plaintiff Pressure Controls, Inc. (“Pressure Controls” or “Lead Plaintiff”), on behalf of itself and each of the Members of the Settlement Class, as defined in ¶¶I.1.30-I.1.31, *infra*, and (ii) Defendants Accretive Health, Inc. (“Accretive Health”), Mary A. Tolan (“Tolan”), John T. Staton (“Staton”), and James M. Bolotin (“Bolotin”) (collectively, “Defendants,” and, together with Lead Plaintiff, the “Settling Parties”), by and through their counsel of record in the above-captioned litigation pending in the United States District Court for the Northern District of Illinois (the “Litigation”). Subject to the approval of the Court, the Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the Litigation and the Released Claims, upon and subject to the terms and conditions hereof. Throughout this Stipulation, all capitalized terms used, but not immediately defined, have meanings given to them in Section IV.1, *infra*.

## **I. THE LITIGATION**

The Litigation is currently pending before the Honorable Joan B. Gottschall in the United States District Court for the Northern District of Illinois (the “Court”) and was commenced on May 17, 2013 (Dkt. No. 1). On July 31, 2013, the Court appointed Pressure Controls as Lead Plaintiff and appointed Glancy Binkow & Goldberg LLP as Lead Counsel and Pomerantz Grossman Hufford Dahlstrom & Gross LLP as Liaison Counsel.<sup>1</sup> (Dkt. Nos. 28, 29.)

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<sup>1</sup> The law firm of Glancy Binkow & Goldberg LLP has since changed its name to Glancy Prongay & Murray LLP. Notifications were filed with the Court on May 7, 2015 (Dkt. Nos. 80, 81). Additionally, the law firm of Pomerantz Grossman Hufford Dahlstrom & Gross LLP has

Lead Plaintiff filed an Amended Class Action Complaint (“FAC”) on December 2, 2013, asserting claims pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 against Defendants Accretive Health, Tolan, Staton, and Bolotin on behalf of purchasers of Accretive Health Securities between May 20, 2010, through February 26, 2013, inclusive. (Dkt. No. 54.) Lead Plaintiff’s claims arose from Accretive Health’s announcement that it would restate its historical financial statements for fiscal years 2010 and 2011 and each of the quarterly periods from the second quarter of 2010 through the third quarter of 2012. On January 31, 2014, Defendants filed a motion to dismiss the FAC (Dkt. No. 57), which was fully briefed. On September 25, 2014, the Court dismissed the Amended Class Action Complaint without prejudice for improper “puzzle pleading” but allowed Lead Plaintiff to amend its complaint. (Dkt. Nos. 63, 64.)

The Second Amended Class Action Complaint (“SAC”) was filed on October 23, 2014 (Dkt. No. 65), and Defendants again filed a motion to dismiss (Dkt. No. 66), which was fully briefed. On December 30, 2014, Accretive Health issued the restatement of its historical financial statements (the “Restatement”). On January 8, 2015, Lead Plaintiff filed a motion for leave to amend the SAC to incorporate Accretive Health’s Restatement disclosures (Dkt. No. 73), which Defendants opposed. On April 22, 2015, the Court granted Lead Plaintiff’s motion for leave to amend. (Dkt. No. 79.)

On May 13, 2015, Lead Plaintiff filed the Third Amended Class Action Complaint (the “Complaint” or “TAC”) (Dkt. No. 82), which is the operative complaint in this Litigation. While

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since changes its name to Pomerantz LLP. Notification was filed with the Court on January 28, 2014 (Dkt. No. 56).

asserting the same claims against the same Defendants, the TAC expanded the putative class period to cover May 20, 2010, through December 30, 2014, inclusive (the “Settlement Class Period”). The TAC alleged that Defendants knowingly or recklessly overstated Accretive Health’s revenue and earnings originally reported for fiscal years 2010 and 2011 and each of the quarterly periods from the second quarter of 2010 through the third quarter of 2012. Specifically, it was alleged that Accretive Health improperly recognized revenue that was not “fixed or determinable” at the time recognized because a substantial number of its multi-year revenue cycle management (“RCM”) contracts were continually under renegotiation throughout the contract terms, there was a historical pattern of adjustments and concessions on RCM fees, and RCM fees were not finalized until the end of the contracts. The TAC further alleged that Defendants were aware of the historical pattern of adjustments, concessions, and renegotiations, and therefore Defendants knew or recklessly disregarded that revenue recognition was improper. On June 3, 2015, Defendants filed a motion to dismiss the TAC (Dkt. No. 87), which was fully briefed. There was no hearing on the motion.

While Defendants’ motion to dismiss the TAC was pending, the Settling Parties agreed to participate in a private mediation and engaged a highly experienced third-party mediator, Jed D. Melnick, Esq. On August 6, 2015, the Settling Parties participated in an all-day mediation session before Mr. Melnick, during which both sides made detailed, adversarial presentations about the merits of Lead Plaintiff’s claims and the defenses to those claims. Although Lead Plaintiff and Defendants did not reach an agreement to settle this matter during the mediation, they continued to engage in substantive settlement negotiations, which entailed numerous direct communications and communications facilitated by Mr. Melnick.

On November 25, 2015, the Settling Parties reached an agreement-in-principle to settle the Litigation in response to a mediator's proposal issued by Mr. Melnick. On December 7, 2015, the Settling Parties negotiated and executed a memorandum of understanding outlining the principal terms of the settlement. That same day, the Defendants filed a notice of settlement with the Court (Dkt. No. 98), and on December 8, 2015, in light of the pending settlement, the Court filed an order striking Defendants' motion to dismiss the TAC without prejudice and staying the time to answer the TAC or otherwise plead pending further order. (Dkt. No. 99.)

## **II. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

Defendants have expressly denied and continue to deny that they have committed any act or omission giving rise to any liability or violation of law whatsoever and maintain that their conduct was at all times proper and in compliance with all applicable provisions of law. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Litigation, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, *inter alia*, the allegations that any of the Defendants knew or recklessly disregarded that any material misstatements or omissions were being made; that any member of the Class has suffered any damages; that the price of Accretive Health common stock was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that the members of the Class were harmed by the conduct alleged in the Litigation or that could have been alleged as part of the Litigation. In addition, the Defendants maintain they have meritorious defenses to all claims alleged in the Litigation. Nonetheless, taking into account the uncertainty, risks, and costs inherent in any litigation, especially in complex cases such as the Litigation, Defendants have concluded that further conduct of the Litigation would be protracted, distracting, and expensive.

Defendants have, therefore, determined that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. As set forth in ¶¶I.9.4-6 below, this Stipulation shall in no event be construed as or deemed to be evidence of an admission or concession by any Defendant with respect to any claim of any fault, liability, wrongdoing, or damage whatsoever.

### **III. CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT**

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Litigation have merit. However, they also recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and appeals and have considered the limited funds available to satisfy a judgment. They have also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Litigation, and the difficulties and delays inherent in such Litigation. Further, Lead Plaintiff and Lead Counsel are mindful of the inherent problems of proof under and possible defenses to the claims of securities law violations asserted in the Litigation. They believe that the settlement set forth in the Stipulation confers substantial benefits upon the Settlement Class in the circumstances present here. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the settlement set forth in the Stipulation is in the best interests of Lead Plaintiff and the Settlement Class and, therefore, determined that it is desirable and beneficial to Lead Plaintiff and the Settlement Class that the Litigation be settled upon the terms and conditions set forth in this Stipulation.

### **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Lead Plaintiff (on behalf of itself and each of the Settlement Class Members), on one hand, and Defendants, on the other hand, by and through their respective duly authorized counsel of record,

that, subject to the approval of the Court, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, in consideration of the benefits flowing to the Settling Parties from the Settlement set forth herein, the Litigation and the Released Claims shall be finally and fully compromised, settled and released, and the Litigation shall be dismissed with prejudice, upon and subject to the terms and conditions of the Stipulation, as follows.

**1. Definitions**

As used in the Stipulation, the following terms have the meanings specified below. In the event of any inconsistency between any definition set forth below and any definition set forth in any document attached as an exhibit to this Stipulation, the definition set forth below shall control.

1.1 “Accretive Health” means Accretive Health, Inc.

1.2 “Accretive Health Securities” means Accretive Health common stock and any call options or put options on the same. With respect to put options, references to “purchases” of Accretive Health Securities mean the writing of put options.

1.3 “Authorized Claimant” means any Settlement Class Member who, in accordance with the terms of this Stipulation, is entitled to a distribution from the Settlement Fund pursuant to any Plan of Allocation or any order of the Court.

1.4 “Claims Administrator” means Kurtzman Carson Consultants.

1.5 “Complaint” or “TAC” means the Third Amended Class Action Complaint filed by Lead Plaintiff on May 13, 2015. (Dkt. No. 82.)

1.6 “Court” means the United States District Court for the Northern District of Illinois.

1.7 “Defendants” means Accretive Health, Mary A. Tolan, John T. Staton, and James M. Bolotin.

1.8 “Defendants’ Counsel” means Kirkland & Ellis LLP.

1.9 “Effective Date” means the first date by which all of the events and conditions specified in ¶1.8.1 of this Stipulation have occurred.

1.10 “Escrow Account” means the interest-bearing account created pursuant to ¶3.1.

1.11 “Escrow Agent” means The Huntington National Bank.

1.12 “Fee and Expense Award” means Lead Counsel’s requested attorneys’ fees and expenses with interest thereon.

1.13 “Final” means when the last of the following with respect to the Judgment approving the Settlement, in the form of Exhibit B attached hereto, shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, the determination of that motion or appeal in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of this Stipulation. For purposes of this Paragraph, an “appeal” includes appeals as of right, discretionary appeals, interlocutory appeals, proceedings involving writs of certiorari or mandamus, and any other proceedings seeking review, alteration, amendment or appeal of a court’s order. Any appeal or other proceeding pertaining to the Plan of Allocation, Lead Counsel’s Fee and Expense Award (or any other application for attorneys’ fees or expenses) or the Lead Plaintiff Cost and Expense Award shall not in any way delay or preclude the Judgment from becoming Final.

1.14 “Individual Defendants” means Mary A. Tolan, John T. Staton, and James M. Bolotin.

1.15 “Judgment” means the judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit B, but not including ¶¶20-21 of Exhibit B relating to the application for Lead Counsel’s Fee and Expense Award and the Lead Plaintiff Cost and Expense Award.

1.16 “Lead Counsel” means Glancy Prongay & Murray LLP (formerly Glancy Binkow & Goldberg LLP) or its successor(s).

1.17 “Lead Plaintiff” means Pressure Controls, Inc. and any of its respective past, present, or future direct or indirect parent entities, affiliates, divisions, subsidiaries, or families, and each and all of the foregoing’s respective past, present, or future officers, directors, stockholders, agents, representatives, employees, attorneys, advisors, consultants, accountants, investment bankers, underwriters, brokers, dealers, lenders, insurers, co-insurers, reinsurers, heirs, executors, principals, managing directors, managing agents, joint ventures, personal or legal representatives, estates, beneficiaries, predecessors, successors, and assigns.

1.18 “Lead Plaintiff Cost and Expense Award” means the requested reimbursement to Lead Plaintiff for its reasonable costs and expenses (including lost wages) directly related to its representation of the Settlement Class in this Litigation.

1.19 “Litigation” means *Hughes v. Accretive Health, Inc. et al.*, Case No. 13-cv-03688, pending in the United States District Court for the Northern District of Illinois.

1.20 “Net Settlement Fund” shall have the meaning described in ¶1.1(e) below.

1.21 “Notice and Administration Expenses” means all expenses incurred in connection with the administration of the Settlement, and shall include, among other things, the cost of publishing summary notice in national news services, locating Settlement Class Members, printing and mailing the notice and Proof of Claim and Release forms as directed by the Court,

and the cost of processing proofs of claim and distributing settlement funds to Authorized Claimants.

1.22 “Person(s)” means an individual, corporation, limited liability company, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity together with the spouses, heirs, predecessors, successors, representatives, or assignees of any of the foregoing.

1.23 “Plan of Allocation” means a plan or formula of allocation of the Settlement Fund, to be approved by the Court, whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of or provision for Notice and Administration Expenses, Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses, and interest and any award to the Lead Plaintiff as may be awarded by the Court. Any Plan of Allocation is not part of this Stipulation, and the Released Persons shall not have any responsibility or liability with respect thereto.

1.24 “Plaintiffs’ Counsel” means counsel for Lead Plaintiff in connection with this Litigation, including Lead Counsel, Pomerantz LLP, and the Young Law Center LLC (formerly the Young Law Firm).

1.25 “Proof of Claim and Release” means the form to be sent to Settlement Class Members, in the form attached as Exhibit A-2 hereto, upon further order(s) of the Court, by which any Settlement Class Member may make claims against the Settlement Fund for damages allegedly incurred by reason of their investment(s) in Accretive Health Securities.

1.26 “Related Persons” means, with respect to the Defendants, each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and

all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them or any trust of which any Defendant and/or their Related Persons is the settlor or which is for the benefit of any Defendant and/or their Related Persons and/or member(s) of his or her family and any entity in which any such Defendant and/or their Related Persons has a controlling interest.

1.27 “Released Claims” means any and all claims, known or unknown, contingent or non-contingent, whether suspected or unsuspected, including any claims arising under federal or state statutory or common law or any other law, rule or regulation, whether foreign or domestic, or in equity, including Unknown Claims, that have been or could have been asserted against all or any of the Defendants or any of the Released Persons that (i) arise out of or relate to the claims or allegations in the Litigation, including the acts, facts, events, disclosures, or omissions alleged in the Litigation; or (ii) relate to the purchase, sale or ownership of Accretive Health Securities during the period from and including May 20, 2010, through December 30, 2014.

1.28 “Released Person(s)” means each and all of the Defendants, and each and all of their Related Persons.

1.29 “Settlement” means the settlement of the Litigation as embodied in this Stipulation.

1.30 “Settlement Class” or “Class” means all Persons who purchased or otherwise acquired the common stock of Accretive Health, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock, between May 20, 2010, through December 30, 2014, inclusive, and who were allegedly damaged

thereby. Excluded from the Settlement Class are Defendants, members of the immediate families of the Individual Defendants, the officers and directors of Accretive Health during the Settlement Class Period, the legal representatives, heirs, successors, or assigns of any of the foregoing excluded Persons and any entity in which any of the Defendants have or had a controlling interest. Also excluded from the Settlement Class are those Persons who submit valid and timely requests for exclusion in accordance with the requirements set forth in the Notice.

1.31 “Settlement Class Member” or “Member of the Settlement Class” means a Person who falls within the definition of the Settlement Class as set forth in ¶I.1.30.

1.32 “Settlement Class Period” means the period commencing on May 20, 2010, through December 30, 2014, inclusive.

1.33 “Settlement Amount” means Three Million Nine Hundred Thousand Dollars (\$3,900,000.00).

1.34 “Settlement Fund” means the Settlement Amount plus any interest earned thereon once deposited in the Escrow Account.

1.35 “Settling Parties” means, collectively, Defendants and Lead Plaintiff on behalf of itself and the Settlement Class Members.

1.36 “Unknown Claims” means any Released Claims which Lead Plaintiff or any Settlement Class Member does 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. Unknown Claims include those claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the

Effective Date, Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly 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.**

Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, 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 or foreign law, which is similar, comparable or equivalent in effect to California Civil Code § 1542. Lead Plaintiff and 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 Lead Plaintiff shall expressly and each 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, reckless, 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. Lead Plaintiff acknowledges, and the 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.

## **2. CAFA Notice**

2.1 Pursuant to the Class Action Fairness Act (“CAFA”), no later than ten (10) days after the Settlement Agreement is filed with the Court, Defendants shall, at their own expense, serve proper notice of the proposed Settlement upon the United States Attorney General and each State Attorney General. Defendants shall provide a copy of such notice as well as proof of service of such notice to counsel for Lead Plaintiff.

## **3. The Settlement**

### **a. The Settlement Fund**

3.1 Defendants shall pay or cause to be paid Three Million Nine Hundred Thousand Dollars (\$3,900,000.00) (the “Settlement Amount”) in cash into an interest-bearing escrow account established by Lead Counsel (the “Escrow Account”). The Settlement Amount shall be paid in two installments of One Million Nine Hundred Fifty Dollars (\$1,950,000.00) each. The first installment shall be paid within fifteen (15) business days after the later of (a) the order granting the motion for preliminary approval of the Settlement or (b) the receipt by Defendants’ Counsel of wire/check payee instructions and a Form W-9 providing the tax identification number for the Escrow Account. The second installment shall be paid within fifteen (15) business days after the Court enters an order of Final Judgment. An interest rate of eight percent (8%) per annum shall be applied to any late payments. These funds, together with any interest and income earned thereon once transferred, shall constitute the Settlement Fund.

3.2 The Settlement Amount shall be the full and sole monetary contribution made by or on behalf of the Defendants and the Released Persons in connection with the Settlement, and without limiting the generality of the foregoing in any way, all costs of notice and settlement administration shall be paid out of the Settlement Fund. Under no circumstances will Defendants, collectively or separately, be required to pay or cause to be paid any amount in addition to the

Settlement Amount. Except as otherwise provided in this Settlement Agreement with respect to payment of Lead Counsel's Fee and Expense Award and the Lead Plaintiff Cost and Expense Award out of the Settlement Fund, the Settling Parties shall bear their own costs and expenses (including attorneys' fees) in connection with effectuating the Settlement and securing all necessary Court orders and approvals with respect to the same.

**b. The Escrow Agent**

3.3 The Escrow Agent shall invest the Settlement Fund deposited pursuant to ¶3.1 hereof in instruments either fully insured or backed by the full faith and credit of the United States Government or an agency thereof and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then-current market rates. The Released Persons shall not have any responsibility or liability whatsoever for investment decisions. All costs and risks related to the investment of the Settlement Fund shall be borne by the Settlement Fund and not by any of the Defendants or Released Persons, and the Settlement Fund shall indemnify the Released Persons, Lead Plaintiff, and Plaintiffs' Counsel and hold them harmless from any losses arising from the investment or disbursement of any portion of the Settlement Fund.

3.4 The Escrow Agent shall not disburse the Settlement Fund except (a) as provided in the Stipulation, (b) by an order of the Court, or (c) with the written agreement of counsel for the Settling Parties.

3.5 Subject to further order(s) and/or directions as may be made by the Court, or as provided in the Stipulation, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Stipulation. The Released Persons shall have no responsibility for, interest in, or liability whatsoever with respect to, the actions of the Escrow Agent, or any transaction executed by the Escrow Agent.

3.6 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to this Stipulation and/or upon further order(s) of the Court.

3.7 Prior to the Effective Date, the Escrow Agent, without further approval of Defendants or the Court, may incur costs of up to \$500,000.00, to be paid from the Settlement Fund, in notice and administration costs associated with the administration of the Settlement, including, without limitation: the cost of identifying and locating members of the Class, mailing the Notice of Pendency and Proposed Settlement of Class Action and Proof of Claim and Release and publishing notice (such amount shall include, without limitation, the actual costs of publication, printing and mailing the Notice, and reimbursement to nominee owners for forwarding notice to their beneficial owners), soliciting Class claims, assisting with the filing of claims, administering and distributing the Net Settlement Fund to Authorized Claimants, processing Proof of Claim and Release forms, and paying escrow fees and costs, if any, and the administrative expenses incurred and fees charged by the Claims Administrator in connection with providing notice and processing the submitted claims (“Class Notice and Administration Costs”). Prior to the Effective Date, any Class Notice and Administration Costs that exceed \$500,000.00 shall require notice to, and agreement from, the Defendants, through Defendants’ counsel, which agreement shall not be unreasonably refused. Subsequent to the Effective Date, without further approval by Defendants or the Court, the Settlement Fund may be used by Lead Counsel to pay reasonable and necessary Class Notice and Administration Costs in excess of \$500,000.00.

3.8 The Escrow Agent shall not be responsible for the payment of any sums due to Authorized Claimants or other Persons, except to the extent of maintaining account of and appropriately paying sums as required by this Stipulation, but only to the limited extent that such sums have been delivered into the Escrow Account as required by this Stipulation. The Escrow Agent shall be liable only for acts of gross negligence or willful misconduct, and in such instances shall indemnify the Released Persons, Lead Plaintiff, and Plaintiffs' Counsel and hold them harmless from any losses arising from the investment or disbursement of any portion of the Settlement Fund resulting from such gross negligence or willful misconduct.

**c. Taxes**

3.9 The Settling Parties and the Escrow Agent shall treat the escrow account as a "qualified settlement fund" for purposes of Section 468B of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. The Escrow Agent, under the supervision of Lead Counsel, shall timely make such elections as are necessary or advisable to carry out the provision of this ¶1.3.9, including, without limitation, the "relation-back election" described in Treas. Reg. §1.468B-1 back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to prepare and deliver timely and properly the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

3.10 The Escrow Agent shall be the Escrow Account's "administrator" as that term is used in Treas. Reg. §1.468B-2. As administrator, the Escrow Agent shall satisfy the administrative requirements imposed by Treas. Reg. §1.468B-2 by, *e.g.*, (i) obtaining a taxpayer identification number, (ii) satisfying any information reporting or withholding requirements imposed on distributions from the Settlement Fund, and (iii) timely and properly filing applicable

federal, state or local tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B-2(k)) and paying any taxes reported thereon. Such returns (as well as the election described in ¶I.3.9) shall be consistent with this ¶I.3.10 and in all events shall reflect that all Taxes, as defined in ¶I.3.11, on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶I.3.11 hereof.

3.11 All: (i) taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, including, without limitation, any taxes or tax detriments that may be imposed upon the Released Persons or Defendants' Counsel with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a "qualified settlement fund" for federal or state income tax purposes (collectively, "Taxes"); and (ii) expenses and costs incurred in connection with the operation and implementation of this ¶I.3.11, including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in this ¶I.3.11 (collectively, "Tax Expenses"), shall be paid by the Escrow Agent out of the Settlement Fund; in all events neither the Released Persons nor Defendants' Counsel shall have any liability or responsibility for the Taxes or the Tax Expenses, or the filing of any tax returns or other documents with the Internal Revenue Service or any other state or local taxing authority. With funds from the Settlement Fund, the Escrow Agent shall indemnify and hold harmless the Released Persons and Defendants' Counsel for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall timely be paid by the Escrow Agent out of the Settlement Fund without

prior order from the Court and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. §1.468B-2(1)(2)); the Released Persons, Defendants' Counsel and Defendants' insurance carriers shall not be responsible in any respect therefore, nor shall they have any liability therefore. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶I.3.11.

**d. Termination of Settlement**

3.12 In the event the Stipulation: (i) is not approved; (ii) is terminated, canceled, or fails to become effective for any reason, including, without limitation, in the event the Judgment is reversed or vacated following any appeal taken therefrom; or (iii) is successfully collaterally attacked, the Settlement Fund (including accrued interest) less expenses actually incurred or due and owing for Class Notice and Administration Costs, Taxes or Tax Expenses pursuant to ¶¶3.7 or 3.11, shall be refunded pursuant to written instructions from Defendants or Defendants' Counsel.

**4. Certification, Notice Order, and Settlement Hearing**

4.1 The Settling Parties hereby stipulate to certification of the Settlement Class, pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure, solely for purposes of this Stipulation and the Settlement set forth herein. If the Stipulation is not approved by the Court, however, then (a) Defendants shall retain all rights to (i) object to and oppose class certification, or (ii) challenge the standing of Lead Plaintiff or any other intervening plaintiff; and (b) this Stipulation and any motion or other papers filed in support of its approval shall not be offered as evidence of any agreement, admission or concession that any class should be or remain certified

in the Litigation or that Lead Plaintiff or any other intervening plaintiff has standing or any legal right to represent any class.

4.2 As soon as practicable after this Stipulation is fully executed, Lead Counsel shall submit the Stipulation to the Court and shall apply for entry of an order (the “Notice Order”) substantially in the form attached hereto as Exhibit A, requesting, *inter alia*, the preliminary approval of the Settlement set forth in this Stipulation, approval for the mailing of a settlement notice (the “Notice”) substantially in the form attached as Exhibit A-1 hereto, and publication of a summary notice (the “Summary Notice”) substantially in the form attached as Exhibit A-3 hereto. The Notice shall include the general terms of the proposed Settlement set forth in this Stipulation, the proposed Plan of Allocation, the requested Fee and Expense Award, the requested Lead Plaintiff Cost and Expense Award, and the date of the Settlement Hearing as defined below. Defendants do not and shall not take any position on the proposed Plan of Allocation or the application for Lead Counsel’s Fee and Expense Award and the Lead Plaintiff Cost and Expense Award.

4.3 Lead Counsel shall request that the Notice Order set forth a date on which the Court will hold a hearing (the “Settlement Hearing”) during which Lead Counsel will request that the Court finally approve the Settlement of the Litigation as set forth herein.

4.4 At the Settlement Hearing, the Settling Parties shall jointly request entry of the Judgment:

(a) finally approving the Settlement as fair, reasonable, and adequate, within the meaning of Rule 23 of the Federal Rules of Civil Procedure, and directing its consummation pursuant to its terms;

(b) certifying a Settlement Class, as defined in ¶I.1.30 herein, for settlement purposes only;

(c) directing that the Litigation be dismissed with prejudice; directing that the Settling Parties are to bear their own costs, except as otherwise provided in this Stipulation, and releasing the Released Claims;

(d) permanently barring and enjoining the institution and prosecution, by Lead Plaintiff and the Settlement Class Members, of any other action against the Released Persons in any court asserting any Released Claims; provided, however, that the Judgment shall not bar any action or claim to enforce the terms of the Settlement or the Judgment;

(e) reserving jurisdiction over the Litigation, including all future proceedings concerning the administration, consummation, and enforcement of this Stipulation;

(f) finding that the Complaint in the Litigation was filed on a good faith basis in accordance with the Private Securities Litigation Reform Act of 1995 (the “PSLRA”) and Rule 11 of the Federal Rules of Civil Procedure;

(g) finding, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, that there is no just reason for delay, and directing entry of a final judgment;

(h) containing such other and further provisions consistent with the terms of this Stipulation to which the Settling Parties expressly consent in writing; and

(i) approving the proposed Plan of Allocation, Lead Counsel’s Fee and Expense Award, and the Lead Plaintiff Cost and Expense Award.

## **5. Releases and Bar Order**

5.1 Upon the Effective Date, Lead Plaintiff and each of the Settlement Class Members (who have not validly opted out of the Class) on behalf of themselves and each of their respective

officers, directors, shareholders, employees, agents, personal representatives, spouses, subsidiaries, trustees, heirs, executors, administrators, successors and assigns, and any other Person claiming (now or in the future) to be acting on behalf of any of them, and regardless of whether any such Lead Plaintiff or Settlement Class Member ever seeks or obtains by any means, including, without limitation, by submitting a Proof of Claim and Release, any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims (including, without limitation, Unknown Claims), against the Released Persons (whether or not such Class Members execute and deliver the proof of claims forms) and shall have covenanted not to sue the Released Persons with respect to all such Released Claims, and shall be permanently barred and enjoined from instituting, commencing, participating in, continuing, maintaining, asserting or prosecuting, whether directly or indirectly, whether in the United States or elsewhere, whether on their own behalf or on behalf of any class or any other Person, any Released Claim against the Released Persons, provided, however, that nothing herein shall bar any action or claim to enforce the terms of the Settlement or the Judgment entered pursuant thereto.

5.2 Upon the Effective Date, Lead Plaintiff and each of the Class Members who have not validly opted out of the Class shall be permanently barred and enjoined from the assertion, institution, maintenance, prosecution, or enforcement against any Released Person, in any state or federal court or arbitral forum, or in the court of any foreign jurisdiction, of any and all Released Claims (including, without limitation, Unknown Claims), as well as any claims arising out of, relating to, or in connection with, the defense, settlement, or resolution of the Litigation or the Released Claims.

5.3 The Proof of Claim and Release to be executed by Class Members shall release all Released Claims against the Released Persons and shall be substantially in the form contained in Exhibit A-2 attached hereto.

5.4 Upon the Effective Date, each of the Released Persons shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Settlement Class, Lead Plaintiff, and Plaintiff's Counsel from all claims (including Unknown Claims) arising out of, relating to, or in connection with, the institution, prosecution, assertion, settlement, or resolution of the Litigation or the Released Claims provided, however, that nothing herein shall bar any action or claim to enforce the terms of the Settlement or the Judgment entered pursuant thereto.

**6. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of the Settlement Fund**

6.1 The Claims Administrator, subject to such supervision and direction of the Court or Lead Counsel as may be necessary or as circumstances may require, shall administer and calculate the claims submitted by Settlement Class Members and shall oversee distribution of the Net Settlement Fund to Authorized Claimants pursuant to the Plan of Allocation. The Released Persons shall not have any role in, or responsibility or liability to any Person, including without limitation, the Settlement Class Members, for the administration of the Settlement or the solicitation, review or evaluation of Proofs of Claim, nor shall any discovery be taken of Defendants in connection with such matters.

6.2 Within ten (10) calendar days after entry of the Notice Order, Defendants' Counsel will use reasonable efforts to cause Accretive Health's transfer agent to provide the Claims Administrator with a list of names and addresses of record holders of Accretive Health Securities during the Settlement Class Period. This information shall be provided in an electronic format

acceptable to the Claims Administrator. Defendants shall be responsible for any costs or expenses related to providing this information. Defendants and the other Released Persons shall not have any other role in, or any responsibility or liability to any Person for, the administration of the Settlement, nor shall any discovery be taken of Defendants in connection with such matters.

6.3 In accordance with the schedule set forth in the Notice Order, Lead Counsel will cause to be mailed by the Claims Administrator to all shareholders of record, identified on the Claims Administrator's list, the Notice, substantially in the form of Exhibit A-1 attached hereto, and a Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto. The Notice shall set forth the terms of the Stipulation, including the proposed Plan of Distribution and Lead Counsel's request for attorneys' fees and expenses; the date and time of the Settlement Hearing; the right to object to the Settlement, proposed Plan of Distribution, or request for fees and expenses; the right to appear at the Settlement Hearing; and the right to request exclusion from the Class. The Notice and Proof of Claim and Release form shall also be posted on the Claims Administrator's website. In accordance with the schedule set forth in the Notice Order, a summary notice, substantially in the form of Exhibit A-3 attached hereto, will also be published once in the national edition of *Investor's Business Daily* and once over *Business Wire*. The cost of providing such notice shall be paid out of the Settlement Fund.

6.4 The Settlement Fund shall be applied as follows:

- (a) to pay Lead Counsel's Fee and Expense Award in accordance with ¶¶1.7.1-7.4 below;
- (b) to pay the Lead Plaintiff Cost and Expense Award in accordance with ¶¶1.7.1-7.4 below;
- (c) to pay all Notice and Administration Expenses;

(d) to pay the Taxes and Tax Expenses described in ¶¶I.3.9-I.3.11 hereof; and

(e) to distribute the balance of the Settlement Fund (the “Net Settlement Fund”) to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, and order of the Court.

6.5 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed by the Claims Administrator to Authorized Claimants, subject to and in accordance with the following:

(a) Within one hundred-twenty (120) calendar days after entry of the Notice Order or such other time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto, signed under penalty of perjury, and supported by such documents as are specified in the Proof of Claim and Release.

(b) The validity of each claim submitted will be initially determined by the Claims Administrator, acting under Lead Counsel’s supervision as necessary, in accordance with the Plan of Allocation approved by the Court. In the event a Settlement Class Member disagrees with such determination, the Settlement Class Member may elect to submit the dispute to the Court for summary resolution. Each Settlement Class Member shall be deemed to have submitted to the jurisdiction of the Court with respect to that Settlement Class Member’s claim against the Net Settlement Fund.

(c) Except as otherwise ordered by the Court, any and all Settlement Class Members who fail to timely submit a properly completed and signed Proof of Claim and Release

within such period as is ordered by the Court, or who submit a Proof of Claim and Release that is rejected, shall be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth therein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained therein, the Judgment and all proceedings, rulings, orders, and judgments in the Litigation, including, without limitation, the release of the Released Claims and the dismissal with prejudice of the Litigation. Notwithstanding the foregoing, Lead Counsel shall have the discretion to accept late-submitted claims for processing by the Claims Administrator so long as distribution of the Net Settlement Fund is not materially delayed thereby.

(d) Lead Counsel, with approval of Lead Plaintiff, shall apply to the Court, on notice to Defendants' Counsel, for an order approving the Claims Administrator's determinations concerning the acceptance or rejection of the submitted Proofs of Claim and Release forms and approving any Notice and Administration Expenses or Taxes and Tax Expenses not previously applied for and, if the Effective Date has occurred, directing payment of the Net Settlement Fund to Authorized Claimants substantially in accordance with the Plan of Allocation set forth in the Notice and approved by the Court (the "Distribution Order"). Any such Plan of Allocation is not a part of this Stipulation. No funds from the Net Settlement Fund shall be distributed to Authorized Claimants until the Effective Date. If there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), as of the later of (a) six (6) months from the date on which the Court entered a Distribution Order; or (b) six (6) months after the Effective Date, then Lead Counsel shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion, consistent with the Plan of

Allocation. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to one or more secular §501(c)(3) organization(s) selected by Lead Counsel.

6.6 Neither the Released Persons nor their counsel shall have any responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the Settlement Fund or Net Settlement Fund, the Plan of Allocation, the determination, administration, or calculation of claims, the payment or withholding of Taxes, or any losses incurred in connection with any such matters. Lead Plaintiff and each Settlement Class Member hereby fully, finally, and forever release, relinquish, and discharge the Released Persons and their counsel from any and all such liability.

6.7 Defendants shall take no position with respect to the Plan of Distribution or any other such plan as may be approved by the Court.

6.8 No Person shall have any claim against Lead Plaintiff, Plaintiffs' Counsel, the Claims Administrator, or their counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court. No Person shall have any claim against the Released Persons or their counsel arising from or relating to the management of, distributions from, or the disposition of the Settlement Fund or the Net Settlement Fund, and Lead Plaintiff and each Settlement Class Member hereby fully, finally, and forever release, relinquish, and discharge the Released Persons and their counsel from any and all such liability.

6.9 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund is not a part of the Stipulation and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in the Stipulation, and any order, proceeding or dispute relating to the

Plan of Allocation including, but not limited to, those related to adjustments to an Authorized Claimant's claim, shall not operate to terminate or cancel the Stipulation or affect or delay the finality of the Court's Judgment approving the Stipulation and the Settlement set forth therein, or any other orders entered pursuant to the Stipulation. The time to appeal from approval of the Settlement shall commence upon the Court's entry of the Judgment regardless of whether a Plan of Allocation has been submitted to the Court or has been approved.

6.10 All Persons who fall within the definition of Settlement Class Members shall be subject to and bound by the provisions of this Stipulation, the releases contained herein, and the Judgment with respect to all Released Claims, regardless of whether such Persons seek or obtain by any means, including, without limitation, by submitting a Proof of Claim and Release or any similar document, any distribution from the Settlement Fund or the Net Settlement Fund.

## **7. Lead Counsel's Attorneys' Fees and Expenses**

7.1 Lead Counsel may submit an application or applications (the "Fee and Expense Application") for distributions to Lead Counsel from the Settlement Fund for: (a) an award of attorneys' fees not to exceed 33% of the Settlement Fund; plus (b) the reimbursement of reasonable expenses incurred in connection with prosecuting the Litigation (including, but not limited to the fees and expenses of experts and consultants), plus any interest on such attorneys' fees and expenses at the same rate as earned by the Settlement Fund from the date the Court orders such award until the date paid as may be awarded by the Court; plus (c) the reimbursement to Lead Plaintiff for reasonable costs and expenses (including lost wages) directly related to its representation of the Settlement Class in this Litigation (*i.e.*, the Lead Plaintiff Cost and Expense Award). Lead Counsel reserves the right to make additional applications to the Court for fees and

expenses incurred. Defendants do not and shall not take any position as to the Fee and Expense Application.

7.2 The Fee and Expense Award, including the fees and expenses of experts and consultants, and interest earned thereon, as well as the Lead Plaintiff Cost and Expense Award, shall be payable to Lead Counsel from the Settlement Fund, as ordered, immediately following the Settlement Hearing and any order by the Court awarding such fees and expenses. This provision shall apply notwithstanding timely objections to, potential for appeal from, or collateral attack on, the Settlement or the award of fees and expenses. Lead Counsel may allocate the Fee and Expense Award among other plaintiffs' counsel in a manner in which they in good faith believe reflects the contributions of such counsel to the initiation, prosecution, and resolution of the Litigation. If the Fee and Expense Award or Lead Plaintiff Cost and Expense Award is overturned or reduced, or if the Settlement is terminated, not approved by the Court, or otherwise does not become Final and binding upon the Settlement Class for any reason, then, within ten (10) business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction of such event, Lead Counsel shall refund to the Settlement Fund, in an amount consistent with such reversal or modification, the Fee and Expense Award and the Lead Plaintiff Cost and Expense Award, and in addition shall pay into the Settlement Fund interest on the total amount refunded at the same rate as earned on the Settlement Fund from the time of payment of the Fee and Expense Award and/or the Lead Plaintiff Cost and Expense Award, whichever is applicable, until the date of refund, in an amount consistent with such reversal or modification. Each Plaintiff's counsel's law firm receiving fees and expenses, as a condition of receiving such fees and expenses, on behalf of itself and each partner and/or shareholder of it, agrees that the law

firm and its partners and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the provisions of this paragraph.

7.3 The procedure for and the allowance or disallowance by the Court of any Fee and Expense Award or any Lead Plaintiff Cost and Expense Award to be paid out of the Settlement Fund are not part of the Settlement set forth in the Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in the Stipulation; and any order, proceeding or dispute relating to any Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation or the Settlement or affect or delay the finality of the Judgment approving the Settlement. None of the Settling Parties may terminate or cancel the Settlement on the basis of the amount of any Fee and Expense Award or Lead Plaintiff Cost and Expense Award.

7.4 The Released Persons and their counsel shall have no responsibility for, and no liability whatsoever with respect to (a) any payment from the Settlement Fund of any type or nature whatsoever, including attorneys' fees and expenses paid to any counsel for Plaintiff or the Settlement Class or any amounts paid to Lead Plaintiff; and (b) the allocation among Plaintiff's counsel, and/or any other Person who may assert some claim thereto, of any Fee and Expense Award that the Court may make in the Litigation.

## **8. Conditions of Settlement, Effect of Disapproval, Cancellation, or Termination**

8.1 The Effective Date of the Settlement shall be the date on which all of the following conditions of settlement shall have occurred:

(a) execution of the Stipulation and such other documents as may be required to obtain final Court approval of this Stipulation in a form satisfactory to the Settling Parties;

(b) the Court has entered the Notice Order, as described in ¶I.4.2 hereof;

(c) Defendants have not exercised their option to terminate the Stipulation pursuant to ¶8.3 hereof;

(d) the Court has approved the Settlement as described herein, following notice to the Settlement Class and a Settlement Hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure;

(e) the Court has entered the Judgment that, *inter alia*, dismisses with prejudice the Litigation, as to Lead Plaintiff and the Defendants, in accordance with ¶I.4.4 hereof; and

(f) the Judgment has become Final, as defined in ¶1.13 or in the event the Court enters a judgment in a form other than that provided in ¶I.4.4 (“Alternative Judgment”) and neither Lead Plaintiff nor the Defendants elect to terminate the Settlement, the date that such Alternative Judgment becomes Final; and

(g) the Settlement Fund amount has been deposited with the Escrow Agent.

8.2 Upon the occurrence of all of the events referenced in ¶8.1 hereof, any and all remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If any of the conditions specified in ¶8.1 hereof are not met, then the Stipulation shall be canceled and terminated in accordance with ¶8.4 below, unless the Settling Parties, through their counsel, all agree in writing to proceed with the Settlement.

8.3 Defendants, in their sole discretion, may terminate this Stipulation and the Settlement contemplated herein in the event that Persons who otherwise would be Settlement Class Members timely and validly submit requests for exclusion from the Settlement Class in accordance with the provisions of the Notice Order, and the Termination Threshold, as that term

is defined in a separate agreement countersigned simultaneously herewith by Defendants' Counsel and Lead Counsel ("Supplemental Agreement"), is met. The Supplemental Agreement shall not be filed with the Court unless (a) a dispute among the Settling Parties concerning its interpretation arises; or (b) the Court requires it to be filed. If either of these circumstances occur, Lead Plaintiff and Defendants shall request that the Supplemental Agreement and/or any of its terms be disclosed only *in camera* to the Court for purposes of approving the Settlement, and that such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the Court so as to preserve the confidentiality of the Supplemental Agreement, particularly the Termination Threshold specified in the Supplemental Agreement.

8.4 In the event this Stipulation shall terminate, or be canceled, or otherwise fail to become effective for any reason, then:

(a) within ten (10) business days after written notification of such event is sent by Defendants' Counsel to Lead Counsel, Lead Counsel shall cause the Escrow Agent to return to Defendants any monies remaining in the Settlement Fund (including accrued interest) as well as all payments disbursed, including all expenses, costs, and any Fee and Expense Award, excluding only Notice and Administration Expenses that have either been properly disbursed or are due and owing pursuant to ¶3.4 or ¶3.7 and Taxes and Tax Expenses that have been paid or that have accrued and will be payable at some later date in accordance with ¶I.3.11, will be refunded, reimbursed, and repaid by the Escrow Agent in a manner directed by Defendants' Counsel; if said amount or any portion thereof is not returned within such ten (10) day period, then interest shall accrue thereon at the same rate as earned by the Settlement Fund from the date of termination until the date that said amount is returned;

(b) at the request of Defendants' Counsel, the Escrow Agent or its designee shall apply for any Tax refund owed on the Settlement Fund and pay the proceeds to Defendants as directed in writing by Defendants' Counsel, after deduction of any fees or expenses reasonably incurred in connection with such application(s) for refund;

(c) the Settling Parties shall be restored to their respective positions in the Litigation as of the date that this Stipulation is executed, with all of their respective claims and defenses preserved as they existed on that date;

(d) the terms and provisions of the Stipulation, with the exception of ¶¶1.1-1.36, 3.7, 3.9-3.11, 7.2, 8.4, 9.1, 9.6, and 9.7, shall be null and void and shall have no further force and effect with respect to the Settling Parties, and neither the existence nor the terms of this Stipulation (nor any negotiations preceding this Stipulation nor any acts performed pursuant to, or in furtherance of, this Stipulation) shall be used in this Litigation or in any other proceeding for any purpose; and

(e) any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*.

8.5 No order of the Court or modification or reversal on appeal of any such order of the Court concerning the Plan of Distribution or the amount of any attorneys' fees, costs, and expenses, and interest awarded by the Court to Lead Counsel or Lead Plaintiff shall constitute grounds for cancellation or termination of the Stipulation.

## **9. Miscellaneous Provisions**

9.1 All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein.

9.2 The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

9.3 The Settling Parties: (a) acknowledge that it is their intent to consummate the Settlement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation. To the extent the Settling Parties are unable to reach agreement concerning such best efforts, any Settling Party may refer the matter to Mr. Melnick for mediated resolution, subject to Court approval, with the fees and expenses of Mr. Melnick to be divided equally between Lead Plaintiff on the one hand, and the Defendants on the other.

9.4 The Settling Parties intend this Settlement to be a final and complete resolution of all disputes between them. The Settlement compromises claims which are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense.

9.5 While Defendants deny that the claims advanced in the Litigation were meritorious, they will not assert in any public statement that the Litigation was not filed in good faith and/or is not being settled voluntarily after consultation with competent legal counsel. The Judgment will contain a finding that, during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11. The Settling Parties agree that the amount paid to the Settlement Fund and the other terms of the Settlement were negotiated in good faith by the Settling Parties and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel and with the assistance of Mr. Melnick. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

9.6 This Stipulation, whether or not it is consummated, and any of its provisions, any negotiations, proceedings or agreements relating to the Stipulation or the Settlement, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Settlement: (a) shall not be deemed to be or used as an admission of, or evidence of, the validity of any Released Claim, any allegation made in the Litigation, or any wrongdoing or liability of Defendants or any Released Persons; and (b) shall not be deemed to be or used as an admission of, or evidence of, any liability, fault, or omission of any of Defendants or any Released Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Neither this Stipulation nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of this Stipulation or the Settlement shall be offered or admissible in any proceeding for any purpose, except to enforce the terms of the Settlement, except that Defendants may file or refer to the Stipulation and/or the Judgment in any action that may be brought against them in order to enforce the releases or other protections granted herein or to otherwise support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

9.7 All agreements made and orders entered during the course of the Litigation relating to the confidentiality of documents and information shall survive this Stipulation.

9.8 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest. After prior notice to the Court, the Settling Parties may agree to reasonable extensions of time to carry out any provisions of this Stipulation.

9.9 No waiver of any term or provision of this Settlement Agreement, or of any breach or default hereof or hereunder, shall be valid or effective unless in writing and signed by or on behalf of all Settling Parties or their respective successors-in-interest. No waiver of any term or provision of this Settlement Agreement, or of any breach or default hereof or hereunder, shall be construed as a waiver of the same or any other term or provision or of any previous or subsequent breach thereof.

9.10 The Stipulation, including its Exhibits and Supplemental Agreement, constitutes the entire agreement among the parties hereto and no representations, warranties, or inducements have been made to any party concerning the Stipulation other than the representations, warranties, and covenants contained and memorialized in such documents. It is understood by the Settling Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Stipulation is entered into may turn out to be other than, or different from, the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Stipulation shall be in all respects effective and not subject to termination by reason of any such different facts or law. Except as otherwise provided herein, each Settling Party shall bear its own costs.

9.11 This Settlement Agreement shall be construed and interpreted to effectuate the intent of the Settling Parties, which is to resolve completely those claims and disputes, including in the Litigation, and as more fully described herein. If any provision of this Settlement Agreement shall be determined to be invalid, void, or illegal, such provision shall be construed and amended in a manner that would permit its enforcement, but in no event shall such provision affect, impair, or invalidate any other provision hereof.

9.12 Neither the Class Members nor Defendants shall be bound by the Stipulation if the Court modifies material terms thereof, provided, however, that it shall not be a basis for Settlement Class Members to terminate the Settlement if the Court modifies any proposed Plan of Distribution or criteria for allocation of the Net Settlement Fund amongst Settlement Class Members, or the Plan of Distribution is modified on appeal. Nor shall it be a basis to terminate the Stipulation if the Court disapproves of or modifies the terms of this Stipulation with respect to attorneys' fees or expenses or the distribution of the Net Settlement Fund. Notwithstanding any such modification of the terms or Plan of Distribution or the Stipulation with respect to attorneys' fees or expenses, Defendants and Defendants' insurers shall be entitled to all benefits of the Settlement and shall not, under any circumstances, be called upon to contribute additional funds to the Settlement Fund.

9.13 Lead Counsel, on behalf of the Settlement Class, is expressly authorized by Lead Plaintiff to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter into any modifications or amendments to the Stipulation on behalf of the Settlement Class which they deem appropriate. Lead Plaintiff and Lead Counsel represent and warrant that none of Lead Plaintiff's claims or causes of action referred to herein or that could have been alleged in the Litigation has been assigned, encumbered, or in any manner transferred in whole or in part.

9.14 Each counsel or other Person executing the Stipulation and any documents prepared in furtherance of the Stipulation on behalf of any party hereto, hereby warrants that such Person has the full authority to do so.

9.15 The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set

of executed counterparts shall be filed with the Court. The Settling Parties agree that facsimile or scanned signatures shall have the same force and effect as original signatures.

9.16 The Stipulation shall be binding upon, and inure to the benefit of, the heirs, executors, administrators, trustees, successors and assigns of the Settling Parties, including any corporation or other entity into or with which any party merges, consolidates, or reorganizes.

9.17 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all parties and their counsel hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

9.18 Pending approval of the Court of the Stipulation and its Exhibits, all proceedings in the Litigation shall be stayed and all members of the Settlement Class shall be barred and enjoined from prosecuting any of the Released Claims against any of the Released Persons.

9.19 Nothing in this Stipulation, Settlement, or the negotiations or proceedings relating to the foregoing is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, the accountants' privilege, the attorney-client privilege, the joint defense privilege, or the work-product privilege, and all information transmitted between Lead Counsel and Defendants' Counsel in connection with this Settlement shall be inadmissible in any proceeding in any federal or state court or other tribunal or otherwise, in accordance with Rule 408 of the Federal Rules of Evidence as if such Rule applied in all respects in any such proceeding or tribunal.

9.20 This Stipulation and the Settlement contemplated by it, and all disputes arising out of or relating to the Stipulation and Settlement shall be construed and enforced in accordance with, and governed by, the substantive laws and procedural rules of the State of Illinois without giving effect to Illinois's choice-of-law principles. Any dispute relating to this Stipulation or the

Settlement shall be brought exclusively in the U.S. District Court for the Northern District of Illinois.

9.21 Any written notice required pursuant to or in connection with this Stipulation shall be addressed to the Settling Parties' counsel as designated and identified below, and sent by both email and also by overnight mail addressed to a representative of Lead Counsel and/or Defendants' Counsel, which shall be Joshua L. Crowell and Andrew Clubok at the addresses identified below, respectively, unless and until notification of a change in said representatives.

9.22 The captions contained in this Stipulation are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of the Stipulation or the intent of any provision.

9.23 All of the Exhibits to this Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,  
by their duly authorized attorneys, dated as of February 19, 2016.

Dated: February 19, 2016

**GLANCY PRONGAY & MURRAY LLP**

By:   
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*Lead Counsel for Lead Plaintiff Pressure Controls,  
Inc. and the Class*

Dated: February 19, 2016

**KIRKLAND & ELLIS LLP**

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*Counsel for Defendants Accretive Health, Inc., Mary  
A. Tolan, John T. Staton, and James M. Bolotin*

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS**

TIFFANY M. HUGHES,

Plaintiff,

v.

ACCRETIVE HEALTH, INC., MARY A.  
TOLAN, JOHN T. STATON, AND JAMES M.  
BOLOTIN,

Defendants.

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)  
) Case No. 13-cv-3688  
)  
) Honorable Joan B. Gottschall  
)  
) **EXHIBIT A**  
) **[PROPOSED] ORDER PRELIMINARILY**  
) **APPROVING SETTLEMENT AND**  
) **PROVIDING FOR NOTICE OF**  
) **PROPOSED SETTLEMENT**  
)

WHEREAS, a class action is pending before the Court entitled *Hughes v. Accretive Health, Inc. et al.*, Case No. 13-cv-03688, United States District Court for the Northern District of Illinois (the “Litigation”);

WHEREAS, the Court has received the Stipulation of Settlement dated as of February 19, 2016 (the “Stipulation”),<sup>1</sup> which has been entered into by Lead Plaintiff and Defendants, and the Court has reviewed the Stipulation and the exhibits annexed thereto;

WHEREAS, the Settling Parties having made application, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in accordance with the Stipulation which sets forth the terms and conditions for a proposed settlement of the Litigation and for dismissal of the Litigation with prejudice upon the terms and conditions set forth therein; and the Court having read and considered the Stipulation and the exhibits annexed thereto;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth therein, subject to further consideration at the Settlement Hearing described below.

2. The Court finds that: (a) the Stipulation resulted from arm’s-length negotiations; and (b) the Stipulation is sufficiently fair, reasonable and adequate as to the Settlement Class Members to warrant providing notice of the Settlement to Settlement Class Members for consideration and holding a Settlement Hearing.

3. The Settlement Hearing shall be held before this Court on \_\_\_\_\_, 2016, at \_\_\_:\_\_\_ \_m., to determine whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the \_\_\_\_\_

<sup>1</sup> For purposes of this Order, the Court adopts all defined terms as set forth in the Stipulation, and the terms used herein shall have the same meaning as in the Stipulation.

Settlement Class and should be approved by the Court; whether to certify a Settlement Class for purposes of the Settlement; whether a Judgment finally approving the Settlement should be entered herein; whether the proposed Plan of Allocation should be approved; whether to grant Lead Counsel's request of attorneys' fees and expenses; and whether to grant Lead Plaintiff's reimbursement of its reasonable costs and expenses (including lost wages) directly related to representation of the Settlement Class.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily certifies, solely for the purposes of effectuating this Settlement, a Settlement Class consisting of all Persons who purchased or otherwise acquired the common stock of Accretive Health, Inc. ("Accretive" or the "Company"), purchased or otherwise acquired call options on Accretive common stock, or wrote put options on Accretive common stock, between May 20, 2010, through December 30, 2014, inclusive (the "Settlement Class"), and were allegedly damaged thereby. Excluded from the Settlement Class are Defendants, members of the immediate families of the Individual Defendants, the officers and directors of Accretive during the Settlement Class Period, the legal representatives, heirs, successors, or assigns of any of the foregoing excluded Persons and any entity in which any of the Defendants have or had a controlling interest. Also excluded from the Settlement Class are those Persons who submit valid and timely requests for exclusion in accordance with the requirements set forth in the Notice.

5. Solely for purposes of the Stipulation and the Settlement, the Lead Plaintiff is hereby certified as the class representative pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure. Lead Counsel is appointed as class counsel for purposes of the Settlement.

6. The Court approves, as to form and content, the Notice of Proposed Settlement of Class Action, Motion for Attorneys' Fees and Expenses, and Settlement Hearing (the "Notice"),

the Proof of Claim and Release form (the “Proof of Claim”), and Summary Notice annexed respectively as Exhibits A-1, A-2 and A-3 hereto. The Court further finds that the mailing and distribution of the Notice and publishing of the Summary Notice, substantially in the manner and form set forth in this Order: (i) meet the requirements of Rule 23 of the Federal Rules of Civil Procedure and the Due Process Clause of the U.S. Constitution, (ii) are reasonably calculated, under the circumstances, to describe the terms and effect of the Stipulation and the Settlement; (iii) apprise Settlement Class Members of their right to object to the proposed Settlement or to exclude themselves from the Settlement Class; and (iv) provide the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

7. Pending final determination by the Court as to whether the Settlement, as set forth in the Stipulation, is fair, reasonable, and adequate, and should be finally approved, and whether the Judgment dismissing the Litigation with prejudice should be approved, no Settlement Class Member, either directly, representatively, or in any other capacity, shall assert, commence, or prosecute against any of the Released Persons, any of the Released Claims in this Litigation, or in any other proceeding or forum. This injunction is necessary to protect and effectuate the Settlement, this Order, and the Court’s flexibility and authority to effectuate the Settlement and to enter judgment when appropriate, and is ordered in aid of the Court’s jurisdiction and to protect its judgments.

8. The Court appoints Kurtzman Carson Consultants (“Claims Administrator”) to supervise and administer the notice procedure as well as the processing of claims under the supervision of Lead Counsel, as more fully set forth below:

a. Within ten (10) calendar days after entry of this Order, Defendants’ Counsel will use reasonable efforts to cause Accretive Health’s transfer agent to provide the Claims

Administrator with a list of names and addresses of record holders of Accretive Health Securities during the Class Period, for the purpose of identifying and giving notice to the Class.

b. Not later than thirty (30) calendar days after entry of this Order (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to be mailed to all Settlement Class Members who can be identified with reasonable effort. Such notice shall be sent by first-class mail, postage prepaid, to the Settlement Class Member’s last known address;

c. Not later than ten (10) calendar days after the Notice Date, the Claims Administrator shall cause the Stipulation and its exhibits in final form and a copy of the Notice to be posted on the following website: [www.██████████.com](http://www.██████████.com);

d. Not later than ten (10) calendar days after the Notice Date, the Claims Administrator shall cause the Summary Notice to be published once in Investor’s Business Daily, and on a different day shall cause the Summary Notice to be published once in PR Newswire; and

e. Not later than thirty (30) calendar days after the Notice Date, Lead Counsel shall cause to be served on Defendants’ Counsel and filed with the Court proof, by affidavit or declaration, of such mailing, publishing and posting.

9. Not later than ten (10) calendar days after the Stipulation is filed in this Court, Defendants shall provide notice of the proposed Settlement to appropriate Federal and State officials required by the Class Action Fairness Act of 1995, 28 U.S.C. §1715 (“CAFA Notice”). Not later than seventy (70) days after the entry of this Order, Defendants shall file with the Court an affidavit or declaration showing timely compliance with this CAFA Notice directive.

10. Banks, brokerage firms, institutions, and other Persons who are nominees who purchased or acquired Accretive Health Securities for the beneficial interest of other Persons

during the Settlement Class Period (“Nominee Purchasers”), shall within ten (10) calendar days of receipt thereof (a) provide to the Claims Administrator the name and last known address of each Person for whom they purchased Accretive Health Securities during the Settlement Class Period or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to them free of charge, and within ten (10) calendar days mail the Notice and Proof of Claim directly to the beneficial owners of Accretive Health Securities. If Nominee Purchasers choose to follow alternative procedure (b), upon such mailing, they must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Settlement Class Members. If requested and upon appropriate supporting documentation, Lead Counsel and/or the Claims Administrator are authorized to reimburse Nominee Purchasers solely for their reasonable out-of-pocket expenses incurred in providing the Notice and the Proof of Claim to beneficial owners who are Settlement Class Members out of the Settlement Fund, which expenses would not have been incurred except for the sending of such Notice and Proof of Claim, subject to further order of this Court with respect to any dispute concerning such compensation.

11. Any Person falling within the definition of the Settlement Class may, upon request, be excluded from the Settlement Class. Any such Person must submit to the Claims Administrator a request for exclusion (“Request for Exclusion”), sent by first-class mail and postmarked no later than twenty-one (21) calendar days prior to the Settlement Hearing or such other date as set by the Court to the address provided in the Notice. A Request for Exclusion must state: (a) the name, address, telephone number and email address of the Person requesting exclusion; (b) each of the Person’s purchases and sales of Accretive Health Securities made during the Settlement Class Period, including the dates of purchase or sale, the number of

shares/options purchased and/or sold, and the price paid or received per share for each such purchase or sale; and (c) that the Person wishes to be excluded from the Settlement Class. All Requests for Exclusion must also be signed by the Person requesting exclusion. A Request for Exclusion shall not be effective unless it provides the required information set forth herein and in the Notice and is made within the time stated herein, or the Request for Exclusion is otherwise accepted by the Court. All Persons who submit valid and timely Requests for Exclusion shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Settlement or the Judgment entered in this Litigation.

12. All Persons who fall within the definition of the Settlement Class and who do not timely and validly request to be excluded from the Settlement Class in accordance with the instructions set forth above and in the Notice shall be subject to and bound by all provisions in the Stipulation, and by all proceedings, rulings, orders, and judgments in the Litigation regardless of whether such Settlement Class Member submits a Proof of Claim form.

13. Settlement Class Members who wish to collect in the Settlement shall complete and submit Proof of Claim forms in accordance with the instructions contained therein. All Proof of Claim forms must be sent by first-class mail and postmarked no later than one hundred-twenty (120) calendar days after entry of this Order or such other date as may be set by the Court. Any Settlement Class Member who does not timely submit a Proof of Claim form within the time provided for, or who submits a Proof of Claim that is rejected, shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court, but will in all other respects be subject to and bound by the provisions of the Stipulation and the final Judgment, including the releases contained therein.

14. Any Settlement Class Member who wishes to object to the fairness, reasonableness, or adequacy of the Settlement, to the Plan of Allocation, to any term of the Stipulation, or to the proposed awards of attorneys' fees and expenses or to the award to Lead Plaintiff of costs and expenses, may file an objection. An objector must file with the Clerk of the United States District Court for the Northern District of Illinois a written statement (a) clearly indicating the objector's name, mailing address, daytime telephone number, and e-mail address; (b) specifying the reason(s) for each objection, including any legal support and/or evidence that such objector wishes to bring to the Court's attention; and (c) identifying and supplying documentation showing the dates, prices, and numbers of shares of all purchases and sales of Accretive Health Securities by such objector during the Settlement Class Period. The objector or the objector's counsel may file the objection in person or by first-class mail at the following address:

Clerk of the Court  
U.S. District Court for the Northern District of Illinois  
United States Courthouse  
219 South Dearborn Street  
Chicago, IL 60604

If the objection is filed in person, it must be received by the Clerk of the Court no later than twenty-one (21) calendar days prior to the Settlement Hearing. If the objection is filed by first-class mail, it must be postmarked no later than twenty-one (21) calendar days prior to the Settlement Hearing.

The objector or the objector's counsel must also serve by first-class mail, postmarked no later than twenty-one (21) calendar days prior to the Settlement Hearing, the objection and all supporting documentation to Lead Counsel and Defendants' Counsel as follows:

*To Lead Counsel:*  
Joshua L. Crowell, Esq.  
Glancy Prongay & Murray LLP  
1925 Century Park East, Suite 2100  
Los Angeles, California 90067

*To Defendants' Counsel:*  
Andrew Clubok, Esq.  
Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, New York 10022

Any Settlement Class Member who does not make an objection in the manner provided above shall be deemed to have waived such objection and shall forever be foreclosed from making any objection. Untimely objections shall be barred. Any submissions by the Parties in opposition or response to objections shall be filed with the Court no later than seven (7) days before the Settlement Hearing.

15. Any objector who submits a timely, written objection in accordance with the instructions herein, may also appear at the Settlement Hearing either in person or through counsel retained at the objector's expense. Objectors or their attorneys intending to appear at the Settlement Hearing must serve by first-class mail, postmarked no later than twenty-one (21) calendar days before the Settlement Hearing, a notice of intention to appear, setting forth the name, mailing address, daytime phone number, and e-mail address of the objector and of the objector's attorney (if any) on Lead Counsel and on Defendants' Counsel. The objector must also file the notice of intention to appear with the Court, either in person or by first-class mail. If the notice is filed in person, it must be received by the Clerk of the Court no later than twenty-one (21) calendar days before the Settlement Hearing; if the notice is filed by first-class mail, it must be postmarked no later than twenty-one (21) calendar days before the Settlement Hearing. Any objector who does not timely file and serve a notice of intention to appear in accordance with this

paragraph shall not be permitted to appear at the Settlement Hearing, except otherwise ordered by the Court.

16. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation or further order of the Court.

17. All papers in support of the Settlement (excluding the Supplemental Agreement), Plan of Allocation, Lead Counsel's Fee and Expense Award, and the Lead Plaintiff Cost and Expense Award shall be filed and served not later than thirty-five (35) calendar days prior to the Settlement Hearing.

18. Neither Defendants nor any of the Released Persons shall have any responsibility for or liability with respect to the Plan of Allocation, any application for attorneys' fees or expenses submitted by Lead Counsel, or any application for Lead Plaintiff's reimbursement of costs and expenses (including lost wages) directly related to its representation of the Settlement Class, and such matters will be considered separately from the fairness, reasonableness and adequacy of the Settlement.

19. All reasonable Notice and Administration Expenses incurred in identifying and notifying Settlement Class Members, as well as administering the Settlement, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, repayment of amounts disbursed from the Settlement Fund, if any, shall be paid as set forth in the Stipulation.

20. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by the Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault,

or wrongdoing of any kind and shall not be construed as, or deemed to be evidence of, or an admission, or concession that Lead Plaintiff or any Settlement Class Members have suffered any damages, harm, or loss.

21. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, then this Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

22. Pending the Settlement Hearing, the Court stays all proceedings in the Litigation, other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation.

23. The Court reserves the right to adjourn the date of the Settlement Hearing without further notice to the Settlement Class Members, and retains jurisdiction over the Litigation to consider all further matters arising out of or connected with the Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Settlement Class.

DATED: \_\_\_\_\_

\_\_\_\_\_  
The Honorable Joan B. Gottschall  
United States District Judge

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS

TIFFANY M. HUGHES,

Plaintiff,

v.

ACCRETIVE HEALTH, INC., MARY A.

TOLAN, JOHN T. STATON, AND JAMES M.

BOLOTIN,

Defendants.

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)

) Case No. 13-cv-3688

)

) Honorable Joan B. Gottschall

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) **EXHIBIT A-1**

)

) **NOTICE OF PROPOSED SETTLEMENT**

) **OF CLASS ACTION, MOTION FOR**

) **ATTORNEYS' FEES AND EXPENSES,**

) **AND SETTLEMENT HEARING**

)

**NOTICE OF (I) PENDENCY OF CLASS ACTION; (II) PROPOSED SETTLEMENT OF CLAIMS AGAINST ACCRETIVE HEALTH, INC., MARY A. TOLAN, JOHN T. STATON, AND JAMES M. BOLOTIN; AND (III) HEARING ON PROPOSED SETTLEMENT, PLAN OF ALLOCATION, AND MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES**

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by the above-captioned class action lawsuit pending in this Court (the “Litigation”) if you purchased or otherwise acquired Accretive Health, Inc. (“Accretive Health”) common stock, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock (together, “Accretive Health Securities”) during the period May 20, 2010, through December 30, 2014, inclusive.

**NOTICE OF SETTLEMENT:** Please be advised that the Lead Plaintiff in this Litigation, Pressure Controls, Inc. (“Lead Plaintiff”), on behalf of itself and the other Settlement Class Members (as defined below), has reached a proposed settlement with Defendants Accretive Health, Mary A. Tolan, John T. Staton, and James M. Bolotin (“Defendants”) (together with Lead Plaintiff, the “Settling Parties”) for a total of \$3.9 million, that will resolve all claims against Defendants in this Litigation (the “Settlement”) on the terms and conditions set forth in the Stipulation of Settlement entered into by and between Lead Plaintiff and Defendants, dated February 19, 2016 (the “Stipulation”). The Court in charge of this case still has to decide whether to approve the Settlement. The Settlement Fund will be available for distribution to the Settlement Class only if the Settlement is approved and that approval is upheld following any appeals.

On \_\_\_\_\_, 2016, the Court preliminarily approved the Settlement.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE EXPLAINS IMPORTANT RIGHTS YOU MAY HAVE, INCLUDING THE POSSIBLE RECEIPT OF CASH FROM THE SETTLEMENT. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR LEGAL RIGHTS WILL BE AFFECTED WHETHER OR NOT YOU ACT AND WHETHER OR NOT YOU ARE ELIGIBLE TO RECEIVE A PAYMENT FROM THE SETTLEMENT FUND.**

*A FEDERAL COURT AUTHORIZED THIS NOTICE. IT IS NOT A SOLICITATION FROM A LAWYER.*

The following table provides a brief summary of the rights you have if you are a Settlement Class Member and the relevant deadlines, which are described in more detail later in this Notice.

**YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT**

<p><b>Submit a Claim and Release form so that it is postmarked no later than _____.</b></p>	<p>If the Settlement is approved and you are a member of the Settlement Class, you may be entitled to receive a payment. But you must submit a Proof of Claim and Release (“Proof of Claim”) form to share in the proceeds. This is the only way to get a payment. A copy of the Proof of Claim form is enclosed, and is also available at _____.</p> <p>If you remain in the Settlement Class, you will be bound by the Settlement and will give up any and all of the Released Claims you may have against the Persons who are being released from liability as described below at pages ____.<sup>1</sup></p>
<p><b>Exclude Yourself from the Settlement Class by submitting a written request for exclusion no later than _____.</b></p>	<p>If you exclude yourself from the Settlement Class, you will not get a payment from the Settlement and will not be bound by the judgment that will be entered by the Court regarding the Settlement.</p>
<p><b>Object to the Settlement by submitting a written objection no later than _____.</b></p>	<p>If you do not exclude yourself but you wish to object to the proposed Settlement, the proposed Plan of Allocation, and/or Lead Counsel’s application for a Fee and Expense Award and the Lead Plaintiff Cost and Expense Award, you may write to the Court about your objections. You cannot object unless you are a Settlement Class Member. The contents and manner of submitting any written objection is set forth in this Notice. You must comply with these provisions for your objection to be considered.</p>
<p><b>Attend the Hearing on _____, and submit a Notice of Intention to Appear no later than _____.</b></p>	<p>Filing a written objection and notice of intention to appear allows you to speak in Court about the fairness of the proposed Settlement. If you have submitted a written objection, you may (but do not have to) attend the hearing and speak to the Court about your objections.</p>

<sup>1</sup> “Person” means an individual, corporation, limited liability company, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity together with the spouses, heirs, predecessors, successors, representatives, or assignees of any of the foregoing. Other capitalized terms not defined herein have the meaning ascribed to them in the Stipulation of Settlement.

<b>Do Nothing.</b>	Receive no payment, remain a Settlement Class Member, give up your rights and be bound by the judgment that will be entered by the Court regarding the Settlement, including, without limitation, the releases that will be set forth in that judgment.
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**WHAT THIS NOTICE CONTAINS**

**BASIC INFORMATION..... Page \_**

**WHO IS IN THE SETTLEMENT CLASS ..... Page \_**

**SUMMARY OF THE SETTLEMENT..... Page \_**

**THE BENEFITS OF THE SETTLEMENT - WHAT YOU GET ..... Page \_**

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**SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES..... Page \_**

**BASIC INFORMATION**

**1. Why did I get this Notice?**

1. You or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired Accretive Health common stock, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock, between May 20, 2010, through December 30, 2014, inclusive (the “Settlement Class Period”). The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you should understand how this class action lawsuit and the proposed Settlement may affect you and further to advise you about your options before the Court rules on the proposed Settlement. You should understand that if the Court approves the Settlement and it becomes effective, among other things: (a) the Litigation will be dismissed with prejudice as to all Defendants; (b) all Settlement Class Members will be deemed to have released

each of the Released Claims described at pages \_\_\_ below; and (c) the Claims Administrator will make payments to Authorized Claimants, as described below.

2. This Notice is intended to explain this class action, how you might be affected by it, to inform you of the terms of the proposed Settlement, the process by which the Court will consider them, your legal rights, what benefits may be available to you, who is eligible to get a payment, how to get a payment if you are eligible, what rights you will forfeit if the Settlement is approved, and of Lead Counsel’s intention to seek a Fee and Expense Award as well as the Lead Plaintiff Cost and Expense Award.<sup>2</sup> See pages \_\_ below for details about the Settlement Hearing.

3. This Notice does not express any opinion by the Court concerning the merits of any claim in the Litigation, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments to eligible claimants will be made after any appeals are resolved, and after the completion of all claims processing.

## **2. What is a class action?**

4. In a class action, one or more plaintiffs, called “lead plaintiffs” or “class representatives,” sue on behalf of people who have similar claims. All of the Persons on whose behalf the class representatives are suing are known as “class members.” One court resolves the issues in the case for all class members, except for those who choose to exclude themselves from the class if exclusion is permitted by applicable rules of procedure.

## **3. What is this lawsuit about? What has happened so far?**

5. In this lawsuit, Lead Plaintiff alleged that Defendants knowingly or with deliberate recklessness engaged in a scheme to manipulate the price of Accretive Health common stock. Accretive Health is a Delaware corporation with its principal executive offices located in Chicago, Illinois. During most of the Settlement Class Period, Accretive Health common stock traded on the New York Stock Exchange under the ticker symbol “ACHI.” Accretive Health provides revenue cycle operations management for hospitals. As compensation, Accretive Health receives both base fees for managing its customers’ revenue cycle operations, as well as incentive fees, which represent Accretive Health’s share of the improvements in its customers’ net revenue yields.

6. Lead Plaintiff alleges that during the Settlement Class Period, Defendants issued false and materially misleading statements and omissions in Accretive Health’s financial results by improperly recognizing revenue that was not “fixed or determinable,” and that as a result, Accretive Health eventually restated hundreds of millions of dollars in reported revenue. As alleged in Lead Plaintiff’s operative complaint, the improperly recognized fees were not fixed or determinable at the time recognized because substantially all of the revenue cycle management agreements were continually under negotiation throughout the contract term, there was a “historical pattern of [fee] adjustments and concessions,” and fees were “not finalized until the end of the contract.” Lead Plaintiff alleges that Defendants were fully aware of the historical

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<sup>2</sup> “Lead Counsel” means Glancy Prongay & Murray LLP.

pattern of adjustments, concessions, and continuous negotiations, and thus knew or were deliberately reckless in not knowing that Accretive Health was recognizing revenue that was not fixed or determinable during the Settlement Class Period. Lead Plaintiff further alleges that Defendants' false and misleading statements and omissions materially inflated the price of Accretive Health's stock.

7. Defendants have vehemently contested, and continue to deny, Lead Plaintiff's allegations or that they engaged in any wrongdoing whatsoever. Defendants have expressly denied and continue to deny that they have committed any act or omission giving rise to any liability or violation of law whatsoever and maintain that their conduct was at all times proper and in compliance with all applicable provisions of law. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged by Lead Plaintiff, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, by Lead Plaintiff. Defendants also have denied and continue to deny, *inter alia*, the allegations that any of the Defendants knew or recklessly disregarded that any material misstatements or omissions were being made; that any member of the Class has suffered any damages; that the price of Accretive Health common stock was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that the members of the Class were harmed by the conduct alleged in the Litigation or that could have been alleged as part of the Litigation. In addition, the Defendants maintain they have meritorious defenses to all claims alleged in the Litigation.

#### **WHO IS IN THE SETTLEMENT CLASS**

#### **4. How do I know whether I am part of the Settlement?**

8. The Court has preliminarily certified a Settlement Class that consists of, subject to certain exceptions identified below, those Persons who purchased or otherwise acquired the common stock of Accretive Health, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock, between May 20, 2010, through December 30, 2014, inclusive, and who were allegedly damaged thereby.

**9. PLEASE NOTE THAT RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE A PAYMENT. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT ACCOMPANIES THIS NOTICE POSTMARKED NO LATER THAN \_\_\_\_\_.**

#### **5. Are there exceptions to being included?**

10. Even if you fall within the Settlement Class definition, you are not a Settlement Class Member if you: are one of the Defendants; are a member of the immediate families of the Individual Defendants; were an officer or director of Accretive Health during the Settlement Class Period; are a legal representative, heir, successor, or assign of any of the foregoing

excluded Persons; or are or were any entity in which any of the Defendants have or had a controlling interest.

11. Also excluded from the Settlement Class is any Person that files a valid and timely request for exclusion in accordance with the requirements set forth in this Notice.

**6. I am still not sure whether I am included.**

12. If you are still not sure whether you are included, you can ask for help, which will be provided to you at no cost. You can call the Claims Administrator toll free at [REDACTED], or write to the Claims Administrator at the address stated in the answer to question 14 below.

**SUMMARY OF SETTLEMENT**

**7. What does the Settlement provide?**

13. The Settlement provides for Defendants to cause to be paid \$3.9 million in cash into an Escrow Account that will be distributed to eligible Settlement Class Members, after certain deductions described below have been made. If the Settlement is finally approved, the payments will be distributed to Settlement Class Members in accordance with a Court-approved Plan of Allocation described elsewhere in this Notice.

14. Further, if the Settlement is approved by the Court, all of the Settlement Class Members will be deemed to have released all of the Released Claims against Defendants and other Released Persons as further described in pages \_\_\_ below. This means, among other things, that, upon the Effective Date, all Settlement Class Members will be permanently barred from asserting any of the claims described in the Stipulation (and this Notice) against Defendants and the other Released Persons. In addition, Defendants will be precluded from suing Lead Plaintiff, other Settlement Class Members, or Lead Counsel in connection with the Litigation.

**8. What are Settling Parties' reasons for the Settlement?**

15. Lead Plaintiff, through Lead Counsel, has conducted an investigation relating to the claims and the underlying events and transactions alleged in the Litigation, and researched the applicable law regarding the merits of the claims should the Litigation proceed to trial. In addition, Lead Plaintiff, through Lead Counsel, has retained and consulted with separate experts with extensive experience in the field of hospital revenue cycle management, accounting, and on possible damages. This work has provided Lead Plaintiff and Lead Counsel with an informed and detailed basis on which to assess the relative strengths and weaknesses of the Settling Parties' respective positions in the Litigation.

16. In negotiating and evaluating the terms of the Settlement, Lead Plaintiff and Lead Counsel considered the significant legal and factual defenses to Lead Plaintiff's claims and the expense, length, and risk of pursuing those claims through trial and appeals. While Lead Plaintiff has asserted that Defendants' conduct constitutes violations of the securities laws, Defendants have denied those allegations and argued that they are not subject to any liability or damages.

17. In light of the risks of continued litigation, the amount of the Settlement and the immediacy of recovery to the Settlement Class, Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. Lead Plaintiff and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely \$3.9 million in cash (less the deductions described in this Notice), as compared to the risk that the claims in the Litigation would produce a smaller, or no recovery after trial and appeals, possibly years in the future.

18. Although Defendants believe that the claims asserted against them in the Litigation are without merit, they nevertheless recognize the uncertainties and risks of the outcome of any lawsuit, especially a complex securities lawsuit, and the difficulties and substantial burdens, expense, and length of time necessary to defend the Litigation. To eliminate the burden and expense of further litigation, Defendants are agreeing to settle and resolve the claims asserted against them in the Litigation. Defendants are entering into the Settlement without admitting any liability to Lead Plaintiff or other Settlement Class Members, and denying that the Settlement Class Members have suffered any recoverable damages relating to their investments in Accretive Health Securities.

19. THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF THE CLAIMS MADE BY LEAD PLAINTIFF AGAINST DEFENDANTS AND HAS NOT FINALLY DETERMINED THE MERITS OF ANY OF DEFENDANTS' DEFENSES. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RELIEF IN ANY FORM OR RECOVERY IN ANY AMOUNT COULD BE HAD IF THE LITIGATION WERE NOT SETTLED.

**9. What is the potential outcome of the lawsuit absent the Settlement?**

20. If there were no Settlement and Lead Plaintiff failed to establish any essential legal or factual element of its claims against Defendants, then neither Lead Plaintiff nor other Settlement Class Members would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, the Settlement Class Members likely would recover substantially less than the amount provided in the Settlement, if they recovered anything at all.

21. Lead Plaintiff believes that the Settlement must be compared to the risk of no recovery after contested dispositive motions, trial and likely appeals. A trial is a risky proposition. The claims in the Litigation involve numerous complex legal and factual issues, many of which would require expert testimony. The Settling Parties disagree on liability and damages and do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiff were to have prevailed on each claim alleged. Among the many key issues about which Plaintiffs and Defendants do not agree are: (i) whether Defendants violated the securities laws or otherwise engaged in any wrongdoing; (ii) the extent (if any) that the alleged misrepresentations and omissions influenced the trading prices of Accretive Health Securities during the Settlement Class Period; and (iii) the method for determining whether, and the extent to which (if any), purchasers of Accretive Health Securities suffered injury and damages that could be recovered at trial.

## THE BENEFITS OF THE SETTLEMENT – WHAT YOU GET

### **10. How much will be distributed to investors?**

22. The Settlement, if approved, will create a cash settlement fund in the principal amount of \$3.9 million, plus interest accrued thereon (the “Settlement Fund”). If the Settlement is approved by the Court and it becomes effective, after the deduction of various court-approved fees and expenses, the balance of the Settlement Fund will be available for distribution to members of the Settlement Class (the “Net Settlement Fund”).

23. Your share of the Net Settlement Fund will depend on several factors, including the following: how many Settlement Class Members submit timely and valid Proof of Claim forms; the total Recognized Losses represented by the valid Proof of Claim forms that Settlement Class Members send in; the number of Accretive Health Securities that you purchased during the Settlement Class Period; how much you paid for the shares; when you purchased; and if you sold your Accretive Health Securities and, if so, for how much.

24. By following the instructions below, you can calculate what is called your “Recognized Loss.” It is unlikely that you will get a payment for all of your Recognized Loss. After all Settlement Class Members have sent in their Proof of Claim forms, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Loss divided by the total of everyone’s Recognized Losses. See pages \_\_\_ for more information on your Recognized Loss.

25. Lead Plaintiff and Defendants do not agree on the average amount of damages that would be recoverable if Lead Plaintiff were to prevail at trial on the claims asserted against Defendants. They disagree on, among other things: (a) the amount of inflation, if any, allegedly caused by the alleged misrepresentations and omissions; and (b) the number of shares, if any, that were allegedly damaged.

26. Lead Plaintiff’s damages expert estimates that approximately 32.54 million shares of Accretive Health common stock may have been damaged as a result of the allegedly wrongful conduct. Thus, assuming that the owners of all affected shares elect to participate, the average per share recovery from the combined Settlement Fund before deduction of various court-approved fees and expenses would be approximately \$0.12 per damaged share.

27. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and, further, the Settlement has become effective, as set forth in the Stipulation. Generally, this cannot happen until, among other things, the judgment approving the Settlement has become final and any appeals have been resolved.

28. Defendants are not entitled to get back any portion of the Settlement Fund once the Court’s judgment approving the Settlement becomes final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the Plan of Allocation.

29. Approval of the Settlement is independent from approval of a plan of allocation, an award of attorneys’ fees and reimbursement of litigation expenses to Lead Counsel, or a

reimbursement award to Lead Plaintiff. Any determination with respect to those matters will not affect the Settlement, if approved, or the final judgment, if entered.

30. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a valid Proof of Claim form postmarked on or before \_\_\_\_\_ shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any final order and judgment entered and the releases given (described at pages \_\_\_ below). This means that, among other things, each Settlement Class Member will release all of the claims described at pages \_\_\_ below against each and every one of the Persons described at pages \_\_\_ below and will be enjoined and prohibited from filing, prosecuting, or pursuing any of those claims against any of those Persons whether or not such Settlement Class Member submits a Proof of Claim form. This is true even if you do not ever seek or obtain a distribution for the Net Settlement Fund or are not entitled to do so under the Plan of Allocation thereunder.

31. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Settlement Class Member.

32. Each person who submits a Proof of Claim form shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Proof of Claim form.

33. Only Settlement Class Members will be eligible to share in the distribution of the Net Settlement Fund. Any Person that is excluded from the Settlement Class by definition, or that validly excludes himself/herself/itself from the Settlement Class, will not be eligible to receive a distribution from the Net Settlement Fund and should not submit a Proof of Claim form.

34. Please retain all records of your or transactions in Accretive Health Securities during the Settlement Class Period, as they may be needed to document your claims.

## **THE PROPOSED PLAN OF ALLOCATION**

### **A. Introduction to the Plan of Allocation**

35. In developing this plan of allocating the net settlement proceeds (“Plan of Allocation”), Lead Counsel conferred with their economic consultant, and the specific formulas for computing the “Recognized Loss” described below reflect the input of this consultant. Defendants dispute that the Settlement Class is entitled to any damages.

36. The purpose of the Plan of Allocation is to establish a reasonable and equitable method of distributing the Net Settlement Fund to Settlement Class Members who suffered economic losses during the Settlement Class Period.

37. The \$3.9 million Settlement Amount and any interest it earns, as provided for in the Stipulation, are called the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Lead Plaintiff’s cost and expense award, notice and administration expenses, and taxes and tax expenses is the Net Settlement Fund. The Net Settlement Fund will be distributed according to the Plan of Allocation described below to Settlement Class Members who timely submit valid Proof of Claim forms that show Recognized

Losses (“Authorized Claimants”), and are entitled to receive a payment from the Net Settlement Fund of no less than twenty dollars (\$20.00). Settlement Class Members who do not timely submit a valid Proof of Claim form will not share in the Net Settlement Fund but will otherwise be bound by the terms of the Settlement and all orders and judgments entered in the Litigation and will give up any right to prosecute the Released Claims. The Court may approve the Plan of Allocation or modify it without additional notice to the Settlement Class. Any order modifying the Plan will be posted on the Settlement website at [REDACTED].

38. The Claims Administrator will determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Loss,” as described below. The Plan of Allocation is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor is it intended to estimate the amount that will be paid to Authorized Claimants. The Plan of Allocation is the basis on which the Net Settlement Fund will be proportionately divided among all the Authorized Claimants. The Court will be asked to approve the Claims Administrator’s determinations before the Net Settlement Fund is distributed to Authorized Claimants. No distributions to Authorized Claimants who would receive less than twenty dollars (\$20.00) will be made because of the administrative expenses of processing and mailing such checks. Such Authorized Claimant will still be bound by the terms of the Settlement.

39. Defendants, Defendants’ Counsel and the other Released Persons had no involvement in the Plan of Allocation or the investment of the Settlement Fund, and have no responsibility for or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, the evaluation of any Proof of Claim form, or the payment of any claim. Lead Plaintiff and Lead Counsel likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

40. The following Plan of Allocation reflects Lead Plaintiff’s allegations that the price of Accretive Health Securities during the Settlement Class Period was artificially inflated by reason of Defendants’ allegedly false and misleading statements and omissions. Lead Plaintiff alleges that the artificial inflation was eliminated following Defendants’ disclosures on February 26, 2013 and December 30, 2014. The Plan of Allocation described below was created with the assistance of a consulting damages expert who analyzed movements in the price of Accretive Health Securities after the alleged disclosures on February 26, 2013 and December 30, 2014. It takes into account the portion of the drops in the price of Accretive Health Securities Lead Plaintiff believes was attributable to the alleged fraud and the relative strengths and weaknesses of the claims.

#### **B. Calculating Recognized Losses and Payable Claims**

41. The Net Settlement Fund will be allocated among the Authorized Claimants in accordance with the Plan of Allocation described below. The amount so allocated to each Authorized Claimant is referred to as the Authorized Claimant’s “Payable Claim.”

42. The Payable Claim will be calculated so that each Authorized Claimant shall receive, on a proportionate basis, that share of the Net Settlement Fund that the Authorized

Claimant's Recognized Loss (as defined below) bears to the total Recognized Losses of all Authorized Claimants, subject to the further provisions of this Plan of Allocation set forth below.

43. An Authorized Claimant's Recognized Loss is determined by the date(s) the Authorized Claimant purchased or sold Accretive Health Securities during the Settlement Class Period, as set forth below.

**For shares of common stock purchased or otherwise acquired between May 20, 2010 and December 30, 2014:**

- A. For shares held at the end of trading on March 30, 2015, the Recognized Loss shall be that number of shares multiplied by the lesser of:
  - (1) the applicable purchase date artificial inflation per share figure, as found in Table A; or
  - (2) the difference between the purchase price per share and \$5.98.<sup>3</sup>
- B. For shares sold between May 20, 2010 and December 30, 2014, the Recognized Loss shall be that number of shares multiplied by the lesser of:
  - (1) the applicable purchase date artificial inflation per share figure less the applicable sales date artificial inflation per share figure, as found in Table A; or
  - (2) the difference between the purchase price per share and the sales price per share.
- C. For shares sold between December 31, 2014 and March 30, 2015, the Recognized Loss shall be the lesser of:
  - (1) the applicable purchase date artificial inflation per share figure, as found in Table A; or
  - (2) the difference between the purchase price per share and the sales price per share; or
  - (3) the difference between the purchase price per share and the average closing price between December 31, 2014 and the date of sale, as found in Table B.<sup>4</sup>

**For the following Accretive Health common stock call options:**

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<sup>3</sup> Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." The mean (average) closing price of Accretive common stock during the 90-day period beginning on December 31, 2014 and ending on March 30, 2015 was \$5.98 per share.

<sup>4</sup> Pursuant to Section 21(D)(e)(2) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, if the plaintiff sells or repurchases the subject security prior to the expiration of the 90-day period described in paragraph (1), the plaintiff's damages shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the security and the mean trading price of the security during the period beginning immediately after dissemination of information correcting the misstatement or omission and ending on the date on which the plaintiff sells or repurchases the security."

- A. Call options with expiration dates on or after February 27, 2013 purchased between May 20, 2010 and February 26, 2013 that were (a) exercised at any time; (b) sold on or after February 27, 2013 or (c) held at expiration; and
- B. Call options with expiration dates on or after December 31, 2014 purchased between February 27, 2013 and December 30, 2014 that were (a) exercised at any time; (b) sold on or after December 31, 2014 or (c) held at expiration.

**Recognized Loss for Included Call Options:**

- (i) Shares of Accretive Health common stock acquired through the exercise of a call option shall be treated as a purchase on the date of exercise for the exercise price plus the cost per share of the call option, and any Recognized Loss arising from such transaction shall be computed as provided for purchases of Accretive Health common stock as set forth herein;
- (ii) For each call option purchased or otherwise acquired and subsequently sold, the difference between: (a) the amount paid per call option and: (b) the sale price received per call option. If the call option expired worthless while still owned by the Authorized Claimant, the sales price shall be deemed to be Zero (\$0.00));
- (iii) No Recognized Claim shall be calculated based upon purchase or acquisition of any call option that had been previously sold or written.

**For the following Accretive Health common stock put options:**

- A. Put options with expiration dates on or after February 27, 2013 sold or written between May 20, 2010 and February 26, 2013 that were (a) exercised at any time; or (b) repurchased on or after February 27, 2013; and
- B. Put options with expiration dates on or after December 31, 2014 sold or written between February 27, 2013 and December 30, 2014 that were (a) exercised at any time; or (b) repurchased on or after December 31, 2014.

**Recognized Loss for Included Put Options:**

- (i) Shares of Accretive Health common acquired through the “put” of common stock through exercise of a put option shall be treated as a as if the sale of the put option were a purchase of Accretive Health common stock on the date of the sale or writing of the put option, for the exercise price of the put option less the proceeds per share received from the sale of the put option, and any Recognized Loss arising from such transaction shall be computed as provided for purchases of Accretive Health common stock as set forth herein;
- (ii) For each put option sold/written and subsequently repurchased, the difference between: (a) the purchase price paid per put option and (b) the amount received per put option. For put options sold or written that expired worthless and unexercised, the Authorized Claimant’s Recognized Claim shall be Zero (\$0.00).
- (iii) No Recognized Claim shall be calculated based upon the sale or writing of any put option that had been previously purchased or acquired

**Table A**

<u>Purchase or Sale Date Range</u>	<u>Artificial Inflation Per Share</u>
05/20/2010 - 02/26/2013	\$ 4.83
02/27/2013 - 12/30/2014	\$ 2.18

**Table B**

<u>Date of Sale</u>	<u>Average Closing Price Between 12/31/2014 and Date of Sale</u>	<u>Date of Sale</u>	<u>Average Closing Price Between 12/31/2014 and Date of Sale</u>
12/31/2014	\$6.86	02/17/2015	\$6.03
01/02/2015	\$6.71	02/18/2015	\$6.03
01/05/2015	\$6.52	02/19/2015	\$6.03
01/06/2015	\$6.43	02/20/2015	\$6.03
01/07/2015	\$6.32	02/23/2015	\$6.02
01/08/2015	\$6.26	02/24/2015	\$6.01
01/09/2015	\$6.19	02/25/2015	\$6.01
01/12/2015	\$6.13	02/26/2015	\$6.01
01/13/2015	\$6.10	02/27/2015	\$6.01
01/14/2015	\$6.11	03/02/2015	\$6.01
01/15/2015	\$6.12	03/03/2015	\$6.01
01/16/2015	\$6.15	03/04/2015	\$6.01
01/20/2015	\$6.17	03/05/2015	\$6.01
01/21/2015	\$6.19	03/06/2015	\$6.01
01/22/2015	\$6.19	03/09/2015	\$6.01
01/23/2015	\$6.18	03/10/2015	\$6.00
01/26/2015	\$6.16	03/11/2015	\$6.00
01/27/2015	\$6.14	03/12/2015	\$6.00
01/28/2015	\$6.13	03/13/2015	\$6.00
01/29/2015	\$6.11	03/16/2015	\$6.00
01/30/2015	\$6.10	03/17/2015	\$6.00
02/02/2015	\$6.09	03/18/2015	\$6.00
02/03/2015	\$6.08	03/19/2015	\$5.99
02/04/2015	\$6.07	03/20/2015	\$5.99
02/05/2015	\$6.06	03/23/2015	\$5.99
02/06/2015	\$6.05	03/24/2015	\$5.99
02/09/2015	\$6.04	03/25/2015	\$5.99
02/10/2015	\$6.04	03/26/2015	\$5.99
02/11/2015	\$6.03	03/27/2015	\$5.98
02/12/2015	\$6.03	03/30/2015	\$5.98
02/13/2015	\$6.03		

44. In processing claims, first in, first out (“FIFO”) accounting will be applied throughout the Settlement Class Period for any purchases and sales during the Settlement Class Period. For example, FIFO will be used to match the first Accretive Health Securities sold against the first Accretive Health Securities purchased and then on a FIFO basis against any additional purchases of Accretive Health Securities on the basis of the assumption that the first Accretive Health Security purchased was the first Accretive Health Security sold.

45. The price per share, paid or received, should exclude all commissions, taxes, and fees.

46. The purchase or sale date of any Accretive Health common stock is the “contract” or “trade” date, not the “settlement” or “payment” date.

47. If you inherited or received a gift of Accretive Health Securities during the Settlement Class Period, that inheritance or gift is not considered a purchase unless your ancestor or donor was the actual purchaser of the Accretive Health Securities during the Settlement Class Period. You, as a recipient of a gift or inheritance, and the original purchaser may not both file a claim with regard to the same Accretive Health Securities. If both you and the donor (or you and your ancestor’s estate) make such a claim, only the claim filed by the recipient (or heir) will be honored.

48. The term “Recognized Loss” is used solely for calculating the amount of participation by Authorized Claimants in the Net Settlement Fund. It is not the actual amount an Authorized Claimant can expect to recover.

49. Any gains on sales of Accretive Health common stock shall be offset against losses in calculating the Recognized Loss. If a Claimant had an overall gain from transactions in Accretive Health common stock during the Settlement Class Period, the value of the Recognized Loss will be zero.

50. The total recovery payable to Authorized Claimants from transactions in call or put options shall not exceed ten percent (10%) of the Net Settlement Fund.

51. Settlement Class Members whose Request for Exclusion is not received by the deadline and who do not submit an acceptable Proof of Claim by the deadline for submitting claims will not share in the recovery, but nevertheless will be bound by the Settlement and the Order and Final Judgment of the Court releasing claims against Defendants and other Released Persons and dismissing this Litigation.

52. Nothing in the Plan of Allocation represents an admission by any of the Defendants that there is liability or damage of any kind as a result of the allegations in the Complaint or that the dollar amounts set forth in the Plan of Allocation reflect actual or potential damages to the Settlement Class.

53. Payment in the manner set forth above will be deemed conclusive compliance with the Stipulation as to all Authorized Claimants. All Settlement Class Members who fail to submit a valid and timely Proof of Claim form received by the Claims Administrator will be barred from participating in the distribution of the Net Settlement Fund but otherwise will be bound by all of

the terms of the Stipulation, including the terms of any final orders or judgments entered and the releases given to Defendants and others. If you want confirmation that the Claims Administrator received your Proof of Claim form, you should mail it in a way that allows the United States Postal Service to provide you with delivery confirmation.

54. No Authorized Claimant will have any claim against Lead Plaintiff, Lead Counsel, or the Claims Administrator, or any other agent designated by Lead Counsel, based on the distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. In addition, in the interest of achieving substantial justice, Lead Counsel will have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Proof of Claim form submitted.

### **HOW TO GET A PAYMENT**

#### **11. What do I have to do to receive a share of the Settlement?**

55. If you qualify as a Settlement Class Member, to be eligible for a settlement payment from the proceeds of the Settlement approved by the Court, you must send in the Proof of Claim form enclosed with this Notice. You also may get a Proof of Claim form on the Internet at [REDACTED] or by calling the Claims Administrator at [REDACTED]. Read the instructions carefully, fill out the form, include all the documents requested, sign the form, and send it by first-class mail postmarked no later than \_\_\_\_\_.

#### **12. When will I receive my payment?**

56. Lead Plaintiff cannot, at this time, say when it will be able to distribute the proceeds to Settlement Class Members if the Settlement is approved. The payments from the Settlement proceeds are contingent upon the Court approving them. The Court will hold a hearing on \_\_\_\_\_ to decide whether to approve the Settlement. Even if the Court approves the Settlement, there still might be appeals, which can take more than a year to resolve. Further, the administration of the claims will undoubtedly take significant time. Please be patient.

57. The Settlement Amount will be kept in an interest-bearing account until ready for distribution. The accrued interest will be added to what will be distributed to the Settlement Class.

#### **13. What am I giving up to get a payment or stay in the Settlement Class?**

58. If the Settlement is approved, the Court will enter a final order and judgment that will be binding on all Settlement Class Members. Pursuant to the final order and judgment, the Litigation will be dismissed on the merits with prejudice as against Defendants. Upon the “Effective Date,” all Settlement Class Members will release all “Released Claims,” including “Unknown Claims,” against the “Released Persons.” These terms are defined below:

(a) “Released Claims” means any and all claims, known or unknown, contingent or non-contingent, whether suspected or unsuspected, including any claims arising under federal or state statutory or common law or any other law, rule or regulation, whether foreign or domestic, or in equity, including Unknown Claims, that have been or could have been asserted against all or

any of the Defendants or any of the Released Persons that (i) arise out of or relate to the claims or allegations in the Litigation, including the acts, facts, events, disclosures, or omissions alleged in the Litigation; or (ii) relate to the purchase, sale or ownership of Accretive Health Securities during the period from and including May 20, 2010, through December 30, 2014.

(b) “Unknown Claims” means any Released Claims which Lead Plaintiff or any Settlement Class Member does 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. Unknown Claims include those claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly 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.”** Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, 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 or foreign law, which is similar, comparable or equivalent in effect to California Civil Code § 1542. Lead Plaintiff and 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 Lead Plaintiff shall expressly and each 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, reckless, 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. Lead Plaintiff acknowledges, and the 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.

(c) “Released Person(s)” means each and all of the Defendants, and each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them or any trust of which any Defendant and/or their Related Persons is the settlor or which is for the benefit of any Defendant and/or their Related Persons and/or member(s) of his or her family and any entity in which any such Defendant and/or their Related Persons has a controlling interest.

The “Effective Date” will occur when, *inter alia*, an order entered by the Court approving the Settlement becomes final and not subject to appeal.

If you remain a Settlement Class Member, all of the Court’s orders will apply to you and legally bind you.

### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement and you do not want to be bound by the Judgment, then you must take steps to exclude yourself from the Settlement Class. This is called excluding yourself or “opting out” of the Settlement Class.

#### **14. What if I want to be excluded from the Settlement?**

59. To exclude yourself from the Settlement Class, you must send a written request for exclusion by mail to the Claims Administrator saying that you want to be excluded from the Settlement Class in the Accretive Health, Inc. Securities Litigation. You must also include: (a) your name, address, telephone number and e-mail address; (b) your Social Security Number or Taxpayer Identification Number; (c) the date(s), price(s) per share, and number(s) of shares of all of your purchases and sales of Accretive Health Securities during the Settlement Class Period; and (d) the number of Accretive Health Securities held at the close of trading on May 19, 2010 (*i.e.*, immediately before the commencement of the Settlement Class Period). Any request for exclusion must also be signed by the Person requesting exclusion. Your exclusion request must be postmarked no later than \_\_\_\_\_. Send your request by first-class mail to:

**[INSERT CLAIMS ADMIN MAILING INFO]**

60. You cannot exclude yourself by phone or by email. If you do not follow the above procedures – including meeting the deadline for the postmarking of your request and including all of the information described above – you will not be excluded from the Settlement Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement. You must exclude yourself even if you already have a pending case against Defendants or any other Released Person based on the Released Claims, if you wish to be able to continue that case.

61. ***Keep a copy of everything you mail, in case something is lost during shipping.***

62. If you ask to be excluded from the Settlement, you are not eligible for any Settlement payment, and you cannot object to the Settlement, the Plan of Allocation, Lead Counsel’s Fee and Expense Award, or the Lead Plaintiff Cost and Expense Award. If you exclude yourself from the Settlement, you will not be bound by the Judgment.

63. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from Persons entitled to be members of the Settlement Class in an amount that exceeds a set amount agreed to by Lead Plaintiff and Defendants.

**15. If I don't exclude myself, can I sue Defendants for the same thing later?**

64. No. Unless you exclude yourself, you give up any right to sue Defendants for the claims the Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit.

**16. If I exclude myself, can I get money from the Settlement?**

65. No. Only Settlement Class Members who do not exclude themselves will be eligible to recover money in the Settlement.

**THE LAWYERS AND LEAD PLAINTIFF REPRESENTING YOU**

**17. Do I have a lawyer in this case?**

66. The Court has appointed the law firm of Glancy Prongay & Murray LLP as Lead Counsel to represent Lead Plaintiff and all other Settlement Class Members in the Litigation. If you have any questions about the proposed Settlement, you may contact Joshua L. Crowell, Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100 Los Angeles, CA 90067.

67. If you want to be represented by your own lawyer, you may hire one at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of their notice of appearance on the lawyers identified later in this Notice.

**18. How will the lawyers be paid? Will Lead Plaintiff be paid?**

68. Lead Counsel has not yet received any payment for its services in pursuing the claims asserted in this Litigation on behalf of Lead Plaintiff and other Settlement Class Members, nor have Lead Counsel been reimbursed yet for its out-of-pocket expenses. Since the Litigation's inception, Lead Counsel have expended considerable time and effort in the prosecution of this Litigation on a contingent-fee basis and have advanced expenses in the expectation that if successful in obtaining a recovery for investors, they would be paid from such recovery.

69. Lead Plaintiff intends to request that the Court award Lead Counsel attorneys' fees of no more than thirty-three percent (33%) of the Settlement Fund as well as reimbursement of up to \$150,000.00 of litigation expenses actually incurred (the "Fee and Expense Award"), plus any interest on such attorneys' fees and expenses at the same rate as earned by the Settlement Fund. In addition, Lead Plaintiff intends to ask the Court for a fee to be paid to it for its work in prosecuting the Litigation in the amount of \$7,000.00 (the "Lead Plaintiff Cost and Expense Award"). Lead Plaintiff is also entitled to share in the proceeds of the Net Settlement Fund in the same manner as any other Settlement Class Member.

70. You will be not charged directly, and are not liable for, Lead Counsel's Fee and Expense Award or the Lead Plaintiff Cost and Expense Award. Instead, any such payments will be paid out of the Settlement Fund and not by Defendants. The Court will determine whether

these awards are warranted and the amount thereof. In this type of litigation, it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees.

71. The Court is to consider and rule upon the fairness, reasonableness, and adequacy of the Settlement independently of any consideration and ruling on Lead Counsel's Fee and Expense Award or the Lead Plaintiff Cost and Expense Award. The Settlement, the Stipulation, and the implementation or effectuation thereof, as well as entry of the final judgment, are not conditioned in any way on any award of attorneys' fees or reimbursement of litigation expenses to Lead Counsel or any award to Lead Plaintiff.

72. Defendants take no position on the application for Lead Counsel's Fee and Expense Award or for the Lead Plaintiff Cost and Expense Award, or any objections thereto.

### **THE HEARING REGARDING THE SETTLEMENT**

#### **19. When and where will the Court decide whether to approve the Settlement?**

73. A hearing has been scheduled on the proposed Settlement for \_\_\_\_\_, at \_\_\_\_\_, before the Honorable Joan B. Gottschall in the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Courtroom 2325, Chicago, IL 60604 (the "Settlement Hearing"). At the Settlement Hearing, the Court will consider whether: (a) to grant final certification of the Settlement Class solely for purposes of the Settlement; (b) the proposed Settlement is fair, reasonable and adequate to the Settlement Class and should be approved by the Court; (c) a judgment finally approving the Settlement should be entered; (d) the Plan of Allocation should be approved; (e) Lead Counsel's request for attorneys' fees and reimbursement of litigation expenses should be granted; and/or (f) the Lead Plaintiff's Cost and Expense Award should be granted. The Court can also consider any other matters that it may wish to address. If there are objections, the Court will consider them. At or after the hearing, the Court will decide the issues identified in (a) through (f) above. We do not know how long these decisions will take.

74. Please note that the date of the Settlement Hearing is subject to change without further notice. If you plan to attend the hearing, you should check with Lead Counsel to be sure no change to the date and time of the Settlement Hearing has been made.

#### **20. How do I tell the Court that I don't like the Settlement?**

75. If you are a Settlement Class Member and you do not exclude yourself, you can object to the Settlement or any part of it, the proposed Plan of Allocation, the application by Lead Counsel for an award of attorneys' fees and expenses, and/or the application by Lead Plaintiff for an award of costs and expenses and give reasons why you think the Court should not approve the Settlement or any of its terms or arrangements. To object, you must file a written objection with the Court saying that you object to the proposed Settlement in the case captioned, *Hughes v. Accretive Health, Inc. et al.*, Case No. 13-cv-03688.

76. Your written objection must be mailed to the following counsel at the following addresses, so that it is postmarked no later than \_\_\_\_\_:

**LEAD PLAINTIFF**

Joshua L. Crowell  
GLANCY PRONGAY & MURRAY LLP  
1925 Century Park East  
Suite 2100  
Los Angeles, CA 90067

**DEFENDANTS**

Andrew B. Clubok  
KIRKLAND & ELLIS LLP  
601 Lexington Avenue  
New York, New York 10022

**AND**

77. You must also file your objection with the clerk of the United States District Court for the Northern District of Illinois either in person or by first-class mail at the following address:

Clerk of the Court  
U.S. District Court for the Northern District of Illinois  
Everett McKinley Dirksen United States Courthouse  
219 South Dearborn Street  
Chicago, IL 60604

If you file the objection in person, it must be received by the Clerk of the Court no later than \_\_\_\_\_. If you file the objection by first-class mail, it must be postmarked no later than \_\_\_\_\_.

78. You may not object to the Settlement or any aspect of it if you are not a Settlement Class Member or if you have excluded yourself from the Settlement Class.

79. Any objection must include: (a) the full name, mailing address, daytime phone number and e-mail address of the objecting Settlement Class Member; (b) a list and documentation of all of the Settlement Class Member's transactions involving Accretive Health Securities during the Settlement Class Period, including brokerage confirmation receipts or other competent documentary evidence of such transactions, including the amount and date of each purchase or acquisition or sale or disposition and the price paid and/or received and an indication of the number of Accretive Health Securities held, if any, at the close of trading on May 19, 2010 (*i.e.*, immediately before commencement of the Settlement Class Period); (c) a written statement of all grounds for the objection accompanied by any legal support and evidence for it; (d) copies of any papers, briefs, or other documents upon which the objection is based; (e) a list of all persons who will be called to testify in support of the objection; (f) a statement of whether you intend to appear at the Settlement Hearing; (g) a list of other cases in which you or your counsel have appeared either as settlement objectors or as counsel for objectors in the preceding five years; and (h) the objector's signature, even if represented by counsel. If you intend to appear at the Settlement Hearing through counsel, the objection must also state the identity of all attorneys who will appear on your behalf at the Settlement Hearing.

80. If you wish to be heard orally at the Settlement Hearing in opposition to the approval of the Settlement, the Plan of Allocation, Lead Counsel's Fee and Expense Award, or the Lead Plaintiff Cost and Expense Award, and if you have submitted a timely written objection as described above, you also must notify the above counsel no later than \_\_\_\_\_ concerning your

intention to appear. You do not need to go to the Settlement Hearing to have your written objection considered by the Court.

81. If you submit an objection in the manner stated above to the Settlement, the Plan of Allocation, Lead Counsel's Fee and Expense Award, or the Lead Plaintiff Cost and Expense Award (or otherwise request to be heard at the Settlement Hearing), you are submitting yourself to the jurisdiction of the Court with respect to the subject matter of the Settlement, including, but not limited to, the release that will be contained in the final judgment.

82. Any member of the Settlement Class who does not object in the manner provided above will be deemed to have waived all objections to the Settlement, the Plan of Allocation, Lead Counsel's Fee and Expense Award, and the Lead Plaintiff Cost and Expense Award.

**21. Do I have to come to the Settlement Hearing?**

83. No. Lead Counsel will answer any questions the Court might have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**22. May I speak at the Settlement Hearing?**

84. If you are a Settlement Class Member and you filed an objection as described in the answer to question 20 above, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must submit a letter or other paper called a "Notice of Intention to Appear at Settlement Hearing in Accretive Health, Inc. Securities Litigation." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be filed with the Clerk of the Court and postmarked to the counsel listed at pages \_\_\_ no later than \_\_\_\_\_. You cannot speak at the hearing if you have asked to be excluded from the Settlement Class.

85. If you or your attorney plan to attend the Settlement Hearing **and** present evidence at the hearing, your properly submitted written objections must identify any witness or other evidence you or your attorney may seek to introduce.

**IF YOU DO NOTHING**

**23. What happens if I do nothing at all?**

86. If you do nothing, all of your claims against the Defendants and Released Persons will be released, but you will not receive any money from this Settlement and will in all other respects remain a Settlement Class Member and be subject to the provisions of the Settlement. It is necessary to submit a Proof of Claim and Release form to receive money from the Settlement.

87. **UNLESS THE COURT ORDERS OTHERWISE, ANY SETTLEMENT CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION, AND SHALL BE FOREVER**

FORECLOSED FROM MAKING ANY OBJECTION TO THE PROPOSED SETTLEMENT, THE PROPOSED PLAN OF ALLOCATION, LEAD COUNSEL'S FEE AND EXPENSE AWARD, OR THE LEAD PLAINTIFF COST AND EXPENSE AWARD.

### **GETTING MORE INFORMATION**

#### **24. Are there more details about the Settlement?**

88. This Notice contains only a summary of the proposed Settlement. The complete Settlement is set out in the Stipulation. You may request a copy of the Stipulation by writing to [REDACTED], or calling [REDACTED]. Copies of the Stipulation may be obtained for free at www.[REDACTED].

#### **25. How do I get more information?**

89. You can also call the Claims Administrator toll free at [REDACTED], write to the Claims Administrator at the above address, or visit the website at [REDACTED], where you will find a copy of the Stipulation, the Complaint, and certain other documents relating to the Litigation and the Settlement. Anyone interested in more detail regarding the Litigation is invited to visit the Office of the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division at the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, during regular business hours, to inspect the papers maintained there in Case No. 13-cv-03688.

90. You may also contact representatives of Lead Counsel: Joshua L. Crowell, Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (310) 201-9150 (telephone), (310) 432-1495 (facsimile), info@glancylaw.com, www.glancylaw.com.

**PLEASE DO NOT CALL OR WRITE THE COURT OR  
THE OFFICE OF THE CLERK OF COURT REGARDING THIS NOTICE**

### **SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased or otherwise acquired Accretive Health Securities (CUSIP: 00438V 103) during the Settlement Class Period (May 20, 2010 through December 30, 2014, inclusive) for the beneficial interest of an individual or organization other than yourself, the Court has directed that, **WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE**, you either (a) provide to the Claims Administrator the name and last known address of each Person for whom you purchased such securities during such time period or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within ten (10) calendar days mail the Notice and Proof of Claim form directly to the beneficial owners of the security referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Settlement Class Members. You are entitled to reimbursement from the Settlement Fund of 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. Your reasonable

expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*Accretive Health, Inc. Securities Litigation*

c/o Kurtzman Carson Consultants

Claims Administrator

P.O. Box \_\_\_\_\_

\_\_\_\_\_

(1- \_\_\_\_\_)

www.\_\_\_\_\_.com.

BY ORDER OF THE COURT

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Honorable Joan B. Gottschall  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS

Dated: \_\_\_\_\_

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS**

TIFFANY M. HUGHES,

Plaintiff,

v.

ACCRETIVE HEALTH, INC., MARY A.  
TOLAN, JOHN T. STATON, AND JAMES M.  
BOLOTIN,

Defendants.

---

)  
) Case No. 13-cv-3688  
)  
) Honorable Joan B. Gottschall  
)  
) **EXHIBIT A-2**  
)  
) **PROOF OF CLAIM AND RELEASE**  
)  
)  
)  
)  
)  
)

## I. GENERAL INSTRUCTIONS

1. To be eligible to recover as a Settlement Class Member based on your claims in the litigation entitled *Hughes v. Accretive Health, Inc. et al.*, Case No. 13-cv-03688 (the “Litigation”), you must complete and sign this Proof of Claim and Release. Even if you do not fill out this Proof of Claim and Release, if you do not timely exclude yourself from the Settlement Class, any and all claims you may have against the Defendants in this Litigation are released to the full extent defined below. If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim and Release, your claim may be rejected and you may be precluded from any recovery from the settlement fund created in connection with the proposed Settlement of the Litigation.

2. Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of Settlement in the Litigation.

3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE POSTMARKED ON OR BEFORE \_\_\_\_\_, ADDRESSED AS FOLLOWS:

*Accretive Health, Inc. Securities Litigation*  
c/o Kurtzman Carson Consultants

Claims Administrator  
P.O. Box \_\_\_\_\_

4. If you are NOT a Settlement Class Member, as defined in the Notice of Proposed Settlement of Class Action, Motion for Attorneys’ Fees and Expenses and Settlement Fairness Hearing (the “Notice”), DO NOT submit a Proof of Claim and Release.

5. If you are a Settlement Class Member, you are bound by the terms of any judgment entered in the Litigation, including the releases included in the Stipulation of Settlement, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE.

## II. DEFINITIONS

6. “Accretive Health” means Accretive Health, Inc.

7. “Accretive Health Securities” means Accretive Health common stock and any call options or put options on the same. With respect to put options, references to “purchases” of Accretive Health Securities mean the writing of put options.

8. “Litigation” means the action pending in this Court under the caption *Hughes v. Accretive Health, Inc. et al.*, Case No. 13-cv-03688.

9. “Lead Counsel” means the law firm Glancy Prongay & Murray LLP (formerly Glancy Binkow & Goldberg LLP) or its successor(s).

10. “Court” means the United States District Court for the Northern District of Illinois.

11. “Defendants” means Accretive Health, Mary A. Tolan, John T. Staton, and James M. Bolotin.

12. “Effective Date” means the first date by which all of the events and conditions specified in ¶**Error! Reference source not found.** of the Stipulation of Settlement have occurred.

13. “Person(s)” means an individual, corporation, limited liability company, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity together with the spouses, heirs, predecessors, successors, representatives, or assignees of any of the foregoing.

14. “Released Claims” means any and all claims, known or unknown, contingent or non-contingent, whether suspected or unsuspected, including any claims arising under federal or state statutory or common law or any other law, rule or regulation, whether foreign or domestic, or in equity, including Unknown Claims, that have been or could have been asserted against all or any of the Defendants or any of the Released Persons that (i) arise out of or relate to the claims or allegations in the Litigation, including the acts, facts, events, disclosures, or omissions alleged in the Litigation; or (ii) relate to the purchase, sale or ownership of Accretive Health Securities during the period from and including May 20, 2010, through December 30, 2014.

15. “Released Person(s)” means each and all of the Defendants, and each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them or any trust of which any Defendant and/or their Related Persons is the settlor or which is for the benefit of any Defendant and/or their Related Persons and/or member(s) of his or her family and any entity in which any such Defendant and/or their Related Persons has a controlling interest.

16. “Settlement Class” means all Persons who purchased or otherwise acquired the common stock of Accretive Health, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock, between May 20, 2010, through December 30, 2014, inclusive, and who were allegedly damaged thereby. Excluded from the Settlement Class are Defendants, members of the immediate families of the Individual Defendants, the officers and directors of Accretive Health during the Settlement Class Period, the legal representatives, heirs, successors, or assigns of any of the foregoing excluded Persons and any entity in which any of the Defendants have or had a controlling interest. Also excluded from the Settlement Class are those Persons who submit valid and timely requests for exclusion in accordance with the requirements set forth in the Notice.

17. “Settlement Class Member” or “Member of the Settlement Class” means a Person who falls within the definition of the Settlement Class (as defined in ¶16 above) and who does not validly request exclusion from the Settlement Class in accordance with the procedures to be established by the Court in connection with the approval of this Stipulation and the Settlement.

18. “Settlement Class Period” means the period commencing on May 20, 2010, through December 30, 2014, inclusive.

19. “Unknown Claims” means any Released Claims which Lead Plaintiff or any Settlement Class Member does 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. Unknown Claims include those claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly 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.”

Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have, 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 or foreign law, which is similar, comparable or equivalent in effect to California Civil Code § 1542. Lead Plaintiff and 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 Lead Plaintiff shall expressly and each 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, reckless, 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. Lead Plaintiff acknowledges, and the 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.

### **III. CLAIMANT IDENTIFICATION**

20. If you purchased or otherwise acquired Accretive Health Securities and held the certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased the securities but the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm through which you purchased the securities, you are the beneficial purchaser and the third party is the record purchaser.

21. Use Part I of this form entitled “Claimant Identification” to identify each record purchaser (“nominee”), if different from the beneficial purchaser of Accretive Health Securities which form the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER OR PURCHASERS, OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER OR PURCHASERS OF THE ACCRETIVE HEALTH SECURITIES UPON WHICH THIS CLAIM IS BASED.**

22. All joint purchasers 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 last four digits of the Social Security (or taxpayer identification) number and telephone number of the beneficial purchaser may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

#### **IV. CLAIM FORM**

23. Use Parts II-IV of this form, the schedule of transactions in Accretive Health, Inc. common stock, call options on such stock, and/or put options on such stock, to supply all required details of your transaction(s) in Accretive Health 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 then print or type your name on each additional sheet.

24. On the schedules, provide all of the requested information with respect to all of your purchases and all of your sales of Accretive Health Securities that took place at any time between May 20, 2010, through March 30, 2015, inclusive, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

25. List each transaction during the May 20, 2010, through March 30, 2015 time frame separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

26. Broker confirmations, brokerage statements reflecting your purchases, or other documentation of your transactions in Accretive Health Securities should be attached to your claim. If you do not have documentation from your broker, you may also attach any documents or schedules that you attached to any federal tax return that reflect May 20, 2010, through March 30, 2015 purchases or sales of Accretive Health Securities. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

27. A purchase or sale of Accretive Health Securities shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date; please provide only "contract" or "trade" dates.

28. The above requests are designed to provide the minimum amount of information necessary to process the simplest claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Settlement Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information that it may, in its discretion, require to process the claim.

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS**  
*Hughes v. Accretive Health, Inc. et al.*  
Case No. 13-cv-03688

**PROOF OF CLAIM AND RELEASE**

Must Be Postmarked No Later Than:  
\_\_\_\_\_, 2016

**Please Type or Print in Blue or Black Ink**

**PART I: CLAIMANT IDENTIFICATION**

\_\_\_\_\_  
Beneficial Purchaser's Name (First, Middle, Last)

\_\_\_\_\_  
Co-Beneficial Purchaser's Name (if applicable)

\_\_\_\_\_  
Representative's Name (e.g. Nominee, Trustee, etc.) (if applicable)

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Foreign Province

\_\_\_\_\_  
Foreign Country

\_\_\_\_\_  
Last four digits of Social Security Number or Taxpayer Identification Number:

\_\_\_\_\_  
Area Code

\_\_\_\_\_  
Telephone Number (work)

\_\_\_\_\_  
Area Code

\_\_\_\_\_  
Telephone Number (home)

\_\_\_\_\_  
Account Number

\_\_\_\_\_  
Email Address

**PART II: SCHEDULE OF TRANSACTIONS IN ACCRETIVE HEALTH, INC.  
 (“ACCRETIVE HEALTH”) COMMON STOCK (TICKER SYMBOL: ACHI;  
 CUSIP: 00438V 103)**

- A. Number of shares of Accretive Health common stock **held at the close of trading on May 19, 2010**: \_\_\_\_\_. Proof Enclosed?  Y  N
- B. **Purchases** of Accretive Health common stock (**May 20, 2010 and December 30, 2014, inclusive**):

Trade Date(s) of Shares (List Chronologically) MM/DD/YYYY	Number of Shares of Stock Purchased or Acquired	Purchase Price Per Share of Common Stock	Total Purchase Price (Excluding Commissions, Taxes, and Fees) <i>Please round off to the nearest whole dollar</i>	Is Purchase the Result of a Call Option?	Proof Enclosed?
1.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
2.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
3.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
4.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N

IMPORTANT: (i) If any purchase listed covered a “short sale”, please mark Yes:  Y

- C. **Sales** of Accretive Health common stock between **May 20, 2010 and March 30, 2015, inclusive**:

Trade Date(s) of Shares (List Chronologically) MM/DD/YYYY	Number of Shares of Stock Sold	Sale Price Per Share of Common Stock	Total Sales Price (Excluding Commissions, Taxes, and Fees) <i>Please round off to the nearest whole dollar</i>	Is Sale the Result of a Put Option?	Proof Enclosed?
1.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
2.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
3.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N
4.			\$ .00	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N

- D. Number of shares of Accretive Health common stock held at the close of trading on March 30, 2015: \_\_\_\_\_, \_\_\_\_\_. Proof Enclosed?  Y  N
- E. Number of shares of Accretive Health common stock held at the close of trading on December 30, 2014: \_\_\_\_\_, \_\_\_\_\_. Proof Enclosed?  Y  N

*If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.*

**YOU MUST READ AND SIGN THE RELEASE ON PAGE \_\_. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.**

**PART III: SCHEDULE OF TRANSACTIONS IN CALL OPTIONS ON ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH”) COMMON STOCK (TICKER SYMBOL: ACHI; CUSIP: 00438V 103)**

A. **Beginning Position:** At the close of trading on **May 19, 2010**, I owned the following call options on Accretive Health common stock (must be documented):

Date(s) of Purchase or Acquisition (List Chronologically) MM/DD/YYYY	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. March 2013/\$20)	Purchase Price Per Contract	Amount Paid (Including Commissions, Taxes, and Fees)	Insert an “E” if Exercised, an “S” if sold, or an “X” if Expired.	Exercise or Sale Date (MM/DD/YYYY)	Sale Price Per Contract, if Sold	Amount Received (Net of Commissions, Taxes, and Fees), If Sold	Proof Enclosed?
1.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
2.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
3.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
4.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N

B. **Purchases:** Purchases or acquisitions of call options on Accretive Health common stock between **May 20, 2010 and March 30, 2015, inclusive:**

Date(s) of Purchase or Acquisition (List Chronologically) MM/DD/YYYY	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. May 2014/\$20)	Purchase Price Per Contract	Amount Paid (Including Commissions, Taxes, and Fees)	Insert an “E” if Exercised, an “S” if sold, or an “X” if Expired.	Exercise or Sale Date (MM/DD/YYYY)	Sale Price Per Contract, if Sold	Amount Received (Net of Commissions, Taxes, and Fees), If Sold	Proof Enclosed?
1.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
2.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
3.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
4.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N

*If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.*

**YOU MUST READ AND SIGN THE RELEASE ON PAGE \_\_. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.**

**PART IV: SCHEDULE OF TRANSACTIONS IN PUT OPTIONS ON ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH”) COMMON STOCK (TICKER SYMBOL: ACHI; CUSIP: 00438V 103)**

A. **Beginning Position:** At the close of trading on **May 19, 2010**, I was obligated on the following put options on Accretive Health common stock (must be documented):

Date(s) of Writing (Sale) (List Chronologically) MM/DD/YYYY	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. March 2013/\$20)	Sale Price Per Contract	Amount Received (Net of Commissions, Taxes, and Fees)	Insert an “A” if Assigned, and “R” if repurchased, or an “X” if Expired	Assign or Repurchase Date (MM/DD/YYYY)	Price Paid Per Contract	Aggregate Cost (Including Commissions, Taxes, and Fees)	Proof Enclosed?
1.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
2.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
3.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
4.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N

B. **Sales (Writing) of Put Options and Covering Transactions (Repurchases):** Sales (writing) of put options on Accretive Health common stock and subsequent repurchases of Accretive Health common stock on those put options between **May 20, 2010 and March 30, 2015, inclusive:**

Date(s) of Writing (Sale) (List Chronologically) MM/DD/YYYY	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. May 2014/\$20)	Sale Price Per Contract	Amount Received (Net of Commissions, Taxes, and Fees)	Insert an “A” if Assigned, and “R” if repurchased, or an “X” if Expired	Assign or Repurchase Date (MM/DD/YYYY)	Price Paid Per Contract	Aggregate Cost (Including Commissions, Taxes, and Fees)	Proof Enclosed?
1.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
2.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
3.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N
4.				\$				\$	<input type="checkbox"/> Y <input type="checkbox"/> N

*If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.*

YOU MUST READ AND SIGN THE RELEASE ON PAGE \_\_. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

**PART V: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS**

I (We), \_\_\_\_\_ submit this Proof of Claim and Release under the terms of the Stipulation of Settlement dated February 19, 2016 described herein. I (We) also submit to the jurisdiction of the United States District Court for the Northern District of Illinois with respect to my (our) claim as a Settlement Class Member (as defined herein) and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Litigation, including but not limited to the releases set forth therein. I (We) agree to furnish additional information to Lead Counsel or the Claims Administrator to support this claim if required to do so. I (We) have not submitted any other claim covering the same purchases or sales of Accretive Health Securities during the Settlement Class Period and know of no other Person having done so on my (our) behalf.

**PART VI: RELEASE**

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, relinquish and discharge with prejudice all of the Released Claims against each and all of the Released Persons (as these terms are defined above).

2. I (We) hereby acknowledge that I (we) will not be entitled to receive recovery in any other action against any of the Released Parties based on or arising out of the Released Claims (as these terms are defined above).

3. This Release shall be of no force or effect unless and until the Court approves the Settlement and it becomes effective on the Effective Date.

4. I (We) hereby warrant and represent that I (we) am (are) a member of the Settlement Class and 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.

**PART VII: CERTIFICATION**

Under penalty of perjury, I (we) hereby certify and represent that I (we) have included information about all of my (our) transactions in Accretive Health Securities that occurred during the Settlement Class Period as well as the number of shares of Accretive Health Securities held by me (us) at the close of trading on March 30, 2015. By executing this certification, I (we) acknowledge that all of the foregoing information provided on this Proof of Claim and Release form is accurate, and I (we) agree to be bound by the release set forth above and all orders entered in the Litigation.

Executed this \_\_\_\_\_ day of \_\_\_\_\_,  
(Month/Year)

in \_\_\_\_\_,  
(City) (State/Country)

\_\_\_\_\_  
(Beneficial Purchaser Sign your name here) (Beneficial Purchaser Type or print your name here)

\_\_\_\_\_  
(Co-Beneficial Purchaser Sign your name here) (Co-Beneficial Purchaser Type or print your name here)

\_\_\_\_\_  
(Capacity of person(s) signing, e.g. Beneficial Purchaser(s) Executor or Administrator)

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

Reminder Checklist:

1. Please sign the Proof of Claim and Release at Part V-VII above.
2. Remember to attach supporting documentation, if available.
3. Do not send original stock certificates.
4. Keep a copy of your Proof of Claim and Release for your records.
5. The Claims Administrator will acknowledge receipt of your Proof of Claim and Release within 60 days. Your claim is not deemed filed until you receive an acknowledgment postcard or email. If you do not receive a written acknowledgment within 60 days, please email the Claims Administrator at                     .

**If you move, please send us your new address.**

**THIS PROOF OF CLAIM MUST BE POSTMARKED NO LATER THAN \_\_\_\_\_, 2016  
AND MUST BE MAILED TO:**

Accretive Health, Inc. Securities Litigation  
Claims Administrator  
[CLAIMS ADMIN ADDRESS]

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS**

TIFFANY M. HUGHES,

Plaintiff,

v.

ACCRETIVE HEALTH, INC., MARY A.  
TOLAN, JOHN T. STATON, AND JAMES M.  
BOLOTIN,

Defendants.

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)  
) Case No. 13-cv-3688  
)  
) Honorable Joan B. Gottschall  
)  
) **EXHIBIT A-3**  
)  
) **SUMMARY NOTICE OF PENDENCY**  
) **AND PROPOSED SETTLEMENT OF**  
) **CLASS ACTION**  
)  
)  
)

**TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH”), WHO PURCHASED OR ACQUIRED CALL OPTIONS ON ACCRETIVE HEALTH COMMON STOCK, OR WHO WROTE PUT OPTIONS ON ACCRETIVE HEALTH COMMON STOCK BETWEEN MAY 20, 2010 AND DECEMBER 30, 2014, INCLUSIVE**

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Northern District of Illinois, that a hearing will be held on \_\_\_\_\_, 2016, at \_\_\_\_:00 \_\_.m., before the Honorable Joan B. Gottschall in the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Courtroom 2325, Chicago, IL 60604, for the purpose of determining: (1) whether the proposed Settlement<sup>1</sup> of the claims in the Litigation for the sum of \$3.9 million in cash should be approved by the Court as fair, reasonable, and adequate to Settlement Class Members; (2) whether to certify the Settlement Class; (3) whether, thereafter, this Litigation should be dismissed with prejudice pursuant to the terms and conditions set forth in the Stipulation of Settlement dated February 19, 2016; (4) whether the proposed plan to distribute the Settlement proceeds (the “Plan of Allocation”) is fair, reasonable, and adequate and therefore should be approved; (5) whether the application of Lead Counsel for the payment of attorneys’ fees and expenses incurred in connection with this Litigation should be approved; (6) whether the Court should grant Lead Plaintiff’s reimbursement of its reasonable costs and expenses (including lost wages) directly related to its representation of the Settlement Class; and (7) any other matters relevant to the Settlement that the Court considers necessary or appropriate (the “Settlement Hearing”). The Court has reserved the right to reschedule the hearing from time to time without further notice.

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<sup>1</sup> Capitalized terms have the meaning ascribed to them in the Stipulation of Settlement.

**IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND.** If you have not received a detailed Notice of Proposed Settlement of Class Action, Motion for Attorneys' Fees and Expenses and Settlement Hearing (the "Notice"), and a copy of the Proof of Claim and Release form, you may obtain copies by writing to the Claims Administrator at the address below. Copies of the Notice and Claim Form are also available at [\[REDACTED\]](#).

To be eligible to participate in the proposed Settlement, you must have purchased or otherwise acquired the common stock of Accretive Health, Inc., purchased or otherwise acquired call options on Accretive Health common stock, or written put options on Accretive Health common stock from May 20, 2010, through December 30, 2014, inclusive, and not be excluded either by definition or by filing a request for exclusion (the "Settlement Class"). Further, to be eligible to participate in the proposed Settlement, you will be required to submit a Proof of Claim and Release postmarked by \_\_\_\_\_ in accordance with the instructions set forth in the Notice.

If you are a member of the Settlement Class and do not exclude yourself, you will be bound by any judgment entered in the Litigation whether or not you make a claim. To exclude yourself from the Settlement Class, you must submit a request for exclusion that is postmarked no later than \_\_\_\_\_, in accordance with the instructions set forth in the Notice.

Any objections to the Settlement, the Plan of Allocation, Lead Counsel's Fee and Expense Award, or the Lead Plaintiff Cost and Expense Award must be filed with the Court and postmarked to counsel identified in the Notice no later than \_\_\_\_\_. All objections must be prepared and submitted in accordance with the instructions set forth in the Notice. If you are a

Settlement Class Member and do not submit a proper Proof of Claim and Release form, you will not share in the proceeds of the Settlement but you will nevertheless be bound by any judgments or orders entered by the Court in the Litigation.

This notice provides only a summary of matters regarding the Litigation and the Settlement. A more complete notice has been mailed to persons and entities known to be potential Settlement Class Members regarding the Litigation, the proposed Settlement, and the right of Settlement Class Members to: (i) appear at the Settlement Hearing; (ii) request to be excluded from the Settlement Class; and (iii) object to the Settlement, the Plan of Allocation, Lead Counsel's Fee and Expense Award, or the Lead Plaintiff Cost and Expense Award. You may obtain a copy of the Notice, Proof of Claim and Release form, and other information by writing to the following address or calling the following telephone number:

*Accretive Health, Inc. Securities Litigation*  
c/o Kurtzman Carson Consultants  
Claims Administrator

P.O. Box \_\_\_\_\_  
[ADDRESS] \_\_\_\_\_  
(1-\_\_\_\_\_)

You may also access these documents from the following website: \_\_\_\_\_.

Inquiries, other than requests for copies of the Notice and Proof of Claim and Release or for inclusion on the mailing list for future notices, may be directed to Joshua L. Crowell, Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (T) (310) 201-9150, (F) (310) 432-1495, info@glancylaw.com, www.glancylaw.com.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE

Dated: \_\_\_\_\_

BY ORDER OF THE COURT

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS

TIFFANY M. HUGHES,

Plaintiff,

v.

ACCRETIVE HEALTH, INC., MARY A.  
TOLAN, JOHN T. STATON, AND JAMES M.  
BOLOTIN,

Defendants.

)

) Case No. 13-cv-3688

)

) Honorable Joan B. Gottschall

)

) **EXHIBIT B**

)

) **FINAL JUDGMENT AND ORDER OF  
DISMISSAL WITH PREJUDICE; ORDER**

) **ON APPLICATION FOR LEAD**

) **COUNSEL'S FEE AND EXPENSE**

) **AWARD AND THE LEAD PLAINTIFF**

) **COST AND EXPENSE AWARD**

)

This matter came before the Court for hearing pursuant to an Order of this Court, dated \_\_\_\_\_, 2016 (the “Preliminary Approval Order”), on the application of the Parties for approval of the Settlement set forth in the Stipulation of Settlement dated as of February 19, 2016, (the “Stipulation”). Due and adequate notice having been given of the Settlement as required in said Preliminary Approval Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Litigation, including the terms and conditions of the Stipulation and all exhibits thereto, and over all Parties to the Litigation, and all Settlement Class Members.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies, for settlement purposes only, a Settlement Class consisting of all Persons who purchased or otherwise acquired the common stock of Accretive Health, purchased or otherwise acquired call options on Accretive Health common stock, or wrote put options on Accretive Health common stock, between May 20, 2010, through December 30, 2014, inclusive, and who were allegedly damaged thereby. Excluded from the Settlement Class are Defendants, members of the immediate families of the Individual Defendants, the officers and directors of Accretive Health during the Settlement Class Period, the legal representatives, heirs, successors, or assigns of any of the foregoing excluded Persons and any entity in which any of the Defendants have or had a controlling interest. Also excluded from the Settlement Class are those Persons who

submitted valid and timely requests for exclusion in accordance with the requirements set forth in the Notice who are listed on Schedule 1 hereto.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, Lead Plaintiff is appointed as the class representative for the Settlement Class (“Class Representative”) and Lead Counsel is appointed as counsel for the Settlement Class.

5. The Court finds, for settlement purposes only, that the prerequisites for a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of the Court-appointed Class Representative, Pressure Controls, Inc., are typical of the claims of the Settlement Class it represents; (d) the Class Representative has and will continue to fairly and adequately represent the interests of the Settlement Class; (e) the questions of law and fact common to the Settlement Class Members predominate over any questions affecting only individual Settlement Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

6. The distribution of the Notice and the publication of the Summary Notice, as provided for in the Preliminary Approval Order, constituted the best notice practicable under the circumstances, including individual notice to all Settlement Class Members who could be identified through reasonable effort. Said notices were reasonably calculated under the circumstances to apprise Settlement Class Members of the nature of the Litigation, including the claims, issues and defenses thereto, the proposed Settlement set forth in the Stipulation, the definition of the Settlement Class, their right to exclude themselves from the Settlement Class and

the manner to do so, their right to object to any aspect of the proposed Settlement, their right to appear at the Settlement Hearing, either on their own or through counsel hired at their own expense, and the binding effect of these proceedings, rulings, orders, and judgments in this Litigation on all Persons who are not excluded from the Settlement Class. Said notices fully satisfied the requirements of Federal Rule of Civil Procedure 23, Section 21D(a)(7) of the Securities Exchange Act of 1934, the requirements of Due Process, and any other applicable law.

7. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves the Settlement set forth in the Stipulation and finds that said Settlement is, in all respects, fair, reasonable and adequate to, and is in the best interests of the Lead Plaintiff, the Settlement Class, and each of the Settlement Class Members. This Court further finds the Settlement set forth in the Stipulation is the result of arm's-length negotiations between experienced counsel representing the interests of the Lead Plaintiff, Settlement Class Members, and the Defendants. Accordingly, the Settlement embodied in the Stipulation is hereby approved in all respects and shall be consummated in accordance with its terms and provisions. The Parties are hereby directed to perform the terms of the Stipulation.

8. The Litigation and all Released Claims are dismissed with prejudice. The Parties are to bear their own costs, except as otherwise provided in the Stipulation.

9. All Persons whose names appear on Schedule 1 hereto are hereby excluded from the Settlement Class, are not bound by this Judgment, and may not make any claim with respect to or receive any benefit from the Settlement. Such excluded Persons may not pursue Released Claims on behalf of those who are bound by this Judgment.

10. In accordance with Paragraph 1.27 of the Stipulation, for purposes of this Judgment the term "Released Claims" means any and all claims, known or unknown, contingent

or non-contingent, whether suspected or unsuspected, including any claims arising under federal or state statutory or common law or any other law, rule or regulation, whether foreign or domestic, or in equity, including Unknown Claims, that have been or could have been asserted against all or any of the Defendants or any of the Released Persons that (i) arise out of or relate to the claims or allegations in the Litigation, including the acts, facts, events, disclosures, or omissions alleged in the Litigation; or (ii) relate to the purchase, sale or ownership of Accretive Health Securities during the period from and including May 20, 2010, through December 30, 2014; *provided, however*, that the term “Released Claims” shall not include claims to enforce the Settlement or the Judgment entered pursuant thereto.

11. In accordance with Paragraph 1.28 of the Stipulation, for purposes of this Judgment the term “Released Persons” shall mean: each and all of the Defendants, and each and all of their Related Persons. In accordance with Paragraph 1.26 of the Stipulation, the term “Related Persons” shall mean: each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them or any trust of which any Defendant and/or their Related Persons is the settlor or which is for the benefit of any Defendant and/or their Related Persons and/or member(s) of his or her family and any entity in which any such Defendant and/or their Related Persons has a controlling interest.

12. Upon the Effective Date, Lead Plaintiff and each of the Settlement Class Members on behalf of themselves and each of their respective officers, directors, shareholders, employees,

agents, personal representatives, spouses, subsidiaries, heirs, executors, administrators, successors and assigns, and any other Person claiming (now or in the future) to be acting on behalf of any of them, and regardless of whether any such Lead Plaintiff or Settlement Class Member ever seeks or obtains by any means, including, without limitation, by submitting a Proof of Claim and Release, any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims (including known claims and Unknown Claims) against the Released Persons and shall have covenanted not to sue the Released Persons with respect to all such Released Claims, and shall be permanently barred and enjoined from instituting, commencing, participating in, continuing, maintaining, asserting or prosecuting, whether directly or indirectly, whether in the United States or elsewhere, whether their own behalf or on behalf of a class or any other Person, any Released Claims against any of the Released Persons.

13. Upon the Effective Date hereof, each of the Released Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released, relinquished, and discharged Lead Plaintiff, each and all of the Settlement Class Members and Plaintiff's Counsel from all claims (including Unknown Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Litigation or the Released Claims, provided that nothing herein shall bar any action or claim to enforce the terms of the Settlement or this Judgment entered pursuant thereto.

14. Any further orders or proceedings solely regarding the Plan of Allocation, the Fee and Expense Award or the Lead Plaintiff Cost and Expense Award shall in no way disturb or affect this Judgment, and shall be considered separate and apart from this Judgment.

15. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement (a) shall be deemed to be or used as an admission of, or evidence of, the validity of any Released Claim, any allegation made in the Litigation, or any wrongdoing or liability of Defendants or any Released Persons; and (b) shall not be deemed to be or used as an admission of, or evidence of, any liability, fault, or omission of any of Defendants or any Released Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Neither this Stipulation nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of this Stipulation or the Settlement shall be offered or admissible in any proceeding for any purpose, except to enforce the terms of the Settlement, except that Defendants may file or refer to the Stipulation and/or the Judgment in any action that may be brought against them in order to enforce the releases or other protections granted herein or to otherwise support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

16. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; and (c) all Parties hereto for the purpose of construing, enforcing and administering the Stipulation of Settlement.

17. The Court finds that during the course of the Litigation, the Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11, and particularly with Rule 11(b) of the Federal Rules of Civil Procedure.

18. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation and the terms of Paragraph 8.4 of the Stipulation shall apply.

19. The Parties are hereby authorized, without further approval of the Court, to unanimously agree to and adopt in writing such amendments, modifications, and expansions of the Stipulation and all exhibits thereto, provided that such amendments, modification, and expansions of the Stipulation are not materially inconsistent with this Judgment and do not materially limit the rights of Settlement Class Members under the Stipulation.

20. The Court hereby **GRANTS** Lead Counsel's attorneys' fees of \_\_\_\_\_% of the Settlement Fund and expenses in an amount of \$\_\_\_\_\_, together with the interest earned thereon for the same time period and at the same rate as that earned on the Settlement Fund until paid, to be paid from the Settlement Fund, in accordance with the Stipulation. The Court finds that the amount of fees awarded is fair and reasonable in light of the time and labor required, the novelty and difficulty of the case, the skill required to prosecute the case, the experience and ability of the attorneys, awards in similar cases, the contingent nature of the representation and the result obtained for the Settlement Class. Said fees shall be allocated among Plaintiff's counsel in a manner which, in their good-faith judgment, reflects each counsel's contribution to the institution, prosecution, and resolution of the Litigation.

21. The Court hereby **GRANTS** Lead Plaintiff Pressure Controls, Inc. reasonable costs and expenses (including lost wages) directly related to its representation of the Class in the

amount of \$\_\_\_\_\_, to be paid from the Settlement Fund, in accordance with the Stipulation.

DATED: \_\_\_\_\_

\_\_\_\_\_  
The Honorable Joan B. Gottschall  
United States District Judge

**SCHEDULE 1**

**List of Persons Excluded from the Settlement Class in**

*Hughes v. Accretive Health, Inc. et al.*

Civil Action No. 13-cv-03688

The following Persons, and only the following Persons, properly excluded themselves from the Settlement Class by the \_\_\_\_\_, 2016, deadline pursuant to the Court's Preliminary Approval Order dated \_\_\_\_\_, 2016:
