

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

PLAINTIFFS,

vs.

EDGAR M. BRONFMAN, JR., J. MICHAEL
CLINE, STEVEN N. KAPLAN, STANLEY N.
LOGAN, DENIS J. NAYDEN, ARTHUR H.
SPIEGEL, III, MARY A. TOLAN, MARK A.
WOLFSON,

DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Stipulation”) is made and entered into by and among the following Settling Parties: (1) Accretive Health, Inc. (“Accretive Health” or “Company”), (2) plaintiffs Marvin H. Maurras Revocable Trust (“Maurras Trust”), Yongqian Zhao, and interested party Susan Chagnon (“Federal Plaintiffs”), (3) plaintiffs Jeffrey Goodwin and Robert Haith (together “Illinois State Plaintiffs”), (4) plaintiff Robert Doyle (“Delaware Plaintiff,” and with the Federal Plaintiffs and Illinois State Plaintiffs, “Plaintiffs”), and (5) Defendants Edgar M. Bronfman, Jr., J. Michael Cline, Steven N. Kaplan, Stanley N. Logan, Denis J. Nayden, Arthur H. Spiegel, III, George P. Shultz, John T. Staton, Mary A. Tolan, and Mark A. Wolfson (“Individual Defendants,” and with Nominal Defendant, Accretive Health, “Defendants”). The Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims, upon and subject to the terms and conditions hereof. All capitalized terms shall have the meanings set forth herein.

I. THE LITIGATION

1. Federal Action

On May 3, 2012, Plaintiff Maurras Trust filed a purported shareholder derivative complaint against all Individual Defendants (with the exception of Mr. Staton). On June 19, 2012, Plaintiff Maurras Trust voluntarily dismissed its Complaint as to Mr. George P. Shultz (the Individual Defendants without Messrs. Staton and Shultz comprise the “Maurras Trust Individual Defendants,” and with Nominal Defendant, Accretive Health, comprise the “Maurras Trust Defendants”). On July 31, 2012, Plaintiff Zhao filed a substantially similar complaint against the Maurras Trust Individual Defendants. On September 21, 2012, Susan Chagnon, a third litigant who had made a demand on Accretive Health for inspection of books and records under Delaware General Corporation Law Section 220, and had received materials from the Minnesota Attorney General through the Minnesota Government Data Practices Act (Minn. Stat. 13.01, *et*

seq. 2012), moved to stay both actions pending her review of books and records produced in response to her demand, and to be appointed lead plaintiff.

On October 25, 2012, the Court designated Plaintiffs Maurras Trust, Zhao, and Chagnon co-lead plaintiffs. On November 2, 2012, the Court formally consolidated the actions filed by Plaintiffs Maurras Trust and Zhao, and on November 19, 2012, the Federal Plaintiffs filed a Consolidated Verified Shareholder Derivative Complaint (the “Complaint” in the “Federal Action”).

The Complaint asserts purported derivative claims for breaches of fiduciary duty and violations of Sections 10(b) and 29(b) of the Securities and Exchange Act of 1934 (“Exchange Act”), and Rule 10b-5 promulgated thereunder, based on purported acts or omissions of the Maurras Trust Defendants related to the Company’s alleged noncompliance with federal and state privacy and debt collection laws, including allegations related to an investigation and subsequent lawsuit by the Minnesota Attorney General (“Minnesota AG Action”). In particular, the Complaint alleges that due to the Maurras Trust Individual Defendants’ breaches of fiduciary duty, the Company has incurred millions of dollars in responding to lawsuits and investigations, lost a lucrative and significant customer contract, was banned from doing business in Minnesota for six years, and otherwise faces substantial liability. The Complaint states that were it not for the Maurras Trust Individual Defendants’ breaches, the violations of law and their resulting financial and reputational damage to the Company would have been prevented.

On January 22, 2013, the Maurras Trust Defendants moved to dismiss the Federal Action for failure to adequately allege demand futility under Federal Rule of Civil Procedure 23.1(b)(3)(B) and failure to state a claim under Rule 12(b)(6). On September 24, 2013, this Court dismissed without prejudice the Federal Action for failure to sufficiently plead demand

futility. On October 22, 2013, the Federal Plaintiffs filed an Amended Consolidated Verified Shareholder Derivative Complaint, which among other things, added allegations relating to a restatement of Company financial results, filed with the SEC on December 30, 2014.

2. Delaware and Illinois State Actions

On July 23, 2012, Plaintiff Haith filed a purported shareholder derivative complaint against all Individual Defendants (with the exception of Mr. Shultz) entitled *Haith v. Bronfman, Jr., et al.*, No. 12-ch-27968, in the Circuit Court of Cook County, Illinois (the “Illinois Court”), which asserted claims for breach of fiduciary duty and comparable state causes of action upon substantially similar facts as the Federal Action.

On July 27, 2012, Plaintiff Goodwin filed a purported shareholder derivative suit against all Individual Defendants entitled *Goodwin v. Bronfman, Jr. et al.*, No. 12-ch-23754, in the Circuit Court of Cook County, Illinois, which also asserted claims for breach of fiduciary duty and comparable state causes of action upon substantially similar facts as the Federal Action.

On May 2, 2013, the *Haith* and *Goodwin* suits were consolidated and collectively titled *In re Accretive Health, Inc. Derivative Litigation*, No. 12-ch-23754 (the “Illinois State Action”).

On November 5, 2012, Plaintiff Doyle, who had made a demand on Accretive Health for inspection of books and records under Delaware General Corporation Law Section 220 and reviewed books and records produced in response to that demand, filed a purported shareholder derivative complaint against the Individual Defendants (with the exception of Mr. Shultz) entitled *Doyle v. Tolan, et al.*, No. 8008-VCP, in the Delaware Chancery Court (the “Delaware Court”), which asserted claims for breach of fiduciary duty and comparable state causes of action upon substantially similar facts as the Federal Action (the “Delaware Action,” and with the Federal Action and Illinois State Action, the “Actions”). On July 11, 2013, the Delaware Court

stayed the Delaware Action pending resolution of the Federal Action, or further order of the Delaware Court.

3. Settlement Discussions

During the course of the Federal Action, the parties to the Federal Action engaged in ongoing settlement discussions. On October 24, 2013, counsel for the parties to the Federal Action and representatives of certain Defendants' Directors' and Officers' Liability Insurers ("D&O Insurers") participated in mediation session in New York, New York. At that mediation, the parties to the Federal Action reached final agreement on a framework for settlement, as described further herein.

Plaintiffs' Counsel in the Federal Action then began the time consuming process of trying to make the Settlement global in nature. This process required multiple simultaneous negotiations regarding both the terms of the Settlement and the allocation of the agreed-to fee amount. After two and a half months of arm's-length negotiations the plaintiffs in all of the Actions agreed to join in the Settlement.

II. ASSERTIONS OF THE PLAINTIFFS AND THE BENEFITS OF THE SETTLEMENT

Prior to filing the Actions, Plaintiffs' Counsel conducted an investigation into the substance of the allegations and claims asserted, including reviewing thousands of documents obtained from both the 220 Demands and the Minnesota Attorney General, as well as publicly available documents and analyzing applicable case law and other authorities. Based on these investigations, Plaintiffs believe that the claims asserted in the Actions have merit. However, Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Actions against Defendants through trial and, if necessary, through appeals. Plaintiffs also have taken into account the uncertain outcome and the risk of any litigation,

especially in light of the Court's dismissal of the Federal Action, as well as the difficulties and delays inherent in such litigation. Plaintiffs also are mindful of the problems of proof and possible defenses to the claims asserted in the Actions. Plaintiffs believe that the settlement set forth in this Stipulation confers substantial benefits upon the Company and its shareholders. Plaintiffs also believe that the corporate governance reforms set forth on attached Exhibit A are carefully crafted to prevent or deter potential future breaches of fiduciary duty similar to those alleged in the complaints in the Actions. Based on their evaluation, Plaintiffs believe that the settlement set forth in this Stipulation is in the best interests of Plaintiffs, the Company, and its shareholders, and is fair, reasonable, and adequate.

III. DEFENDANTS' DENIALS OF LIABILITY AND WRONGDOING

Defendants, individually and collectively, have denied and continue to deny each and all of the claims and contentions alleged in the Actions. Defendants expressly have denied and continue to deny 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 Actions. Defendants further deny that Plaintiffs or Accretive Health shareholders have suffered damages or that Defendants breached any fiduciary duty or committed any violation of the Exchange Act, and Rule 10b-5 promulgated thereunder. Defendants further deny that the prices of Accretive Health publicly-traded securities were artificially inflated at any time as the result of any alleged misrepresentations, omissions, non-disclosures, or otherwise by Defendants. The Defendants further deny the allegations that Accretive Health violated, or that the Individual Defendants caused Accretive Health to violate, federal and state privacy and debt collection laws, including the allegations asserted in the Minnesota AG Action, or otherwise failed to properly supervise the Company.

Nonetheless, Defendants have concluded that further conduct of the Actions would be protracted and expensive, and that it is desirable that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation because the Settlement confers real benefits on the Company and its shareholders. Defendants also have taken into account the burden, expense, inconvenience, distraction, uncertainty and risks inherent in any litigation. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in this Stipulation.

IV. TERMS OF STIPULATION OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Plaintiffs, acting on behalf of themselves and derivatively on behalf of Accretive Health, and Defendants, by and through their respective counsel or attorneys of record, that, subject to the approval of the Court, the Actions, the Released Claims, and all matters encompassed within the scope of the releases set forth or referenced in this Stipulation shall be finally, fully, and forever compromised, settled, and released, and the Actions shall be dismissed with prejudice as to all Settling Parties, upon and subject to the terms and conditions of the Stipulation, as follows.

1. Definitions

As used in this Stipulation, the following terms have the meanings specified below:

1.1 “Accretive Health” or “Company” means Accretive Health, Inc.

1.2 “Actions” refer collectively to the Federal Action, Delaware Action, and Illinois State Action.

1.3 “Court” means the United States District Court for the Northern District of Illinois, Eastern Division.

1.4 “Defendants” means Accretive Health and the Individual Defendants.

1.5 “Defendants’ Affiliates” means (1) any of the Defendants’ respective past, present, or future direct or indirect parent entities, controlling persons, associates, investment advisers, general partners, managing members, affiliates, subsidiaries, controlled entities, or families, and (2) each and all of their respective past, present, or future direct or indirect officers, directors, shareholders, principals, managing directors, representatives, employees, attorneys, fiduciaries, financial advisers, investment advisers, insurers, co-insurers, reinsurers, consultants, accountants, investment bankers, commercial bankers, underwriters, lenders, brokers, dealers, advisers, agents, heirs, beneficiaries, distributees, executors, trustees, trusts, foundations, partners, partnerships, general and limited partners and partnerships, corporations, divisions, limited liability companies, managing members, managing agents, members, member firms, associated entities, joint ventures, family members, spouses, personal and legal representatives, estates, administrators, predecessors, successors, and assigns, of any of the Defendants and of each and all of the foregoing.

1.6 “Delaware Action” means the suit entitled *Doyle v. Tolan, et al.*, No. VCP-8008, in the Delaware Chancery Court.

1.7 “Effective Date” means the first date by which all of the events and conditions specified in ¶6.1 hereof have been met and have occurred.

1.8 “Federal Action” means the above-captioned litigation in the Court.

1.9 “Final” means: (i) the date of final affirmance on an appeal of the Judgment, the expiration of the time for a petition for or a denial of a writ of certiorari to review the Judgment and, if certiorari is granted, the date of final affirmance of the Judgment following review pursuant to that grant; or (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on certiorari to review the Judgment; or (iii) if no appeal is

filed, the expiration date of the time for the filing or noticing of any appeal from the Court's Judgment approving the Stipulation substantially in the form of Exhibit C attached hereto.

1.10 "Illinois State Action" means the suit entitled *In re Accretive Health, Inc. Derivative Litigation*, No. 12-ch-23754 in the Circuit Court of Cook County, Illinois.

1.11 "Individual Defendants" means Edgar M. Bronfman, Jr., J. Michael Cline, Steven N. Kaplan, Stanley N. Logan, Denis J. Nayden, Arthur H. Spiegel, III, George P. Shultz, John T. Staton, Mary A. Tolan, and Mark A. Wolfson.

1.12 "Judgment" means the judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit C.

1.13 "Minnesota AG Action" means the suit entitled *Minnesota v. Accretive Health, Inc.*, No. 12-145 RHK/JJK (D. Minn. July 30, 2012) and all investigations or reports that preceded the suit.

1.14 "Person" means an individual, corporation, partnership, limited partnership, limited liability company or partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

1.15 "Plaintiffs" means plaintiffs Marvin H. Maurras Revocable Trust, Yongqian Zhao, and interested party Susan Chagnon in the Federal Action, plaintiffs Jeffrey Goodwin and Robert Haith in the Illinois State Action, and plaintiff Robert Doyle in the Delaware Action, each on behalf of themselves and derivatively on behalf of Accretive Health.

1.16 "Plaintiffs' Counsel" means any counsel who has appeared for the Plaintiffs in the Actions.

1.17 “Plaintiffs’ Settlement Counsel” means Allen Carney of Carney, Bates & Pulliam PLLC, Michael J. Hynes of Hynes Keller & Hernandez, LLC, and Judith S. Scolnick of Scott+Scott, Attorneys at Law, LLP.

1.18 “Released Persons” means each and all of the Defendants and Defendants’ Affiliates.

1.19 “Releasing Persons” means the Company, Plaintiffs and any other past or present shareholder of the Company, and any of their respective heirs, executors, administrators, estates, predecessors in interest, predecessors, successors in interest, successors, or assigns (or any person claiming by, through, in the right of, or on behalf of them or the Company by subrogation, assignment, or otherwise).

1.20 “Released Claims” shall collectively mean any and all claims, demands, rights, actions, potential actions, causes of action, liabilities, damages, losses, obligations, judgments, duties, suits, agreements, costs, expenses, debts, interest, penalties, sanctions, fees, attorneys’ fees, judgments, decrees, matters, issues, and controversies of any kind, nature or description whatsoever, whether known or unknown, contingent or absolute, suspected or unsuspected, foreseen or unforeseen, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, fixed or contingent, accrued or unaccrued, apparent or unapparent, including Unknown Claims (as defined in this Section and in Section 4 herein), that are, have been, could have been, could now be, or in the future can or might be asserted in the Actions, or in any court, tribunal, or proceeding (including, but not limited to, any shareholder derivative claims for, based upon, or arising out of any actual or alleged breach of fiduciary or other duty, negligence, fraud, or misrepresentation, or any other claims based upon or arising under any federal, state, local, foreign, statutory, regulatory, common, or other law or rule, which shall be deemed to

include but is not limited to any federal or state securities, antitrust, or consumer protection laws, whether or not within the exclusive jurisdiction of the federal courts), by or on behalf of the Company, Plaintiffs or derivatively by any of the Releasing Persons, whether legal, equitable, or any other type, against any of the Released Persons, which have arisen, could have arisen, now arise, hereafter may arise out of, are based upon, relate in any manner to, or involve, directly or indirectly, any of the acts, events, facts, matters, transactions, occurrences, conduct, statements, representations, misrepresentations, omissions, allegations, practices, or claims, or any other matters, things, or causes whatsoever, or any series thereof, that were, could or might have been, or in the future could or might be alleged, asserted, set forth, claimed, embraced, involved, or referred to in, directly or indirectly, the Actions or that otherwise relate to any of the allegations set forth in the complaints filed in the respective Actions or the subject matter of the Actions (including, but not limited to, any and all claims which are based upon, arise out of, relate in any way to, or involve, directly or indirectly, (i) the Minnesota AG Action, (ii) any actions, deliberations, decisions, or negotiations or failure to act, deliberate, decide, or negotiate in connection with the Minnesota AG Action, including but not limited to the process of deliberation by the Company and any of its officers, directors, or advisors, (iii) any disclosures, public filings, periodic reports, press releases, proxy statements, or other statements issued, made available, or filed relating, directly or indirectly, to the Minnesota AG Action, including but not limited to claims under the federal securities laws within the exclusive jurisdiction of the federal courts, (iv) any actions or investments with respect to (including, but not limited to, purchases, repurchases, sales, exercises of rights with respect to and decisions to hold) securities issued by the Company or its respective affiliates, (v) the fiduciary obligations of the Released Persons in connection with the Minnesota AG Action, (vi) any fees, expenses, costs, or penalties incurred in

prosecuting, defending, or settling any actual or threatened investigation, action, litigation, or proceeding in connection with the Minnesota AG Action, including but not limited to the Actions, (vii) any losses, damages, fees, expenses, costs, or penalties suffered, incurred, or paid, directly or indirectly, in connection with the Minnesota AG Action, (viii) any failure to detect, prevent, or take action in response to the Minnesota AG Action (ix) any claims arising as a result of the Company's announced Restatement of financial results, filed with the SEC on December 30, 2014, or (x) the fiduciary or disclosure obligations of the Company, any of its affiliates, or any other Released Persons in connection with any of the foregoing), provided however, that Released Claims shall not include the right of the Parties to enforce the terms of this Stipulation, including Plaintiffs' Counsel's application for an award of fees and expenses, as contemplated herein.

1.21 "Settling Parties" means, collectively, the Company, Defendants and Plaintiffs.

1.22 "Unknown Claims" means any claim, cause of action, damage, or harm that the Releasing Persons do not know or suspect to exist 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, and as further described in Section 4 herein.

2. The Settlement

2.1 As a direct result of the prosecution of the Actions and the extensive ongoing negotiations between the Settling Parties, a proposed settlement has been reached under the following terms:

- a. In consideration of the dismissal with prejudice of the Actions, the releases between the Settling Parties, and other terms contained in this Stipulation, the Company will institute certain reforms relating to compliance oversight, such

reforms to be in place for a period of not less than three years from the date of this Stipulation. A detailed list of individual reforms to be implemented is attached hereto as Exhibit A.

- b. Accretive Health or its successor shall be solely responsible for providing and paying for notice to shareholders of the Company as of the date of the entry of the notice order, substantially in the form attached hereto as Exhibit B-1.

2.2 Defendants and their insurers also agreed, following mediation, to pay to Plaintiffs' Counsel an award of attorneys' fees and expenses not to exceed \$600,000, as set forth in Section 5. The parties did not negotiate attorneys' fees and expenses until the substantive terms of the Settlement had been agreed to in principle.

3. Notice Order and Settlement Hearing

3.1 As soon as practicable after execution of this Stipulation, Plaintiffs' Settlement Counsel shall submit the Stipulation together with its Exhibits to the Court and shall apply for the entry of an order (the "Notice Order"), substantially in the form attached hereto as Exhibit B, requesting, *inter alia*, preliminary approval of the settlement set forth in the Stipulation and approval for the mailing of a settlement notice (the "Notice"), substantially in the form attached hereto as Exhibit B-1, which shall include the general terms of the settlement set forth in the Stipulation and the date of the Settlement Hearing, as defined below, and for the publication of the Summary Notice, substantially in the form attached hereto as Exhibit B-2, on one occasion in the national edition of *Investor's Business Daily*.

3.2 Defendants shall undertake the administrative responsibility for, and shall pay the costs of, giving notice to all shareholders of record as of the close of business on the date of entry of the Notice Order. Prior to the Settlement Hearing, Defendants' counsel shall file with the Court an appropriate affidavit or declaration with respect to preparing and mailing the Notice to

all shareholders of record as described in the preceding sentence and publishing the Summary Notice.

3.3 Plaintiffs' Settlement Counsel shall request that after notice is given, the Court hold a hearing (the "Settlement Hearing") and approve the settlement of the Action as set forth herein.

4. Releases

4.1 Upon the Effective Date, as defined in ¶1.7 hereof, the Releasing Persons 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 Unknown Claims) against the Released Persons. By operation of the entry of the Judgment, upon the Effective Date, the Releasing Persons, for themselves and their respective heirs, executors, administrators, predecessors, representatives, agents, successors, and assigns agree to waive, and shall be deemed to have waived, any and all rights and benefits which they now have, or in the future may have by virtue of the provisions of §1542 of the California Civil Code and any other similar law or provision with respect to the Released Claims, which section provides as follows:

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.

4.2 Upon the Effective Date, the Releasing Persons 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 international or foreign law, which is similar to §1542 of the California Civil Code.

4.3 The Releasing Persons may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Releasing Persons shall have or 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 and Unknown Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and any other Releasing Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the settlement of which this release is a part.

4.4 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 Releasing Persons and Plaintiffs' Counsel from all Released Claims (including Unknown Claims), based upon or arising out of the institution, prosecution, assertion, settlement, or resolution of the Actions or the Released Claims.

5. Attorneys' Fees and Expenses

5.1 If the Court approves the terms of the Stipulation as provided herein, including any modifications thereto made with consent of the Settling Parties, Plaintiffs' Counsel intends to apply to the Court for an award of attorneys' fees and expenses of \$600,000 (the "Fee Award"). After lengthy and adversarial negotiations, it was agreed that Plaintiffs' Counsel would seek the agreed upon amount of \$600,000 for attorneys' fees and expenses and

Defendants would not oppose this application. Court approval of such fee application is not a condition of this Settlement, and such fee application may be considered separately from the proposed Settlement. Notwithstanding any other provision of this Stipulation, no fees or expenses shall be sought by or paid to Plaintiffs' Counsel in the absence of entry by the Court of a Judgment which contains a release of the Released Claims. Plaintiffs' Counsel also warrants that no portion of any award of attorneys' fees or expenses shall be paid to Plaintiffs except as approved by the Court and Defendants take no position with respect to a court approved incentive award to each Plaintiff of up to \$2,000 to be paid from each of Plaintiffs' Counsels' respective share of the Fee Award.

5.2 Any such fees and expenses awarded by the Court shall be payable solely by the Company or its successor(s) in interest or its insurer(s) to Scott+Scott, Attorneys at Law LLP, as agent for Plaintiffs' Counsel in the Actions, within ten (10) business days after the later of (a) the date of entry by the Court of the final order awarding such attorneys' fees or expenses, or (b) the receipt by Defendants' counsel of wire/check payee instructions and a Form W-9 providing the tax identification number for Scott+Scott, Attorneys at Law LLP, as agent for Plaintiffs' Counsel in the Actions. The funds shall be held in escrow at interest, and shall not be disbursed until the Court's approval of the fee award becomes Final. These attorneys' fees will constitute full and complete compensation for the services provided by plaintiffs' counsel in the Federal, Delaware and Illinois State Actions. Defendants shall have no involvement in, responsibility for, and no liability whatsoever with respect to the fee allocation among Plaintiffs' Counsel, or if any other person asserts some claim to any portion of the attorneys' fees award. To the extent such fee award is reduced, disapproved, reversed, or otherwise modified, whether on appeal, further proceedings on remand, successful collateral attack, or otherwise, then the Company or its

successor in interest(s) shall be entitled to a refund within five (5) business days after any such reduction, disapproval, reversal, or other modification of the amount so reduced, disapproved, reversed, or modified, and any proportionate amount of interest paid thereon. Plaintiffs' Counsel shall be jointly and severally liable for any such refund.

5.3 Failure of the Court to approve a request for attorneys' fees and expenses in whole or in part shall have no effect whatsoever on the other terms of this Stipulation. Final resolution of any such request for attorneys' fees and expenses shall not be a condition to the dismissal of the Actions.

6. Conditions of Settlement, Effect of Disapproval, Cancellation, or Termination

6.1 The Effective Date of the settlement shall be conditioned on the occurrence of all of the following events:

- a. The Federal Court has entered the Notice Order, as required by ¶3.1, hereof;
- b. The affidavit or declaration establishing mailing of the Notice and publication of the Summary Notice has been filed as required by ¶3.2 above;
- c. The Federal Court has entered the Judgment, or a judgment substantially in the form attached hereto as Exhibit C;
- d. The Judgment has become Final, as defined in ¶1.9, hereof;
- e. The dismissal with prejudice of the Federal Action without the award of any damages, costs, fees, or the grant of any further relief except for the award of fees and expenses pursuant to Section 5 hereof;
- f. The dismissal with prejudice of the Delaware Action within thirty (30) business days after the Federal Court has entered the Judgment, or a judgment substantially in the form attached hereto as Exhibit C;

- g. The dismissal with prejudice of the Illinois State Action within thirty (30) business days after the Federal Court has entered the Judgment, or a judgment substantially in the form attached hereto as Exhibit C;
- h. The times to appeal from the Final Order and Judgment have elapsed with no appeal being filed, or, alternatively, if any appeal(s) are taken, the underlying orders are affirmed in their entirety in all material respects and are no longer subject to any further appeals or requests for rehearing.

6.2 If all of the conditions specified in ¶6.1 hereof are not satisfied, then the Stipulation shall be canceled and terminated subject to ¶6.3 hereof, unless Plaintiffs' Settlement Counsel and counsel for Defendants mutually agree in writing to proceed with the Stipulation.

6.3 In the event that the Stipulation is not approved by the Court or the settlement set forth in the Stipulation is terminated in accordance with its terms, the Settling Parties shall be restored to their respective positions in the Actions as of the date of this Stipulation, including, for the avoidance of doubt, the refund within five (5) business days by Plaintiffs' Counsel to the Company of any fees and expenses paid under Section 5 hereof. In such event, the terms and provisions of the Stipulation (including the recitals set forth above) shall have no further force and effect with respect to the Settling Parties and shall not be used in the Actions or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*, and in that event all of their respective claims and defenses as to any issue in the Actions shall be preserved without prejudice in any way. No order of the Court or modification or reversal on appeal of any order concerning the amount of attorneys' fees and expenses awarded to Plaintiffs' Counsel shall constitute grounds for cancellation or termination of the Stipulation or affect its terms, including the releases, or affect or delay the finality of the Judgment approving the Stipulation.

7. Termination Rights and Effect of Termination

7.1 Prior to the Effective Date, any Settling Parties may terminate and withdraw from this Stipulation by providing written notice of their election to do so to the undersigned counsel for all other Settling Parties within thirty (30) days after (a) the Court declines to approve this Stipulation in any material respect; (b) the Court declines to enter the Notice Order in any material respect; (c) the Court declines to enter the Judgment granting final approval to this Stipulation in any material respect; (d) the Judgment is modified or reversed in any material respect; or (e) any of the Actions are not dismissed with prejudice.

7.2 In the event that any shareholder derivative claims related, directly or indirectly, to the subject matter of the Actions or the Released Claims are commenced or prosecuted against any of the Released Persons in any court, tribunal, or forum prior to the Effective Date, and (following a motion by Defendants) such claims are not dismissed with prejudice or stayed in contemplation of dismissal, it being agreed that, in the event any such claims are commenced or prosecuted, any Defendant shall have the right, but is not required, to terminate and withdraw from this Stipulation by providing written notice of such Defendant's election to do so to Plaintiffs' Counsel. Plaintiffs and Defendants agree to cooperate and use their best efforts to secure the dismissal (or a stay in contemplation of dismissal following the Judgment becoming Final) thereof.

8. Miscellaneous Provisions

8.1 The Settling Parties: (a) acknowledge that it is their intent to consummate this agreement; 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.

8.2 Following execution of the Stipulation, the Settling Parties agree to:

- a. Stay any and all proceedings in the Federal Action, except for Stipulation-related proceedings in the Federal Action and as permitted herein, which shall be stayed until Stipulation-related proceedings are concluded;
- b. Within 15 days of execution of this Stipulation, present to the Illinois Court a stipulation that shall provide that all proceedings in the Illinois State Action shall be stayed until Stipulation-related proceedings are concluded;
- c. Take no action to disturb or otherwise alter the stay currently in place in the Delaware Action;
- d. With respect to each of the Actions, agree to extensions of time with respect to pleadings and other deadlines and filings as are appropriate in the context of this Stipulation.

8.3 The parties intend this settlement to be a final and complete resolution of all disputes between them with respect to the Actions. 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. The Settling Parties agree that the settlement embodied in the Stipulation was negotiated at arm's-length and in good faith by the Settling Parties, and reflects a settlement that was reached voluntarily after consultation with competent legal counsel. 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 Actions were brought or defended in bad faith or without a reasonable basis.

8.4 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) is or may be deemed to be or may be used as an admission of, or evidence of, the validity or lack thereof of any Released Claim, or of any wrongdoing or liability of the

Defendants; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Defendants in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Defendants may file the Stipulation and/or the Judgment in any action that may be brought against them in order to 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.

8.5 Plaintiffs' Settlement Counsel, derivatively on behalf of Accretive Health, are expressly authorized by the Plaintiffs to take all appropriate actions required or permitted to be taken pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter into any modifications or amendments to the Stipulation which they deem appropriate.

8.6 Plaintiffs' Counsel warrant and represent that they are expressly and duly authorized and empowered by Plaintiffs to sign this Stipulation on behalf of their client, to take all appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms and to enter into any modification or amendment to the Stipulation that they deem appropriate.

8.7 Each counsel or other Person executing the Stipulation or any of its Exhibits on behalf of any party hereto hereby warrants that such Person has the full authority to do so.

8.8 The Stipulation shall be binding upon, and inure to the benefit of, the Settling Parties (and, in the case of the releases, all Released Persons) and the respective legal representatives, heirs, executors, administrators, transferees, successors, and assigns of all such foregoing Persons and upon any corporation, partnership, or other entity into or with which any

party may merge, consolidate, or reorganize, and it is not the intention of the Settling Parties to confer third-party beneficiary rights or remedies upon any other Person.

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

8.10 The Stipulation and the Exhibits attached hereto constitute the entire agreement among the parties hereto and no representations, warranties, or inducements have been made to any party concerning the Stipulation or its Exhibits other than the representations, warranties, and covenants contained and memorialized in such documents. Except as otherwise provided herein, each party shall bear its own costs.

8.11 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.

8.12 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 original executed counterparts shall be filed with the Court.

8.13 The section headings used throughout this Stipulation are for convenience only and shall not affect the construction or interpretation of the Stipulation.

8.14 The Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of Illinois, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Illinois without giving effect to that State's choice-of-law principles.

8.15 All agreements made and orders entered during the course of the Actions relating to the confidentiality of information shall survive this Stipulation.

8.16 The failure by any particular Defendant to comply with any term of this Stipulation or the Court Order approving this Stipulation shall not give rise to a claim against any other Defendants or Parties who have complied. Nor shall the failure by any Defendant to comply with any term of this Stipulation or the Court Order approving this Stipulation affect the releases of other Defendants or Parties who have complied.

8.17 Plaintiffs and Plaintiffs' Counsel represent and warrant that each Plaintiff is a shareholder of the Company. Plaintiffs and Plaintiffs' Counsel represent and warrant that none of Plaintiffs' claims or causes of action referred to in this Stipulation have been assigned, encumbered, or otherwise transferred in any manner in whole or in part.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys dated as of this 25th day of February, 2015.

/s/ Donald L. Sawyer

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**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

PLAINTIFFS,

vs.

EDGAR M. BRONFMAN, JR., J. MICHAEL
CLINE, STEVEN N. KAPLAN, STANLEY N.
LOGAN, DENIS J. NAYDEN, ARTHUR H.
SPIEGEL, III, MARY A. TOLAN, MARK A.
WOLFSON,

DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

INDEX OF EXHIBITS TO STIPULATION OF SETTLEMENT

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EXHIBIT A

Exhibit A

Corporate Governance Proposals

I. Compliance Oversight Committee.

The Compliance Oversight Committee (“Compliance Committee”) shall be maintained to advise Company management and the Audit Committee of the Board of Directors (“Audit Committee”) on compliance issues, and shall report to the Audit Committee. The purpose of the Compliance Committee shall be to:

- i. Facilitate the continued development, implementation and operation of an effective compliance program;
- ii. Promote an organizational culture of compliance that encourages law abiding and ethical conduct;
- iii. Demonstrate to the Accretive community of clients and employees a strong commitment to honest, transparent and responsible services and corporate conduct;
- iv. Scrutinize the external and internal environment through early detection and reporting of potential risks (economic, regulatory, inadvertent, political) that will minimize losses to the Company and its clients; and
- v. Consider and resolve any issues of interpretation regarding any aspect of the compliance and ethics program.

The Compliance Committee shall maintain a charter that will include at least the following components:

A. Responsibilities

The Compliance Committee shall:

- i. Assess risks of non-compliance with applicable laws or regulations and unethical conduct by Company employees, including:
 1. risks of non-compliance with applicable debt collection regulations and laws;
 2. risks of non-compliance with the Health Insurance Portability and Accountability Act (“HIPAA”), the Federal Emergency Medical Treatment and Labor Act (“EMTALA”) and other applicable privacy laws; and

- ii. Reinforce the Company's Code of Business Conduct and Ethics and develop compliance policies and procedures for the program;
- iii. Train and heighten awareness on compliance, ethics, and policies and communicate methods for reporting possible violations;
- iv. Reinforce the Company's culture of collaboration and compliance;
- v. Audit and monitor adherence to the Company's compliance and ethics related policies and procedures and help develop a routine audit program. To that end, the Committee shall:
 - 1. Advise the Company concerning the establishment of compliance programs that aim to keep Company employees aware of and in compliance with the laws of states in which the Company does business;
 - 2. Institute a comprehensive reporting program for suspected violations or misconduct around Company policies and procedures, including an anonymous reporting mechanism;
 - 3. Assess incident management reporting and ensure a comprehensive review of reporting, follow-up and auditing to ensure ongoing evaluation and effectiveness of the system, including by reviewing, at least annually: (1) any compliance reviews conducted by internal audit since the previous Compliance Committee review pursuant to this paragraph, and (2) consult with the Company's information technology team concerning efforts to determine whether only Company employees with need to know have access to files that may contain protected health information;
 - 4. Make recommendations to the Audit Committee to adapt the Company's compliance program as appropriate following reviews pursuant to paragraph (3) immediately above.
- vi. Review results of investigations regarding alleged compliance or ethics violations and ensure the discipline taken is appropriate to the violation. To that end, the Committee shall request and receive from the Chief Compliance Officer a summary, at least annually, of reports to the Company's Chief Compliance Officer and/or the whistle-blower hotline of alleged retaliation.
- vii. Review Accretive's internal messaging to employees regarding the Company's commitment to behavior and practices that comply with the law, as well as its efforts to promote a compliant culture by setting a consistent tone at the top of the Company.

B. Reporting Responsibilities

- i. The Committee shall meet at least quarterly and shall provide a full report to the Audit Committee at least quarterly; and
- ii. The Committee shall present to the Audit Committee, at least annually, a report of significant compliance investigations.

C. Composition of the Committee

- i. The Compliance Committee will consist of the Chief Compliance Officer, the Chief People Officer, the Chief Information Officer, and one executive from each of the Company's Revenue Cycle, Physician Advisory Services, and Quality operations, or such other members as the Audit Committee determines.
- ii. The Chair of the Committee shall be the Chief Compliance Officer;
- iii. The Company's General Counsel shall serve as counsel to the Compliance Committee and shall attend Compliance Committee meetings and provide legal advice concerning the Company's compliance and ethics programs under applicable legal and regulatory standards, in addition to other legal advice relevant to the Compliance Committee's work.

II. Whistle-Blower Hotline

The Company shall continue to engage an independent, third-party supplier to provide and monitor a whistle-blower hotline to Company employees. This whistle-blower hotline shall provide an anonymous communication channel for employees to report any concern, including concerns regarding accounting or auditing matters, or complaints regarding accounting, internal accounting controls or auditing matters (collectively, "Accounting Matters"). All significant issues concerning Accounting Matters will be forwarded to the Audit Committee unless they deemed to be without merit by both the General Counsel and Chief Financial Officer of the Company. If the issues concerning any alleged violation of the Company's Code of Business Conduct and Ethics are reported to the whistle-blower hotline, the General Counsel or his designee will, as appropriate, (a) evaluate such information, (b) if the alleged violation involves an executive officer or a director of the Company, inform the CEO and the Audit Committee of the alleged violation, (c) determine whether it is necessary to conduct an informal inquiry or a formal investigation and initiate such inquiry or investigation, and (d) report the results of any such inquiry or investigation, together with a recommendation as to disposition of the matter, to the CEO for action; if the alleged violation involves an executive officer or a director of the Company, the General Counsel or his designee shall report the results of any such inquiry or investigation to the Audit Committee. This third-

party reporting system described in this paragraph will not replace any other method traditionally used by employees to communicate with the Company.

III. Board Involvement with Compensation Policies

The Company will continue to permit and encourage a full Board discussion, on an annual basis, of the Company's compensation philosophy, programs and implementation with the goal to improve the full Board's awareness and understanding of issues related to executive compensation, but without changing the responsibilities of the Compensation Committee under NYSE rules. At no fewer than one Board meeting each calendar year, the Compensation Committee shall brief the full Board on the structure of the Company's executive compensation plans and the compensation philosophy underlying those plans. The Compensation Committee shall reaffirm its pay for performance philosophy and provide for an annual Board discussion of its philosophy on compensation, consistent with applicable regulations.

IV. Liability of directors and officers

Nothing herein shall expand the liabilities of any Company directors or officers beyond any liabilities otherwise imposed by law.

Independent Directors. At least a majority of the Board, including the Chairman of the Board, shall be "independent" under NYSE rules; provided, however, that if the Chairman of the Board is not independent, then the Board shall appoint a Lead Director.

Board training. The Company shall require that each member of the Board attend at least one in-person, pre-recorded or Internet-based continuing education program annually, which may be provided by the Company or a third party, of no less than two (2) hours, addressing topics that the General Counsel believes are relevant to directors of publicly-traded companies and/or ethics and compliance with federal and state laws and regulations related to the transmission, privacy and security of protected health information. If a director fulfills this continuing education requirement through a third-party program, such director shall submit proof of completion of such program to the Company's General Counsel or his designee, who shall maintain copies of such completion records in the Company's corporate records for five (5) years.

The Company's General Counsel, outside counsel and/or the Compliance Committee shall disseminate written materials to all Company directors on an annual basis that discuss recent legal and regulatory decisions and factors that the General Counsel determines to be germane to the Company's business and the directors' proper discharge of their duties as Company directors.

EXHIBIT B

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

PLAINTIFFS,

vs.

EDGAR M. BRONFMAN, JR., J. MICHAEL
CLINE, STEVEN N. KAPLAN, STANLEY N.
LOGAN, DENIS J. NAYDEN, ARTHUR H.
SPIEGEL, III, MARY A. TOLAN, MARK A.
WOLFSON,

DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT AND PROVIDING
FOR NOTICE

EXHIBIT B

WHEREAS, the Settling Parties in the above-captioned action (the “Federal Action”) have entered into a Stipulation of Settlement dated February ____, 2015 (the “Settlement” or “Stipulation”) that sets forth the terms and conditions for the proposed settlement and dismissal with prejudice of the Federal Action, subject to review and approval by this Court pursuant to Rules 23 and 23.1 of the Federal Rules of Civil Procedure and upon notice to the shareholders of nominal defendant Accretive Health, Inc. (“Accretive Health” or the “Company”).

WHEREAS, this Order incorporates by reference the definitions in the Stipulation, unless otherwise defined herein, all capitalized terms shall have the same meaning as set forth in the Stipulation;

NOW, upon application and consent of the Settling Parties, after review and consideration of the Stipulation filed with the Court and the Exhibits attached thereto:

IT IS HEREBY ORDERED:

1. A hearing (the “Settlement Hearing”) shall be held before this Court on _____ ____, 2015, at _____ am/pm, at the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois, to: (a) determine whether the proposed settlement of the Federal Action on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate and in the best interest of the Company and its shareholders, (b) determine whether the Court should finally approve the Settlement and enter a Final Judgment and Dismissal with Prejudice (“Judgment”) as provided in the Stipulation, dismissing the Federal Action with prejudice and extinguishing and releasing the Released Claims; (c) hear and determine any objections to the proposed Settlement; (d) rule on the application of Plaintiffs’ Counsel for an award of attorneys’ fees and expenses; and (e) rule on other such matters as the Court may deem appropriate.

2. The Court reserves the right to adjourn the date of the Settlement Hearing without further notice to the Company's shareholders, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

3. 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 Company's shareholders.

4. The Court approves, as to form and content, the Notice of Pendency and Proposed Settlement of Derivative Action (the "Notice"), and Summary Notice ("Summary Notice") annexed as Exhibits B-1 and B-2 hereto, and finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶5 of this Order meet the requirements of Federal Rule of Civil Procedure 23.1 and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

5. No later than forty-five (45) days prior to the Settlement Hearing, the Company shall: (a) post the Notice on the Company's corporate website, (b) cause a copy of the Notice, substantially in the form of Exhibit B-1 to be mailed by First-Class Mail to all Accretive Health shareholders who can be identified with reasonable effort; and (c) publish the Summary Notice, substantially in the form annexed hereto as Exhibit B-2 in the national edition of *Investor's Business Daily*. All costs incurred in identifying and notifying Company shareholders of the Settlement shall be paid by the Company, and in no event shall Plaintiffs or Plaintiffs' Counsel be responsible for any notice costs or expenses.

6. On or before _____, 2015, the Company shall file with the Court appropriate proof of mailing the Notice and other Notice procedures in accordance with this Order.

7. All persons owning shares of Accretive Health as of the date of the Settlement Hearing shall be bound by all determinations and judgments in the Federal Action concerning the Settlement, whether favorable or unfavorable to shareholders.

8. Any Accretive Health shareholders may appear and show cause if he, she, or it has any reason why the proposed settlement of the Federal Action should or should not be approved as fair, reasonable, and adequate, why the Final Judgment and Dismissal with Prejudice should or should not be entered thereon, or why attorneys' fees and expenses should or should not be awarded to Plaintiffs' Counsel; provided, however, that no eligible shareholder or any other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed settlement, or, if approved, the Final Judgment and Dismissal with Prejudice to be entered thereon approving the same, or the attorneys' fees and expenses to be awarded to Plaintiffs' Counsel, unless that Person has filed said objections, papers, and briefs with the Clerk of the United States District Court for the Northern District of Illinois on or before _____, 2015, and delivered copies of any such papers to Allen Carney, Carney, Bates & Pulliam, PLLC, 11311 Arcade Drive, Suite 200, Little Rock, AR 72212 and Adam T. Humann, Kirkland & Ellis LLP, 601 Lexington Ave., New York, NY 10022, such that they are received on or before the same date. Any eligible shareholder who does not make his, her, or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed settlement as set forth in the Stipulation or to the award of attorneys' fees and expenses to Plaintiffs' Counsel, unless otherwise ordered by the Court.

9. All papers in support of the Settlement and the application for attorneys' fees or expenses shall be filed and served on or before _____, 2015. Defendants shall

file and serve papers, if any, in support of the Settlement no later than _____, 2015.

10. Defendants shall not have any responsibility for, or liability with respect to, any application for attorneys' fees or expenses submitted by Plaintiffs' Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

11. 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 any of the Defendants or their Related Parties of the truth of any of the allegations in the Federal Action, 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 Plaintiffs or any eligible shareholders have suffered any damages, harm or loss.

12. Pending final determination of whether the Settlement should be approved, none of the Company, Plaintiffs, Accretive Health shareholders, or anyone who acts or purports to act on their behalf, shall institute, commence or prosecute any action that asserts Released Claims against the Defendants and their Related Parties.

13. 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.

IT IS SO ORDERED.

DATED: _____

THE HONORABLE GARY FEINERMAN
UNITED STATES DISTRICT JUDGE

Submitted by:

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EXHIBIT B-1

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

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EDGAR M. BRONFMAN, JR., J. MICHAEL
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SPIEGEL, III, MARY A. TOLAN, MARK A.
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DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF DERIVATIVE ACTION

EXHIBIT B-1

IF YOU ARE A COMMON SHAREHOLDER OF ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH”) AS OF THE CLOSE OF BUSINESS ON _____, 2015, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF ACTIONS (“THE SETTLEMENT”) PENDING IN THE UNITED STATES FEDERAL COURT FOR THE NORTHERN DISTRICT OF ILLINOIS (THE “FEDERAL ACTION”).

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- The Settlement resolves claims over whether Defendants breached their fiduciary duties Accretive Health and its shareholders in connection with alleged violations of federal and state privacy and consumer debt collection laws, federal securities laws, and relating to a planned restatement of Company financial results, filed with the SEC on December 30, 2014.
- The Settlement focuses on augmenting the role of the Compliance Oversight Committee (“Compliance Committee”), which reports to the Audit Committee of the Board of Directors (“Audit Committee”). The Settlement further requires the maintenance of a third-party monitored whistleblower hotline and requires annual briefings by the Compensation Committee to the Board of Directors. Plaintiffs believe these corporate governance reforms will provide substantial benefits to the Company and its shareholders. Defendants agree to the terms of the Settlement without any admission of wrongdoing or liability.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING

OBJECT You may write to the Federal Court if you don’t like this Settlement.

GO TO A HEARING You may ask to speak in Federal Court about the fairness of the settlement.

- These rights and options - *and the deadlines to exercise them* - are explained in this Notice.
- The Federal Court in charge of this case must decide whether to approve the settlement.

BASIC INFORMATION

1. Why Did I Get This Notice?

You or someone in your family may hold shares in Accretive Health common stock. The Federal Court ordered this Notice because you have a right to know about a proposed settlement of a derivative lawsuit before the Federal Court decides whether to approve the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights. The Federal Court in charge of the case is the United States District Court for the Northern District of Illinois, Eastern Division, and the case is entitled *Marvin H. Maurras Revocable Trust v. Bronfman, Jr. et al.*, No. 12-cv-03395.

2. What Is This Lawsuit About?

This case was brought as a derivative action. The Plaintiffs alleged that the Defendants breached their fiduciary duties to Accretive Health in connection with purported violations of federal and state privacy and consumer debt collection laws, federal securities laws, and relating to a planned restatement of Company financial results, filed with the SEC on December 30, 2014. The Plaintiffs allege that had the Defendants acted in compliance with their fiduciary duties, they would have prevented such violations and prevented financial and reputational damage.

The Defendants contend that the allegations are meritless. They contend that they were diligent managers who addressed any internal problems with prompt action.

3. Why Is There A Settlement?

The Federal Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to the Settlement, thereby avoiding the costs and risks of a trial.

4. How Do I Know If I Am Part Of The Settlement?

All persons who own Accretive Health common stock as of the Settlement Hearing on _____, 2015 are included in the Settlement.

THE SETTLEMENT BENEFITS

5. What Does The Settlement Provide?

As part of the Settlement, Defendants will augment the role of the Compliance Oversight Committee, which shall be maintained to advise Company management and the Audit Committee on compliance issues and reports to the Audit Committee. Responsibilities of the Compliance Committee will include: facilitating the continued development, implementation, and operation of an effective compliance program; promotion of an organizational culture of compliance that encourages law abiding and ethical conduct; demonstration to the Accretive Health community of clients and employees of a strong commitment to honest, transparent, and responsible services and corporate conduct; scrutinizing the external and internal environment through early detection and reporting of potential risks that will minimize loss to the Company and its clients; and consideration and resolution of any issues of interpretation regarding any aspect of the compliance and ethics program. Defendants will continue to engage a third-party supplier to provide and monitor a whistleblower hotline for Company employees. And the Settlement requires annual briefings by the Compensation Committee to the Board of Directors. Defendants acknowledge that the prosecution of this Action has contributed, in part, to the implementation of these corporate governance reforms.

6. What Will Happen If The Settlement Is Approved? What Claims Will Be Released?

If the Settlement is approved, the Court will enter a judgment (the "Judgment"), which means you cannot bring suit individually or derivatively on behalf of Accretive Health with respect to the legal issues in the Federal Action.

In addition, you are releasing any claims, including “Unknown Claims,” as defined below, against Defendants and other Released Persons as defined in the Stipulation of Settlement (“Stipulation,” which is included as Exhibit 1 to this Notice), that you may have asserted derivatively arising out of the acts or omissions of the Defendants or other Released Persons that were asserted or could have been asserted in the Federal Action, the Actions, or in an action in any other forum, by Plaintiffs or any Accretive Health shareholder, against the Defendants and Released Persons in connection with, or arising out of, any claim brought in the Federal Action, the Actions, or concerning any matter related to the alleged breaches of fiduciary duty and federal securities violations.

“Unknown Claims” includes claims that you do not know or suspect to exist, which if you knew, might affect your agreement to release the Released Persons and the Released Claims as defined in the Stipulation.

If the settlement embodied in the Stipulation is approved by the Federal Court, you shall be deemed to waive any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which governs or limits any Persons’ release of Unknown Claims. The foregoing waiver includes, without limitation, an express waiver to the full extent permitted by law, by you of any and all rights under California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The foregoing waiver further includes, without limitation, an express waiver, to the full extent permitted by law, by you, and all rights under any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542.

THE LAWYERS REPRESENTING YOU

7. Do I Have A Lawyer In This Case?

Plaintiffs’ counsel represents you and other Accretive Health shareholders. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

8. How Will The Lawyers Be Paid?

Counsel for the Plaintiffs have not received any payment for their services in pursuing the claims asserted in the Federal Action or the Actions, nor have Counsel for the Plaintiffs been reimbursed for their out-of-pocket expenses. Counsel for the Plaintiffs invested their own resources pursuing the Federal Action and the Actions on a contingency basis, meaning they would recover their expenses and be compensated for their time only if they created benefits

through the lawsuit. In light of the risks undertaken in pursuing the Federal Action and the Actions on a contingency basis, and the benefits created for the Company through the Settlement, Counsel for the Plaintiffs intend to apply to the Court for an award of attorneys' fees and expenses. Counsel for the Plaintiffs shall not seek fees or expenses from the Court in excess of \$600,000, and Defendants shall take no position on the amount of any application for an award of fees and expenses (provided that the application complies with the Stipulation).

Accretive Health acknowledges Counsel for the Plaintiffs' right to an award of fees and expenses as a result of their prosecution of the Federal Action and the Actions.

The Court will determine the amount of any fee and expense award to Counsel for the Plaintiffs (the "Fee and Expense Award"). The full amount of any Fee and Expense Award shall be paid by Accretive Health or its insurers to Counsel for the Plaintiffs in accordance with the terms of the Stipulation, and neither the Company nor any Defendant other than Accretive Health shall have any responsibility for payment of any such fees and expenses.

THE SETTLEMENT HEARING

The Court will consider the Settlement and all matters related to the Settlement at the Settlement Hearing. The Settlement Hearing will be held before The Honorable Gary Feinerman on _____, 2015 at _____ am/pm, at the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street Chicago, IL 60604. At the Settlement Hearing, the Court will (a) determine whether Plaintiffs and Counsel for the Plaintiffs have adequately represented the interests of Accretive Health and its shareholders; (b) determine whether the proposed Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of Accretive Health and its shareholders; (c) determine whether the Court should enter an Order and Final Judgment, substantially in the form attached as Exhibit C to the Stipulation, dismissing the Federal Action with prejudice, and releasing, barring, and enjoining the prosecution of any Released Claims against the Released Persons; (d) consider the application by Counsel for the Plaintiffs for an award of attorneys' fees and expenses; (e) hear and determine any objections to the Settlement and/or Counsel for the Plaintiffs' application for an award of attorneys' fees and expenses; and (f) rule on such other matters as the Court may deem appropriate.

9. How Do I Object?

Any Accretive Health shareholder can object to the Settlement or otherwise be heard, by appearing in person or by counsel at your own expense at the Settlement Hearing and by showing cause why the Settlement should not be approved; provided however that no person other than Plaintiffs' Counsel and Defendants' counsel shall be heard and no papers, briefs, pleadings, or other documents submitted by any person shall be considered by the Federal Court unless, not later than _____, 2015, fourteen (14) calendar days prior to the Settlement Hearing, such person files with the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street Chicago, IL 60604, the following: (a) a written and signed notice of intention to appear which states the name, address, and telephone number of the objector and, if represented, his, her, or its counsel; (b) proof that the objector owned shares of Accretive Health stock as of _____, 2015, (c) a written detailed statement of the

persons objections to any matters before the Court, and (d) the specific grounds therefor or the reasons why such person desires to appear and to be heard, as well as all documents and writings which such person desires the Court to consider, including any legal and evidentiary support.

Any such filings with the Court must also be served upon each of the following counsel (by hand or overnight delivery) such that they are received no later than _____, 2015, fourteen (14) days prior to the Settlement Hearing:

Allen Carney, Carney, Bates & Pulliam, PLLC, 11311 Arcade Drive, Suite 200, Little Rock, AR 72212

Adam T. Humann, Kirkland & Ellis LLP, 601 Lexington Ave., New York, NY 10022

Unless the Court otherwise directs, any person who fails to object in the manner prescribed above shall be deemed to have waived his, her, or its right to object and shall be forever barred from raising any objection to the Settlement or Plaintiffs' Counsel's application for an award of attorneys' and expenses, or any other matter related to the Settlement, in the Federal Action or in any other action or proceeding.

10. Do I Have To Come To The Hearing?

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

GETTING MORE INFORMATION

11. How Do I Get More Information?

You can call or write to Plaintiffs' Counsel at: Allen Carney
Carney, Bates & Pulliam, PLLC
11311 Arcade Drive
Suite 200
Little Rock, AR 72212

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

Date: _____, 2015 BY ORDER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

EXHIBIT B-2

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

PLAINTIFFS,

vs.

EDGAR M. BRONFMAN, JR., J. MICHAEL
CLINE, STEVEN N. KAPLAN, STANLEY N.
LOGAN, DENIS J. NAYDEN, ARTHUR H.
SPIEGEL, III, MARY A. TOLAN, MARK A.
WOLFSON,

DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

SUMMARY NOTICE

EXHIBIT B-2

**SUMMARY NOTICE OF PENDENCY OF DERIVATIVE ACTION,
PROPOSED SETTLEMENT OF DERIVATIVE ACTION,
SETTLEMENT HEARING, AND RIGHT TO APPEAR**

TO: RECORD AND BENEFICIAL HOLDERS OF SHARES OF THE COMMON STOCK OF ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH” OR THE “COMPANY”) AS OF THE CLOSE OF BUSINESS ON _____, 2015.

YOU ARE HEREBY NOTIFIED that the Plaintiffs and Defendants in the above-captioned purported derivative lawsuit (the “Federal Action”), have entered into a proposed Settlement.

PLEASE BE FURTHER ADVISED that pursuant to an Order of the Court of The United States District Court for the Northern District of Illinois (the “Court”), dated _____, 2015 (the “Order”), a hearing (the “Settlement Hearing”) will be held on _____, 2015, at _____ am/pm, before the Honorable Gary Feinerman, in the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street Chicago, IL 60604. At the Settlement Hearing, the Court will (a) determine whether Plaintiffs and Counsel for the Plaintiffs have adequately represented the interests of Accretive Health and its shareholders; (b) determine whether the proposed Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of Accretive Health and its shareholders; (c) determine whether the Court should enter an Order and Final Judgment, substantially in the form attached as Exhibit C to the Stipulation, dismissing the Federal Action with prejudice, and releasing, barring, and enjoining the prosecution of any Released Claims against the Released Persons; (d) consider the application by Plaintiffs’ Counsel for an award of attorneys’ fees and expenses; (e) hear and determine any objections to the Settlement and/or Plaintiffs’ Counsel’s application for an award of attorneys’ fees and expenses; and (f) rule on such other matters as the Court may deem appropriate.

On _____, 2015, to avoid the costs, disruption, and distraction of further litigation, and without admitting the validity of any allegations made in the complaints, legal counsel for the Defendants entered into a binding Stipulation of Settlement (the “Settlement”) with legal counsel for the Company and the Plaintiffs to settle the Federal Action and cases pending in the Circuit Court of Cook County, Illinois, entitled *In re Accretive Health, Inc. Derivative Litigation*, No. 12-CH-23754, and in the Delaware Court of Chancery entitled *Doyle v. Tolan, et al.*, 8008-VCP, all of which allege similar claims and should be resolved under the terms of the Settlement if it is approved (all three actions together constitute the “Actions”). On _____, 2015, the parties to the Settlement presented the Settlement to the Court for approval.

Before the Settlement Hearing, Plaintiffs’ Counsel intend to apply to the Court for an award of attorneys’ fees and expenses. Accretive Health acknowledges the right of Plaintiffs’ Counsel to an award of fees and expenses as a result of their prosecution of the Actions. Plaintiffs’ Counsel agree not to seek fees or expenses from the Court in excess of \$600,000, and Defendants shall

take no position on the amount of any application for an award of fees and expenses (provided that the application complies with the Stipulation).

If the Settlement is approved, the Federal Action will be dismissed with prejudice (and the parties to the Settlement will seek dismissal of all Actions) and the Released Persons will be released by Plaintiffs, Defendants, the Company, and Company shareholders, derivatively on behalf of the Company, as applicable, on the terms and subject to the conditions set forth in the Stipulation.

ANY PERSON THAT OWNED ACCRETIVE HEALTH COMMON STOCK AS OF _____, 2015, THE DATE THAT THE COURT ENTERED THE SCHEDULING ORDER, AND WHO CONTINUES TO OWN SHARES OF ACCRETIVE HEALTH COMMON STOCK THROUGH _____, 2015, THE DATE OF THE SETTLEMENT HEARING, AND WHO WISHES TO OBJECT TO THE SETTLEMENT OR THE APPLICATION FOR FEES AND EXPENSES BY PLAINTIFFS' COUNSEL, OR ANY OTHER MATTER RELATED TO THE SETTLEMENT, MAY DO SO BY FOLLOWING THE PROCEDURE SET FORTH IN SECTIONS [XX-XX] OF THE NOTICE OF PENDENCY OF DERIVATIVE ACTION, PROPOSED SETTLEMENT OF DERIVATIVE ACTION, SETTLEMENT HEARING, AND RIGHT TO APPEAR (the "Notice"). The Notice, as well as the Stipulation and the Court's _____, 2015, Order, are available on Accretive Health website at www.accretivehealth.com and on Plaintiffs' Counsel's websites at _____. All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Stipulation.

PLEASE DO NOT CONTACT THE COURT.

Dated: _____, 2015

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE NORTHERN
DISTRICT OF ILLINOIS

EXHIBIT C

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MARVIN H. MAURRAS REVOCABLE TRUST,
and YONGQIAN ZHAO, Derivatively and on
Behalf of ACCRETIVE HEALTH, INC.,

PLAINTIFFS,

vs.

EDGAR M. BRONFMAN, JR., J. MICHAEL
CLINE, STEVEN N. KAPLAN, STANLEY N.
LOGAN, DENIS J. NAYDEN, ARTHUR H.
SPIEGEL, III, MARY A. TOLAN, MARK A.
WOLFSON,

DEFENDANTS,

and

ACCRETIVE HEALTH, INC.

NOMINAL DEFENDANT.

Case No. 12-cv-03395

Judge: Hon. Gary Feinerman

[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

EXHIBIT C

This matter came before the Court for hearing pursuant to an Order of this Court, dated _____, 2015, on the application of the Settling Parties for approval of the Settlement set forth in the Stipulation of Settlement, dated as of _____, 2015 (the “Settlement” or “Stipulation”). Due and adequate notice having been given of the Settlement as required in the Notice Order, and the Court having considered all papers filed and evidence in support of the proposed Settlement, and attorneys for the respective parties having been heard, and an opportunity to be heard having been given to all other persons requesting to be heard in accordance with the Notice Order,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Final Judgment and Order of Dismissal with Prejudice (“Final Judgment”) incorporates by reference the definitions in the Stipulation, and all terms used herein and not otherwise defined shall have the same meanings set forth in the Stipulation and/or Notice Order.

2. This Court has jurisdiction over the subject matter of the Actions and over all Settling Parties to the Actions, including shareholders of Accretive Health, Inc. (“Accretive Health”) who purchased stock prior to the Settlement Hearing held on _____, 2015.

3. The Notice of Pendency and Settlement of Shareholder Derivative Action (“Notice”) has been given to shareholders of the Company pursuant to and in the manner directed by the Order dated _____, 2015, proof of mailing of the Notice was filed with the Court, and full opportunity to be heard has been offered to all Settling Parties and Accretive Health shareholders.

4. Pursuant to Rule 23.1 of the Federal Rules of Civil Procedure, this Court hereby approves the Settlement and finds that said Settlement is, in all respects, fair, reasonable, and

adequate to, and is in the best interests of, Plaintiffs as well as Accretive Health and its shareholders. This Court further finds the Settlement is the result of arm's-length negotiations between experienced counsel representing the interests of Plaintiffs and Defendants. Accordingly, the Settlement is hereby approved in all respects and shall be consummated in accordance with its terms and provisions. The Settling Parties are hereby directed to perform the terms of the Settlement.

5. The Federal Action and all claims contained therein, including all of the Released Claims, are dismissed with prejudice as to the Company, Plaintiffs, on behalf of themselves and derivatively on behalf of Accretive Health, and the Releasing Persons, and against each of the Released Persons. The Settling Parties are to bear their own costs, except as otherwise provided in the Stipulation.

6. The Releasing Persons shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims (including Unknown Claims) against the Released Persons. By operation of the entry of this Final Judgment, the Releasing Persons, for themselves and their respective heirs, executors, administrators, predecessors, representatives, agents, successors, and assigns agree to waive, and shall be deemed to have waived, any and all rights and benefits which they now have, or in the future may have by virtue of the provisions of §1542 of the California Civil Code and any other similar law or provision with respect to the Released Claims, which section provides as follows:

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.

7. The Releasing Persons may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Releasing Persons shall have or shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims and Unknown Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and any other Releasing Persons shall be deemed by operation of the Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the settlement of which this release is a part.

8. 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 Releasing Persons and Plaintiffs' Counsel from all Released Claims (including Unknown Claims), based upon or arising out of the institution, prosecution, assertion, settlement, or resolution of the Actions or the Released Claims.

9. Plaintiffs' Counsel are hereby awarded attorneys' fees of \$_____, inclusive of expenses. This Court finds that this amount is fair and reasonable under the facts and circumstances of this case. Payment of such award shall be made in accordance with the provisions of the Stipulation.

10. Plaintiffs are hereby awarded incentive payments of \$2,000 for each Plaintiff, in recognition of their efforts in initiating and pursuing this litigation. This amount shall be paid from the amount of attorneys' fees received by each of Plaintiffs' Counsel in connection with the award of attorneys' fees provided for in paragraph 10 above.

11. Any Fee and Expense Award shall in no way disturb or affect this Final Judgment and shall be considered separate from this Final Judgment.

12. Neither the Settlement nor any act performed or document executed pursuant to or in furtherance of the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing, fault or liability of Defendants; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault, wrongdoing, omission or liability of any Defendant in any court of law or equity, arbitration tribunal, administrative proceeding in any court, administrative agency or other tribunal, or any other forum of any kind.

13. Defendants may file the Settlement and/or this Final Judgment in any action or proceeding that may be brought against them in order to 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, without limitation, claim preclusion or issue preclusion or similar defense or counterclaim. In addition, nothing contained in this paragraph shall prevent the Settlement and this Final Judgment (or any agreement or order relating thereto) from being used, offered or received in evidence in any proceeding to approve, enforce or otherwise effectuate the Settlement (or any agreement or order relating thereto) or this Final Judgment, or to enforce or effectuate provisions of the Settlement, this Final Judgment, or the Proofs of Claim and Release as to the Defendants and their Related Parties.

14. The Court finds that during the course of the Federal Action, the Settling Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11.

15. 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 Final Judgment and Order of Dismissal with Prejudice 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.

16. There is no reason for delay in the entry of this Final Judgment and Order of Dismissal with Prejudice and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

IT IS SO ORDERED.

DATED: _____

THE HONORABLE GARY FEINERMAN
UNITED STATES DISTRICT JUDGE

Submitted by: