

EXHIBIT 1

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Judy Larson, Janelle Mausolf, and Karen
Reese, individually and on behalf of
themselves and all others similarly situated,

Plaintiffs,

vs.

Allina Health System; the Allina Health
System Board of Directors; the Allina
Health System Retirement Committee; the
Allina Health System Chief Administrative
Officer; the Allina Health System Chief
Human Resources Officer; Clay Ahrens;
John I. Allen; Jennifer Alstad; Gary
Bhojwani; Barbara Butts-Williams; John R.
Church; Laura Gillund; Joseph Goswitz;
Greg Heinemann; David Kuplic; Hugh T.
Nierengarten; Sahra Noor; Brian
Rosenberg; Debbra L. Schoneman; Thomas
S. Schreier, Jr.; Abir Sen, Sally J. Smith;
Darrell Tukua; Penny Wheeler; Duncan
Gallagher; Christine Webster Moore;
Kristyn Mullin; Steve Wallner; John T.
Knight; and John Does 1–20,

Defendants.

Case No. 17-cv-03835 (SRN/SER)

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (“*Settlement Agreement*”) is entered into by and between: (i) *Named Plaintiffs* in the above-captioned action for themselves and on behalf of the *Settlement Class* and the *Plans*, and (ii) the *Defendants*.

NOW, THEREFORE, without any admission or concession on the part of the *Named Plaintiffs* of any lack of merit of the action whatsoever, and without any admission or concession on the part of *Defendants* as to the merits of the *Action*, it is hereby STIPULATED AND AGREED, by and among the *Parties* to this *Settlement Agreement*, through their respective attorneys, subject to approval of the *Court* pursuant

to the Federal Rules of Civil Procedure, in consideration of the benefits flowing to the *Parties* hereto from the *Settlement Agreement*, that all *Released Claims* as against the *Released Parties* shall be compromised, settled, released, and dismissed with prejudice, upon and subject to the following terms and conditions:

1. **DEFENITIONS**

As used in this *Settlement Agreement*, italicized and capitalized terms and phrases not otherwise defined have the meanings provided below:

1.1. “*Action*” shall mean *Larson, et al. v. Allina Health System, et al.*, Case No. 17-cv-03835 (SRN/SER) (D. Minn.), and any and all cases now or hereafter consolidated therewith.

1.2. “*Agreement Execution Date*” shall mean the date on which this *Settlement Agreement* is fully executed, as provided in Section 11.12 below.

1.3. “*CAFA*” shall mean the Class Action Fairness Act of 2005, 28 U.S.C. §§ 1711-1715.

1.4. “*CAFA Notice*” shall mean notice of this proposed *Settlement* to the appropriate federal and state officials, as provided by *CAFA*.

1.5. “*CAFA Notice Recipients*” shall have the meaning set forth in Section 2.2.5.

1.6. “*Case Contribution Awards(s)*” means the monetary amount awarded by the *Court* to each *Named Plaintiff* in recognition of the *Named Plaintiffs’* assistance in the prosecution of this *Action*, for which *Class Counsel* may seek an amount not exceeding \$5,000 per *Named Plaintiff* payable from the *Settlement Fund*. Any such *Case Contribution Award* shall be subject to the approval of the *Court* as stated in Section 10.1 below.

1.7. “*Claims*” shall have the meaning set forth in Section 3.

1.8. “*Class Counsel*” shall mean Kessler Topaz Meltzer & Check LLP; Bailey & Glasser LLP; Izard Kindall & Raabe LLP; and Nichols Kaster, PLLP.

1.9. “*Class Notice*” shall mean the form of notice, attached hereto as Exhibit A, and to be attached as Exhibit 1 to the *Preliminary Approval Order*.

1.10. “*Class Period*” shall mean August 18, 2011 through the date of the *Preliminary Approval Order*.

1.11. “*Class Settlement Amount*” shall have the meaning set forth in Section 7.2 below.

1.12. “*Company*” or “*Allina*” shall mean Allina Health System and each Person that controls, is controlled by, or is under common control with Allina, including any of their direct and indirect parents, subsidiaries, affiliates and *Representatives*, as well as each of their predecessors and *Successors-In-Interest*.

1.13. “*Complaint*” shall mean the Class Action Complaint, filed on August 18, 2017.

1.14. “*Court*” shall mean the United States District Court for the District of Minnesota.

1.15. “*Defendants*” shall mean the following persons and/or entities: the Company; the Allina Health System Board of Directors; the Allina Health System Retirement Committee; the Allina Health System Chief Administrative Officer; the Allina Health System Chief Human Resources Officer; Clay Ahrens; John I. Allen; Jennifer Alstad; Gary Bhojwani; Barbara Butts-Williams; John R. Church; Laura Gillund; Joseph Goswitz; Greg Heinemann; David Kuplic; Hugh T. Nierengarten; Sahra Noor; Brian Rosenberg; Debbra L. Schoneman; Thomas S. Schreier, Jr.; Abir Sen, Sally J. Smith; Darrell Tukua; Penny Wheeler; Duncan Gallagher; Christine Webster Moore; Kristyn Mullin; Steve Wallner; John T. Knight.

1.16. “*ERISA*” shall mean the Employee Retirement Income Security Act of 1974, as amended, including all regulations promulgated thereunder, and court decisions interpreting ERISA, as amended or regulations promulgated thereunder.

1.17. “*Fairness Hearing*” shall have the meaning set forth in Section 2.2.4.

1.18. “*Final*” shall mean with respect to any judicial ruling or order, that the period for any appeals, petitions, motions for reconsideration, rehearing, or *certiorari* or any other proceedings for review (“Review Proceeding”) has expired without the initiation of a Review Proceeding, or, if a Review Proceeding has been timely initiated, that there has occurred a full and final disposition of any such Review Proceeding without a reversal or any material modification, including the exhaustion of proceedings in any remand and/or subsequent appeal after remand.

1.19. “*Final List*” shall have the meaning set forth in Section 8.3.

1.20. “*Financial Institution*” shall have the meaning set forth in Section 7.1.1.

1.21. “*Immediate Family Members*” mean the parents, children, siblings, and spouses of any of the *Defendants*.

1.22. “*Independent Fiduciary*” shall mean the entity retained for the purposes set forth in Section 2.6.

1.23. “*Judgment*” shall mean the entry of the *Court*’s order approving this *Settlement* pursuant to Fed. R. Civ. P. 23(e) in substantially the form attached hereto as Exhibit B.

1.24. “*Named Plaintiffs*” shall mean Judy Larson, Janelle Mausolf, and Karen Reese.

1.25. “*Net Proceeds*” shall have the meaning set forth in Section 8.2.4.

1.26. “*Parties*” shall mean the *Plaintiffs* and the *Defendants*.

1.27. “*Person*” shall mean an individual, partnership, corporation, governmental entity or any other form of entity or organization.

1.28. “*Plaintiffs*” shall mean *Named Plaintiffs* and each member of the *Settlement Class*.

1.29. “*Plans*” shall mean the Allina 403(b) Retirement Savings Plan and the Allina 401(k) Retirement Savings Plan, and each of their predecessor plans or successor plans, individually and collectively, and any trust created under such Plans.

1.30. “*Plan of Allocation*” shall mean the method of allocating settlement funds to members of the *Class*. It shall provide for members of the *Settlement Class* who, as of the *Agreement Execution Date*, no longer have an account with a positive balance and are not current employees of the *Company*, as well as the beneficiary of a *Plan* participant who, according to the records of the *Recordkeeper*, received a distribution of an account of a *Settlement Class* member that died while a participant in the *Plans* (“*Former Participants*”), to receive *Settlement* payments from the *Settlement Administrator*. A proposed form of the *Plan of Allocation* is attached hereto as Exhibit C.

1.31. “*Preliminary Approval Order*” shall mean the order of the *Court* in substantially the form attached hereto as Exhibit D, whereby the *Court* preliminarily approves this *Settlement*.

1.32. “*Preliminary Approval Motion*” shall have the meaning set forth in Section 2.2.

1.33. “*Recordkeeper*” shall mean the entity that maintains electronic records of the *Plans*’ participants and their individual accounts.

1.34. “*Released Claims*” shall have the meaning set forth in Section 3.3.

1.35. “*Released Parties*” shall mean the *Defendants* (including the *Company*) and any *Person* who served as a trustee or fiduciary of any kind of the *Plans* (including

functional fiduciaries), together with, for each of the foregoing: any predecessors, *Successors-In-Interest*, present and former *Representatives*, direct or indirect parents, subsidiaries and affiliates, insurers, and any *Person* that controls, is controlled by, or is under common control with any of the foregoing.

1.36. “*Releases*” shall mean the releases set forth in Section 3.

1.37. “*Representatives*” shall mean representatives, attorneys, agents, directors, officers, or employees.

1.38. “*Settlement*” shall mean the settlement to be consummated under this *Settlement Agreement*.

1.39. “*Settlement Administrator*” shall be the entity selected by *Class Counsel*, subject to approval by *Defense Counsel* as provided in Section 8.1.1.

1.40. “*Settlement Class*” shall mean all current and former participants and beneficiaries of the *Plans* during the *Class Period*, excluding *Defendants* and their *Immediate Family Members* to the *Action*.

1.41. “*Settlement Fund*” shall have the meaning set forth in Section 7.1.

1.42. “*Successor-In-Interest*” shall mean a *Person’s* estate, legal representatives, heirs, successors or assigns, including successors or assigns that result from corporate mergers or other structural changes.

2. **CONDITIONS TO FINALITY OF SETTLEMENT**

This *Settlement* shall be contingent upon each of the following conditions in Sections 2.1 through 2.6 being satisfied. The *Parties* agree that if any of these conditions is not satisfied, then this *Settlement Agreement* is terminated and the *Action* will for all purposes with respect to the *Parties* revert to its status as of the date the *Settlement Agreement* is executed. In such event, *Defendants* will not be deemed to have consented to the class certification order in Section 2.2, the agreements and stipulations in this *Settlement Agreement* concerning class definition or class certification shall not be used as evidence or argument to support a motion for class certification, and *Defendants* will retain all rights with respect to class certification.

2.1. The *Court* shall approve the *Settlement Class* as provided for in Section 2.2.1.

2.2. Court Approval and Class Certification. The *Settlement* shall have been approved by the *Court*, as provided for in this Section, and the *Court* shall have entered the *Judgment* substantially in the form attached as Exhibit B hereto. The *Parties* shall

cooperate in good faith to obtain *Court* approval of the *Settlement* including with respect to the following:

2.2.1. Class Certification. In connection with the proceedings on preliminary and final approval of the *Settlement*, *Named Plaintiffs* shall, through *Class Counsel*, seek orders certifying the *Settlement Class* pursuant to FED. R. CIV. P. 23(b)(1) and *Defendants* shall consent to such certification of the *Settlement Class* for purposes of this *Settlement* only.

2.2.2. Motion for Preliminary Approval of Settlement and of Notice. As soon as reasonably possible upon the full execution of this *Settlement Agreement* by the *Parties*, *Class Counsel* will file a *Preliminary Approval Motion* with the *Court* seeking entry of the *Preliminary Approval Order* substantially in the form attached hereto as Exhibit D, including the exhibits thereto. *Defendants* will not object to such motion.

2.2.3. Issuance of Class Notice. *Plaintiffs* shall cause notice to be provided on the date and in the manner set by the *Court* in its *Preliminary Approval Order*. *Defendants* shall have no responsibility for transmittal or distribution of the *Class Notice*, except with respect to the cooperation required by Section 4.2.

2.2.4. The Fairness Hearing. On or after the date set by the *Court* for the final hearing pursuant to FED. R. CIV. P. 23(e)(2) (the “*Fairness Hearing*”) the *Court* will determine: (i) whether to enter judgment finally approving the *Settlement*; and (ii) what, if any, legal fees, compensation, and expenses should be awarded to *Class Counsel* and to the *Named Plaintiffs* as contemplated by Section 10 of this *Settlement Agreement*.

2.2.5. Pursuant to *CAFA*, *Defendants* shall at their expense prepare and provide *CAFA Notices* to the appropriate governmental agencies (the “*CAFA Notice Recipients*”) within ten (10) calendar days after filing of the *Preliminary Approval Motion*. In the event that the *Preliminary Approval Order* provides for any modifications to the *CAFA Notices*, then *Defendants* shall at their expense prepare and issue supplemental or amended *CAFA Notices* as appropriate.

2.3. Finality of Judgment. The *Judgment* shall have become *Final*.

2.4. Funding of Class Settlement Amount. The *Company* shall have caused the *Class Settlement Amount* to be deposited at the time prescribed by and otherwise as provided for in Section 7.2.

2.5. Resolution of CAFA Objections (If Any). In the event that any of the *CAFA Notice Recipients* object to and request material modifications to the *Settlement*, *Named Plaintiffs* agree to cooperate and work with *Defendants* to overcome such

objection(s) and requested material modifications. In the event such objection(s) or requested material modifications are not overcome, *Defendants* shall have the right to terminate the *Settlement Agreement* pursuant to Section 9.

2.6. Settlement Authorized by Independent Fiduciary. At least twenty (20) days prior to the *Fairness Hearing*, the *Independent Fiduciary* shall have approved and authorized in writing the *Settlement*, and given a release to all of the *Released Parties* in its capacity as fiduciary of the *Plans* for and on behalf of the *Plans*, on the terms set forth in Section 3, in accordance with Prohibited Transaction Class Exemption 2003-39. If the *Independent Fiduciary* disapproves or otherwise does not authorize the *Settlement* or refuses to execute the release on behalf of the *Plans*, then the *Company* shall have the option to waive this condition if so stipulated by the *Parties*. Such option is to be exercised in writing within the earlier of (i) ten (10) days after the *Parties*' receipt of the *Independent Fiduciary*'s written determination or (ii) three (3) days prior to the date set for the *Fairness Hearing*, unless otherwise agreed by the *Parties*. The *Parties* shall comply with reasonable requests made by the *Independent Fiduciary*. A copy of the *Independent Fiduciary* determination letter shall be provided to *Class Counsel* who may file it with the *Court* in support of *Final* approval of the *Settlement*.

3. RELEASES

3.1. Releases. Subject to Section 9 herein, effective upon the date that *Judgment* is *Final*, the following *Releases* shall be effective:

3.2. *Named Plaintiffs* and each member of the *Settlement Class* (on behalf of themselves and the *Plans*) absolutely and unconditionally release and forever discharge the *Released Parties* from *Released Claims* that the *Named Plaintiffs*, or the *Settlement Class*, directly, indirectly, derivatively, or in any other capacity ever had, now have or hereafter may have, except that the release under this Section 3.1 shall not include claims relating to the covenants or obligations set forth in this *Settlement Agreement*. Also, the form of the *Judgment* attached at Exhibit B to this *Settlement Agreement* shall provide that, effective upon entry of the *Judgment* by the *Court*, *Named Plaintiffs* and all other members of the *Settlement Class* and the *Plans* shall be permanently and finally enjoined, without the necessity of *Defendants* posting a bond, from commencing or prosecuting any actions or other proceedings asserting any of the *Released Claims* either directly, indirectly, derivatively, or in any other capacity, against any of the *Released Parties*. *Plaintiffs* acknowledge that if the *Independent Fiduciary* approves the *Settlement*, the release will include the *Plans*' claims as well as the claims of the *Settlement Class*.

3.3. Released Claims. The *Released Claims* shall be any and all past, present, and future claims of any nature whatsoever (including claims for any and all losses, damages, unjust enrichment, attorneys' fees, disgorgement, litigation costs, injunction, declaration, contribution, indemnification or any other type or nature of legal or equitable

relief), accrued or not, known or unknown, by or on behalf of the *Plans*, the *Named Plaintiffs*, and each and every member of the *Settlement Class*, and their respective heirs, beneficiaries, executors, administrators, past and present parties, agents, attorneys, and assigns that: (a) involve the selection or monitoring of the *Plans*' investments or the *Plans*' fees or the disclosures made to participants; or (b) arise out of the *Action* or are in any way related to any of the acts, omissions, facts, matters, transactions, or occurrences alleged in the *Complaint*. With respect to the *Released Claims*, it is the intention of the *Parties* and all other members of the *Settlement Class* and the *Plans* to expressly waive to the fullest extent of the law: (a) the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides that "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party"; and (b) the provisions, rights and benefits of any similar statute or common law of any other jurisdiction that may be, or may be asserted to be, applicable. This release does not include any claims that the *Named Plaintiffs* or the *Settlement Class* have for vested benefits under the terms of the *Plans*.

3.4 Dismissal With Prejudice. The *Action* and all *Released Claims* shall be dismissed with prejudice.

3.5 *Defendants* (or their *Successor-In-Interest*) shall conclusively, absolutely, unconditionally, irrevocably, and forever release and discharge the *Named Plaintiffs* and *Class Counsel* from all *Claims* of *Defendants* related to the institution or prosecution of the *Action*.

4. COVENANTS

The *Parties* covenant and agree as follows:

4.1. Taxation of Class Settlement Amount. *Plaintiffs* acknowledge that the *Released Parties* have no responsibility for any taxes due on funds deposited in or distributed from the *Settlement Fund* or that the *Plaintiffs* or *Class Counsel* receive from the *Class Settlement Amount*. *Plaintiffs* further acknowledge that any such tax payments, and any professional, administrative or other expenses associated with such tax payments, shall be paid out of the *Settlement Fund*, as set forth more fully in Section 7.1.2 below. Nothing herein shall constitute an admission or representation that any such taxes will or will not be due.

4.2. Cooperation. The *Company* shall cooperate with *Class Counsel* by using reasonable efforts to provide, to the extent reasonably accessible, information to identify members of the *Settlement Class* and to implement the *Plan of Allocation*.

4.2.1. The *Company* shall request the *Recordkeeper* to provide to the *Settlement Administrator* within ten (10) days of entry of the *Preliminary Approval Order*: (1) the names and last known addresses of members of the *Settlement Class*, as compiled from reasonably accessible electronic records maintained by the *Recordkeeper*; (2) the social security numbers of *Settlement Class* members in order for the *Settlement Administrator* to perform a National Change of Address search to update out-of-date addresses; and (3) Plan participant data necessary to perform calculations pursuant to the *Plan of Allocation*.

4.2.2. The *Settlement Administrator* shall use the information provided through this Section to compile a "*Preliminary List*" of members of the *Settlement Class* for purposes of sending the *Class Notice* and calculating payments pursuant to the *Plan of Allocation*.

4.2.3. *Class Counsel* and their agents will use any information provided by the *Company* pursuant to the Section 4.2 solely for the purpose of providing notice and administering this *Settlement* and for no other purpose, and will take all reasonable and necessary steps as required by law to maintain the security and confidentiality of this information.

4.3 The *Parties* shall reasonably cooperate with each other to effectuate this *Settlement*, including with respect to the *Plan of Allocation*, and shall not do anything or take any position inconsistent with obtaining a prompt *Judgment* approving the *Settlement* unless expressly permitted by this *Settlement Agreement*. The *Parties* shall suspend any and all efforts to prosecute and to defend the *Action* pending entry of the *Judgment* or, if earlier, termination of the *Settlement Agreement*.

4.4 Except as provided in Section 4.2.1 above, any costs, fees, and expenses incurred by third parties, including the reasonable costs, fees, and expenses incurred by any third-party *Recordkeeper* in providing the cooperation as set forth herein, including in Section 4.2, shall be paid out of the *Settlement Fund*.

4.5 Covenant Not to Sue. Subject to Section 9 herein, *Plaintiffs* and the members of the *Settlement Class* covenant and agree: (i) not to file against any *Released Party* any Claim based on, relating to, or arising from any *Released Claim*; and (ii) that the foregoing covenants and agreements shall be a complete defense to any such *Claims* against any of the respective *Released Parties*. These *Parties* acknowledge that any *Class Member* who violates this Covenant will be liable for all costs and fees, including attorneys' fees, the *Released Parties* may incur in defending against any action subject to this Covenant.

5. REPRESENTATION AND WARRANTIES

5.1. Parties' Representations and Warranties. The *Parties*, and each of them, represent and warrant as follows, and each *Party* acknowledges that each other *Party* is relying on these representations and warranties in entering into this *Settlement Agreement*:

5.1.1. That they have diligently prepared the case pursuant to the Court's orders; that they are voluntarily entering into this *Settlement Agreement* as a result of arm's-length negotiations among their counsel; that in executing this *Settlement Agreement* they are relying solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this *Settlement Agreement* by any representations, statements, or omissions pertaining to any of the foregoing matters by any *Party* or by any *Person* representing any *Party* to this *Settlement Agreement*. Each *Party* assumes the risk of mistake as to facts or law.

5.1.2. That they have carefully read the contents of this *Settlement Agreement*, and this *Settlement Agreement* is signed freely by each *Person* executing this *Settlement Agreement* on behalf of each of the *Parties*. The *Parties*, and each of them, further represent and warrant to each other that he, she, or it has made such investigation of the facts pertaining to the *Settlement*, this *Settlement Agreement*, and all of the matters pertaining thereto, as he, she, or it deems necessary.

5.2. Signatories' Representations and Warranties. Each *Person* executing this *Settlement Agreement* on behalf of any other *Person* does hereby personally represent and warrant to the other *Parties* that he or she has the authority to execute this *Settlement Agreement* on behalf of, and fully bind, each principal whom such individual represents or purports to represent.

6. NO ADMISSION OF LIABILITY.

6.1. The *Parties* understand and agree that this *Settlement Agreement* embodies a compromise settlement of disputed claims, and that nothing in this *Settlement Agreement*, including the furnishing of consideration for this *Settlement Agreement*, shall be deemed to constitute any finding that any party had a fiduciary status under ERISA, or any wrongdoing by any of *Defendants*, or give rise to any inference of fiduciary status under ERISA or wrongdoing or admission of wrongdoing or liability in this or any other proceeding. This *Settlement Agreement* and the payments made hereunder are made in compromise of disputed claims and are not admissions of any liability of any kind,

whether legal or factual. *Defendants* specifically deny any such liability or wrongdoing and state that they are entering into this *Settlement Agreement* to eliminate the burden and expense of further litigation. Further, the *Named Plaintiffs*, while believing that all *Claims* brought in the *Action* have merit, have concluded that the terms of this *Settlement Agreement* are fair, reasonable, and adequate to the *Plans*, themselves and members of the *Settlement Class* given, among other things, the inherent risks, difficulties and delays in complex ERISA litigation such as this. Neither the fact nor the terms of this *Settlement Agreement* shall be used or offered or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this *Settlement Agreement* or arising out of or relating to the *Judgment*.

7. THE SETTLEMENT FUND, DELIVERIES INTO THE SETTLEMENT FUND

7.1. The Settlement Fund.

7.1.1. Within ten (10) business days after entry of the *Preliminary Approval Order*, *Class Counsel* shall establish at a financial institution (the "*Financial Institution*") a settlement fund account (the "*Settlement Fund*") which shall be considered a common fund created as a result of the *Action*. *Class Counsel* shall designate at least one person with signature authority over this account (the "*Signer*"), and shall direct the *Financial Institution* to make distributions from the *Settlement Fund* only in accordance with this *Settlement Agreement* upon written direction from the *Signer*. For the avoidance of doubt, the *Financial Institution* shall be instructed that, absent a *Court* order, no funds are to be paid or withdrawn from the *Settlement Fund* except pursuant to Section 8 and Section 9 of this *Settlement Agreement* (and the Sections of this *Settlement Agreement* explicitly cross-referenced therein) or, upon termination of this *Settlement Agreement*, pursuant to Section 9 of this *Settlement Agreement*. *Counsel for Plaintiffs and Defendants* shall agree on the form and terms of an escrow agreement consistent with this *Settlement Agreement*. Once such escrow account is established, *Class Counsel* shall promptly notify the other *Parties* of the date of the establishment of the *Settlement Fund*.

7.1.2. The *Settlement Fund* shall bear interest to the extent possible and shall be invested only in United States Treasury securities and/or securities of United States agencies backed by the full faith and credit of the United States Treasury, repurchase agreements collateralized by such securities, and mutual funds or money market accounts that invest exclusively in the foregoing securities. The *Settlement Fund* shall be structured and managed to qualify as a Qualified Settlement Fund under Section 468B of the Internal Revenue Code and Treasury regulations promulgated thereunder and shall make tax filings and provide reports to *Counsel* for tax purposes. The *Parties* shall not take a position in any filing or

before any tax authority inconsistent with such treatment. The *Settlement Fund* will pay any federal, state, and local taxes that may apply to the income of the *Settlement Fund*. The *Financial Institution* or the *Settlement Administrator* shall arrange for the preparation and filing of all tax reports and tax returns required to be filed by the *Settlement Fund* and for the payment from the *Settlement Fund* of any taxes owed, and will upon request send to *Class Counsel* copies of all such filings and receipts of payment in a timely manner. The *Financial Institution* or the *Settlement Administrator* shall be authorized to retain a certified public accounting firm for those purposes. All taxes on the income of the *Settlement Fund* and tax-related expenses incurred in connection with the taxation of the *Settlement Fund* shall be paid solely out of the *Settlement Fund*, shall be considered a cost of administration of the *Settlement*, and shall be timely paid without further order of the *Court*. The *Financial Institution* or the *Settlement Administrator* shall arrange for the preparation and issuance of any required Forms 1099 to *Persons* receiving payments from the *Settlement Fund* for administrative services, and costs incurred in connection therewith also shall be paid solely out of the *Settlement Fund*, shall be considered a cost of administration of the *Settlement*, and shall be timely paid by the *Settlement Fund* without further order of the *Court*. Costs or expenses of opening or closing the *Settlement Fund*, and all fees and expenses of the *Financial Institution*, and of the professional advisors specified above in this section who are engaged by the *Financial Institution* in connection with the *Settlement Fund*, shall be funded solely from the *Settlement Fund*, and *Plaintiffs* expressly acknowledge that *Defendants* have no responsibility for any such fees or expenses.

7.2. The Class Settlement Amount. In consideration of all of the promises and agreements set forth in this *Settlement Agreement*, the *Company* will cause to be deposited into the *Settlement Fund* \$2.425 million, which shall be the *Class Settlement Amount* as follows: Within fourteen (14) days after the entry of the *Preliminary Approval Order*, \$200,000 in United States currency; within fifteen (15) business days after the entry of *Judgment* becomes *Final*, the *Company* will cause to be deposited into the *Settlement Fund* the remaining sums in United States currency. In no event shall the *Settlement Fund* be required to exceed the *Class Settlement Amount*, and in no event shall the *Company* or any of *Defendants* be required to make payments or incur any expenses in excess of this amount. In no event shall any *Defendant* other than the *Company* be required to make payments or incur any expenses under this *Settlement Agreement* except as expressly set forth herein. The *Class Settlement Amount* shall be the only amount paid by *Defendants* under this *Settlement Agreement*, and *Defendants* shall not be obligated to make any other payments under this *Settlement Agreement* or in connection with this *Settlement* including, but not limited to any payments that any of the *Plaintiffs* may claim they are entitled to under the current, former, or future *Plans* as a result of this *Settlement* or any *Plaintiffs'* recovery under this *Settlement*.

7.3. All funds held in the *Settlement Fund* shall be deemed to be in the custody of the *Court* and shall remain subject to the jurisdiction of the *Court* until such time as the funds are distributed or are returned to the persons paying the same pursuant to the *Final Judgment* and *Settlement Agreement*.

8. PAYMENTS FROM THE SETTLEMENT FUNDS

8.1. Disbursements from *Settlement Fund* prior to *Settlement* becoming *Final*. *Class Counsel*, subject to the approval of the *Company*, which approval shall not be unreasonably withheld, shall direct the *Financial Institution* to disburse money from the *Class Settlement Fund* as follows:

8.1.1. Expenses of Class Notice. After entry of the *Preliminary Approval Order*, the *Financial Institution* shall be directed in writing to disburse from the *Settlement Fund* an amount sufficient for the payment of costs of the *Class Notice*. *Class Counsel* may select a *Settlement Administrator* to assist with *Class Notice* and administration of the *Settlement*; the *Company* shall agree to the selection, which agreement shall not unreasonably be withheld. The *Settlement Administrator* shall enter into a confidentiality agreement and information security agreement, both of which shall be satisfactory to the *Company*, as well as the Protective Order entered in this *Action*, to adequately protect information provided to the *Settlement Administrator* relating to the *Settlement*. The *Settlement Administrator* shall make reasonable and customary efforts to locate and provide notice to all *Settlement Class* members. Any costs, expenses, or fees incurred in connection with the administration of this *Settlement* shall be paid out of the *Settlement Fund*.

8.1.2. For taxes and expenses of the *Settlement Fund* as provided in Section 7.1.2 herein.

8.1.3. For fees and expenses of the *Independent Fiduciary*. The *Financial Institution* shall be directed to disburse money from the *Settlement Fund* to pay the reasonable fees and expenses of the *Independent Fiduciary* (which shall include any attorneys' fees of the *Independent Fiduciary*) retained pursuant to Section 2.6 in an amount not to exceed twenty-five thousand dollars in United States currency (\$25,000.00). To the extent the *Company* pays any costs, fees or expenses to the *Independent Fiduciary* before proceeds from the *Settlement Fund* are available for distribution, the *Financial Institution* shall be directed to reimburse the *Company* for such amounts, but in no case shall such reimbursement be more than \$25,000.00. Any additional amounts owed to the *Independent Fiduciary* shall be the responsibility of the *Company*.

8.1.4. For costs and expenses of the *Settlement Administrator* in implementing the *Plan of Allocation* and otherwise administering the *Settlement*.

The *Financial Institution* shall be directed to disburse money from the *Settlement Fund* to pay these expenses.

8.1.5. For costs and expenses incurred by the *Recordkeeper* (or *Authorized Administrator*) in implementing this *Settlement*. To the extent that the *Company* is responsible for paying these costs, it will have the right to recover any sums paid from the *Settlement Fund*.

8.1.6. The *Case Contribution Awards*, *Plan of Allocation*, and award of attorneys' fees and expenses as described in Section 10.1 and 10.2 are matters separate and apart from the *Settlement* between the *Parties*, and no decision by the *Court* or any other court concerning the *Case Contribution Awards*, the *Plan of Allocation*, or award of attorneys' fees and expenses shall affect the validity of the *Settlement Agreement*, the releases or covenants granted herein, or the finality of the *Settlement*.

8.2. Upon the *Settlement* becoming *Final*, *Class Counsel* shall direct the *Financial Institution* to disburse money from the *Class Settlement Fund* as follows:

8.2.1. For Attorneys' Fees and Expenses. As provided in Section 10.2 herein and approved by the *Court*.

8.2.2. For *Named Plaintiffs' Case Contribution Awards*. As provided in Section 10.2 herein and approved by the *Court*.

8.2.3. Implementation of the *Plan of Allocation*. *Class Counsel* shall propose to the *Court* a *Plan of Allocation*, in substantial conformity to the one attached hereto as Exhibit C, which shall provide for the calculation, allocation, and distribution of the *Settlement Fund* net of the disbursements called for in Sections 8.1 and 8.2 ("*Net Proceeds*"). The *Settlement Administrator* shall be exclusively responsible and liable for calculating the amounts payable to the members of the *Settlement Class* pursuant to the *Plan of Allocation*, except to the extent any liability or claims related to the calculation of amounts payable arise from knowingly inaccurate data as provided by *Defendants*. Upon the *Judgment* becoming *Final* as provided in Section 2.3, and after the amounts payable pursuant to Sections 8.1 and 8.2 have been disbursed, or, in the case of future expenses such as those set forth in 7.1.2, set aside and withheld, *Class Counsel* shall direct the *Financial Institution* to disburse the *Net Proceeds* as provided by this *Settlement Agreement* and the *Plan of Allocation*. The *Recordkeeper* or any other entity with appropriate authority under the *Plans* (an "*Authorized Administrator*"), shall allocate to members of the *Settlement Class* who are not *Former Participants* any *Net Proceeds* received by the *Trust* as calculated by the *Settlement Administrator* according to the *Plan of Allocation*, documentation of which *Class Counsel* shall direct the *Settlement Administrator* to provide to the *Authorized Administrator*

pursuant to the *Plan of Allocation* no later than the distribution of the *Net Proceeds*. The *Settlement Administrator* shall promptly notify *Class Counsel* as to the date(s) and amounts(s) of said allocation(s) made to members of the *Settlement Class* who are not *Former Participants*. The *Settlement Administrator* shall be responsible for distributing *Net Proceeds* allocated to the *Former Participants* as provided by the *Plan of Allocation*, as well as to comply with all tax laws, rules, and regulations and withholding obligations with respect to *Former Participants*. *Defendants* shall have no liability related to the structure or taxability of such payments. In the event that the *Company* or *Recordkeeper* incurs obligations for the implementation of the *Plan of Allocation* with respect to *Former Participants* in connection with distributions, calculations, tax withholdings, tax reporting or notifications, or reopening former participant accounts in order for the *Net Proceeds* to be distributed to *Former Participants*, because the *Settlement Administrator* is not able to distribute the settlement proceeds to *Former Participants* as provided herein, the *Company* or *Recordkeeper* shall be entitled to reimbursement from the *Settlement Fund* for the reasonable costs and expenses, including from the retention of a third-party vendor, of implementing the *Plan of Allocation*. Nothing herein shall constitute approval or disapproval of the *Plan of Allocation* by *Defendants*, and *Defendants* shall have no responsibility or liability for the *Plan of Allocation* and shall take no position for or against the *Plan of Allocation*.

8.2.4. The *Net Proceeds* distributed to the *Plans*' trust pursuant to the *Plan of Allocation* shall constitute "restorative payments" within the meaning of Revenue Ruling 2002-45 for all purposes.

8.3. Final List of Settlement Class Members. Prior to the disbursement of *Net Proceeds* to the *Plans*, the *Settlement Administrator* shall provide to the *Trustee*, the *Company*, and *Class Counsel* a *Final List* of members of the *Settlement Class*, in electronic format, to whom the *Net Proceeds* will be distributed in accordance with the *Plan of Allocation*. The *Final List* shall be final, and only persons on the list, or beneficiaries as provided in Section 1.28, shall be eligible to receive any recovery from this *Settlement*.

8.4. After the distribution of *Net Proceeds* to the *Plans*' trust and allocation of the *Net Proceeds* pursuant to the *Plan of Allocation*, amounts allocable to members of the *Settlement Class* who cannot be located or otherwise receive their *Settlement* payment shall be forwarded to the *Plans*' trust and then be subject to the *Plans*' forfeiture provisions, if any, at the time of receipt by the Trust.

8.5. Payments in the Event of Termination. If the *Settlement Agreement* is terminated for any reason, neither *Plaintiffs* nor *Class Counsel* shall have any obligation to reimburse the *Settlement Fund* for costs incurred for the *Class Notice*, or other costs or

expenses of the *Settlement Fund* incurred by the *Settlement Fund* under this *Settlement Agreement* before termination.

9. TERMINATION OF THE SETTLEMENT AGREEMENT

9.1. Termination. This *Settlement Agreement* shall terminate if: (a) if and when any condition specified in Section 2 of this *Settlement Agreement* is not satisfied, or (b) the *Judgment* does not become *Final*. Notwithstanding the foregoing, this *Settlement Agreement* shall not terminate because a court of competent jurisdiction modifies, reverses, or refuses to enter any order relating to the award of attorneys' fees and expenses or compensation for the *Named Plaintiffs*. If within thirty-one (31) days after the date when any reversal or modification which would cause this *Settlement Agreement* to terminate becomes *Final* the *Parties* have not agreed in writing to proceed with all or part of the *Settlement Agreement* in light of such ruling, then this *Settlement Agreement* shall automatically terminate and thereupon become null and void, except as otherwise provided herein.

9.2. Consequences of Termination of the Settlement Agreement. If the *Settlement Agreement* is terminated, the following shall occur:

9.2.1. *Class Counsel* and counsel for *Defendants* shall within ten (10) days after the date of termination of the *Settlement Agreement* jointly notify the *Financial Institution* in writing to return to the *Company*, or its designee, the full amount contained in the *Settlement Fund*, with all net income earned thereon, after deduction of any amounts earlier disbursed and/or incurred on the *Settlement* as of the termination, and direct the *Financial Institution* to effect such return within fourteen (14) days after such notification. Prior to the return of amounts contemplated by this Section 9.2.1, the *Financial Institution* shall fully and finally fulfill and set aside for any and all tax obligations of the *Settlement Fund* as set forth in Section 7.1.2 and the *Company* shall have no past, present, or future liability whatsoever for any such tax obligations.

9.2.2. The *Action* shall for all purposes with respect to the *Parties* revert to its status as of the date of this *Settlement Agreement*.

9.2.3. All provisions of this *Settlement Agreement* shall be null and void except as otherwise provided herein.

10. ATTORNEYS' FEES AND EXPENSES

10.1. Application for Attorneys' Fees and Expenses and *Named Plaintiffs'* Case Contribution Awards. Pursuant to the common fund doctrine and/or any applicable statutory fee provision, *Class Counsel* may apply to the *Court* for an award to *Class Counsel*, of attorneys' fees and reimbursement of expenses, to be paid solely from the

Settlement Fund. *Class Counsel* also may apply to the *Court* for compensation to *Named Plaintiffs* for their contributions to the *Action*, and *Named Plaintiffs* shall be entitled to receive such compensation from the *Settlement Fund* to the extent awarded by the *Court*.

10.2. Disbursement of Attorneys' Fees and Expenses and Named Plaintiffs' Case Contribution Awards. Following (a) the entry of an order allowing payment of attorneys' fees and expenses and *Named Plaintiffs' Case Contribution Awards*, (b) *Judgment* becoming *Final*; and (c) the *Company* causes the final portion of the class settlement amount to be contributed to the *Settlement Fund* (as discussed in Section 7.2), the *Signer* shall instruct the *Financial Institution* in writing to disburse the payments set forth in clause (a) from the *Settlement Fund*, which the *Financial Institution* shall do within five (5) business days of receiving such direction.

11. MISCELLANEOUS PROVISIONS

11.1. Governing Law. This *Settlement Agreement* shall be governed by the laws of the State of Minnesota without giving effect to the conflict of laws or choice of law provisions thereof, except to the extent that the law of the United States governs any matter set forth herein, in which case such federal law shall govern.

11.2. Amendment. Before entry of the *Judgment*, the *Settlement Agreement* may be modified or amended only by written agreement signed by or on behalf of all *Parties*. Following entry of the *Judgment*, the *Settlement Agreement* may be modified or amended only by written agreement signed by or on behalf of all *Parties* and approved by the *Court*.

11.3. Waiver. The provisions of this *Settlement Agreement* may be waived only by an instrument in writing executed by the waiving party. The waiver by any party of any breach of this *Settlement Agreement* shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this *Settlement Agreement*.

11.4. Construction. None of the *Parties* hereto shall be considered to be the drafter of this *Settlement Agreement* or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

11.5. Principles of Interpretation. The following principles of interpretation apply to this *Settlement Agreement*:

11.5.1. Headings. The headings of this *Settlement Agreement* are for reference purposes only and do not affect in any way the meaning or interpretation of this *Settlement Agreement*.

11.5.2. Singular and Plural. Definitions apply to the singular and plural forms of each term defined.

11.5.3. Gender. Definitions apply to the masculine, feminine, and neuter genders of each term defined.

11.5.4. References to a Person. References to a *Person* are also to the *Person's* permitted successors and assigns.

11.5.5. Terms of Inclusion. Whenever the words “include,” “includes,” or “including” are used in this *Settlement Agreement*, they shall not be limiting but rather shall be deemed to be followed by the words “without limitation.”

11.6. Further Assurances. Each of the *Parties* agrees, without further consideration, and as part of finalizing the *Settlement* hereunder, that they will in good faith execute and deliver such other documents and take such other actions as may be necessary to consummate and effectuate the subject matter and purpose of this *Settlement Agreement*.

11.7. Survival. All representations, warranties and covenants set forth in this *Settlement Agreement* shall be deemed continuing and shall survive the termination or expiration of this *Settlement Agreement*.

11.8. Notices. Any notice, demand, or other communication under this *Settlement Agreement* (other than the *Class Notice*, or other notice given at the direction of the *Court*) shall be in writing and shall be deemed duly given upon receipt if it is addressed to each of the intended recipients as set forth below and personally delivered, sent by registered or certified mail (postage prepaid), sent by confirmed facsimile, or delivered by reputable express overnight courier:

IF TO NAMED PLAINTIFFS:

Mark K. Gyandoh
KESSLER TOPAZ MELTZER & CHECK LLP
280 King of Prussia Road
Radnor, PA 19087

IF TO DEFENDANTS:

Stephen P. Lucke
Andrew Holly
DORSEY & WHITNEY LLP
50 South Sixth Street, Suite 1500
Minneapolis, MN 55402

Paul J. Ondrasik, Jr.
Eric G. Serron
STEPTOE & JOHNSON LLP
1330 Connecticut Ave., NW
Washington, DC 20036

Any *Party* may change the address at which it is to receive notice by written notice delivered to the other *Parties* in the manner described above.

11.9. Entire Agreement. This *Settlement Agreement* contains the entire agreement among the *Parties* relating to this *Settlement*. It specifically supersedes any settlement terms or settlement agreements relating to the *Defendants* that were previously agreed upon orally or in writing by any of the *Parties*.

11.10. Counterparts. This *Settlement Agreement* may be executed by exchange of faxed executed signature pages, and any signature transmitted by facsimile for the purpose of executing this *Settlement Agreement* shall be deemed an original signature for purposes of this *Settlement Agreement*. This *Settlement Agreement* may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same instrument.

11.11. Binding Effect. This *Settlement Agreement* binds and inures to the benefit of the *Parties* hereto, their assigns, heirs, administrators, executors, and successors.

11.12. Agreement Execution Date. The date on which the final signature is affixed below shall be the *Agreement Execution Date*.

11.13. Confidentiality and Communications Regarding *Settlement* and this *Action*. The terms of the *Settlement* shall remain confidential until the *Preliminary Approval Motion* is filed.

11.14. Destruction/Return of Confidential Information. Within sixty (60) days after the *Judgment* becomes *Final*, *Named Plaintiffs* shall fully comply with paragraph 12 of the Stipulated Protective Order entered in this case. Further, the *Parties* agree that the *Preliminary List* is deemed confidential pursuant to the Protective Order, and that the *Parties* shall have the right to continue to designate documents provided to any party in connection with this *Settlement Agreement* as Confidential pursuant to the Protective Order.

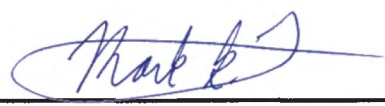
IN WITNESS WHEREOF, the *Parties* have executed this *Settlement Agreement* on the dates set forth below.

For Defendants:



Stephen P. Lucke

For Plaintiffs:



Mark K. Gyandoh
October 14, 2019

Andrew Holly
DORSEY & WHITNEY LLP
50 South Sixth Street, Suite 1500
Minneapolis, MN 55402

Paul J. Ondrasik, Jr.
Eric G. Serron
STEPTOE & JOHNSON LLP
1330 Connecticut Ave., NW
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Counsel for Defendants

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Robert A. Iazard
Mark P. Kindall
Douglas Needham
29 South Main Street, Suite 305
West Hartford, CT 06107

NICHOLS KASTER PLLP
Kai H. Richter
Carl F. Engstrom
4600 IDS Center
80 S 8th Street
Minneapolis, MN 55402

Counsel for Plaintiffs

EXHIBIT A

Judy Larson, Janelle Mausolf, and Karen
Reese, individually and on behalf of
themselves and all others similarly situated,

Plaintiffs,

vs.

Allina Health System; the Allina Health
System Board of Directors; the Allina Health System Retirement
Committee; the Allina Health System Chief Administrative Officer;
the Allina Health System Chief Human Resources Officer; Clay
Ahrens; John I. Allen; Jennifer Alstad; Gary Bhojwani; Barbara
Butts-Williams; John R. Church; Laura Gillund; Joseph Goswitz;
Greg Heinemann; David Kuplic; Hugh T.
Nierengarten; Sahra Noor; Brian Rosenberg; Debbra L. Schoneman;
Thomas S. Schreier, Jr.; Abir Sen, Sally J. Smith; Darrell Tukua;
Penny Wheeler; Duncan Gallagher; Christine Webster Moore;
Kristyn Mullin; Steve Wallner; John T. Knight; and John Does 1–20,

Defendants.

Case No. 17-cv-03835 (SRN/SER)

NOTICE OF CLASS ACTION SETTLEMENT

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

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS

You are receiving this Notice of Class Action Settlement (“Notice”) because the records of the Allina Health System (“Allina”) 403(b) Retirement Savings Plan (the “403(b) Plan”) and the Allina 401(k) Retirement Savings Plan (the “401(k) Plan” and, collectively, the “Plans”) indicate that you were a participant in one or both of the Plans who maintained a balance of any amount at any point during the period from August 18, 2011 and [Preliminary Approval Order Date], (the “Class Period”). As such, your rights may be affected by a proposed settlement of this class action lawsuit (the “Settlement”). **Please read the following information carefully to find out what the lawsuit is about, what the terms of the proposed Settlement are, what rights you have to object to the proposed Settlement Agreement if you disagree with its terms, and what deadlines apply.**

This Notice contains summary information with respect to the Settlement. The complete terms and conditions of the Settlement are set forth in a Settlement Agreement (“Settlement Agreement”). Capitalized terms used in this Notice, but not defined in this Notice, have the meanings assigned to them in the Settlement Agreement. The Settlement Agreement, and additional information with respect to this lawsuit and the Settlement is available at an Internet site dedicated to the Settlement, www.AllinaERISASettlement.com.

The Court in charge of this case is the United States District Court for the District of Minnesota. The persons who sued on behalf of themselves and the Plans are called the “Named Plaintiffs,” and the people they sued are called “Defendants.” The Named Plaintiffs are Judy Larson, Janelle Mausolf, and Karen Reese. The Defendants are Allina Health System; the Allina Health System Board of Directors; the Allina Health System Retirement Committee; the Allina Health System Chief Administrative Officer; the Allina Health System Chief Human Resources Officer; Clay Ahrens; John I. Allen; Jennifer Alstad; Gary Bhojwani; Barbara Butts-Williams; John R. Church; Laura Gillund; Joseph Goswitz; Greg Heinemann; David Kuplic; Hugh T. Nierengarten; Sahra Noor; Brian Rosenberg; Debbra L. Schoneman; Thomas S. Schreier, Jr.; Abir Sen, Sally J. Smith; Darrell Tukua; Penny Wheeler; Duncan Gallagher; Christine Webster Moore; Kristyn Mullin; Steve Wallner; and John T. Knight. The Action is known as *Larson et al. v. Allina Health System et al.*, No. 17-cv-03835-SRN/SER (D. Minn.).

YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT

YOU ARE NOT REQUIRED TO FILE A CLAIM IF YOU ARE ENTITLED TO A PAYMENT UNDER THE SETTLEMENT AGREEMENT.	If the Settlement is approved by the Court and you are a member of the Settlement Class, you will not need to file a claim in order to receive a Settlement payment if you are entitled to receive a payment under the Settlement Agreement.
HOW SETTLEMENT PAYMENTS WILL BE DISTRIBUTED.	If you are currently participating or have an account balance in the Plans and are a Settlement Class member, any share of the Net Proceeds to which you are entitled will be deposited into your Plan account. If you are a Former Participant (<i>i.e.</i> , no longer a participant in either of the Plans) but are a Settlement Class member whose calculated share of the Net Proceeds, hereafter referred to as the “Entitlement Amount,” is determined to be Two Hundred Dollars (\$200.00) or more, you will be given the option to either roll over your distribution amount to an eligible individual retirement account or other eligible employer plan, or receive payment directly by check. If you are a Former Participant and a Settlement Class member whose Entitlement Amount is determined to be less than Two Hundred Dollars (\$200.00), such funds shall be paid directly to you by the Settlement Administrator.
YOU MAY OBJECT TO THE SETTLEMENT BY _____.	If you wish to object to any part of the Settlement, you may (as discussed below) write to the Court and the attorneys for the Parties about why you object to the Settlement.
YOU MAY ATTEND THE FAIRNESS HEARING TO BE HELD ON _____.	If you submit a written objection to the Settlement to the Court and counsel before the Court-approved deadline, you may (but do not have to) attend the Fairness Hearing about the Settlement and present your objections to the Court. You may attend the Fairness Hearing even if you do not file a written objection, but you will only be allowed to speak at the Fairness Hearing if you file a written objection in advance of the Fairness Hearing AND you file a Notice of Intention To Appear, as described in the answer to Question 16 in this Notice.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and that approval is upheld in the event of any appeal.

Further information regarding this litigation and this Notice may be obtained by contacting the following Class Counsel:

Mark K. Gyandoh, Esq.
KESSLER TOPAZ MELTZER & CHECK, LLP
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056

Class Counsel has established a toll-free phone number to receive your comments and questions: XXX-XXX-XXXX. You may also send an email to AllinaERISAsettlement@ktmc.com. You should contact Class Counsel with any questions regarding this Settlement, not the Court, Allina or counsel for the Defendants.

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QUESTIONS? VISIT WWW.ALLINAERISASETTLEMENT.COM OR CALL TOLL-FREE XXX-XXX-XXXX
DO NOT CONTACT THE COURT OR ALLINA WITH YOUR QUESTIONS.

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SUMMARY OF SETTLEMENT

This litigation (the “Action”) is a class action in which Named Plaintiffs Judy Larson, Janelle Mausolf, and Karen Reese, allege that the Defendants breached fiduciary duties owed to the participants in and beneficiaries of the Plans under ERISA by, among other things, failing to attempt to reduce the Plans’ expenses or exercise appropriate judgment to scrutinize each investment option that was offered in the Plans to ensure it was prudent. A copy of the Complaint as well as other documents filed in the Action are available at www.AllinaERISAsettlement.com or from Class Counsel. Defendants have denied and continue to deny all of the claims and allegations in the Action and deny any liability or wrongful conduct of any kind.

A Settlement Fund consisting of \$2,425,000.00 (two million, four hundred and twenty-five thousand U.S. dollars) in cash (the “Class Settlement Amount” or “Settlement Amount”) is being established in the Action. The Settlement Amount will be deposited into an escrow account, and the Settlement Amount, together with any interest earned, will constitute the Settlement Fund. Payment of any taxes, approved attorneys’ fees and litigation expenses and payment of Case Contribution Awards to the Named Plaintiffs, and costs of administering the Settlement will be paid out of the Settlement Fund. After the payment of such fees, expenses, and awards, the amount that remains will constitute the Net Proceeds. The Net Proceeds will be allocated to Settlement Class members according to a Plan of Allocation to be approved by the Court.

STATEMENT OF POTENTIAL OUTCOME OF THE ACTION

Defendants strongly dispute the claims asserted in the Action and deny that they ever engaged in any wrongdoing, violation of law or breach of duty. Further, Named Plaintiffs would face an uncertain outcome if the Action were to continue. Continued litigation could result in a judgment greater or less than the benefits obtained as part of the Settlement, including the \$2.425 million cash payment, or in no recovery at all.

The Named Plaintiffs and the Defendants disagree on liability and do not agree on the amount that would be recoverable even if the Named Plaintiffs were to prevail at trial. The Defendants deny all claims and contentions by the Named Plaintiffs. The Defendants deny that they are liable to the Settlement Class and that the Settlement Class or the Plans has suffered any damages for which the Defendants could be held legally responsible. Having considered the uncertainty, costs and risks inherent in any litigation, particularly in a complex case such as this, the Named Plaintiffs and Defendants have concluded that it is desirable that the Action be fully and finally settled on the terms and conditions set forth in the Settlement Agreement.

STATEMENT OF ATTORNEYS’ FEES AND EXPENSES SOUGHT IN THE ACTION

Class Counsel will apply to the Court for an order awarding attorneys’ fees not in excess of thirty-three and one third percent (33 1/3%) of the Settlement Amount (a maximum amount of \$808,252.5), plus reimbursement of expenses up to a maximum of \$50,000. Any amount awarded will be paid from the Settlement Fund. Defendants have no responsibility for payment of such fees and expenses.

WHAT WILL THE NAMED PLAINTIFFS GET?

The Named Plaintiffs will share in the allocation of the Net Proceeds on the same basis as all other members of the Settlement Class. In addition, the Named Plaintiffs will ask the Court to award up to \$5,000 to each of the Named Plaintiffs as Case Contribution Awards for their participation in the Action and representation of the Settlement Class. Any such awards will be paid solely from the Settlement Fund.

BASIC INFORMATION

1. WHY DID I GET THIS NOTICE PACKAGE?

You or someone in your family may have been a participant in or a beneficiary of the Plans during Class Period, during which time your Plan account included investments in any of the Plans’ investment options. The Court directed that this Notice be sent to you because if you fall within the definition of the Settlement Class, you have a right to know about the Settlement and the options available to you regarding the Settlement before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, the Net Proceeds will be distributed to the Settlement Class members according to a Court-approved Plan of Allocation described below. This Notice describes the Action, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. WHAT IS THE ACTION ABOUT?

The Action claims that under ERISA, the Defendants owed fiduciary duties of loyalty, care, and prudence to the Plans and that they violated those duties in connection with the selection and monitoring of the Plans’ investment options. During the Class Period, participants in the Plans were able to allocate their account balances among various investment funds. Named Plaintiffs allege that as jumbo plans, the Plans had substantial bargaining power regarding the fees and expenses that were charged against participants’ investments. Defendants, however, did not try to reduce the Plans’ expenses or exercise appropriate judgment to scrutinize each investment option that was offered in the Plans to ensure it was prudent. Instead, Defendants abdicated their fiduciary oversight, allowing the Plans’ trustee, Fidelity, to lard the Plans with high-cost, non-Fidelity mutual funds through which Fidelity received millions of dollars in revenue sharing payments, while also giving Fidelity discretion to add any Fidelity mutual fund that Fidelity had available, regardless of whether the funds were duplicative of other options, had high costs, were performing poorly, or were otherwise inappropriate as retirement savings options for the Plans’ participants.

QUESTIONS? VISIT WWW.ALLINAERISASETTLEMENT.COM OR CALL TOLL-FREE XXX-XXX-XXXX
DO NOT CONTACT THE COURT OR ALLINA WITH YOUR QUESTIONS.

THE DEFENSES IN THE ACTION

Defendants deny all of the claims and allegations made in the Action and deny that they ever engaged in any wrongful conduct. If the Action were to continue, the Defendants would raise numerous defenses to liability, including:

- Defendants did not engage in any of the allegedly improper conduct charged in the Complaint;
- Defendants were not fiduciaries of the Plan, or if they were fiduciaries, their fiduciary duties did not extend to the matters at issue in the Action;
- To the extent that they were fiduciaries as to the matters at issue in the Action, Defendants fully and prudently discharged all of their fiduciary duties under ERISA;
- Even if a court were to determine that Defendants failed to discharge any duty under ERISA, any such breach of fiduciary duty did not cause the Plans or its participants to suffer any loss.

THE ACTION HAS BEEN AGGRESSIVELY LITIGATED

Class Counsel have extensively investigated the allegations in the Action. Among other efforts, Class Counsel reviewed Plan-governing documents and materials, communications with Plan participants, U.S. Department of Labor filings, press releases, public statements, news articles and other publications, and other documents regarding the matters that the Named Plaintiffs allege in the Complaint. This Action was litigated by the Named Plaintiffs and Class Counsel for nearly two years before the Parties agreed on settlement terms. The Complaint in this matter was filed against Defendants on August 18, 2017, by Named Plaintiffs. Defendants filed a motion to dismiss the Complaint on December 15, 2017 that was denied in part, and granted in part by the Court on October 1, 2018. Defendants filed an answer to the Complaint on November 29, 2018. The parties thereafter held a planning meeting to discuss, among other things, the nature and basis of the Parties' claims and defenses, issues about preserving discoverable information, and a proposed discovery plan. The Parties then submitted a joint report regarding the meeting to the Court on January 2, 2019. The Court then held a conference on January 8, 2019 to discuss the contents of the Parties' joint plan and to set a schedule for litigating this Action. Following the conference the Parties engaged in preliminary settlement discussions, which as discussed below, ultimately led to the resolution of this Action.

SETTLEMENT DISCUSSIONS

The proposed Settlement is the product of hard-fought, lengthy negotiations between Class Counsel and the Defendants' counsel. Over the course of several months, the Parties negotiated via several telephonic conferences and numerous email exchanges. Following arm's-length negotiations, on April 5, 2019, Named Plaintiffs and Defendants, through their respective attorneys, reached an agreement to settle the Action on behalf of all participants in or beneficiaries of the Plan (except Defendants and their Immediate Family Members), at any time during the Class Period and who maintained a balance of any amount in the Plans during that time period.

3. WHY IS THIS CASE A CLASS ACTION?

In a class action, one or more plaintiffs, called "class representatives" or "named plaintiffs," sue on behalf of people who have similar claims. All of these people who have similar claims collectively make up the "class" and are referred to individually as "class members." One case resolves the issues for all class members together. Because the wrongful conduct alleged in this Action is claimed to have affected a large group of people – participants in the Plans during the Class Period – in a similar way, the Named Plaintiffs filed this case as a class action.

4. WHY IS THERE A SETTLEMENT?

As in any litigation, all parties face an uncertain outcome. On the one hand, continuation of the case against the Defendants could result in a judgment greater than this Settlement. On the other hand, continuing the case could result in no recovery at all or in a recovery that is less than the amount of the Settlement. Based on these factors, the Named Plaintiffs and Class Counsel have concluded that the proposed Settlement is in the best interests of all Settlement Class members.

5. HOW DO I KNOW WHETHER I AM PART OF THE SETTLEMENT?

You are a member of the Settlement Class if you fall within the definition of the Settlement Class preliminarily approved by Judge Susan Richard Nelson:

All participants and beneficiaries (excluding *Defendants* and their *Immediate Family Members*) of the Allina Health System ("Allina") 403(b) Retirement Savings Plan and the Allina 401(k) Retirement Savings Plan at any time between August 18, 2011 and [Preliminary Approval Date].

If you are a member of the Settlement Class, the amount of money you will receive, if any, will depend upon the Plan of Allocation, described below.

THE SETTLEMENT BENEFITS—WHAT YOU GET**6. WHAT DOES THE SETTLEMENT PROVIDE?**

A Settlement Fund consisting of \$2,425,000 is being established in the Action. The amount of money that will be allocated among members of the Settlement Class, after the payment of any taxes and Court-approved costs, fees, and expenses, including attorneys' fees and expenses of Class Counsel, any Court-approved Case Contribution Awards to be paid to the Named Plaintiffs, and payment of expenses incurred in calculating the Settlement payments and administering the Settlement, is called the Net Proceeds. The amount of the Net Proceeds will not be known until these amounts are quantified and deducted. The Net Proceeds will be allocated to members of the Settlement Class according to a Plan of Allocation to be approved by the Court. The Plan of Allocation describes how Settlement payments will be distributed to Settlement Class members who receive a payment.

If the Settlement is approved by the Court, all Settlement Class members and anyone claiming through them shall be deemed to fully release the Released Parties from Released Claims. The Released Parties include Defendants (including Allina) and any Person who served as a trustee or fiduciary of any kind of the Plans (including functional fiduciaries), together with, for each of the foregoing: any predecessors, Successors-In-Interest, present and former Representatives, direct or indirect parents, subsidiaries and affiliates, and any Person that controls, is controlled by, or is under common control with any of the foregoing. Released Claims are defined in the Settlement Agreement and include all claims that were or could have been asserted in the Action. This means that Settlement Class members will not have the right to sue the Released Parties for failure to prudently select and monitor the Plans' investment options or related matters that occurred during the Class Period.

The above description of the proposed Settlement is only a summary. The complete terms, including the definitions of the Released Parties and Released Claims, are set forth in the Settlement Agreement (including its exhibits), which may be obtained at a dedicated Settlement Internet site, www.AllinaERISASettlement.com or by contacting Class Counsel listed on Page 2 above.

7. HOW MUCH WILL MY PAYMENT BE?

Your share (if any) of the Net Proceeds will depend on your alleged loss, compared to other Settlement Class members' alleged losses, during the Class Period. Each Settlement Class member's share will be calculated according to a Court-approved Plan of Allocation by a third-party vendor ("Settlement Administrator") selected by Class Counsel with Defendants' approval. Because the Settlement Amount and Net Proceeds are less than the total losses alleged by the Settlement Class, each Settlement Class member's portion of the Settlement Amount will be less than his or her alleged losses. You are not required to calculate the amount you may be entitled to receive under the Settlement as the Settlement Administrator will do so under the Plan of Allocation. In general, your proportionate share of the Settlement will be calculated as follows:

- First, the Settlement Administrator will obtain balances for each Settlement Class member in their Plan accounts as of August 18, 2011 (or as close thereto as practicable) and as of December 31, 2011, and on December 31 of each subsequent year of the Class Period up to and including 2018. For 2019, the Agreement Execution Date will be used. The Settlement Class members' Plan account balance, calculated as the sum of each Settlement Class member's balance in their Plan accounts, at each such time will be known as the "Annual Account Balance."
- Second, the Net Proceeds will be allocated by calculating the sum of all Annual Account Balances for each year of the Class Period and then allocating each Settlement Class member a share of the Net Proceeds in proportion to the sum of that Settlement Class member's Annual Account Balance, where the numerator is the Settlement Class member's Annual Account Balances and the denominator is the total of all Settlement Class member's Annual Account Balances.
- Settlement Class members who are entitled to a distribution of less than \$10.00 will receive a distribution of \$10.00. Settlement Class members' awards falling below \$10.00, will be progressively increased to \$10.00 from the Net Proceeds and the Net Proceeds will be re-allocated until the lowest participating Settlement Class member award is \$10.00. This modified award shall be known as the Class Member's Entitlement Amount.

You will not be required to produce records that show your Plan activity. If you are entitled to a share of the Settlement Fund, your share of the Settlement will be determined based on the Plans' records for your account. If you have questions regarding the allocation of the Net Proceeds, please contact Class Counsel listed on Page 2 above.

8. HOW MAY I RECEIVE A PAYMENT?

You do not need to file a claim. Although the Entitlement Amount is determined based on Settlement Class members' account balances in both the Allina 401(k) Retirement Savings Plan and Allina 403(b) Retirement Savings Plan, the Entitlement Amount for Settlement Class members with an active account (an account with a positive balance) at the time of distribution will be paid into the Allina 401(k) Retirement Savings Plan. That is because the Allina 403(b) Retirement Savings Plan has been frozen since October 2010, and as of January 1, 2012, all eligible Allina employees became participants in the Allina 401(k) Retirement Savings Plan.

For Former Participants whose Settlement Class member Entitlement Award as calculated by the Settlement Administrator is determined to be Two Hundred Dollars (\$200.00) or more, such Former Participant will have the opportunity to elect a tax-qualified rollover of his or her settlement payment to an individual retirement account or other eligible employer plan, which he or she has identified on a form to be provided by the Settlement Administrator, provided that the qualified Former Participant supplies adequate information to the Settlement

QUESTIONS? VISIT WWW.ALLINAERISASETTLEMENT.COM OR CALL TOLL-FREE XXX-XXX-XXXX
DO NOT CONTACT THE COURT OR ALLINA WITH YOUR QUESTIONS.

Administrator to effect the rollover. If such Former Participant does not elect a rollover, or elects a rollover but fails to provide adequate information, the Former Participant will receive his or her settlement payment by check in the same manner as Former Participants with Class Member Entitlement Awards less than Two Hundred Dollars (\$200.00) as described below.

For Former Participants whose Final Dollar Recovery is determined to be less than Two Hundred Dollars (\$200.00), they shall be paid directly by the Settlement Administrator. Checks issued to Former Participants pursuant to this paragraph shall be valid for 180 days from the date of issue. If you are a former Plan participant and have not provided the Plans with your current address, please contact Class Counsel listed on Page 2 above. All payments under the Plan of Allocation are intended to be “restorative payments” in accordance with Internal Revenue Service Revenue Ruling 2002-45.

9. WHEN WOULD I GET MY PAYMENT?

The Settlement cannot be completed unless and until several events occur. These events include final approval of the Settlement by the Court, approval of the Settlement by an independent fiduciary to the Plans, transfer of the Net Proceeds to the Allina 401(k) Retirement Savings Plan, and calculation of the amount of the Settlement owed to each Settlement Class member. If objections are made to the Settlement or appeals are taken by objectors who oppose the approval of the Settlement, this process may take a long time to complete, possibly several years. The Settlement Fund, however, will be invested in secure, interest-bearing securities to the extent possible, and the interest income that is attributable to the Net Proceeds will be included in the amount paid to the Plan and allocated to Settlement Class members.

There will be no payments if the Settlement Agreement is terminated.

The Settlement Agreement may be terminated for several reasons, including if (1) the Court does not approve, or materially modifies the Settlement Agreement, or (2) the Court approves the Settlement Agreement but the approval is reversed or materially modified by an appellate court. If the Settlement Agreement is terminated, the Action will proceed again as if the Settlement Agreement had not been entered into. The Settlement is not conditioned upon the Court’s approval of attorneys’ fees and the reimbursement of expenses sought by Class Counsel and any appeal solely related thereto.

10. CAN I GET OUT OF THE SETTLEMENT?

You do not have the right to exclude yourself from the Settlement. The Settlement Agreement provides for certification of the Settlement Class as a non-opt-out class action under Federal Rule of Civil Procedure 23(b)(1), and the Court has preliminarily determined that the requirements of that rule have been satisfied. Thus, it is not possible for any Settlement Class Members to exclude themselves from the Settlement. As a Settlement Class member, you will be bound by any judgments or orders that are entered in the Action for all claims that were or could have been asserted in the Action or are otherwise released under the Settlement.

Although you cannot opt out of the Settlement, you can object to the Settlement and ask the Court not to approve it. For more information on how to object to the Settlement, see the answer to Question 13 below.

THE LAWYERS REPRESENTING YOU

11. DO I HAVE A LAWYER IN THE CASE?

The Court has preliminarily appointed the law firms of Kessler Topaz Meltzer & Check LLP, Bailey & Glasser LLP, IZard Kindall & Raabe LLP, and Nichols Kaster, PLLP as Class Counsel for the Named Plaintiffs in the Action. You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

12. HOW WILL THE LAWYERS BE PAID?

Class Counsel will file a motion for the award of attorneys’ fees of not more than one third (33 1/3%) of the Settlement Amount (\$808,252.50), plus reimbursement of expenses incurred in connection with the prosecution of the Action up to a maximum of \$50,000.00. This motion will be considered at the Fairness Hearing described below.

OBJECTING TO THE ATTORNEYS’ FEES

By following the procedures described in the answer to Question 13, you can tell the Court that you do not agree with the fees and expenses the attorneys intend to seek and ask the Court to deny their motion or limit the award.

13. HOW DO I TELL THE COURT IF I DO NOT LIKE THE SETTLEMENT?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. To object, you must send a letter or other writing saying that you object to the Settlement in *Larson et al. v. Allina Health System et al.*, No. 17-cv-03835-SRN/SER (D. Minn.). Be sure to include your name, address, telephone number, signature, and a full explanation of all the reasons why you object to the Settlement. **You must file your objection with the Clerk of the Court of the United States District Court for the District of Minnesota no later than _____.** The address is:

Clerk of the Court
United States District Court, District of Minnesota
Warren E. Burger Federal Building & United States Courthouse
316 North Robert Street
Suite 100
St. Paul, MN 55101

The objection must refer prominently to *Larson et al. v. Allina Health System et al.*, No. 17-cv-03835-SRN/SER (D. Minn.).

THE FAIRNESS HEARING

The Court will hold a Fairness Hearing to decide whether to approve the Settlement as fair, reasonable, and adequate. You may attend the Fairness Hearing, and you may ask to speak, but you do not have to attend. **It is your obligation to ensure that your written objection is filed with the Court by no later than _____.**

14. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold the Fairness Hearing at _____m. on _____, at the United States District Court for the District of Minnesota, Warren E. Burger Federal Building & United States Courthouse, 316 North Robert Street, St. Paul, MN 55101, Courtroom 7B before the Hon. Susan Richard Nelson, or such other courtroom as the Court may designate. **The Court may adjourn the Fairness Hearing without further notice to the Settlement Class, so if you wish to attend, you should confirm the date and time of the Fairness Hearing with Class Counsel before doing so.** At that hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also rule on the motions for attorneys' fees and reimbursement of expenses and for Case Contribution Awards for the Named Plaintiffs. The Parties do not know how long these decisions will take or whether appeals will be filed.

15. DO I HAVE TO COME TO THE HEARING?

No, but you are welcome to come at your own expense. If you file an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, it will be before the Court when the Court considers whether to approve the Settlement. You also may pay your own lawyer to attend the Fairness Hearing, but such attendance is also not necessary.

16. MAY I SPEAK AT THE HEARING?

If you submit a written objection to the Settlement to the Court and counsel before the Court-approved deadline, you may (but do not have to) attend the Fairness Hearing and present your objections to the Court. You may attend the Fairness Hearing even if you do not file a written objection, but you will only be allowed to speak at the Fairness Hearing if you file a written objection in advance of the Fairness Hearing AND you file a Notice of Intention To Appear, as described in this paragraph. To do so, you must file with the Court a letter or other paper called a "Notice of Intention To Appear at Fairness Hearing in *Larson et al. v. Allina Health System et al.*, No. 17-cv-03835-SRN/SER (D. Minn.)." 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 at the address listed in the answer to Question 13 no later than _____.

IF YOU DO NOTHING**17. WHAT HAPPENS IF I DO NOTHING AT ALL?**

If you do nothing and you are a Settlement Class member, you will participate in the Settlement of the Action as described above in this Notice.

GETTING MORE INFORMATION**18. ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?**

Yes. This Notice summarizes the proposed Settlement. The complete terms are set forth in the Settlement Agreement. You may obtain a copy of the Settlement Agreement by making a written request to Class Counsel listed on Page 2 above. Copies may also be obtained at a dedicated Settlement website, www.AllinaERISAsettlement.com, by calling the toll-free number, xxx-xxx-xxxx, or by sending an email to AllinaERISAsettlement@ktmc.com. You are encouraged to read the complete Settlement Agreement.

DO NOT CONTACT THE COURT, THE CLERK'S OFFICE, THE COMPANY, OR DEFENDANTS REGARDING THIS NOTICE. THEY WILL NOT BE ABLE TO ANSWER YOUR QUESTIONS.

EXHIBIT B

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Judy Larson, Janelle Mausolf, and Karen
Reese, individually and on behalf of
themselves and all others similarly situated,

Plaintiffs,

vs.

Allina Health System; the Allina Health
System Board of Directors; the Allina
Health System Retirement Committee; the
Allina Health System Chief Administrative
Officer; the Allina Health System Chief
Human Resources Officer; Clay Ahrens;
John I. Allen; Jennifer Alstad; Gary
Bhojwani; Barbara Butts-Williams; John R.
Church; Laura Gillund; Joseph Goswitz;
Greg Heinemann; David Kuplic; Hugh T.
Nierengarten; Sahra Noor; Brian Rosenberg;
Debbra L. Schoneman; Thomas S. Schreier,
Jr.; Abir Sen, Sally J. Smith; Darrell Tukua;
Penny Wheeler; Duncan Gallagher;
Christine Webster Moore; Kristyn Mullin;
Steve Wallner; John T. Knight; and John
Does 1–20,

Defendants.

Case No. 17-cv-03835 (SRN/SER)

JUDGMENT APPROVING CLASS ACTION SETTLEMENT

This *Action* came for hearing on _____ to determine the fairness
of the proposed *Settlement* presented to the *Court* and the subject of this *Court's* Order
Granting Preliminary Approval of Class Action Settlement, Preliminarily Certifying a
Class for Settlement Purposes, Approving Form and Manner of Class Notice,

Preliminarily Approving Plan of Allocation and Scheduling a Date for a Fairness Hearing.¹ Due notice having been given and the *Court* having been fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

Except as otherwise defined herein, all capitalized and italicized terms used in this *Judgment* shall have the same meanings as ascribed to them in the *Settlement Agreement* executed by *Named Plaintiffs* and *Defendants*.

1. The *Court* has jurisdiction over the subject matter of the *Action* and over all *Parties* to the *Action*, including all members of the *Settlement Class*.

2. For the sole purpose of settling and resolving the *Action*, the *Court* certifies this *Action* as a class action pursuant to Rules 23(a) and (b)(1) of the Federal Rules of Civil Procedure. The *Settlement Class* is defined as:

All current and former participants and beneficiaries (excluding *Defendants* and their *Immediate Family Members*) of the Allina Health System (“*Allina*”) 403(b) Retirement Savings Plan and the Allina 401(k) Retirement Savings Plan at any time between August 18, 2011 and [Date of Preliminary Approval Order].

3. The *Court* finds for the sole purpose of settling and resolving the *Action* that:

(a) as required by FED. R. CIV. P. 23(a)(1), the *Settlement Class* is ascertainable from records kept with respect to the *Plans* and from

¹ All capitalized and italicized terms not otherwise defined in this Order shall have the same meaning as ascribed to them in the *Settlement Agreement*.

other objective criteria, and the *Settlement Class* is so numerous that joinder of all members is impracticable.

- (b) as required by FED. R. CIV. P. 23(a)(2), there are one or more questions of law and/or fact common to the *Settlement Class*.
- (c) as required by FED. R. CIV. P. 23(a)(3), the claims of the *Named Plaintiffs* are typical of the claims of the *Settlement Class* that the *Named Plaintiffs* seek to certify.
- (d) as required by FED. R. CIV. P. 23(a)(4), that the *Named Plaintiffs* will fairly and adequately protect the interests of the *Settlement Class* in that: (i) the interests of the *Named Plaintiffs* and the nature of the alleged claims are consistent with those of the *Settlement Class* members; and (ii) there appear to be no conflicts between or among the *Named Plaintiffs* and the *Settlement Class*.
- (e) as required by FED. R. CIV. P. 23(b)(1), the prosecution of separate actions by individual members of the *Settlement Class* would create a risk of: (i) inconsistent or varying adjudications as to individual *Settlement Class* members that would establish incompatible standards of conduct for the parties opposing the claims asserted in this *Action*; or (ii) adjudications as to individual *Settlement Class* members that, as a practical matter, would be dispositive of the interests of the other members not parties to the individual

adjudications, or substantially impair or impede the ability of such persons to protect their interests.

- (f) as required by FED. R. CIV. P. 23(g), *Class Counsel* are capable of fairly and adequately representing the interests of the *Settlement Class*, and that *Class Counsel*: (i) have done appropriate work identifying or investigating potential claims in the *Action*; (ii) are experienced in handling class actions; and (iii) have committed the necessary resources to represent the *Settlement Class*.

4. The *Court* hereby appoints *Named Plaintiffs* Judy Larson, Janelle Mausolf, and Karen Reese as class representatives for the *Settlement Class* and appoints Kessler Topaz Meltzer & Check, LLP, Bailey & Glasser LLP, Izard Kindall & Raabe LLP, and Nichols Kaster, PLLP as *Class Counsel* for the *Settlement Class*.

5. The *Court* hereby finds that the *Settlement Class* has received proper and adequate notice of the *Settlement*, the *Fairness Hearing*, *Class Counsel's* application for attorneys' fees and reimbursement of litigation costs and for *Case Contribution Awards* to the *Named Plaintiffs*, and the *Plan of Allocation*, such notice having been given in accordance with the *Preliminary Approval Order*. Such notice included individual notice to all members of the *Settlement Class* who could be identified through reasonable efforts, as well as notice through a dedicated *Settlement* website on the internet, and provided valid, due, and sufficient notice of these proceedings and of the matters set forth in this Order, and included sufficient information regarding the procedure for the making

of objections. Such notice fully satisfied the requirements of FED. R. CIV. P. 23 and the requirements of due process.

6. The *Court* hereby approves the *Settlement Agreement* and hereby Orders that the *Settlement Agreement* shall be consummated and implemented in accordance with its terms and conditions.

7. Pursuant to FED. R. CIV. P. 23(e), the *Court* finds that the *Settlement* embodied in the *Settlement Agreement* is fair, reasonable and adequate, and more particularly finds that:

(a) The *Settlement* was negotiated vigorously and at arm's-length by counsel for the *Defendants*, on the one hand, and the *Named Plaintiffs* and *Class Counsel* on behalf of the *Settlement Class*, on the other hand;

(b) *Plaintiffs* and *Defendants* had sufficient information to evaluate the settlement value of the *Action*;

(c) This *Action* settled after this *Court* dismissed *Named Plaintiffs'* *Complaint* in part;

(d) If the *Settlement* had not been achieved, *Named Plaintiffs* and the *Defendants* faced the expense, risk, and uncertainty of extended litigation;

(e) The amount of the *Settlement* – two million, four hundred and twenty five thousand dollars (\$2,425,000.00) is fair, reasonable, and adequate, taking into account the costs, risks, and delay of trial and appeal. The method of distributing the *Class Settlement Amount* is efficient, relying on *Defendants'* records and requiring no filing of claims. The *Settlement* terms related to

attorneys' fees do not raise any questions concerning fairness of the *Settlement*, and there are no agreements, apart from the *Settlement*, required to be considered under FED. R. CIV. P. 23(e)(2)(C)(iv). The *Class Settlement Amount* is within the range of settlement values obtained in similar cases;

(f) At all times, the *Named Plaintiffs* and *Class Counsel* have acted independently of *Defendants* and in the interest of the *Settlement Class*; and,

(g) The *Court* has duly considered and overruled any filed objection(s) to the *Settlement* to the extent there were any.

8. The *Plan of Allocation* is finally approved as fair, reasonable, and adequate. *Class Counsel* shall direct distribution of the *Net Proceeds* in accordance with the *Plan of Allocation* and the *Settlement Agreement*.

9. The *Releases* set forth in the *Settlement Agreement*, including but not limited to Section 3 of the *Settlement Agreement*, together with the definitions contained in sections 1.34, 1.35, and 1.36 of the *Settlement Agreement* relating thereto, are expressly incorporated herein in all respects. The *Releases* are effective as of the date this *Judgment* becomes *Final*. Accordingly, the *Court* orders that, as of the date this Order becomes *Final*:

A. The *Named Plaintiffs*, on behalf of themselves and each member of the *Settlement Class*, shall release the *Released Parties* from the following claims (the "*Released Claims*"): any and all past, present, and future claims of any nature whatsoever (including claims for any and all losses, damages, unjust enrichment, attorneys' fees, disgorgement, litigation costs, injunction, declaration, contribution,

indemnification or any other type or nature of legal or equitable relief), accrued or not, known or unknown, by or on behalf of the *Plans*, the *Named Plaintiffs*, and each and every member of the *Settlement Class*, and their respective heirs, beneficiaries, executors, administrators, past and present parties, agents, attorneys, and assigns that: (a) involve the selection or monitoring of the *Plans*' investments or the *Plans*' fees or the disclosures made to participants; or (b) arise out of the *Action* or are in any way related to any of the acts, omissions, facts, matters, transactions, or occurrences alleged in the *Complaint*. With respect to the *Released Claims*, it is the intention of the *Parties* and all other members of the *Settlement Class* and the *Plans* to expressly waive to the fullest extent of the law: (a) the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides that "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party"; and (b) the provisions, rights and benefits of any similar statute or common law of any other jurisdiction that may be, or may be asserted to be, applicable. This release does not include any claims that the *Named Plaintiffs* or the *Settlement Class* have for vested benefits under the terms of the *Plans*.

B. *Defendants* (or their *Successor-In-Interest*) shall conclusively, absolutely, unconditionally, irrevocably, and forever release and discharge the *Named Plaintiffs* and *Class Counsel* from all *Claims* of *Defendants* related to the institution or prosecution of the *Action*.

10. Upon this *Judgment* becoming *Final*, the *Plaintiffs* and the *Plans* shall be permanently and finally enjoined, without the necessity of Defendants posting a bond, from commencing or prosecuting any actions or other proceedings asserting any of the *Released Claims* either directly, indirectly, derivatively, or in any other capacity, against any of the *Released Parties*.

11. The *Action* is hereby dismissed without prejudice with a direction to the clerk of the *Court* to enter final judgment pursuant to FED. R. CIV. P. 54(b), finding that there is no just reason for delay of enforcement or appeal of the instant Order. The dismissal without prejudice is solely to allow the *Court* to supervise the administration of the *Settlement*.

12. The *Court* shall retain exclusive jurisdiction to resolve any disputes or challenges that may arise as to the performance of the *Settlement Agreement* or any challenges as to the performance, validity, interpretation, administration, enforcement, or enforceability of the *Class Notice*, *Plan of Allocation*, this *Judgment*, or the *Settlement Agreement* or the termination of the *Settlement Agreement*. The *Court* shall also retain exclusive jurisdiction and rule by separate Order with respect to all applications for awards of attorneys' fees and *Case Contribution Awards* to the *Named Plaintiffs*, and reimbursements of litigation costs, submitted pursuant to the *Settlement Agreement*.

13. In the event that the *Settlement Agreement* is terminated, in accordance with its terms, this *Judgment* shall be rendered null and void, *ab initio*, and shall be vacated *nunc pro tunc*, and this *Action* shall for all purposes with respect to the *Parties* revert to its status as of the day immediately before the day the *Settlement* was reached.

The *Parties* shall be afforded a reasonable opportunity to negotiate a new case management schedule.

14. This *Judgment* shall not be construed or used as an admission, concession, or declaration by or against *Defendants* of any fault, wrongdoing, breach, or liability. *Defendants* have denied and continue to deny all of the claims and allegations made by *Named Plaintiffs* in the *Action* and specifically deny any liability, wrongful conduct, violation of law, or breach of duty of any kind.

15. This *Judgment* shall not be construed or used as an admission, concession, or declaration by or against *Named Plaintiffs* or the *Settlement Class* that their claims lack merit or that the relief requested in the *Action* is inappropriate, improper, or unavailable.

16. This *Judgment* shall not be construed or used as an admission, concession, declaration, or waiver by any *Party* of any arguments, defenses, or claims he, she, or it may have in the event that the *Settlement Agreement* is terminated. Moreover, the *Settlement Agreement* and any proceedings taken pursuant to the *Settlement Agreement* are for settlement purposes only. Neither the fact of, nor any provision contained in the *Settlement Agreement* or its exhibits, nor any actions taken thereunder shall be construed as, offered into evidence as, received in evidence as, and/or deemed to be evidence of a presumption, concession, or admission of any kind as to the truth of any fact alleged or validity of any defense that has been, could have been, or in the future might be asserted.

SO ORDERED this ____ day of _____, 2019.

Hon. Susan Richard Nelson
United States District Judge

EXHIBIT C

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Judy Larson, Janelle Mausolf, and Karen
Reese, individually and on behalf of
themselves and all others similarly situated,

Plaintiffs,

vs.

Allina Health System; the Allina Health
System Board of Directors; the Allina
Health System Retirement Committee; the
Allina Health System Chief Administrative
Officer; the Allina Health System Chief
Human Resources Officer; Clay Ahrens;
John I. Allen; Jennifer Alstad; Gary
Bhojwani; Barbara Butts-Williams; John R.
Church; Laura Gillund; Joseph Goswitz;
Greg Heinemann; David Kuplic; Hugh T.
Nierengarten; Sahra Noor; Brian Rosenberg;
Debbra L. Schoneman; Thomas S. Schreier,
Jr.; Abir Sen, Sally J. Smith; Darrell Tukua;
Penny Wheeler; Duncan Gallagher;
Christine Webster Moore; Kristyn Mullin;
Steve Wallner; John T. Knight; and John
Does 1–20,

Defendants.

Case No. 17-cv-03835 (SRN/SER)

PLAN OF ALLOCATION

I. DEFINITIONS

Except as indicated in this *Plan of Allocation*, the capitalized and *italicized* terms used herein shall have the meaning ascribed to them in the *Settlement Agreement*.

II. CALCULATION OF ALLOCATION AMOUNTS

A. Per paragraph 4.2.1 of the *Settlement Agreement*, the *Recordkeeper* shall provide the *Settlement Administrator* with the data reasonably necessary to determine the amount of the *Net Proceeds* to be distributed to each member of the *Settlement Class* (“*Settlement Class Member*” or “*Class Member*”) in accordance with this *Plan of Allocation*.

B. The data reasonably necessary to perform calculations under this *Plan of Allocation* is as follows: the balances for each *Class Member* in their *Plan*¹ accounts as of August 18, 2011 (or as close thereto as practicable) and as of December 31, 2011, and on December 31 of each subsequent year of the Class Period up to and including 2018. For 2019, the *Agreement Execution Date* will be used. The *Class Members’ Plan* account balance, calculated as the sum of each *Class Member’s* balance in their *Plan* accounts, at each such time will be known as the “*Annual Account Balance*.”

C. Allocation of payments shall be in proportion to *Settlement Class Member* investments in the *Plan*. The *Net Proceeds* will be allocated as follows:

1. Calculate the sum of all *Annual Account Balances* for each year of the *Class Period*.
2. Allocate each *Class Member* a share of the *Net Proceeds* in proportion to the sum of that *Class Member’s Annual Account Balance*, where the numerator is the *Class Member’s Annual Account Balances* and the denominator is the total of all *Class Member’s Annual Account Balances*;

D. *Class Members* who are entitled to a distribution of less than \$10.00 will

¹ The term *Plan* shall have the same meaning as *Plans*.

receive a distribution of \$10.00. *Class Members'* awards falling below \$10.00, will be progressively increased to \$10.00 from the *Net Proceeds* and the *Net Proceeds* will be re-allocated until the lowest participating *Class Member* award is \$10.00. This modified award shall be known as the *Class Member's Entitlement Amount*.

E. Settlement Class Members With Accounts In the Plan. The Allina 403(b) Retirement Savings Plan has been frozen since October 2010, and as of January 1, 2012, all eligible Allina employees became participants in the Allina 401(k) Retirement Savings Plan. For *Class Members* with an active account (an account with a positive balance) at the time of distribution, each *Class Member's Entitlement Amount* will be allocated into their *Plan* account in the Allina 401(k) Retirement Savings Plan and in proportion to each account's (*i.e.* the Allina 403(b) and 401(k) Plan) contribution to that *Class Member's Entitlement Amount*.

As promptly as reasonably possible after deposit of the *Net Proceeds* into the *Plans* (per Section 8.2.3 of the *Settlement Agreement*), the *Settlement Administrator* shall forward to the *Recordkeeper* the information/data needed for allocating into each *Settlement Class Member's* account under the *Plans* his or her *Class Member's Entitlement Award*. The deposited amount shall be invested by the *Recordkeeper* pursuant to the *Settlement Class Member's* investment elections on file. If the *Class Member* has no election on file, it shall be invested in any default investment option(s) designated by the *Plans*, and if the *Plans* have not designated any default investment option(s), in a target date fund commensurate with the *Class Member's* retirement age or similar fund under the *Plans*.

F. Settlement Class Members Without Accounts Under the Plan. *Former Participants* shall be handled in the following manner.

(1) For *Former Participants* whose *Class Member Entitlement Award* as calculated by the *Settlement Administrator* is determined to be Two Hundred Dollars (\$200.00) or more, such *Former Participant* will have the opportunity to elect a tax-qualified rollover of his or her settlement payment to an individual retirement account or other eligible employer plan, which he or she has identified on a form to be provided by the *Settlement Administrator*, provided that the qualified *Former Participant* supplies adequate information to the *Settlement Administrator* to effect the rollover. If such *Former Participant* does not elect a rollover, or elects a rollover but fails to provide adequate information, the *Former Participant* will receive his or her settlement payment by check in the same maner as *Former Participants* with *Class Member Entitlement Awards* less than Two Hundred Dollars \$200.00 as described below.

(2) For *Former Participants* whose Final Dollar Recovery is determined to be less than Two Hundred Dollars (\$200.00), such funds shall be paid directly to such *Former Participants* by the *Settlement Administrator*. All such payments are intended to be “restorative payments” in accordance with Internal Revenue Service Revnue Ruling 2002-45. Checks issued to *Former Participants* pursuant to this paragraph shall be valid for 180 days from the date of issue.

G. The *Settlement Administrator* shall utilize the calculations required to be performed herein for making the required distributions of the *Entitlement Amount*, less any required tax withholdings or penalties, to each *Class Member*. In the event that the

Settlement Administrator determines that the *Plan of Allocation* would otherwise require payments exceeding the *Net Proceeds*, the *Settlement Administrator* is authorized to make such changes as are necessary to the *Plan of Allocation* such that said totals do not exceed the *Net Proceeds*. The *Settlement Administrator* shall be solely responsible for performing any calculations required by this *Plan of Allocation*.

H. If the *Settlement Administrator* concludes that it is impracticable to implement any provision of the *Plan of Allocation*, it shall be authorized to make such changes to the methodology as are necessary to implement as closely as possible the terms of the *Settlement Agreement*, so long as the total amount of distributions does not—without written agreement of *Class Counsel*—exceed the *Net Proceeds*.

I. No sooner than fourteen (14) calendar days following the expiration of all undeposited checks issued pursuant to this *Plan of Allocation*, any amount remaining in the Qualified Settlement Fund (as described in Section 7.1.2 of the Settlement Agreement) shall be paid to the *Plans* for the purpose of defraying administrative fees and expenses of the *Plans* that would otherwise be charged to the *Plans*' participants. In no event shall any part of the *Settlement Fund* be used to reimburse any *Defendant* or otherwise offset costs, including *Settlement* related costs, incurred by any *Defendant*.

III. QUALIFICATIONS AND CONTINUING JURISDICTION

The *Court* will retain jurisdiction over the *Plan of Allocation* to the extent necessary to ensure that it is fully and fairly implemented.

EXHIBIT D

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Judy Larson, Janelle Mausolf, and Karen
Reese, individually and on behalf of
themselves and all others similarly
situated,

Plaintiffs,

vs.

Allina Health System; the Allina Health
System Board of Directors; the Allina
Health System Retirement Committee;
the Allina Health System Chief
Administrative Officer; the Allina Health
System Chief Human Resources Officer;
Clay Ahrens; John I. Allen; Jennifer
Alstad; Gary Bhojwani; Barbara Butts-
Williams; John R. Church; Laura
Gillund; Joseph Goswitz; Greg
Heinemann; David Kuplic; Hugh T.
Nierengarten; Sahra Noor; Brian
Rosenberg; Debbra L. Schoneman;
Thomas S. Schreier, Jr.; Abir Sen, Sally
J. Smith; Darrell Tukua; Penny Wheeler;
Duncan Gallagher; Christine Webster
Moore; Kristyn Mullin; Steve Wallner;
John T. Knight; and John Does 1–20,

Defendants.

Case No. 17-cv-03835
(SRN/SER)

**ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION
SETTLEMENT, PRELIMINARILY CERTIFYING A CLASS FOR
SETTLEMENT PURPOSES, APPROVING FORM AND MANNER OF
CLASS NOTICE, PRELIMINARILY APPROVING PLAN OF
ALLOCATION AND SCHEDULING A DATE FOR A
FAIRNESS HEARING**

This *Action* involves claims for alleged violations of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, *et seq.* (“ERISA”), with respect to the Allina Health System (“*Allina*”) 403(b) Retirement Savings Plan and the Allina 401(k) Retirement Savings Plan (collectively, the “*Plans*” or “*Plan*”).¹ The terms of the *Settlement* are set out in the *Settlement Agreement*, fully executed as of October 14, 2019, by counsel on behalf of the *Named Plaintiffs* and *Defendants*, respectively.

Pursuant to the *Named Plaintiffs*’ Motion for Preliminary Approval of Class Action Settlement, Preliminary Certification of a Class for Settlement Purposes, Approving Form and Manner of Class Notice, Preliminarily Approving Plan of Allocation, and Scheduling a Date for a *Fairness Hearing* filed on _____, 2019, the *Court* preliminarily considered the *Settlement* to determine, among other things, whether the *Settlement* is sufficient to warrant the issuance of notice to members of the proposed *Settlement Class*. Upon reviewing the *Settlement Agreement* and the matter having come before the *Court* at the _____ hearing, due notice having been given and the *Court* having been fully advised in the premises, it is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. **Preliminary Certification of the Settlement Class.** In accordance with the *Settlement Agreement*, and pursuant to Rules 23(a) and (b)(1) of the Federal Rules of Civil Procedure, this Court hereby conditionally certifies the following class (“*Settlement Class*”):

¹ All capitalized and italicized terms not otherwise defined in this Order shall have the same meaning as ascribed to them in the *Settlement Agreement*.

All current and former participants and beneficiaries (excluding *Defendants* and their *Immediate Family Members*) of the Allina Health System (“*Allina*”) 403(b) Retirement Savings Plan and the Allina 401(k) Retirement Savings Plan at any time between August 18, 2011 and the date of this Order.

2. Pursuant to the *Settlement Agreement*, and for settlement purposes only, the *Court* preliminarily finds that:

- (a) as required by FED. R. CIV. P. 23(a)(1), the *Settlement Class* is ascertainable from records kept with respect to the *Plans* and from other objective criteria, and the *Settlement Class* is so numerous that joinder of all members is impracticable.
- (b) as required by FED. R. CIV. P. 23(a)(2), there are one or more questions of law and/or fact common to the *Settlement Class*.
- (c) as required by FED. R. CIV. P. 23(a)(3), the claims of the *Named Plaintiffs* are typical of the claims of the *Settlement Class* that the *Named Plaintiffs* seek to certify.
- (d) as required by FED. R. CIV. P. 23(a)(4), that the *Named Plaintiffs* will fairly and adequately protect the interests of the *Settlement Class* in that: (i) the interests of the *Named Plaintiffs* and the nature of the alleged claims are consistent with those of the *Settlement Class* members; and (ii) there appear to be no conflicts between or among the *Named Plaintiffs* and the *Settlement Class*.
- (e) as required by FED. R. CIV. P. 23(b)(1), the prosecution of separate actions by individual members of the *Settlement Class* would create

a risk of: (i) inconsistent or varying adjudications as to individual *Settlement Class* members that would establish incompatible standards of conduct for the parties opposing the claims asserted in this *Action*; or (ii) adjudications as to individual *Settlement Class* members that, as a practical matter, would be dispositive of the interests of the other members not parties to the individual adjudications, or substantially impair or impede the ability of such persons to protect their interests.

- (f) as required by FED. R. CIV. P. 23(g), *Class Counsel* are capable of fairly and adequately representing the interests of the *Settlement Class*, and *Class Counsel*: (i) have done appropriate work identifying or investigating potential claims in the *Action*; (ii) are experienced in handling class actions; and (iii) have committed the necessary resources to represent the *Settlement Class*.

3. The *Court* preliminarily appoints the *Named Plaintiffs* Judy Larson, Janelle Mausolf, and Karen Reese as class representatives for the *Settlement Class* and Kessler Topaz Meltzer & Check LLP, Bailey & Glasser LLP, Izard Kindall & Raabe LLP, and Nichols Kaster, PLLP as *Class Counsel* for the *Settlement Class*.

4. The *Court* preliminarily approves the proposed *Plan of Allocation*, finding it is fair, reasonable, and adequate.

5. **Preliminary Approval of Proposed Settlement** – The *Settlement Agreement* is hereby preliminarily approved as fair, reasonable, and adequate. This *Court* preliminarily finds that:

- a) The *Settlement* was negotiated vigorously and at arm's-length by counsel for the *Defendants*, on the one hand, and the *Named Plaintiffs* and *Class Counsel* on behalf of the *Settlement Class*, on the other hand;
- b) *Plaintiffs* and *Defendants* had sufficient information to evaluate the settlement value of the *Action*;
- c) This *Action* settled after this *Court* dismissed *Named Plaintiffs' Complaint* in part;
- d) If the *Settlement* had not been achieved, *Named Plaintiffs* and the *Defendants* faced the expense, risk, and uncertainty of extended litigation;
- e) The amount of the *Settlement* – two million, four hundred and twenty five thousand dollars (\$2,425,000.00) is fair, reasonable, and adequate, taking into account the costs, risks, and delay of trial and appeal. The method of distributing the *Class Settlement Amount* is efficient, relying on *Defendants'* records and requiring no filing of claims. The *Settlement* terms related to attorneys' fees do not raise any questions concerning fairness of the *Settlement*, and there are no agreements, apart from the *Settlement*, required to be considered under FED. R. CIV. P. 23(e)(2)(C)(iv). The *Class Settlement Amount* is within the range of settlement values obtained in similar cases;

f) At all times, the *Named Plaintiffs* and *Class Counsel* have acted independently of *Defendants* and in the interest of the *Settlement Class*; and,

6. **Fairness Hearing** – A hearing is scheduled for _____ to make a final determination, concerning among other things:

- Whether the *Settlement* merits final approval as fair, reasonable, and adequate;
- Whether the *Action* should be dismissed with prejudice pursuant to the terms of the *Settlement*;
- Whether the notice method proposed by the *Parties*: (i) constitutes the best practicable notice; (ii) constitutes notice reasonably calculated, under the circumstances, to apprise members of the *Settlement Class* of the pendency of the litigation, their right to object to the *Settlement*, and their right to appear at the *Fairness Hearing*; (iii) is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to notice; and (iv) meets all applicable requirements of the Federal Rules of Civil Procedure and any other applicable law;
- Whether *Class Counsel* adequately represented the *Settlement Class* for purposes of entering into and implementing the *Settlement*;
- Whether the proposed *Plan of Allocation* should be finally approved; and

- Whether *Class Counsel's* application(s) for attorneys' fees and expenses and *Case Contribution Awards* to the *Named Plaintiffs* is fair and reasonable, and should be approved.

7. **Class Notice** – The *Court* approves the form of *Class Notice* attached as Exhibit A to the *Settlement Agreement*. The *Court* finds that such form of notice fairly and adequately: (a) describes the terms and effects of the *Settlement Agreement*, the *Settlement*, and the *Plan of Allocation*; (b) notifies the *Settlement Class* that *Class Counsel* will seek attorneys' fees and litigation costs from the *Settlement Fund*, payment of the costs of administering the *Settlement* out of the *Settlement Fund*, and for a *Case Contribution Award* for the *Named Plaintiffs* for their service in such capacity; (c) gives notice to the *Settlement Class* of the time and place of the *Fairness Hearing*; and (d) describes how the recipients of the *Class Notice* may object to any of the relief requested. The *Parties* have proposed the following manner of communicating the notice to members of the *Settlement Class*, and the *Court* finds that such proposed manner is the best notice practicable under the circumstances. Accordingly, the *Court* directs that *Class Counsel* shall:

- By no later than _____ (Thirty days after entry of this Order), cause the *Class Notice*, with such non-substantive modifications thereto as may be agreed upon by the *Parties*, to be provided by first-class mail, postage prepaid, to the last known address of each member of the *Settlement Class* who can be identified through reasonable effort.

- By no later than _____ (Thirty days after entry of this Order), cause the *Class Notice* to be published on the website identified in the *Class Notice*, [www.Allina ERISAsettlement.com](http://www.AllinaERISAsettlement.com), which will also host and make available copies of all *Settlement*-related documents, including the *Settlement Agreement*.

8. **Petition for Attorney's Fees and Litigation Costs and Case Contribution Awards** – Any petition by *Class Counsel* for attorney's fees, litigation costs and *Case Contribution Awards* to the *Named Plaintiffs*, and all briefs in support thereof, shall be filed no later than _____ (Thirty days before the date of the *Fairness Hearing* specified in this Order).

9. **Briefs in Support of Final Approval of the Settlement** – Briefs and other documents in support of final approval of the *Settlement* shall be filed no later than _____ (Thirty days before the date of the *Fairness Hearing* specified in this Order).

10. **Objections to Settlement** – Any member of the *Settlement Class* or authorized recipient of any *CAFA Notice* may file an objection to the fairness, reasonableness, or adequacy of the *Settlement*, to any term of the *Settlement Agreement*, to the *Plan of Allocation*, to the proposed award of attorneys' fees and litigation costs, the payment of costs of administering the *Settlement* out of the *Settlement Fund*, or to the request for a *Case Contribution Award* for the *Named Plaintiffs*. An objector must file with the *Court* a statement of his, her, or its objection(s), specifying the reason(s), if any, for each such objection made, including any legal support and/or evidence that the

objector wishes to bring to the *Court's* attention or introduce in support of the objection(s). The address for filing objections with the *Court* is as follows:

Clerk of the Court
United States District Court, District of Minnesota
Warren E. Burger Federal Building & United States Courthouse
316 North Robert Street
Suite 100
St. Paul, MN 55101

Re: *Larson, et al. v. Allina Health System, et al.*,
Civil Action No. 17-cv-03835-SRN/SER (D. Minn)

The objector or his, her, or its counsel (if any) must file the objection(s) and supporting materials with the *Court* no later than _____ (Fifteen days before the date of the *Fairness Hearing* specified in this Order). If an objector hires an attorney to represent him, her, or it for the purposes of making an objection pursuant to this paragraph, the attorney must also file a notice of appearance with the *Court* no later than _____ (Fifteen days before the date of the *Fairness Hearing* specified in this Order). Any member of the *Settlement Class* or other *Person* who does not timely file a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the *Settlement*, and any untimely objection shall be barred. Any responses to objections shall be filed with the *Court* no later than _____ (Seven days before the date of the *Fairness Hearing* specified in this Order). There shall be no reply briefs.

11. Any additional briefs the *Parties* may wish to file in support of the *Settlement* shall be filed no later than _____ (Seven days before the date of the *Fairness Hearing* specified in this Order).

12. **Appearance at Final Approval Hearing** – Any objector who files and serves a timely, written objection in accordance with paragraph 10 above may also appear at the *Fairness Hearing* either in person or through qualified counsel retained at the objector's expense. Objectors or their attorneys intending to appear at the *Fairness Hearing* must file a notice of intention to appear (and, if applicable, the name, address, and telephone number of the objector's attorney) with the *Court* by no later than _____ (Fifteen days before the date of *Fairness Hearing* specified in this Order). Any objector who does not timely file a notice of intention to appear in accordance with this paragraph shall not be permitted to appear at the *Fairness Hearing*, except for good cause shown.

13. **Notice Expenses** – The expenses of printing, mailing, and publishing the *Class Notice* required herein shall be paid exclusively from the *Settlement Fund*.

14. **Termination of Settlement** – This Order shall become null and void, *ab initio*, and shall be without prejudice to the rights of the *Parties*, all of whom shall be restored to their respective positions as of the day immediately before the *Parties* reached agreement to settle the *Action*, if the *Settlement* is terminated in accordance with the terms of the *Settlement Agreement*.

15. **Use of Order** – This Order is not admissible as evidence for any purpose against *Defendants* in any pending or future litigation. This Order shall not be construed or used as an admission, concession, or declaration by or against *Defendants* of any finding of fiduciary status, fault, wrongdoing, breach, omission, violation of law, breach of duty, mistake, or liability. This Order shall not be construed or used as an admission,

concession, or declaration by or against *Named Plaintiffs* or the *Settlement Class* that their claims lack merit, or that the relief requested in the *Action* is inappropriate, improper, or unavailable. This Order shall not be construed or used as an admission, concession, declaration, or waiver by any *Party* of any arguments, defenses, or claims he, she, or it may have, including, but not limited to, any objections by *Defendants* to class certification, in the event that the *Settlement Agreement* is terminated. Moreover, the *Settlement Agreement* and any proceedings taken pursuant to the *Settlement Agreement* are for settlement purposes only. Neither the fact of, nor any provision contained in, the *Settlement Agreement* or its exhibits, nor any actions taken thereunder, shall be construed as, offered into evidence as, received in evidence as, and/or deemed to be evidence of a presumption, concession, or admission of any kind as to the truth of any fact alleged or validity of any claim or defense that has been, could have been, or in the future might be asserted.

16. **Jurisdiction** – The Court hereby retains jurisdiction for purposes of implementing the *Settlement*, and reserves the power to enter additional orders to effectuate the fair and orderly administration and consummation of the *Settlement* as may from time to time be appropriate, and to resolve any and all disputes arising thereunder.

17. **Continuance of Final Approval Hearing** – The *Court* reserves the right to continue the *Fairness Hearing* without further written notice.

SO ORDERED this ____ day of _____, 2019.

Hon. Susan Richard Nelson
United States District Judge