

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

LINDA WONG, Individually and on Behalf of All ) No. 1:12-cv-03102  
Others Similarly Situated, )  
 )  
Plaintiff, ) CLASS ACTION  
 )  
vs. )  
ACCRETIVE HEALTH, INC., et al., ) Judge Sharon Johnson Coleman  
 ) Magistrate Judge Arlander Keys  
Defendants. )  
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**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION**

**TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF ACCRETIVE HEALTH, INC. (“ACCRETIVE HEALTH” OR THE “COMPANY”) BETWEEN NOVEMBER 10, 2010 AND APRIL 27, 2012, INCLUSIVE**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM POSTMARKED ON OR BEFORE JANUARY 13, 2014.

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

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Northern District of Illinois (the “Court”). The purpose of this Notice of Pendency and Proposed Settlement of Class Action (“Notice”) is to inform you of the proposed settlement of this securities class action litigation (the “Settlement”) and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement. The Settlement resolves the Class’s claims asserted against the Defendants. This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement and this class action litigation.

The proposed Settlement creates a fund in the amount of Fourteen Million Dollars (\$14,000,000.00) in cash plus interest that accrues on the fund prior to distribution. Based on the information currently available to Lead Plaintiff and the analysis performed by its damages consultant, it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution, the estimated average distribution per share will be approximately \$0.20 before deduction of Court-approved fees and expenses. Historically, actual claims rates are less than 100%, which result in higher distributions per share. Your actual recovery from this fund will depend on a number of variables, including the number of claimants, the amount of Accretive Health common stock you and they purchased or acquired, the amount of Accretive Health common stock you and they sold, the expense of administering the claims process, and the timing of your purchases or acquisitions and sales, if any (see the Plan of Distribution below for a more detailed description of how the settlement proceeds will be allocated among Class Members).

The Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Action. The issues on which the parties disagree include, but are not limited to: (1) whether the statements made or facts allegedly omitted were false, material, or otherwise actionable under the federal securities laws; (2) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the trading price of Accretive Health common stock; (3) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the trading price of Accretive Health common stock; (4) the extent to which external factors, such as general market conditions, influenced the trading price of Accretive Health common stock; (5) the effect of various market forces influencing the trading price of Accretive Health common stock; (6) the amount by which the price of Accretive Health common stock was allegedly artificially inflated (if at all); and (7) the appropriate economic model for determining the amount by which the price of Accretive Health common stock was allegedly artificially inflated (if at all). Lead Plaintiff and Defendants do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff was to have prevailed on each claim asserted. The Defendants deny that they have violated the federal securities laws or any laws.

Lead Plaintiff believes that the proposed Settlement is a very good recovery and is in the best interests of the Class. There were significant risks associated with continuing to litigate through trial, and if the Defendants succeeded in dismissing the Action, at summary judgment, or prevailed at trial, the Class would receive nothing. In addition, the amount of damages recoverable by the Class was and is challenged by the Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law, and had the Action gone to trial, the Defendants intended to assert that all of the losses of Class Members were caused by non-actionable market, industry, general economic or company-specific factors, other than the revelation of the facts alleged to be misleadingly stated or omitted.

Lead Counsel have not received any payment for their services in conducting this Action on behalf of Lead Plaintiff and the members of the Class, nor have they been paid their litigation expenses. If the Settlement is approved by the Court, Lead Counsel will apply to the Court for attorneys' fees of up to 30% of the settlement proceeds plus expenses not to exceed \$100,000.00, plus interest on such amounts, all of which shall be paid from the Settlement Fund. If the amounts requested by counsel are approved by the Court, the average cost per share would be approximately \$0.06.

This Notice is not an expression of any opinion by the Court about the merits of any of the claims or defenses asserted by any party in this Action or the fairness or adequacy of the proposed Settlement.

For further information regarding this Settlement you may contact: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Telephone: 1-800-449-4900. Please do not call any representative of the Defendants or the Court.

## **I. NOTICE OF HEARING ON PROPOSED SETTLEMENT**

A hearing (the "Settlement Hearing") will be held on January 17, 2014, at 9:30 a.m., before the Honorable Sharon Johnson Coleman, United States District Judge, at the United States District Court for the Northern District of Illinois, Everett McKinley Dirksen United States Courthouse, Courtroom 1425, 219 South Dearborn Street, Chicago, Illinois 60604. The purpose of the Settlement Hearing will be to determine: (1) whether the Settlement consisting of Fourteen Million Dollars (\$14,000,000.00) in cash plus accrued interest on the Settlement Fund should be approved as fair, reasonable, and adequate to the Class, which would result in this Action being dismissed with prejudice against the Released Persons as set forth in the Settlement Agreement dated September 19, 2013; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Distribution") is fair, reasonable, and adequate; and (3) whether the application by Lead Counsel for an award of attorneys' fees and expenses should be approved. The Court may adjourn or continue the Settlement Hearing without further notice to the Class.

## **II. DEFINITIONS USED IN THIS NOTICE**

1. "Authorized Claimant" means any member of the Class who submits a timely and valid Proof of Claim and Release form and whose claim for recovery has been allowed pursuant to the terms of the Settlement Agreement.

2. "Claims Administrator" means the firm of Gilardi & Co. LLC.

3. "Class" means all persons, without geographic limitation, who purchased or otherwise acquired Accretive Health common stock during the period from November 10, 2010, through and including April 27, 2012, or their successor in interest, and who were damaged by Defendants' alleged violations of Sections 10(b) and/or 20(a) of the Securities Exchange Act of 1934. Excluded from the Class are Defendants, the current officers and directors of the Company, members of their immediate families, any entity in which a Defendant has a controlling interest, and the legal representatives, heirs, successors or assigns of any such excluded party. Also excluded from the Class are those Persons who timely and validly exclude themselves therefrom.

4. "Class Member" means a Person who falls within the definition of the Class as set forth above.

5. "Class Period" means the period from November 10, 2010 to April 27, 2012, inclusive.

6. "Defendants" means Accretive Health, Mary A. Tolan, and John T. Staton.

7. "Effective Date" means the first date by which all of the events and conditions specified in paragraph 8.1 of the Settlement Agreement have been met and have occurred.

8. "Escrow Account" means the account controlled by the Escrow Agent.

9. "Escrow Agent" means Robbins Geller Rudman & Dowd LLP or its successor(s).

10. "Final" means when the last of the following with respect to the Judgment approving the Settlement, in the form of Exhibit B attached to the Settlement Agreement, shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, the determination of that motion or appeal in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of the Settlement Agreement. For purposes of this paragraph, an "appeal" shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal that concerns only the issue of attorneys' fees and expenses or any Plan of Distribution of the Settlement Fund.

11. "Judgment" means the judgment and order of dismissal with prejudice to be rendered by the Court upon approval of the Settlement, in the form attached to the Settlement Agreement as Exhibit B.

12. "Lead Counsel" means Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101.

13. "Lead Plaintiff" means Indiana State Police Benefit System.
14. "Net Settlement Fund" means the portion of the Settlement Fund that shall be distributed to Authorized Claimants as allowed by the Settlement Agreement, the Plan of Distribution, or the Court.
15. "Person" means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.
16. "Plaintiffs' Counsel" means any counsel who filed a complaint in the Action or any action that has been consolidated with the Action.
17. "Plan of Distribution," as further defined in §VII of this Notice, means a plan or formula of allocation of the Net Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of expenses of notice and administration of the Settlement, Taxes and Tax Expenses, and such attorneys' fees, costs, expenses, and interest, and other expenses as may be awarded by the Court. Any Plan of Distribution is not part of the Settlement Agreement and the Released Persons shall have no responsibility or liability with respect to the Plan of Distribution.
18. "Related Persons" means, with respect to the Defendants, each and all of their respective present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of their respective present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, agents, spouses, associates, and assigns of each of them or any trust of which any Defendant and/or their Related Persons is the settlor or which is for the benefit of any Defendant and/or their Related Persons and/or member(s) of his or her family and any entity in which any such Defendant and/or their Related Persons has a controlling interest.
19. "Released Claims" means any and all claims, causes of action, rights, actions, suits, obligations, debts, demands, judgments, agreements, promises, liabilities, damages, losses, controversies, costs, expenses or attorney fees, of every nature and description whatsoever that were, may have been, or could have been asserted in the Action and whether direct or indirect, now known or unknown, suspected or unsuspected, accrued or unaccrued, in law or in equity whether having arisen or yet to arise, including, without limitation, any claims of violations of federal or state securities laws and any federal or state claims of fraud, intentional misrepresentation, negligent misrepresentation, negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, breach of fiduciary duty, or violations of any state or federal statutes, rules or regulations (including "Unknown Claims" as defined below), that have been or could have been alleged or asserted now or in the future by the Lead Plaintiff or any Class Member against the Defendants or any of them or any of the Released Persons in this Action or in any other court action or before any administrative body, tribunal, arbitration panel, or other adjudicatory body, arising out of, relating to, or in connection with: (a) both a Class Member's purchase(s) or acquisition(s) of Accretive Health common stock during the Class Period and the acts, facts, transactions, events, occurrences, disclosures, statements, omissions, or failures to act that were alleged, may have been alleged, or could have been alleged in the Action; or (b) any claims relating to the institution, prosecution, assertion, settlement, or resolution of the Action. For the avoidance of doubt, Released Claims does not include the claims alleged as of the date of the Settlement Agreement in the actions captioned: *Tiffany M. Hughes v. Accretive Health, Inc., et al.*, Civil Action No. 13-cv-3688 (N.D. Ill.); *Marvin H. Maurras Revocable Trust, et al. v. Edgar M. Bronfman, Jr., et al.*, Civil Action No. 12-cv-03395 (N.D. Ill.); *Zhao v. Tolan, et al.*, No. 12-cv-06019 (N.D. Ill.); *Robert Doyle v. Mary A. Tolan, et al.*, Civil Action No. 8008-VCP (Del. Ch.); and *In re Accretive Health Inc. Derivative Litigation*, Case No. 12-CH-23754 (Il. Ch. Ct.).
20. "Released Persons" means each and all of Defendants and each and all of their Related Persons.
21. "Settlement Fund" means Fourteen Million Dollars (\$14,000,000.00) in cash paid by or on behalf of Defendants pursuant to paragraph 3.1 of the Settlement Agreement, together with all interest and income earned thereon after being transferred to an account controlled by the Escrow Agent. Such amount is paid as consideration for full and complete settlement of all the Released Claims.
22. "Settling Parties" means Defendants and Lead Plaintiff on behalf of itself and the Class Members.
23. "Unknown Claims" means any Released Claims which Lead Plaintiff or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code §1542, which provides:

**A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.**

Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, whether or not previously or currently asserted in any action. Lead Plaintiff acknowledges, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and an essential term of the Settlement of which this release is a part.

### **III. THE LITIGATION**

This case is currently pending before the Honorable Sharon Johnson Coleman in the United States District Court for the Northern District of Illinois (the "Court") and was brought on behalf of the Class of all persons, without geographic limitation, who purchased or otherwise acquired Accretive Health common stock during the period from November 10, 2010 through and including April 27, 2012 (the "Class Period"), or their successor in interest, and who were damaged by Defendants' alleged violations of Sections 10(b) and/or 20(a) of the Securities Exchange Act of 1934. The initial complaint was filed on April 26, 2012, and on August 13, 2012, the Court appointed Indiana Police as Lead Plaintiff and the firm Robbins Geller Rudman & Dowd LLP as Lead Counsel. On October 12, 2012, Lead Plaintiff filed the operative Complaint, which alleges that during the Class Period, Defendants made false and misleading statements to investors concerning Accretive Health's allegedly illegal business practices, including debt collection processes and procedures, which Lead Plaintiff alleges artificially inflated Accretive Health's stock price and when the truth was eventually disclosed, resulted in substantial damages to the Class.

From the outset of the litigation, Defendants have denied all of these allegations and consistently maintained that they never made any statement to the market that was or that they believed was false or misleading, nor did they ever direct anyone to make public statements that were or that they believed were false and misleading. Defendants believed at the time and still believe that, during the Class Period and at all other times, Accretive Health's public statements were truthful, accurate and not misleading, including those statements relating to Accretive Health's business relationships, debt collection and data security practices, and compliance programs. As a result, and as argued in their motion to dismiss the Action, which is pending at the time of this Settlement, Defendants contend that Lead Plaintiff did not plead an actionable claim and cannot prove any element of securities fraud, including, but not limited to, scienter.

On December 11, 2012, Defendants filed their Motion to Dismiss the Action, alleging that Lead Plaintiff's Complaint failed to state a claim for relief. Lead Plaintiff filed its opposition on March 1, 2013, and Defendants filed their reply on March 29, 2013. At the time the Settling Parties reached an agreement to settle the Action, Defendants' Motion to Dismiss was pending before the Court.

During the litigation, the Settling Parties participated in a full-day mediation session with well-respected mediator, Jed Melnick, who has extensive experience mediating complex class action litigations such as this Action. The parties ultimately agreed to settle the Action based upon a Mediator's Proposal issued by Jed Melnick.

### **IV. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT**

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action have merit. But Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial, and have considered the limited funds available to satisfy a judgment. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and risks in connection with the Court's pending Motion to Dismiss decision, Lead Plaintiff's forthcoming motion for class certification, Defendants' anticipated summary judgment motion, and a jury trial, especially in complex matters such as this Action, as well as the risks posed by and the difficulties and delays relating to post-trial motions, and potential appeals of the Court's determination of said motions, or the verdict of a jury. Lead Plaintiff and Lead Counsel also are aware of the risks presented by the defenses to the securities law violations asserted in the Action. Lead Plaintiff and Lead Counsel believe that the Settlement set forth in the Settlement Agreement confers substantial benefits upon the Class in light of the circumstances present here. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the Settlement set forth in the Settlement Agreement is in the best interests of Lead Plaintiff and the Class.

### **V. THE DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

The Defendants have denied and continue to deny that they have violated the federal securities laws or any laws and maintain that their conduct was at all times proper and in compliance with all applicable provisions of law. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Action, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants also have denied and continue to deny, *inter alia*, the allegations that any of the

Defendants made, knowingly or otherwise, any material misstatements or omissions; that any member of the Class has suffered any damages; that the price of Accretive Health common stock was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that the members of the Class were harmed by the conduct alleged in the Action or that could have been alleged as part of the Action. In addition, the Defendants maintain that they have meritorious defenses to all claims alleged in the Action.

Nonetheless, taking into account the uncertainty, risks, and costs inherent in any litigation, especially in complex cases such as this Action, Defendants have concluded that further conduct of the Action could be protracted and distracting. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Settlement Agreement. As set forth in paragraphs 9.2-9.3 of the Settlement Agreement, the Settlement Agreement shall in no event be construed as or deemed to be evidence of an admission or concession by Defendants or any of the Released Persons with respect to any claim of any fault or liability or wrongdoing or damage whatsoever.

## **VI. TERMS OF THE PROPOSED SETTLEMENT**

The sum of Fourteen Million Dollars (\$14,000,000.00) will be transferred to the Escrow Agent within fifteen (15) business days after the later of (a) the order granting the motion for preliminary approval or (b) the receipt by Defendants' counsel of wire/check payee instructions and a Form W-9 providing the tax identification number for the Escrow Account. The principal amount of \$14,000,000.00, plus any accrued interest once transferred, constitutes the Settlement Fund. A portion of the settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the Settlement Fund, and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to Lead Counsel as attorneys' fees and for expenses in litigating the case. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Distribution described below to Class Members who submit valid and timely Proof of Claim and Release forms.

## **VII. PLAN OF DISTRIBUTION**

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claim and Release forms ("Authorized Claimants") under the Plan of Distribution described below. The Plan of Distribution provides that you will be eligible to participate in the distribution of the Net Settlement Fund if you have a net loss arising out of all transactions involving Accretive Health common stock purchased or acquired during the Class Period. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Distribution, Lead Counsel have consulted with their damages consultant. The Plan of Distribution does not reflect an assessment of the damages that could have been recovered at trial or Lead Counsel's assessment of the likelihood of establishing liability.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The total of all profits shall be subtracted from the total of all losses from transactions involving Accretive Health common stock purchased or acquired during the Class Period to determine if a Class Member has a claim. Only if a Class Member had a net loss from the Accretive Health common stock purchased or acquired during the Class Period, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

For Class Members who held Accretive Health common stock at the beginning of the Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of Accretive Health common stock during the Class Period will be matched in chronological order, first against common stock held at the beginning of the Class Period. The remaining sales of Accretive Health common stock during the Class Period will then be matched, in chronological order, against Accretive Health common stock purchased during the Class Period.

### ***PLAN OF DISTRIBUTION***

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants.

1. For shares of Accretive Health common stock ***purchased or otherwise acquired on or between November 10, 2010 through April 26, 2012, inclusive***, the claim per share shall be as follows:

(a) If sold on or between November 10, 2010 through April 26, 2012, inclusive, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; and (ii) the difference between the purchase price and the selling price.

(b) If retained at the end of April 26, 2012 and sold before July 25, 2012, the claim per share shall be the least of (i) the inflation in Table A at the time of purchase; (ii) the difference between the purchase price and the selling price; and (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below.

(c) If retained at the close of trading on July 24, 2012, or sold thereafter, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; and (ii) the difference between the purchase price per share and \$10.91 per share.

2. For shares of Accretive Health common stock ***purchased or otherwise acquired on April 27, 2012***, the claim per share shall be zero.

**TABLE A**

Time Period	Inflation
November 10, 2010 – March 28, 2012	\$13.37
March 29, 2012 – April 24, 2012	\$8.91
April 25, 2012 – April 26, 2012	\$1.17

**TABLE B**

Date	Closing Price	Average Closing Price
27-Apr-12	\$9.33	\$9.33
30-Apr-12	\$10.06	\$9.70
1-May-12	\$9.18	\$9.52
2-May-12	\$8.71	\$9.32
3-May-12	\$8.46	\$9.15
4-May-12	\$8.57	\$9.05
7-May-12	\$8.65	\$8.99
8-May-12	\$8.85	\$8.98
9-May-12	\$10.54	\$9.15
10-May-12	\$10.53	\$9.29
11-May-12	\$10.86	\$9.43
14-May-12	\$11.40	\$9.60
15-May-12	\$11.83	\$9.77
16-May-12	\$12.56	\$9.97
17-May-12	\$11.86	\$10.09
18-May-12	\$11.37	\$10.17
21-May-12	\$11.83	\$10.27
22-May-12	\$11.41	\$10.33
23-May-12	\$11.42	\$10.39
24-May-12	\$11.30	\$10.44
25-May-12	\$11.24	\$10.47
29-May-12	\$11.84	\$10.54
30-May-12	\$11.13	\$10.56
31-May-12	\$11.76	\$10.61
1-Jun-12	\$11.10	\$10.63
4-Jun-12	\$10.89	\$10.64
5-Jun-12	\$11.11	\$10.66
6-Jun-12	\$11.51	\$10.69
7-Jun-12	\$10.97	\$10.70
8-Jun-12	\$11.18	\$10.72
11-Jun-12	\$10.73	\$10.72

Date	Closing Price	Average Closing Price
12-Jun-12	\$10.76	\$10.72
13-Jun-12	\$10.82	\$10.72
14-Jun-12	\$10.50	\$10.71
15-Jun-12	\$11.06	\$10.72
18-Jun-12	\$12.00	\$10.76
19-Jun-12	\$12.22	\$10.80
20-Jun-12	\$12.37	\$10.84
21-Jun-12	\$11.84	\$10.87
22-Jun-12	\$11.92	\$10.89
25-Jun-12	\$11.16	\$10.90
26-Jun-12	\$10.85	\$10.90
27-Jun-12	\$10.69	\$10.89
28-Jun-12	\$10.69	\$10.89
29-Jun-12	\$10.96	\$10.89
2-Jul-12	\$11.43	\$10.90
3-Jul-12	\$11.24	\$10.91
5-Jul-12	\$11.29	\$10.92
6-Jul-12	\$10.88	\$10.92
9-Jul-12	\$11.11	\$10.92
10-Jul-12	\$10.73	\$10.92
11-Jul-12	\$10.96	\$10.92
12-Jul-12	\$10.98	\$10.92
13-Jul-12	\$10.85	\$10.92
16-Jul-12	\$10.62	\$10.91
17-Jul-12	\$10.79	\$10.91
18-Jul-12	\$11.27	\$10.92
19-Jul-12	\$11.15	\$10.92
20-Jul-12	\$11.16	\$10.92
23-Jul-12	\$11.02	\$10.93
24-Jul-12	\$10.38	\$10.92
25-Jul-12	\$10.61	\$10.91

**VIII. PARTICIPATION IN THE CLASS**

If you fall within the definition of the Class, you are a Class Member unless you elect to be excluded from the Class pursuant to this Notice. If you do not request to be excluded from the Class, you will be bound by any judgment entered with respect to the Settlement in the litigation against the Defendants whether or not you file a Proof of Claim and Release form.

***If you are a Class Member, you need do nothing (other than timely file a Proof of Claim and Release if you wish to participate in the distribution of the Net Settlement Fund). Your interests will be represented by Lead Counsel.*** If you choose, you may enter an appearance individually or through your own counsel at your own expense.

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE THAT ACCOMPANIES THIS NOTICE. The Proof of Claim and Release must be postmarked on or before January 13, 2014, and be delivered to the Claims Administrator at the address below. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim and Release, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Settlement Agreement and the Final Judgment.

#### **IX. EXCLUSION FROM THE CLASS**

You may request to be excluded from the Class. To do so, you must mail a written request stating that you wish to be excluded from the Class to:

*Accretive Health Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040

The request for exclusion must state: (1) your name, address, and telephone number; and (2) all purchases, acquisitions and sales of Accretive Health common stock made from November 10, 2010 through April 27, 2012, inclusive, including the dates and prices of each purchase, acquisition or sale, and the amount of shares purchased, acquired or sold. YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE DECEMBER 27, 2013. If you submit a valid and timely request for exclusion, you shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Settlement Agreement or the Judgment.

#### **X. DISMISSAL AND RELEASES**

If the proposed Settlement is approved, the Court will enter a Final Judgment. The Judgment will dismiss the Released Claims with prejudice as to all Released Persons as provided in the Settlement Agreement.

The Judgment will provide that all Class Members who have not validly and timely requested to be excluded from the Class shall be deemed to have released and forever discharged all Released Claims, including Unknown Claims, against all Released Persons as provided in the Settlement Agreement.

#### **XI. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES**

At the Settlement Hearing, Lead Counsel will request the Court to award attorneys' fees of up to 30% of the Settlement Fund, plus litigation expenses not to exceed \$100,000.00, plus interest thereon. Class Members are not personally liable for any such fees, expenses, or compensation. In addition, Lead Plaintiff intends to seek an amount not to exceed \$5,000.00 for its time and expenses incurred in representing the Class.

To date, Lead Counsel have not received any payment for their services in conducting this Action on behalf of Lead Plaintiff and the members of the Class, nor have counsel been paid for their expenses. The fee requested by Lead Counsel would compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for their risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiff's counsel under similar circumstances in litigation of this type.

#### **XII. CONDITIONS FOR SETTLEMENT**

The Settlement is conditioned upon the occurrence of certain events described in the Settlement Agreement. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Settlement Agreement; and (2) expiration of the time to appeal from or alter or amend the Judgment. Pending the Court's consideration of this Settlement, the Court has stayed all proceedings, and Class Members are precluded from bringing or pursuing any litigation that seeks to prosecute the Released Claims.

If, for any reason, any one of the conditions described in the Settlement Agreement is not met, the Settlement Agreement might be terminated and, if terminated, will become null and void, and the Settling Parties to the Settlement Agreement will be restored to their respective positions as of August 14, 2013.

#### **XIII. THE RIGHT TO BE HEARD AT THE SETTLEMENT HEARING**

Any Class Member who has not validly and timely requested to be excluded from the Class, and who objects to any aspect of the Settlement, the Plan of Distribution, or the application for attorneys' fees and expenses may appear and be heard

at the Settlement Hearing.<sup>1</sup> Any such Person must submit and serve a written notice of objection, to be received on or before December 27, 2013, by each of the following:

CLERK OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
Everett McKinley Dirksen United States Courthouse  
219 South Dearborn Street  
Chicago, IL 60604

ROBBINS GELLER RUDMAN  
& DOWD LLP  
ELLEN GUSIKOFF STEWART  
655 West Broadway, Suite 1900  
San Diego, CA 92101

*Counsel for Lead Plaintiff*

KIRKLAND & ELLIS LLP  
ANDREW B. CLUBOK  
ADAM T. HUMANN  
601 Lexington Avenue  
New York, NY 10022

*Counsel for Defendants*

The notice of objection must demonstrate the objecting Person's membership in the Class, including the amount of Accretive Health common stock purchased or acquired and sold from November 10, 2010 through April 27, 2012, inclusive, and contain a statement of the reasons for objection. Only Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

#### **XIV. SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES**

If you hold or held any Accretive Health common stock purchased or acquired between November 10, 2010 and April 27, 2012, inclusive, as nominee for a beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice and the Proof of Claim and Release by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

*Accretive Health Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim and Release yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and Release and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim and Release, upon submission of appropriate documentation to the Claims Administrator.

#### **XV. EXAMINATION OF PAPERS**

This Notice is a summary and does not describe all of the details of the Settlement Agreement. For full details of the matters discussed in this Notice, you may review the Settlement Agreement filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, United States District Court, Northern District of Illinois, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. The motion papers, with exhibits, including the Settlement Agreement, are also available on the Court's ECF website (for a fee). Certain papers relating to the Settlement, including the Settlement Agreement, are also available at the Claims Administrator's website [www.gilardi.com](http://www.gilardi.com).

If you have any questions about the Settlement of the Action, you may contact a representative of Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900.

#### **DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE**

DATED: October 4, 2013

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

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<sup>1</sup> Lead Counsel's pleadings in support of these matters will be filed with the Court on or before December 13, 2013.