

2. On **May 4, 2017**, pursuant to Federal Rule of Civil Procedure 23(a) and (b)(1) or alternatively (b)(2), the Court preliminarily certified the following Settlement Class:

All present or past participants (vested or non-vested) or beneficiaries of the Methodist Healthcare Classic Pension Plan as of the Effective Date of Settlement.

3. The Court finds that the Settlement Class meets all requirements of Federal Rule of Civil Procedure 23(a) for certification of the class claims alleged in the Complaint, including (1) numerosity, (2) commonality, (3) typicality, and (4) adequacy of the Plaintiff who will serve as the representative for the Settlement Class and of Class Counsel.

4. Additionally, the prerequisites of Rule 23(b)(1) have been satisfied, since the prosecution of separate actions by individual members of the Settlement Class would create a risk of (1) inconsistent or varying adjudications which would establish incompatible standards of conduct for Defendants, and (2) adjudications with respect to individual Settlement Class members, which would, as a practical matter, be dispositive of the interests of the other members not parties to the adjudications or would substantially impair or impede their ability to protect their interests.

5. Alternatively, the prerequisites of Rule 23(b)(2) have been satisfied, since Defendants have acted or refused to act on grounds generally applicable to the Settlement Class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the Settlement Class as a whole.

6. Pursuant to Federal Rule of Civil Procedure 23(a) the Court finds that Plaintiff Mary L. Brace is a member of the Settlement Class, her claims are typical of those of the Settlement Class and she fairly and adequately protected the interests of the Settlement Class

throughout the proceedings in this Action. Accordingly, the Court hereby appoints Mary L. Brace as the representative for the Settlement Class.

7. Having considered the factors set forth in Federal Rule of Civil Procedure 23(g)(1), the Court finds that Class Counsel have fairly and adequately represented the Settlement Class for purposes of entering into and implementing the Settlement, and thus, hereby appoints IZARD, KINDALL & RAABE, LLP and KESSLER TOPAZ MELTZER & CHECK, LLP as Class Counsel for the Settlement Class. The Court further appoints the Bramlett Law Offices to serve as Liaison Counsel for the Settlement Class.

8. The Court directed that Class Notice be given pursuant to the notice program proposed by the Parties and approved by the Court. In accordance with the Court's Preliminary Approval Order and the Court-appointed notice program: (1) On or about **May 31, 2017**, Class Counsel posted the Settlement Agreement and Class Notice to the Settlement website: **<http://ikrlaw.com/file/brace-v-methodist-le-bonheur-healthcare/>**; and (2) on or about **June 2, 2017**, approximately **10,719** copies the Notice of Class Action Settlement were mailed to members of the Settlement Class and posted to an additional Settlement website: **www.MLBsettlement.com**.

9. The Class Notice and Internet/Publication of Class Notice (collectively, the "Class Notices") advised members of the Settlement Class of the: (1) terms of the Settlement, Fairness Hearing and the right to appear at such Fairness Hearing; (2) inability to opt out of the Settlement Class; (3) right to object to the Settlement; (4) procedures for exercising such rights; and (5) the binding effect of this Judgment, whether favorable or unfavorable, to the Settlement Class, including the scope of the Released Claims described in Section 4 of the Settlement Agreement.

10. The Class Notices met all applicable requirements of the Federal Rules of Civil Procedure, the United States Code, the United States Constitution, and any other applicable law. The Court further finds that Notice in the form approved by the Court complied fully with the Class Action Fairness Act of 2005, 28 U.S.C. § 1715 (“CAFA”), and that it constituted the best practicable notice under the circumstances. The Court further finds that the form of notice was concise, clear, and in plain, easily understood language, and was reasonably calculated under the circumstances to apprise Class Members of the pendency of the Action, the claims, issues and defenses of the Settlement Class, the definition of the Settlement Class certified, the right to object to the proposed Settlement, the right to appear at the Fairness Hearing, through counsel if desired, and the binding effect of a judgment on members of the Settlement Class, including the scope of the Released Claims described in Section 4 of the Settlement Agreement.

11. The Court finds after the Fairness Hearing and based upon all submissions of the Parties and interested persons that the Parties’ proposed Settlement is fair, reasonable, and adequate. The Court also finds that the proposed Settlement is consistent with and in compliance with all applicable requirements of the Federal Rules of Civil Procedure, the United States Code, and the United States Constitution, and other applicable law. In so finding, the Court has considered and found that:

a) The Settlement provides for significant financial protection for Class Members for a period of fifteen (15) years.

b) The Settlement further provides for significant Plan administrative provisions which will enhance the retirement security of the members of the Settlement Class, in essence, substantively complying with certain key ERISA provisions.

c) The terms and provisions of the Settlement were entered into by experienced counsel and only after extensive, arm's-length negotiations conducted for over several months in good faith and with the assistance of the Court-appointed Mediator. The Settlement is not the result of collusion.

d) The amount of discovery in this case, coupled with the investigation and negotiations that have occurred as a result of proceedings thus far, were sufficient to give counsel opportunity to adequately assess this case's strengths and weaknesses – and thus to structure the Settlement in a way that adequately accounts for those strengths and weaknesses. Class Counsel were cognizant that there was no guarantee of success.

e) Approval of the Settlement will result in substantial savings of time, money and effort for the Court and the Parties, and will further the interests of justice. Defendants denied and continue to deny Plaintiff's claims and allegations against it, and raised various factual and legal arguments in support of its vigorous defense in this Action.

12. All members of the Settlement Class are bound by this Judgment and by the terms of the Settlement, including the scope of the Released Claims described in Section 4 of the Settlement Agreement.

13. None of the Settlement Agreement, this Judgment, nor the fact of the Settlement itself constitutes any admission by any of the Parties of any liability, wrongdoing or violating of law, damages or lack thereof, or of the validity or invalidity of any claim or defense asserted in the Action. If the Settlement Agreement is not upheld on appeal, or is otherwise terminated for any reason, the Settlement and all negotiations, proceedings, and documents prepared, and statements made in connection therewith, shall be without prejudice to any Party and shall not be deemed or construed to be an admission by an party of any fact, matter, or position of law; all

Parties shall stand in the same procedural position as if the Settlement Agreement had not been negotiated, made, or filed with the Court.

14. The Court hereby dismisses with prejudice the action and all Released Claims identified in Section 4 of the Settlement Agreement against each and all Releasees and without costs to any of the Parties as against the others. The Court hereby orders that on the Effective Date of this Settlement Agreement the Plaintiff, Mary L. Brace, as well as the members of the Settlement Class release any and all actual or potential claims, actions, causes of action, demands, obligations, liabilities, attorneys' fees, expenses, and costs arising out of the allegations of the Complaint, including allegations that the Plan failed to comply with the requirements of ERISA and/or did not qualify as an ERISA-exempt "church plan" pursuant to 29 U.S.C. § 1003(b), whether or not accrued, whether already acquired or subsequently acquired, whether known or unknown, in law or equity, brought by way of demand, complaint, cross-claim, counterclaim, third-party claim, or otherwise. Notwithstanding the foregoing, Released Claims are not intended to, and shall not, include the release of any of the following: (a) any rights or duties arising out of the Settlement Agreement, including the express warranties and covenants in the Settlement Agreement; (b) state law claims for benefits under the Plan; and (c) should MLBH ever cease to be affiliated with the United Methodist Church, any claim arising prospectively under ERISA with respect to any event occurring after such change in MLBH's affiliation; and following the expiration of the period set forth in 29 U.S.C. § 1002(33)(D)(iii), any claim arising under ERISA solely for any act, error, omission or event committed or occurring entirely after the Internal Revenue Service issues a written ruling that the Plan does not qualify as a Church Plan; the United States Supreme Court holds that a Church Plan must be established by a church or a convention or association of churches and such holding renders

ERISA's church plan exemption inapplicable to the Plan; or an amendment to ERISA is enacted and becomes effective as a law of the United States specifying that a Church Plan must be established by a church or a convention or association of churches and such amendment renders ERISA's church plan exemption inapplicable to the Plan.

15. In connection with the Released Claims, as of the Effective Date of this Settlement Agreement, each member of the Settlement Class is deemed to have waived any and all provisions, rights, and benefits conferred by § 1542 of the California Civil Code relinquishes, to the fullest extent permitted by law and equity, the provisions, rights and benefits of § 1542 of the California Civil Code, which provides:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor and any and all provisions, rights and benefits of any similar statute, law or principle or common law of the United States, any state thereof, or any other jurisdiction.”

16. The Court retains jurisdiction over the implementation, administration and enforcement of this Judgment and the Settlement, and all matters ancillary thereto.

17. The Court finds that no reason exists for delay in ordering final judgment, and the Clerk is hereby directed to enter this Judgment forthwith.

The Court recognizes that this Settlement comes with a degree of uncertainty regarding the future of the Plan beyond the fifteen (15) years established in the agreement. While the Court is confident that the Settlement represents a positive outcome of this litigation at this time, it encourages both Defendant and the Class Members to take the opportunity to engage in discussions regarding mutually-amenable solutions for the Plan after the expiration of this Settlement.

IT IS SO ORDERED, this 16th day of October, 2017.

s/ Sheryl H. Lipman
SHERYL H. LIPMAN
UNITED STATES DISTRICT JUDGE