

Hodges et al. v. Bon Secours Health System, Inc., et al., 1:16-cv-01079-RDB

Draft Letter to Group B Class Members: Former Participants in the Hampton Roads Plan Who Were Credited with More than Three, but Fewer than Five, Years of Vesting Service under the Plan's Terms

Dear Class Member:

You are receiving this letter, along with the Notice of Proposed Settlement of ERISA Class Action Litigation, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement (hereinafter, "Notice"), because the records from your former employer indicate that **you qualify as a Class Member in Group B** of the proposed Settlement Class. As a member of Group B, you are not entitled to the benefits of Group A.

Group B consists of 530 former participants in the Retirement Plan of Bon Secours Hampton Roads ("Hampton Roads Plan") who terminated employment after January 1, 2008 with more than three but fewer than five years of "vesting service" credit and had a positive account balance on January 1, 2016. The Hampton Roads Plan has a cash balance formula which requires that a participant have five years of "vesting service" in order to be 100% vested in their benefits. Under ERISA, cash balance benefits must be 100% vested after three years of vesting service (one year of vesting service is 1,000 hours within a given calendar year). People in Group B left employment at Bon Secours Health System, Inc. after more than 3 years of vesting service, but fewer than 5 years of vesting service, and thus were not fully vested in their cash balance benefit according to the terms of the Hampton Roads Plan.

As consideration for Plaintiffs releasing their claim that the vesting schedule was improper, Defendants will pay \$300,000 in total to the members of Group B. Plaintiffs and Defendants compromised on \$300,000 to release the claim due to the difficulty in litigating this claim. The \$300,000 will be distributed among the members in Group B on a proportional basis, depending on the amount accrued in each individual's cash balance account as of January 1, 2016. The payment that each Group B class member will receive under the Settlement therefore will vary from person to person. For the dollar amount of the award, you can call Lindsey Stiles at the following number: (202) 861-6602. This payment will be made after the Court issues its Final Approval Order in the case. For more details about Group B, see Section 3 of the Notice, as well as Section 7.1.2 of the Settlement Agreement, available at <http://www.cohenmilstein.com/bon-secours-settlement>.

Questions Regarding Group B Should Be Directed to the Claims Administrator

If you believe that you are not a member of Group B, you can call the Bon Secours Health System, Inc. Human Resources Operations Center at (804) 887-7600 or (855) 336-7600 (toll free). The Human Resources Operations Center can answer any questions you have regarding which Group you belong to. For the dollar amount of the award, you can call Lindsey Stiles at the following number: (202) 861-6602. If you have any questions regarding the Settlement Agreement, please contact Class Counsel at 202-408-4600 or 1-888-347-4600 (ask for Jamie Bowers). Do not contact the court regarding the Settlement, as court personnel cannot answer your questions.