

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

Jamie Hill, Kathryn Neild, and Tricia Marvin, as representatives of a class of similarly situated persons, and on behalf of the Mercy Health Corporation Employees' Retirement Plan, the Rockford Health System Retirement Plan, and the Rockford Health Physicians Retirement Plan,

Plaintiffs,

v.

Mercy Health Corporation, Mercy Health System Corporation, and Does 1-20,

Defendants.

Case No. 20-cv-50286

**DECLARATION OF  
BROCK J. SPECHT  
IN SUPPORT OF  
PLAINTIFFS' MOTION FOR  
FINAL APPROVAL OF CLASS  
ACTION SETTLEMENT**

I, Brock J. Specht, declare and state as follows:

1. I am a partner at Nichols Kaster, PLLP ("Nichols Kaster"), and am one of the attorneys of record for Plaintiffs in the above captioned action. I respectfully submit this declaration in support of the accompanying Motion for Final Approval of Class Action Settlement.

2. For the reasons stated in my colleague's declaration in support of preliminary approval of the Settlement (*Dkt. 66-1*), and for the additional reasons set forth herein, I believe that the Settlement is fair, reasonable, and adequate.

**Report of the Independent Fiduciary**

3. Pursuant to Prohibited Transaction Exemption 2003-39 (PTE 2003-39) and Paragraph 3.1 of the Settlement Agreement (*Dkt. 70-1*), an Independent Fiduciary (Gallagher Fiduciary Advisors, LLC) reviewed the Settlement on behalf of the Plans. As part of this review, the Independent Fiduciary personally discussed the Settlement with me (and separately with defense counsel) by telephone, and subsequently issued a report after the review. A true and correct

copy of the report is attached hereto as **Exhibit 1**. In the report, the Independent Fiduciary affirmed, among other things, that: (1) “[t]he settlement terms, including the scope of the release of claims; the amount of cash received by the plan; the proposed attorney’s fee award of one third of the settlement; and any other sums to be paid from the recoveries, are reasonable in light of the plan’s likelihood of full recovery, the value of claims foregone and the risks and costs of litigation,” *id.* at \*3; (2) “the Settlement was achieved at arms’ length and is reasonable given the uncertainties of a larger recovery for the Class at trial and the value of claims foregone,” *id.* at \*4; and (3) “[a]lthough the transaction will have the incidental effect of releasing the fiduciaries, the Settlement is not designed to benefit those fiduciaries but rather to resolve claims that have not been fully adjudicated and to enable the Plans to recover a portion of their losses,” *id.* at \*5. Accordingly, the Independent Fiduciary confirmed that “on behalf of the Plans . . . it approves and authorizes the settlement of Released Claims, as defined in the Settlement Agreement” and determined that “the Settlement Agreement meets the requirements of ERISA Prohibited Transaction Class Exemption 2003-39, as amended.” *See id.* at \*1.

#### **Reaction of the Class to the Settlement**

4. The reaction of the Class to the Settlement also has been favorable. The period to object to the Settlement pursuant to the Preliminary Approval Order ended April 4, 2022. *See Dkt. 72 ¶ 6*. As of the date of this declaration, there have been no objections to the Settlement from more than 16,000 Class Members who were sent a Notice of Settlement.

#### **Cited Authorities**

5. Copies of authorities cited in our accompanying Memorandum of Law that are published only on an electronic database are attached as **Exhibit 2**.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 18, 2022

s/Brock J. Specht  
Brock J. Specht

**CERTIFICATE OF SERVICE**

I hereby certify that on April 18, 2022, I caused a copy of the foregoing to be electronically filed with the Clerk of the Court by using the CM/ECF system, which will send a notice of electronic filing to all counsel of record.

Dated: April 18, 2022

s/Brock J. Specht  
Brock J. Specht