

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SAN DIEGO

JASMIN REECE, an individual, on behalf of herself and on behalf of the general public,

Plaintiff,

vs.

CHART ONE, INC., a Delaware corporation, KAISER FOUNDATION HOSPITALS, a California corporation, and DOES 1 to 100, inclusive,

Defendants.

MELISSA JACKSON, on behalf of herself, those similarly situated and on behalf of the general public,

Plaintiff,

vs.

CHARTONE, INC., a Delaware corporation, and DOES 1 through 100, inclusive,

Defendants

CASE NO. GIC864290

NOTICE OF CLASS ACTION SETTLEMENT

Case No. GIC864155

TO: ALL PERSONS AND ALL PERSONS WHO, THROUGH THEIR LAWYER OR LAWYER'S REPRESENTATIVE, PRESENTED WRITTEN AUTHORIZATION REQUESTING PATIENT'S RECORDS PRIOR TO THE FILING OF AN ACTION OR THE APPEARANCE OF A DEFENDANT IN AN ACTION TO MEDICAL PROVIDERS LISTED ON EXHIBIT A HERETO AND/OR CHARTONE, INC. (CHARTONE), DURING THE PERIOD OF APRIL 11, 2002 THROUGH MARCH 1, 2007 AND PAID CHARTONE AN AMOUNT IN EXCESS OF THE CHARGES SET FORTH IN EVIDENCE CODE §1158.

THIS NOTICE MAY AFFECT YOUR RIGHTS -- PLEASE READ IT CAREFULLY

1. WHY SHOULD I READ THIS NOTICE?

The purpose of this Notice is to inform you that your rights may be affected by the proceedings in a class action lawsuit pending in the San Diego County Superior Court in the State of California (the "Court"). This Notice is provided by Order of the Court.

In simple terms, the class action lawsuits seeks, among other things, restitution of the amounts charged by ChartOne in excess of the charges set forth in Evidence Code §1158 when responding to a request to copy patient's records pursuant to that Section. In addition, the class action lawsuits seek injunctive relief requiring ChartOne to comply with the reasonable cost limitations set forth in Evidence Code Section 1158 when responding to a request to copy patient's records pursuant to that Section. ChartOne denies the allegations contained in the class action lawsuits or that members of the settlement class have been injured or are entitled to any damages. The settlement does not constitute an admission of liability by ChartOne or any of the Released Parties.

In addition to these lawsuits against ChartOne, there are lawsuits filed and currently pending in the Superior Court of California in and for the County of Los Angeles that seek the same, similar or additional damages against some of the medical providers for whom ChartOne copied patient records in response to a request for patient records pursuant to Section 1158. The lawsuits are entitled *DeVargas v. Saint John's Hospital and Health Center*, Case No. BC349914, *Knight v. Kaiser Foundation Hospitals, et al.*, Case No. BC349915 and *Van v. The Regents of the University of California, et al.*, Case No. BC349916, *Dick v. Daniel Freeman Memorial Hospital, et al.*, Case No. BC353731 and *McLennan v. Northridge Hospital Medical Center*, Case No. BC353729 and allege that the medical providers that are defendants in these lawsuits violated Section 1158 by charging more than the reasonable cost limitations set forth in that statute and as a result of such violations allege that the medical providers are liable for such overcharges based on a variety of legal theories. The Settlement in this case may affect your right to recovery in the cases which are pending in the Superior Court of California in and for the County of Los Angeles.

A settlement has now been reached with ChartOne, and the Court has granted preliminary approval to the Settlement. This Notice summarizes essential information concerning the Settlement and your potential rights under the Settlement. The fact that you are receiving this Notice does not necessarily mean that you are a member of the Settlement Class or that you are entitled to any benefits.

2. WHAT IS A CLASS ACTION?

A class action is a type of lawsuit in which one or a few named plaintiffs bring suit on behalf of all the members of a similarly-situated group or groups to recover damages for all members of the group or groups without the necessity of each member filing an individual lawsuit or appearing as an individual plaintiff. Class actions are used by courts where the claims raise basic issues of law or facts that are common to all members of the class, thereby making it fair to bind all class members to the orders and the judgment in the case, without the necessity of hearing essentially the same claims over and over again. Use of the class action eliminates the necessity of filing multiple lawsuits, and assures that all class members are bound by the results of a single lawsuit.

3. WHO ARE MEMBERS OF THE SETTLEMENT CLASS?

The members of the Settlement Class are the Representative Plaintiffs and all other Persons who, at any time between April 11, 2002 and through March 1, 2007, requested copies of his or her patient records from ChartOne and/or a medical provider listed on Exhibit A hereto pursuant to Evidence Code Section 1158 and were charged and paid ChartOne for the production of the patient records produced by it. Excluded from the Settlement Class are all persons who properly and timely elect to opt out pursuant to the terms of the settlement.

4. WHAT ARE THE TERMS OF THE PROPOSED SETTLEMENT?

The Court has granted preliminary approval to the proposed Settlement and conditionally certified the Settlement Class. The Settlement has not yet been granted final approval by the Court. Final approval will take place only after a fairness hearing, at which class members will have an opportunity to comment on the proposed settlement.

Each Settlement Class Member who submits a valid and timely claim to ChartOne or its designee acting in the capacity of Claims Administrator shall be paid \$28.00 per occurrence.

In exchange for the benefits described above, members of the Settlement Class who do not opt out will be deemed to have given a complete release of all Settled Claims as to all Released Parties (whether or not they actually seek the potential benefits available under the Settlement). If the Court grants final approval to the Settlement, the Court will enter a final judgment and dismiss all such claims with prejudice.

5. CAN I EXCLUDE MYSELF (OR OPT OUT) FROM THE SETTLEMENT CLASS?

If you are a member of the Settlement Class, and wish to remain a member, you will be represented by Settlement Class counsel. If the Settlement proceeds, you will be entitled to submit a Claim Form, which can be downloaded from the website: www.chartonesettlement.com.

If you wish to exclude yourself (or opt out) from the Settlement Class, you must submit a letter requesting exclusion. Your request for exclusion must be signed by you personally, and it must clearly state: (1) your name, address, telephone number; and (2) your wish to be excluded from the Settlement Class. Your letter requesting exclusion must be postmarked on or before July 11, 2008, and mailed to:

Plaintiffs' Counsel
c/o Sheldon A. Ostroff, Esq.
1441 State Street
San Diego, CA 92101

If you properly opt out, you will not be bound by the Settlement, but you will not be eligible to participate in the potential benefits. Moreover, if you opt out, you will not be entitled to object to the Settlement or to appear and be heard at the Fairness Hearing. However, members who do not opt out in the manner and time prescribed will be bound by the Settlement. That is, the claims of a member of the Settlement Class that does not opt out will be terminated by the judgment in the actions under the doctrine of *res judicata*.

6. CAN I OBJECT TO THE CLASS SETTLEMENT?

The Court has scheduled a fairness hearing on July 25, 2008, in Department 70 of the San Diego County Superior Court, which is located at 330 West Broadway, San Diego, California 92101, to hear evidence and testimony regarding whether final approval should be given to the proposed Settlement. The hearing will begin at 11:00 a.m. The Court may continue the time and date of the hearing without further notice.

If you are a member of the Settlement Class, you may enter an appearance through counsel of your choosing and at your own expense at the fairness hearing and/or file a written statement, commenting on or objecting to the proposed Settlement. If you wish to appear at the hearing and comment or object to the Settlement, you must file a written statement of your intention to do so. The statement must include your name and address and the basis for your comments or objections. All comments or objections or statements of intention to appear must be filed with the Clerk of the Court, Superior Court, San Diego County, Department 70, 330 West Broadway, San Diego, California 92101, and mailed to:

Sheldon A. Ostroff, Esq. and
James C. Kostas, Esq.
1441 State Street
San Diego, CA 92101

David I. Kornbluh, Esq.
25 Metro Drive, 7th Floor
San Jose, CA 95110

To be timely, your comments, objections, and/or notice of intent to appear must be filed with the Court and postmarked on or before July 11, 2008. If you do not meet this deadline, you will waive your right to comment or object. You may choose to engage the services of an attorney to pursue your objection, in which case your attorney must file a notice of appearance with the Court by July 11, 2008, and mail copies to Counsel at the addresses listed above. You alone will be responsible for the fees and costs of your attorney.

If the Settlement is not approved by the Court or is later terminated, you will receive no benefits under the Settlement, the lawsuit will proceed as active litigation with the same or different class definition, and you will not be bound by the releases in the Settlement. You may log on to www.chartonesettlement.com to find out whether the Court has granted final approval to the Settlement.

7. WHO REPRESENTS THE SETTLEMENT CLASS?

Jasmin Reece and Melissa Jackson are the Representative Plaintiffs who represent the interests of class members in this litigation. The named plaintiffs and the Settlement Class are represented by:

Sheldon A. Ostroff
Law Offices Of
Sheldon A. Ostroff
1441 State Street
San Diego, CA 92101

James C. Kostas
Huffman & Kostas
1441 State Street
San Diego, CA 92101

Barron E. Ramos
A Professional Corporation
132 N. El Camino Real #303
Encinitas, CA 92024

8. WHAT FEES AND COSTS ARE INVOLVED?

If eligible, members of the Settlement Class may participate without incurring any legal fees. In connection with the fairness hearing on July 25, 2008, Settlement Class counsel will make a request to the Court for an attorneys' fees award of \$150,000.00 and for reimbursement of costs and expenses of up to \$7,500.00. Also, Settlement Class Counsel will make a request to the Court for an incentive award of \$1,500.00 for each of the Representative Plaintiffs identified in Section 7 as compensation for their representation of the class throughout this litigation. The requests for attorneys' fees and costs and the incentive awards are subject to Court approval.

To date, Settlement Class counsel have not received any payment for their services in conducting this action on behalf of the Representative Plaintiffs and the members of the Settlement Class, nor has counsel been reimbursed for out-of-pocket expenses. The requested attorneys' fees and costs will compensate counsel for their efforts in achieving the Settlement for the benefit of the Settlement Class and for the risk in undertaking this representation on a wholly contingent basis.

9. HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice is intended only to provide a summary of the circumstances surrounding the litigation, the terms of the proposed Settlement, and related matters. You may seek the advice and guidance of your own private attorney, at your own expense, if you desire. For more detailed information, you may review the pleadings, records, and other papers on file in this litigation, which may be inspected during regular business hours at the Clerk's office, San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101. You may review the Settlement agreement by logging onto www.chartonesettlement.com. You will not receive any further notice if the Settlement is approved and/or is terminated or modified. Accordingly, if you wish to participate in the Settlement and seek the potential benefits available thereunder, you should submit a claim as soon as possible according to the instructions below. Please do not contact the Court for information.

10. HOW DO I MAKE A CLAIM?

If you believe that you are a member of the Settlement Class and that you are entitled to a benefit under the Settlement, you may return the enclosed claim form, together with the required documentation, to Claims Administrator at ChartOne Settlement, c/o The Garden City Group, Inc., P.O. Box 9123, Dublin, OH 43017-4123. **YOUR CLAIM FORM MUST BE POSTMARKED BY NO LATER THAN JULY 11, 2008 FOR YOU TO BE ELIGIBLE TO SEEK THE BENEFITS OF THE SETTLEMENT.** If the Settlement is granted final approval, you will be contacted regarding your claim. If you do not timely file a claim form, and you do not opt out, you will still be bound by the Settlement, including any releases and assignments of your claims effectuated thereby.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION.

DATED: April 25, 2008

JAY M. BLOOM
SAN DIEGO COUNTY SUPERIOR COURT JUDGE

EXHIBIT A

TO NOTICE OF SETTLEMENT

NAME	CITY	ZIP
Sutter Health Delta Medical Center	Antioch	94509-6200
Healthcare Partners Medical Group –Pasadena	Arcadia	91006-3748
Sutter Health Auburn Faith	Auburn	95602
UC Davis Med Group, Auburn Professional	Auburn	95603-
Sutter Health Alta Bates Medical Center-Ashby	Berkeley	94705
CHW Medical Foundation Med Clinic - San Juan	Carmichael	95608-
Mercy San Juan- Radiology	Carmichael	95608
Mercy San Juan/Mercy American River	Carmichael	95608
Sutter Health Eden Medical Center- Radiology	Castro Valley	94546-5367
UC Davis Med. Group-Carmichael	Citrus Heights	95610-
Sutter Health Davis Hospital	Davis	95616-
UC Davis Medical Group, Davis	Davis	95616-
Sutter Health Novato Community Hospital	Don Raphael	94912
Rancho Los Amigos Med. Center	Downey	90242
UC Davis Medical Group, Elk Grove	Elk Grove	95758
Creekside Internal Medical Associat	Folsom	95630
Mercy Hospital Of Folsom	Folsom	95630
Mercy Hospital of Folsom - Radiology	Folsom	95630
Sam M. Khouri, M.D.	Folsom	95630
UC Davis Medical Group - Turnpike	Folsom	95630-
UC Davis Medical Group Women's Cent	Folsom	95630-
Washington Hospital	Fremont	94538-1716
San Joaquin General Hospital	French Camp	95201-1020
St. Jude Medical Center	Fullerton	92835
Verdugo Hills Hospital	Glendale	91208
Huntington East Valley Hospital	Glendora	91740-6207
Sierra Nevada Memorial	Grass Valley	95945
Sutter Health - Marin General Hospital	Greenbrae	94912
Hazel Hawkins Hospital	Hollister	95023-5695
Centinela Freeman Medical Center	Inglewood	90301
Centinela Hospital/ Radiology	Inglewood	90301-4011
St. John's Medical Center Cymetrix	Irvine	92606
Internal Medicine	Jackson	95642

EXHIBIT A

TO NOTICE OF SETTLEMENT

NAME	CITY	ZIP
Sutter Health Amador	Jackson	95642-
Mendocino Health- Lakeport	Lakeport	95453
High Desert Hospital	Lancaster	93534
Lancaster Community Hospital	Lancaster	93534
Lodi Memorial Hospital	Lodi	95241-1908
Centinela Airport Medical Center	Los Angeles	90045
Children's Hospital	Los Angeles	90054
Healthcare Partners-La Side	Los Angeles	90015
Hollywood Presbyterian Med Ctr	Los Angeles	90027
Rideout Memorial Hospital	Marysville	95901-2128
El Camino Hospital	Mount View	94039
El Camino Surgery Center	Mountain View	94040
Queen of the Valley Hospital	Napa	94558
Queen of the Valley Hospital-Radiology	Napa	94558
Northridge Hospital- Radiology	Northridge	91328
Catholic Healthcare West Northridge Hospital Medical Center	Northridge	91328
Marin Community Clinic	Novato	94947
ACMC-Highland Hospital	Oakland	94602
Children's Hospital Medical Center	Oakland	94609
HFS Consultants	Oakland	94612
Sutter Health Summit Medical Center	Oakland	94609
Stanford University Hospital	Palo Alto	94305
Healthcare Partners Medical Group-Arcadia	Pasadena	91105
Healthcare Partners Medical Group-Glendora	Pasadena	91105
Las Encinas Hospital	Pasadena	91107
Marshall Hospital	Placerville	95667
Sierra View District Hospital	Porterville	93257
CHW - Patient Financial Services	Rancho Cordova	95670
UC Davis Medical Group, Rancho Cord	Rancho Cordova	95670-
Kaiser Redwood City Med. Ctr. (KFH)	Redwood City	94063
Parkview Community Hospital	Riverside	92503
UC Davis Medical Group, Rocklin	Rocklin	95677-

EXHIBIT A

TO NOTICE OF SETTLEMENT

NAME	CITY	ZIP
Sutter Health - Roseville	Roseville	95661-
Sutter Health - Roseville- Radiology	Roseville	95661-3037
UC Davis Medical Group, Roseville	Roseville	95661-
Chw Med Clinic - Downtown	Sacramento	95816
Mercy General Hospital	Sacramento	95819
Mercy General Hospital-Radiology	Sacramento	95819
Methodist Hospital Of Sacramento	Sacramento	95823
Methodist Hospital- Radiology	Sacramento	95823
River Oaks Medical Group	Sacramento	95825-
Sacramento Mental Health Center	Sacramento	95817
Sutter Health Center For Psychiatry	Sacramento	95826
Sutter Health General Hospital	Sacramento	95816
Sutter Health Medical Center Radiology Department	Sacramento	95816
Sutter Health Memorial Hospital	Sacramento	95816-0727
UC Davis Medical Center	Sacramento	95820
UC Davis Medical Group, "J" St.	Sacramento	95816-
UC Davis Medical Group, Capitol	Sacramento	95817
UC Davis Medical Group, Pediatric A	Sacramento	95817-
Natividad Medical	Salinas	93912
CHW - Seton Hospital	San Carlos	94070
CHW - St. Louise Regional Hospital	San Carlos	74070-7387
O'Connor Hospital	San Carlos	94070
Alvarado Hospital Medical Center	San Diego	92120
Children's Hospital & Health Center	San Diego	92123-4282
Children's Hospital- Radiology	San Diego	92123
Kaiser- San Diego	San Diego	92120
National Naval Medical Center-Bethesda	San Diego	92123-1819
UCSD Medical Center (5534)	San Diego	92103
CHW - Sequoia Health Services	San Francisco	94120
CHW - St. Francis Memorial Hospital	San Francisco	94109
CHW - St. Mary's Radiology	San Francisco	94117
San Francisco General Hospital Medical Center	San Francisco	94110
San Francisco Orthopedic Surgeons Inc	San Francisco	94117-

EXHIBIT A

TO NOTICE OF SETTLEMENT

NAME	CITY	ZIP
St. Mary's Hospital & Medical Center	San Francisco	94117
Sutter Health - St. Luke's- Radiology	San Francisco	94110
Sutter Health St. Luke's Hospital	San Francisco	94118
UCSF Langley Proter Psychiatric Hospital	San Francisco	94143
Columbia-San Jose Medical Ctr	San Jose	95112
Good Samaritan Hospital	San Jose	95154-4679
Regional Medical Center Of San Jose	San Jose	95116
Regional Medical Center Radiology	San Jose	95116-1691
Regional Medical Center/Radiology	San Jose	93116-1691
San Jose Med Ctr-Family Practice	San Jose	95112
San Jose Medical Center/Radiology	San Jose	95112-1932
Santa Clara Valley Medical Center	San Jose	95128
Santa Clara Valley Medical Center - Chaboya Clinic	San Jose	95111
Santa Clara Valley Medical Center - East Valley Medical Clinic	San Jose	95128
Santa Clara Valley Medical Center - South Valley Medical Clinic	San Jose	95128
Santa Clara Valley Medical Center -Silver Creek Clinic	San Jose	95128
ACMC-Fairmont Hospital	San Leandro	94578
ACMC-John George Psychiatric Pavilion	San Leandro	94578
San Leandro Hospital	San Leandro	94578
UC Irvine - Anaheim Clinic	Santa Ana	92711-1917
UC Irvine - Gottschalk Plaza Clinic	Santa Ana	92711-1917
UC Irvine - Westminster Clinic	Santa Ana	92711-1917
UC Irvine Medical Center	Santa Ana	92711-1917
UC Irvine-Santa Ana Clinic	Santa Ana	92711-1917
Kaiser Santa Clara Medical Center	Santa Clara	95051
Dominican Santa Cruz Hospital	Santa Cruz	95065
Saint John's Hospital & Health Center	Santa Monica	90404
Oakcrest Norton Mental Health- County of Sonoma County of Sonoma Mental Health	Santa Rosa	95404-1795
Santa Rosa Memorial Hospital-Radiol	Santa Rosa	95402-0522
Sutter Health Medical Center Of Santa Rosa	Santa Rosa	95404-1797
Sutter Med Ctr of Santa Rosa	Santa Rosa	95404

EXHIBIT A

TO NOTICE OF SETTLEMENT

NAME	CITY	ZIP
Sutter Warrack Hospital	Santa Rosa	95404-1797
Sutter Health Camino Medical Group	Sunnyvale	94086
Columbia Los Robles Hospital Medica	Thousand Oaks	91360
Mendocino Health- Ukiah	Ukiah	95482
Ukiah Valley Medical Center	Ukiah	95482-
Sutter Health Solano Medical Center	Vallejo	94590
Catholic Health Care West Northridge Hospital- Sherman Campus	Van Nuys	91401
Valley Presbyterian Hospital	Van Nuys	91405
Mendocino Health- Willits	Willits	95490
Motion Picture & Television Hospital	Woodland Hills	91364-2792