

## SETTLEMENT AGREEMENT AND RELEASE

The People of the State of California, by and through San Francisco City Attorney Dennis J. Herrera ("the People") and Blue Plan Broker, LLC d/b/a Blue Plan ("Blue Plan"), do hereby enter into this Settlement Agreement and Release (the "Agreement"), with reference to the following facts:

### Recitals

A. During 2009, 2010 and 2011, Blue Plan charged its customers a Health Care Surcharge of 4%.

B. In 2011, Blue Plan cooperated fully with the City Attorney Office's efforts to ascertain how much of the money Blue Plan collected from this surcharge was actually spent on health care for its employees. The parties determined that Blue Plan received more money from imposition of the Health Care Surcharge than it spent on health care for Covered Employees.

WHEREFORE, in consideration of the premises, covenants, representations and warranties contained herein, and for good and valuable consideration given hereto, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

#### 1. Effective Date

The effective date of this Agreement will be the date the Agreement is signed by all parties if on the same day or if on different dates then the last day signed by a party.

#### 1. Definitions

All references to years shall mean the relevant calendar year(s).

"Agreement" shall mean this Settlement Agreement and Release.

"Blue Plan" shall mean Blue Plan Broker, LLC d/b/a Blue Plan and each of its current, former and future parents, officers, subsidiaries, divisions, subdivisions, departments, or other organizational units of any kind (doing business under their own names or doing business under any other names, any entity now or in the past controlled by, controlling, or under common control with any of the foregoing).

"Client(s)" shall mean Covered Employees that were employed by Blue Plan in San Francisco during 2009, 2010 and/or 2011.

"Covered Employee(s)" shall have the definition set forth in Section 49.03022 of the ECSR.

"ECSR" shall mean the San Francisco Health Care Security Ordinance, entitled as the Public Access Administrative Code, Chapter 14.