

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA**

McRee v. CarePartners HHA, LLLP, et al.

Case No. 1:24-cv-00128-MOC-WCM

NOTICE OF CLASS ACTION SETTLEMENT

To: <<First Name>> <<Last Name>>

Based on information provided by your current or former employer, as part of the Settlement process, you are entitled to receive an estimated payout of \$<<Amount>>.

- You are receiving this Notice because you are a current or former hourly, non-exempt employee of one or more hospitals or facilities owned and operated by an affiliate or indirect subsidiary of HCA Healthcare, Inc. in North Carolina (the “Hospitals and Facilities”), from April 25, 2021, through July 27, 2025.¹ The Court has authorized this notice. This is not a solicitation from a lawyer.
- Please read this Notice carefully. The purpose of this Notice is to inform you of the Settlement terms and your rights and options in connection with the Settlement. You have been identified as eligible to receive a monetary share in the Settlement described below.
- The parties to the above-captioned lawsuit have reached a Settlement that would resolve all of the class claims asserted in this lawsuit, and the United States District Court for the Western District of North Carolina has preliminarily approved the Settlement. As described below, you have the right to participate in the Settlement and receive a payment. Alternatively, you also have the right to exclude yourself from the Settlement or to object to the Settlement.
- Plaintiff Sharon McRee brought this lawsuit under state law and the Fair Labor Standards Act (“FLSA”) in United States District Court for the Western District of North Carolina. Plaintiff asserted claims under the FLSA and under the North Carolina Wage and Hour Act, alleging that their time was “rounded” – and hence were not paid for pre- and post-shift work – and that meal breaks were automatically deducted from their pay, even when they took no break.

¹ The Defendants in this case are: CarePartners HHA, LLLP, CarePartners Rehab Hospital, LLC, MH Angel Medical Center, LLLP, MH Asheville Specialty Hospital, LLC, MH Blue Ridge Medical Center, LLLP, MH Eckerd Living Center, LLLP, MH Highlands-Cashiers Medical Center, LLLP, MH Hospital Manager, LLC, MH Mission Hospital McDowell, LLLP, MH Mission Hospital, LLLP, MH Mission Imaging, LLLP, MH Transylvania Regional Hospital, LLLP, Mission Health Community Multispecialty Providers, LLC, and Mission Health Partners, LLC (collectively “Defendants”).

- The Defendant Hospitals and Facilities deny these allegations and expressly deny any wrongdoing or any violation of state or federal law. Defendants maintain that they have always complied with all relevant federal laws, including the Fair Labor Standards Act and all state wage and hour laws, and that they have paid employees for all of their hours of work, consistent with Defendants' policies that require all employees to accurately report all time worked.
- In order to avoid the expense and burdens of further litigation, the Parties have agreed to resolve their dispute with a Settlement. The Court has now preliminarily approved the Settlement. You are receiving this Notice because you have been identified as eligible to participate in the Settlement.
- The Court has scheduled a Final Approval Hearing to be held on May 4, 2026.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
DO NOTHING	Stay in this lawsuit. Participate in the Settlement and receive your estimated share of the Settlement listed above. To participate in the Settlement and receive the estimated share listed above, you do not need to do anything further. If the Settlement is granted final approval by the Court, following its Final Approval Hearing on May 4, 2026, you will automatically receive your Settlement payment. In exchange, you will give up any rights to sue the Defendants in a separate lawsuit under state or federal law for claims that relate to or arise under the facts alleged in this lawsuit.
ASK TO BE EXCLUDED	Exclude yourself from participation in this lawsuit. Get no benefits from it. Keep certain rights. As detailed below, you may choose to exclude yourself from this Settlement. By excluding yourself from the Settlement, you will not be able to recover any funds from the Settlement or any other benefits. However, you keep any rights to sue Defendant(s) separately about the same legal claims in this lawsuit. You should be aware that your time to bring such claims face applicable statutes of limitations.
OBJECT TO THE SETTLEMENT	Object to Some or All of the Settlement. As detailed below, you may object to the Settlement if, for any reason, you believe that it should not be approved by the Court.

	The Court will consider your objection at the Final Approval Hearing in deciding whether to approve the Settlement. If you wish to present objections to the proposed Settlement at the Final Approval Hearing, you must do so first in writing.
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1. Why did I get this notice?

You are getting this notice because Defendants' records show that you satisfy the following definition:

All current or former hourly, non-exempt employees employed at one or more hospitals or facilities owned and operated by an affiliate or indirect subsidiary of HCA Healthcare, Inc. in North Carolina (the "Hospitals or Facilities"), from April 25, 2021, through July 27, 2025.

The Defendants in this case are: CarePartners HHA, LLLP, CarePartners Rehab Hospital, LLC, MH Angel Medical Center, LLLP, MH Asheville Specialty Hospital, LLC, MH Blue Ridge Medical Center, LLLP, MH Eckerd Living Center, LLLP, MH Highlands-Cashiers Medical Center, LLLP, MH Hospital Manager, LLC, MH Mission Hospital McDowell, LLLP, MH Mission Hospital, LLLP, MH Mission Imaging, LLLP, MH Transylvania Regional Hospital, LLLP, Mission Health Community Multispecialty Providers, LLC, and Mission Health Partners, LLC (collectively "Defendants").

2. What is this lawsuit about?

On April 25, 2024, Plaintiff Sharon McRee filed a lawsuit in the United States District Court for the Western District of North Carolina, captioned *Sharon McRee v. CarePartners HHA, LLLP, et al.*, Case No. 1:24-cv-00128-MOC-WCM, asserting that Defendants failed to properly pay their employees. Specifically, Plaintiff McRee brought claims for failure to pay overtime in violation of the federal Fair Labor Standards Act (FLSA), failure to pay all wages required by the North Carolina Wage and Hour Act, and unjust enrichment under North Carolina common law. The claims are based on allegations that employees' time was improperly "rounded," resulting in unpaid work before and after shifts, and that meal breaks were automatically deducted from their pay even when no break was taken. Defendants deny the allegations and, absent settlement, were prepared to defend against the lawsuit.

The Court has not decided who is right. The Court has reviewed the Settlement Agreement reached between the Parties and has preliminarily approved it as fair and reasonable. The Court authorized that this Notice be sent to you. A Final Approval Hearing will be held on May 4, 2026.

The Settlement Terms

1. What are Defendants agreeing to pay?

Defendants have agreed to pay a total lump sum of \$1,563,000 to settle the state and federal claims in this case.

2. How will the money be allocated?

The total Settlement amount will be allocated among the following components:

- Settlement payments to Class Members who do not exclude themselves from the Settlement;
- Reimbursement to Plaintiff's counsel for costs and expenses spent litigating this case, not to exceed \$18,000 in expenses;
- A fee to Plaintiff's counsel for their time in the case to obtain the relief being provided, not to exceed one-third of the total Settlement amount;
- A service payment of \$10,000 to Plaintiff Sharon McRee for bringing this action, and of \$3,500 to each of Opt-In Plaintiffs David Stephens, Raul Amaro, and Primaldeep Stephens for their support in litigating the action; and
- A fee to the Settlement Administrator, estimated to be \$86,546.

3. What is my share of the Settlement?

If you participate in the Settlement (i.e., do nothing further), then if the Court grants final approval of the Settlement, you will receive a Settlement check for an estimated \$<<Amount>>. This is a pro rata amount of the total Settlement amount.

Your total amount is pro-rated and estimated based upon the number of weeks you worked for any of the Defendants from April 25, 2021, through July 27, 2025.

4. Can Any Defendant and/or my current employer retaliate against me if I join the lawsuit?

No. It is a violation of federal law for Defendants or any employer to fire, discipline, or retaliate against you in any manner for taking part in this case.

5. What are my options?

Participate in the Settlement. If you wish to participate in the Settlement and receive your payment, then you do not need to do anything further. If the Court grants final approval of the Settlement, then you will receive your Settlement payment and you will be subject to the release described below. If you participate in the Settlement and the Court grants final approval to the Settlement, your Settlement payment will be mailed after the Court enters its final approval order. You will have 180 days from the date of payment to cash the checks. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your

payments. If you do not exclude yourself from this Settlement, you will irrevocably and unconditionally forever and fully release against Defendants all FLSA and state law claims, whether known or unknown, that were alleged or that reasonably could have been alleged based on the facts alleged in the Second Amended Complaint in this action.

Exclude Yourself from the Settlement. If you wish to exclude yourself from the Settlement, you must submit a signed request for exclusion to the Settlement Administrator, at the following address: McRee v. CarePartners HHA, LLLP, et al. c/o RG/2 Claims Administration LLC, PO Box 59479 Philadelphia, PA 19102-9479. Your request for exclusion must be postmarked no later than 30 days after the Settlement Administrator mails Notice. If you request to be excluded from the class: (a) you will not be entitled to any payment from this Settlement; (b) you will not be entitled to object to the Settlement or appeal from any orders entered in the lawsuit relating to the Settlement; and (c) you will not be bound by the Settlement Agreement, including the release of claims set forth in this Notice.

Object to the Settlement. You may object to the Settlement or portions thereof if, for any reason, you believe that it should not be approved by the Court. The Court will consider your objection at the Final Approval Hearing in deciding whether to approve the Settlement. If you wish to present objections to the proposed Settlement at the Final Approval Hearing, you must do so first in writing. Objections in writing must be submitted to the Settlement Administrator with copies to the Parties' Counsel and postmarked no later than 30 days after the Settlement Administrator mails Notice. Objections must set forth the factual and legal grounds for the objection. Class Members who make a timely objection shall be entitled, but are not required, to be heard at the Final Approval Hearing (whether individually or through separate counsel) to object to the Settlement or any aspect thereof.

An objector may withdraw their objections at any time.

6. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You are permitted to attend that hearing, although you are not required or expected to attend. At the Final Approval Hearing, the Court will consider whether the Settlement (including the requested attorneys' fees, costs, and expenses, service awards and Settlement administration costs) is fair, reasonable and adequate. The Court will consider all written objections to the settlement at that time, and it will hear from any Class Members who object to the Settlement provided they submitted written objections in advance, in accordance with the above instructions. The Court has scheduled the hearing to take place on May 4, 2026 at 9:45 AM, at the United States District Court for the Western District of North Carolina, in Courtroom 2. The Court's decision will impact your rights. If the Court changes the date, time, or location of the hearing, it will notify the parties through the Court's electronic case management system, but no further notice will be mailed.

7. What if I Have Questions About the Settlement?

A website has been created with key Settlement notice documents and information about the lawsuit. You can access the website at www.NCHospitalSettlement.com.

As well, the Class is represented by the following attorneys, who have been preliminarily approved by the Court as Class Counsel:

Seth R. Lesser
Christopher Timmel
Sarah Sears
KLAFER LESSER LLP
Two International Drive, Suite 350
Rye Brook, NY 10573
Telephone: (914) 934-9200

Joseph F. Scott
Ryan A. Winters
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Katharine Batchelor
LEE SEGUI
900 W. Morgan Street
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If you have questions about the settlement, please contact the Settlement Administrator at 1-866-742-4955. You may also contact the lawyers listed above.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE LITIGATION TO THE CLERK OF THE COURT, THE JUDGE, OR THE DEFENDANTS' COUNSEL. THEY ARE NOT PERMITTED TO ANSWER YOUR QUESTIONS.