

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION LAWSUIT AND FAIRNESS HEARING

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

If you were a non-exempt hourly paid employee or salaried overtime eligible employee at AHRC Health Care, Inc. at any time from October 5, 2014 through the date of June 9, 2025, you may be entitled to a payment from a class action lawsuit settlement.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- This notice pertains to any individual who was employed as a non-exempt hourly paid employee or salaried overtime eligible employee at AHRC Health Care, Inc. (“AHRC” or “Defendant”) between October 5, 2014 through June 9, 2025 (except for individuals employed in the Home Health Department and/or who otherwise previously requested to be excluded from the certified classes) (“Class Members”).
- A former employee who worked at AHRC has sued AHRC, alleging that it failed to properly compensate him and all other Class Members for all straight and overtime hours they worked. The lawsuit was filed as a class action under the state laws of New York, and as a collective action under the Fair Labor Standards Act (“FLSA”). AHRC denies all allegations and maintains that all Class Members were properly compensated at all times.
- To avoid the burden, expense, inconvenience, and uncertainty of continued litigation, the parties have concluded that it is in their best interests to resolve and settle the action by entering into a Joint Stipulation of Settlement and Release (the “Settlement Agreement” or “Settlement”).
- Under the Settlement Agreement, Defendant has agreed to pay money into a settlement fund that will be used to pay Class Members who qualify for a settlement payment, as well as to pay attorneys’ fees, a service award, litigation costs, taxes, and the expenses of administering the Settlement.
- Under the allocation formula created by counsel for Class Members (“Class Counsel”) and the Settlement Claims Administrator, you are entitled to receive approximately \$ [REDACTED], half of which is subject to applicable taxes and withholdings, like any other paycheck. This amount has been calculated as described in Section 7 below.
- Neither Class Counsel nor Defendant makes any representations concerning tax consequences of this Settlement or participation in it, and you are advised to seek your own personal tax advice regarding your participation in the Settlement.
- Your legal rights may be affected. You have a choice to make now:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Remain part of the case and receive approximately the payment amount identified above, subject to applicable taxes and withholdings.
OBJECT	Write to the Court about why you object to the Settlement. If you object in writing, you may also ask to speak in court about the fairness of the Settlement. You may only appear in court to speak about the fairness of the Settlement if you file a timely written objection to the Settlement. For additional information regarding objecting to the Settlement, see Section 14 below.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved in favor of approving the Settlement. Please be patient.

BASIC INFORMATION

1. Why did I get this Notice?

According to Defendant’s books and records, you worked as a Class Member, as defined above, at AHRC at some time between October 5, 2014 through June 9, 2025. The Court ordered that you be sent this notice because you have a right to know about a proposed Settlement of a collective/class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections and appeals are heard, payments will be mailed to Class Members.

This notice explains the lawsuit, the Settlement, your legal rights, and what benefits are available.

The Court overseeing this case is the United States District Court for the Southern District of New York. This lawsuit is known as *Oate v. AHRC Health Care, Inc.*, 1:20-cv-08292.

2. What is this Lawsuit about?

This lawsuit is about whether Defendant properly paid each Class Member for straight and overtime hours, including when he or she performed work while on-the-clock and during meal breaks. Plaintiff also claims that Defendant failed to provide proper notices and/or wage statements.

Defendant denies that it underpaid or improperly paid Class Members or failed to provide proper notices and/or wage statements.

3. Why is this a Class Action?

In a class action, the named plaintiff is also called a “Representative Plaintiff,” and they sue on behalf of people who have similar claims. The Representative Plaintiff and the other people on whose behalf they sue are called a “Class” or “Class Members.” One court resolves the issues for everyone in the Class—except for those who choose to exclude themselves from the Class.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Both sides believe they would have prevailed in the case, but there was no decision ruling in favor of either party. Instead, both sides agreed to a settlement. That way, they avoid the costs, delays, and uncertainties associated with further litigation, and the Class Members who participate in the Settlement will get compensation. The Representative Plaintiff and the attorneys representing the Class Members think the Settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT?

5. How do I know if I am part of the Settlement?

You are automatically a member of the Class if you worked for Defendant as a Class Member, as defined above, in New York between October 5, 2014, through June 9, 2025.

6. I'm still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can contact the Settlement Claims Administrator as follows:

AHRC Health Care Case
P.O. Box 2006
Chanhassen, MN 55317-2006
[www. AHRCHealthCareCase.com](http://www.AHRCHealthCareCase.com)
Toll Free #: 844-473-6690
Fax #: (952) 404-5750
Email: AHRCsettlement@noticeadministrator.com

You may also contact the attorneys representing the Class Members:

Brett R. Gallaway, Esq.
Jason S. Giaimo, Esq.
McLaughlin & Stern, LLP
(212) 448-100
bgallaway@mclaughlinstern.com
jgiaimo@mclaughlinstern.com

THE SETTLEMENT BENEFITS – WHAT YOU GET

7. What does the Settlement provide?

Defendant has agreed to deposit a total of \$5,150,000.00 (the “Gross Settlement Amount”) into a fund to be divided among current and former employees who are covered by the Settlement Agreement. The Gross Settlement Amount shall cover payments to Class Counsel for attorneys’ fees and costs, payments to the Representative Plaintiff for his services to the Class, taxes, and the costs of administering the Settlement. The remaining amount, after attorneys’ fees and costs, service payment, taxes, and administrative fees have been deducted (the “Net Settlement Fund”), shall be divided among Class Members based on a *pro rata* allocation based on the number of weeks worked per Class Member over the applicable claim period. Specifically, each Class Member will be assigned an individual percentage amount of the Gross Settlement Amount based on their individual number of workweeks in a non-exempt hourly or salaried overtime eligible position compared to the total amount of such workweeks attributable to the entire Class. Each Class Member’s percentage amount of the Gross Settlement Amount shall be assigned to the Net Settlement Fund in order to compute that Class Member’s share of the Net Settlement Fund. Settlement checks that are issued to Class Members that are not cashed within 90 days will be null and void.

8. How much will my payment be?

Based on the formula that has been preliminarily approved by the Court, you will be entitled to receive approximately \$ [REDACTED], half of which is subject to applicable taxes and withholdings. The Settlement Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by following the instructions in Section 18 below.

HOW YOU GET A PAYMENT

9. How can I get my payment?

You do not need to do anything to receive the payment identified in Section 8. You will be sent a settlement check if and when the Court approves the settlement and after all appeals have been exhausted, if any such appeals result in approval of the Settlement.

10. When will I get my payment?

The Court will hold a fairness hearing to determine whether to approve the Settlement, as described in more detail in Section 15. If the Court approves the Settlement, there may be appeals after that. Resolving appeals can take time, perhaps more than a year. Please be patient.

11. What am I giving up to get a payment or stay in the Class?

If you have already been provided an opportunity to request to be excluded from the Class and you did not request to be excluded, you cannot bring or be part of any other lawsuit against Defendant about the claims that have been released through the Settlement of this case. It also means that all of the Court's orders apply to you and legally bind you.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

The Court has decided that the lawyers at McLaughlin & Stern, LLP are qualified to represent you and all Class Members. These lawyers are called "Class Counsel." Specifically, if you choose to remain in the Class you are represented by Lee S. Shalov, Esq., Brett R. Gallaway, Esq., and Jason S. Giaimo, Esq., from McLaughlin & Stern, LLP. You will not be separately charged for these lawyers; their fees are being covered by the settlement fund. You do not need to retain your own attorney in order to participate as a Class Member. If you want to be represented by your own lawyer, you may hire one at your own expense; that lawyer will not be entitled to receive fees from the settlement fund.

13. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to one-third of the Gross Settlement Amount for attorneys' fees. These fees would compensate Class Counsel for investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also ask the Court to approve payment for their out-of-pocket costs, excluding the cost of the settlement administrator. The cost of the settlement administrator will also come from the Gross Settlement Amount. The Defendant has agreed not to oppose these fees. Class Counsel will also ask the Court to approve a payment of \$10,000 to the Representative Plaintiff in recognition of the risks he took and his services to the Class.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

14. How do I tell the Court that I do not like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter by mail

that includes the words “I object to the settlement in the AHRC wage and hour settlement.” as well as all reasons for the objection. Be sure to include your name, job title, address, telephone number, and your signature. Mail the objection to:

**AHRC Health Care Case
P.O. Box 2006
Chanhassen, MN 55317-2006
www.AHRCHealthCareCase.com
Toll Free #: 844-473-6690
Fax #: (952) 404-5750**

Your letter must be postmarked no later than August 13, 2025.

THE COURT’S FAIRNESS HEARING

The Court will hold a fairness hearing to decide whether to approve the Settlement. You may attend the hearing and ask to speak at the hearing, but you do not have to. If you wish to bring anything to the Court’s attention about the Settlement, you should provide it in writing to the Claims Administrator according to Section 14 above. The Claims Administrator will provide your letter to the Court before the fairness hearing.

15. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing on December 3, 2025, at 2:30 p.m., at the United States District Court for the Southern District of New York, 40 Foley Square, New York, New York 10007, before the Hon. Jennifer E. Willis in Courtroom 228.

At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

16. Do I have to come to the hearing?

No. Class Counsel will answer questions the Court may have. But you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary; that lawyer will not be entitled to receive fees from the settlement fund.

17. May I speak at the hearing?

If you file a timely objection to the Settlement, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must include the words “I intend to appear at the Fairness Hearing” in your written objection, which must be filed according to the procedure described in Section 14, above. Your testimony at the Fairness Hearing will be limited to those reasons that are included in your written objection.

GETTING MORE INFORMATION

18. Are there more details about the Settlement?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by sending a request, in writing, to:

**AHRC Health Care Case
P.O. Box 2006
Chanhassen, MN 55317-2006
www.AHRCHealthCareCase.com
Toll Free #: 844-473-6690
Fax #: (952) 404-5750**

19. How do I get more information?

If you have other questions about the settlement, you can contact the Settlement Claims Administrator, or Class Counsel at the addresses and/or telephone numbers below.

**AHRC Health Care Case
P.O. Box 2006
Chanhassen, MN 55317-2006
www.AHRCHealthCareCase.com
Toll Free #: 844-473-6690
Fax #: (952) 404-5750**

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DATED: July 14, 2025