

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

COLLEEN WITMER,

Plaintiff,

v.

H.I.G. CAPITAL, L.L.C.; H.I.G. SURGERY
CENTERS, LLC; H.I.G. BAYSIDE DEBT & LBO
FUND II; BCPE SEMINOLE HOLDINGS LP;
BAIN CAPITAL INVESTORS, LLC; BAIN
CAPITAL PRIVATE EQUITY, LP,

Defendants,

and

SURGERY PARTNERS, INC.,

Nominal Defendant.

C.A. No. 2017-0862-LWW

**NOTICE OF PENDENCY OF DERIVATIVE ACTION, PROPOSED SETTLEMENT
OF DERIVATIVE ACTION, SETTLEMENT HEARING, AND RIGHT TO APPEAR**

The Court of Chancery of the State of Delaware authorized this Notice.

This is not a solicitation from a lawyer.

TO: ALL PERSONS OR ENTITIES WHO OR WHICH HELD SHARES OF SURGERY PARTNERS, INC. (“SURGERY PARTNERS”) COMMON STOCK AS OF THE CLOSE OF BUSINESS ON DECEMBER 2, 2021 (“CURRENT SURGERY PARTNERS STOCKHOLDERS”).

The purpose of this Notice is to inform you of: (i) the pendency of the above-captioned stockholder derivative action (the “Action”), which was maintained by plaintiff Colleen Witmer (“Plaintiff”), on behalf of and for the benefit of Surgery Partners, Inc. (“Surgery Partners” or the “Company”), in the Court of Chancery of the State of Delaware (the “Court”); (ii) a proposed settlement of the Action (the “Settlement”), subject to Court approval, as provided in the Stipulation and Agreement of Settlement, Compromise and Release, dated November 22, 2021 (the “Stipulation”); (iii) the hearing that the Court will hold on February 11, 2022 at 11:00 a.m. to determine whether to approve the proposed Settlement and to consider the application by Plaintiff’s Counsel¹ for an award of attorneys’ fees and litigation expenses; and (iv) Current Surgery Partners Stockholders’ rights with respect to the proposed Settlement and Plaintiff’s Counsel’s application for attorneys’ fees and expenses.²

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT OF THIS ACTION.

The Stipulation was entered into as of November 22, 2021, between and among (i) Plaintiff; (ii) defendants HIG Capital, L.L.C., H.I.G. Surgery Centers, LLC, and H.I.G. Bayside Debt & LBO Fund II, LLP (collectively, “HIG”); (iii) defendants BCPE Seminole Holdings LP, Bain Capital Investors, LLC, and Bain Capital Private Equity, LP (collectively, “Bain,” and, together with HIG, “Defendants” and each a “Defendant”); and (iv) nominal defendant Surgery Partners (together with Plaintiff and Defendants, the “Settling Parties” and each a “Settling Party”), subject to Court approval pursuant to Court Rule 23.1.

As described in paragraph 22 below, the Settlement provides for cash payments totaling \$45 million (the “Total Settlement Amount”), which, after deducting any fee and expense award to Plaintiff’s Counsel and any applicable taxes, will be paid to Surgery Partners. If you are a nominee who held Surgery Partners common stock for the benefit of another, please read the section below entitled “NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS.”

Because the Action was brought as a derivative action, which means that it was brought on behalf of and for the benefit of Surgery Partners, the benefits from the Settlement will go to Surgery Partners. Individual Surgery Partners stockholders will not receive any direct payment from the Settlement.

PLEASE NOTE: THERE IS NO PROOF OF CLAIM FORM FOR STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT, AND STOCKHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE.

¹ Plaintiff’s Counsel consist of the law firms of Block & Leviton LLP and Heyman Enerio Gattuso & Hirzel LLP.

² All capitalized terms not otherwise defined in this Notice shall have the meaning provided in the Stipulation, which is available in the “Investment Information” section of Surgery Partners’ website, www.surgerypartners.com.

WHAT IS THE PURPOSE OF THIS NOTICE?

1. The purpose of this Notice is to explain the Action, the terms of the proposed Settlement, and how the proposed Settlement affects Surgery Partners stockholders' legal rights.

2. In a derivative action, one or more persons or entities who are current stockholders of a corporation sue on behalf of and for the benefit of the corporation, seeking to enforce the corporation's legal rights. In this case, Plaintiff has filed suit against Defendants on behalf of and for the benefit of Surgery Partners.

3. The Court has scheduled a hearing to consider the fairness, reasonableness, and adequacy of the Settlement and the application by Plaintiff's Counsel for an award of attorneys' fees and expenses (the "Settlement Hearing"). See paragraphs 32 - 40 below for details about the Settlement Hearing, including the location, date, and time of the hearing.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

THE FOLLOWING DESCRIPTION OF THE ACTION AND THE SETTLEMENT HAS BEEN PREPARED BY COUNSEL FOR THE SETTLING PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS, AND THIS NOTICE IS NOT AN EXPRESSION OR STATEMENT BY THE COURT OF FINDINGS OF FACT.

4. On May 9, 2017, Surgery Partners entered into three transactions whereby (i) Surgery Partners agreed to acquire National Surgical Healthcare, Inc. from Irving Place Capital for approximately \$760 million; (ii) HIG agreed to sell all of its common shares of Surgery Partners to Bain at a price of \$19 per share for a total purchase price of approximately \$502.7 million; and (iii) Surgery Partners agreed to issue and sell to Bain 310,000 shares of a newly created class of Series A Preferred Stock at a price of \$1,000 per share for a total purchase price of \$310 million (the "Transactions").

5. On May 11, 2017, Surgery Partners filed a Form 8-K disclosing the terms of the Transactions.

6. On December 4, 2017, the original plaintiff, Melvyn Klein ("Plaintiff Klein"), filed a Verified Class Action and Derivative Complaint (the "Complaint"), purporting to bring claims directly on behalf of minority stockholders, and derivatively on behalf of Surgery Partners, against HIG, Bain, Michael Doyle, Matthew Lozow, Adam Feinstein, Teresa DeLuca, and Brent Turner.

7. The Complaint alleged, among other things, that HIG, as then-controlling stockholder of Surgery Partners, breached its fiduciary duty by causing Surgery Partners to enter into the Transactions and that Bain aided and abetted that alleged breach.

8. On January 2, 2018, Surgery Partners, HIG, Bain, Michael Doyle, Matthew Lozow, Adam Feinstein, Teresa DeLuca, and Brent Turner filed their motions to dismiss the Complaint.

9. On April 17, 2018, Plaintiff Klein voluntarily dismissed the claims against Adam Feinstein and Teresa DeLuca without prejudice.

10. On September 17, 2018, the Court entered an order approving a stipulation dismissing the claims against Matthew Lozow and Brent Turner with prejudice as to Plaintiff in this Action only.

11. On December 19, 2018, after briefing and oral argument, the Court issued a Memorandum Opinion denying the motions to dismiss with respect to the derivative claim for breach of fiduciary duty against HIG and the derivative claim for aiding and abetting that alleged breach of fiduciary duty against Bain, and granting the motions to dismiss with respect to all other claims, including a dismissal with prejudice of the breach of fiduciary duty claim asserted against Michael Doyle.

12. Following the Court's decision on the motions to dismiss, the Settling Parties engaged in extensive discovery. Plaintiff Klein served document requests and interrogatories on Defendants and Surgery Partners and document subpoenas on numerous non-parties. Defendants also served document requests and interrogatories on Plaintiff Klein. In total, Plaintiff's Counsel received and reviewed over 157,000 documents, totaling more than 2.5 million pages. Plaintiff's Counsel conducted 19 fact witness depositions of relevant parties and non-parties. Defendants deposed Plaintiff Klein. Plaintiff Klein and Defendants also exchanged opening and rebuttal expert witness reports (with Bain's expert witness also providing a third sur-rebuttal report), and conducted lengthy depositions of each expert witness.

13. On June 18, 2019, counsel for the Settling Parties participated in a mediation session before retired United States District Court Judge Layn R. Phillips. In advance of that session, the Settling Parties provided Judge Phillips with detailed mediation statements and exhibits that addressed the issues of liability and damages in the Action. The session ended without any agreement being reached.

14. On May 12, 2021, counsel for the Settling Parties participated in a second mediation session before Judge Phillips and David Murphy, a former partner of the Wachtell Lipton law firm and a highly respected and experienced mediator in complex stockholder actions, following the completion of fact discovery. Plaintiff and Defendants provided Judge Phillips and Mr. Murphy with updated mediation statements and exhibits, but the session again ended without any agreement being reached.

15. On August 9, 2021, Defendants filed their respective Motions for Summary Judgment and supporting briefs and exhibits.

16. On August 24, 2021, HIG filed a Suggestion of Death upon learning that Plaintiff Klein had died the previous month. The same day, Plaintiff's counsel filed a Motion for Stay of the Action to arrange for an intervening substitute plaintiff.

17. On August 30, 2021, the Court entered a stipulated order granting Plaintiff Witmer's motion to intervene as representative plaintiff, and Plaintiff adopted the operative Complaint as her own.

18. Plaintiff filed her Omnibus Answering Brief in Opposition to Summary Judgment on September 13, 2021, and Defendants filed their respective Reply Briefs in Support of Summary Judgment on October 4, 2021.

19. On October 20, 2021, after arm's-length negotiations facilitated by Judge Phillips and Mr. Murphy, Plaintiff and Defendants, who were all represented by counsel with significant experience and expertise in stockholder litigation, agreed on the principal terms of the Stipulation and executed a term sheet (the "Term Sheet") summarizing the proposed terms under which this Action could be resolved.

20. On November 22, 2021, the Settling Parties entered into the Stipulation, which reflects the results of the Settling Parties' negotiations, and is intended to dismiss the Action with prejudice and to fully, finally, and forever compromise, discharge, settle, and release all Released Plaintiff's Claims, Released Defendants' Claims, and Released Defendants' Cross-Claims (defined in paragraph 25 below). In connection with settlement discussions and negotiations leading to the Settlement set forth in the Stipulation, counsel for the Settling Parties did not discuss the appropriateness or amount of any application by Plaintiff's Counsel for an award of attorneys'

fees and expenses.

21. On December 2, 2021, the Court entered the Scheduling Order in connection with the Settlement which, among other things, authorized this Notice to be provided to Current Surgery Partners Stockholders and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement.

WHAT ARE THE TERMS OF THE SETTLEMENT?

22. In consideration for the full settlement, satisfaction, compromise, and release of all Released Plaintiff's Claims (defined in paragraph 25 below) against the Released Defendants' Persons (defined in paragraph 25 below), all Released Defendants' Claims (defined in paragraph 25 below) as against the Released Plaintiff's Persons (defined in paragraph 25 below), and all Released Defendants' Cross-Claims (defined in paragraph 25 below) as against other Released Defendants' Persons, and the dismissal with prejudice of the Action, the Settling Parties have agreed to the following:

- (a) Not later than ten (10) business days prior to the date of the Settlement Hearing:
 - (i) Bain shall provide Plaintiff's Counsel with satisfactory evidence that \$12,500,000 (the "Bain Settlement Amount") has been deposited in a segregated, U.S.-based interest-bearing account designated for the deposit of the Bain Settlement Amount (the "Bain Account") for payment on the schedule specified herein in the event the Settlement as to Bain is approved by the Court. The Bain Settlement Amount plus any interest earned thereon (the "Bain Settlement Fund"), less any Fee and Expense Award as described in paragraphs 30 - 31 below, and/or less any reserve to account for any potential future awards to Plaintiff's Counsel, and less any applicable federal, state, and/or local taxes on any interest earned by the Bain Settlement Amount while on deposit in the Bain Account, shall be transferred from the Bain Account to Surgery Partners no later than five (5) business days following the Effective Date – Bain (defined in paragraph 26 below).
 - (ii) HIG shall provide Plaintiff's Counsel with satisfactory evidence that \$32,500,000 (the "HIG Settlement Amount") has been deposited in a segregated, U.S.-based interest-bearing account designated for the deposit of the HIG Settlement Amount (the "HIG Account") for payment on the schedule specified herein in the event the Settlement as to HIG is approved by the Court. The HIG Settlement Amount plus any interest earned thereon (the "HIG Settlement Fund"), less any Fee and Expense Award as described in paragraphs 30 - 31 below, and/or less any reserve to account for any potential future awards to Plaintiff's Counsel, and less any applicable federal, state, and/or local taxes on any interest earned by the HIG Settlement Amount while on deposit in the HIG Account, shall be transferred from the HIG Account to Surgery Partners no later than five (5) business days following the Effective Date – HIG (defined in paragraph 27 below).
- (b) HIG's only monetary obligations under the Settlement shall be to cause the HIG Settlement Amount to be deposited into the HIG Account and to cause the transfer of the HIG Settlement Fund to Surgery Partners as described above in paragraph 22(a)(ii). Bain's sole monetary obligation under the Settlement shall be to cause the Bain Settlement Amount to be deposited into the Bain Account and to cause the transfer of the Bain Settlement Fund to Surgery Partners as described above in paragraph 22(a)(i).
- (c) If Bain materially defaults in its payment of the Bain Settlement Amount or other obligations under the Settlement, the Settlement as to the claims against the Released Bain Persons will be of no force

and effect, but the Settlement as to the claims against the Released HIG Persons will remain effective upon the Effective Date – HIG, and in such event, any damages awarded against the Released Bain Persons shall be reduced, in accordance with 10 *Del. C.* § 6304(a)&(b), by the greater of the HIG Settlement Amount or HIG’s *pro rata* share of liability, with Plaintiff providing any release necessary for that purpose, to ensure that HIG is not made to pay any amount greater than the HIG Settlement Amount.

- (d) If HIG materially defaults in its payment of the HIG Settlement Amount or other obligations under the Settlement, the Settlement as to the claims against the Released HIG Persons will be of no force and effect but the Settlement as to the claims against the Released Bain Persons remain effective upon the Effective Date – Bain, and in such event, any damages awarded against the Released HIG Persons shall be reduced, in accordance with 10 *Del. C.* § 6304(a)&(b), by the greater of the Bain Settlement Amount or Bain’s *pro rata* share of liability, with Plaintiff providing any release necessary for that purpose, to ensure that Bain is not made to pay any amount greater than the Bain Settlement Amount.
- (e) It is expressly agreed and understood that the Total Settlement Amount is an “all-in” payment, and that neither Defendant shall be required to make any payments or contributions to the Total Settlement Amount in excess of its respective Settlement Amount defined in paragraphs 22(a)(i) and 22(a)(ii). HIG and Bain shall not be liable for any other amounts, including any petition by Plaintiff’s Counsel for attorneys’ fees and expenses. HIG and Bain agree that Surgery Partners will not directly or indirectly pay any portion of the HIG Settlement Amount or Bain Settlement Amount, or indemnify any Defendant for payment that such Defendant may be required to make toward the Total Settlement Amount.

WHAT ARE THE SETTLING PARTIES’ REASONS FOR THE SETTLEMENT?

23. Plaintiff, through Plaintiff’s Counsel, has conducted an extensive investigation and discovery relating to the claims and underlying events and transactions alleged in the Action. Plaintiff’s Counsel have analyzed the evidence adduced during their investigation and discovery and have also researched the applicable law with respect to the claims asserted in the Action and the potential defenses thereto. In negotiating and evaluating the terms of the Settlement, Plaintiff and Plaintiff’s Counsel considered the significant legal and factual defenses to Plaintiff’s claims and the expense, length, and risk of pursuing their claims through trial and appeals. While Plaintiff brought her claims in good faith and continues to believe that her claims have merit, Defendants have consistently denied Plaintiff’s allegations, and vigorously argued that they acted appropriately and are not subject to liability or damages. In light of the substantial monetary recovery achieved by the Settlement, Plaintiff and Plaintiff’s Counsel have determined that the proposed Settlement is fair, reasonable, adequate, and in the best interests of Surgery Partners and its stockholders. The Settlement provides substantial immediate benefits to Surgery Partners without the risk that continued litigation could result in obtaining similar or lesser relief for Surgery Partners after continued extensive and expensive litigation, including trial and the appeals that would likely follow.

24. Defendants have denied, and continue to deny, each and all of the claims and contentions alleged by Plaintiff in the Complaint, including any and all allegations of wrongdoing, allegations of liability, and the existence of any damages asserted in the Complaint or arising from the Action. Without limiting the generality of the foregoing, Defendants have denied, and continue to deny, that they have committed any breach of fiduciary duty, aided and abetted any breach of fiduciary duty, or violated any statutory duty whatsoever, and each

Defendant expressly maintains that it has diligently and scrupulously complied with its statutory, fiduciary, and other legal duties. Nevertheless, to avoid the burden, expense, disruption, and distraction of further litigation, and without admitting the validity of any allegations made by Plaintiff in the Complaint, or any liability with respect thereto, Defendants have concluded that it is desirable that the claims against them be settled on the terms reflected in the Stipulation.

WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED?
WHAT CLAIMS WILL THE SETTLEMENT RELEASE?

25. If the Settlement is approved, the Court will enter an Order and Final Judgment Approving Derivative Action Settlement (the “Judgment”). Pursuant to the Judgment, the Action will be dismissed with prejudice and the following releases will occur:

(a) Without further action by anyone, upon the Effective Date – Bain:

- (i) Surgery Partners, the Released Plaintiff’s Persons, and all of their respective current or future estates, successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, whether now existing or later determined, and each and every stockholder of Surgery Partners, derivatively on behalf of Surgery Partners, and on behalf of themselves and their respective agents, spouses, heirs, executors, administrators, trustees, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, shall be deemed to have, and by operation of law and of the Judgment, shall have, fully, finally, and forever compromised, discharged, settled, relinquished, dismissed with prejudice, and released their right to assert any or all of the Released Plaintiff’s Claims against any of the Released Defendants’ Persons (except for the Released HIG Persons in the event the Effective Date – HIG has not also occurred), and shall forever be enjoined from commencing or prosecuting any or all of the Released Plaintiff’s Claims against any of the Released Defendants’ Persons (except for the Released HIG Persons in the event the Effective Date – HIG has not also occurred); and
- (ii) Surgery Partners and the Released Bain Persons, on behalf of themselves and their respective agents, spouses, heirs, executors, administrators, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such only, shall be deemed to have, and by operation of the Judgment approving this Settlement shall have, completely, fully, finally, and forever, compromised, settled, released, discharged, extinguished, relinquished, and dismissed with prejudice, and shall forever be enjoined from prosecuting, any and all Released Defendants’ Claims against the Released Plaintiff’s Persons.

(b) Without further action by anyone, upon the Effective Date – HIG:

- (i) Surgery Partners, the Released Plaintiff’s Persons, and all of their respective current or future estates, successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, whether now existing or later determined, and each and every stockholder of Surgery Partners, derivatively on behalf of Surgery Partners, and on behalf of themselves and their respective agents, spouses, heirs, executors, administrators, trustees, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, shall be deemed to have, and by operation of law and of the Judgment, shall have, fully, finally, and forever compromised, discharged, settled, relinquished, dismissed with prejudice, and released their right to assert any or all of the

Released Plaintiff's Claims against any of the Released Defendants' Persons (except for the Released Bain Persons in the event the Effective Date – Bain has not also occurred), and shall forever be enjoined from commencing or prosecuting any or all of the Released Plaintiff's Claims against any of the Released Defendants' Persons (except for the Released Bain Persons in the event the Effective Date – Bain has not also occurred); and

(ii) Surgery Partners and the Released HIG Persons, on behalf of themselves and their respective agents, spouses, heirs, executors, administrators, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such only, shall be deemed to have, and by operation of the Judgment approving this Settlement shall have, completely, fully, finally, and forever compromised, settled, released, discharged, extinguished, relinquished, and dismissed with prejudice, and shall forever be enjoined from prosecuting, any and all Released Defendants' Claims against the Released Plaintiff's Persons.

(c) Without further action by anyone, upon the Effective Date – Cross-Claims, the Released Defendants' Persons, on behalf of themselves and their respective current or future agents, spouses, heirs, estates, trustees, executors, administrators, representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such only, shall be deemed to have, and by operation of the Judgment approving this Settlement shall have, completely, fully, finally, and forever, compromised, settled, released, discharged, extinguished, relinquished, and dismissed with prejudice, and shall forever be enjoined from prosecuting, any and all Released Defendants' Cross-Claims against any other Released Defendants' Persons.

“Released Bain Persons” means Bain (as defined above) and each of their respective current and former members, principals, parents, affiliates, associated entities, subsidiaries, officers, directors, agents, advisors, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, fiduciaries, immediate family members, insurers, reinsurers, financial advisors, accountants and attorneys.

“Released Defendants' Claims” means all claims and causes of action of every nature and description that any Released Defendants' Person may have, whether known claims or Unknown Claims, including, but not limited to, any claims arising under state or federal statutory or common law or equity, that arise out of, are based upon, or relate to the institution, prosecution, or settlement of the claims asserted in the Action; *provided, however*, that the Released Defendants' Claims shall not include any claims arising out of, based upon, or relating to the enforcement of the Stipulation or the Settlement, and shall not include claims, if any, that any Released Defendants' Person(s) may have against its or their insurer(s), but only with respect to such insurers' obligation(s) to fund any portion of the HIG Settlement Amount or Bain Settlement Amount, as relevant, or to reimburse attorneys' fees or expenses related to the Action, and subject to any separate agreement(s) with such insurer(s).

“Released Defendants' Cross-Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, including, but not limited to, any claims for contribution arising under state or federal statutory or common law or equity, that any Released Defendants' Person may have against any other Released Defendants' Person that are based upon, arise out of, relate in any way to, or involve directly or indirectly, any matters that were alleged or could have been alleged in the Action, including but not limited to all causes of action arising from or relating to the Transactions; *provided, however*, that the Released Defendants' Cross-Claims shall not include any claims to enforce the Stipulation or the Settlement and shall not include claims, if any, that any Released Defendants' Person(s) may have against its or their insurer(s), but only with respect to such insurer(s) obligations to fund any portion of the HIG Settlement Amount or Bain Settlement Amount, as relevant, or to reimburse attorneys' fees or expenses related to the Action, and subject to any separate agreement(s) with such insurer(s).

“Released Defendants’ Persons” means the Released Bain Persons, the Released HIG Persons, all persons named at any time as defendants in this Action, the Company, and the Company’s current and former parents, affiliates, associated entities, subsidiaries, officers, directors, agents, advisors, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, fiduciaries, immediate family members, insurers, reinsurers, financial advisors, accountants, and attorneys.

“Released HIG Persons” means HIG (as defined above) and each of their respective current and former members, principals, parents, affiliates, associated entities, subsidiaries, officers, directors, agents, advisors, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, fiduciaries, immediate family members, insurers, reinsurers, financial advisors, accountants and attorneys.

“Released Plaintiff’s Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, judgments, defenses, counterclaims, offsets, decrees, matters, issues and controversies of any kind, nature or description whatsoever, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including any known or Unknown Claims, that (i) Plaintiff or Plaintiff’s predecessor asserted in the Complaint; (ii) the Released Plaintiff’s Persons could have asserted directly on their own behalf; or (iii) Plaintiff, Plaintiff’s predecessor, any Released Plaintiff’s Person, or any other stockholder could have asserted derivatively on behalf of the Company, or that the Company could have asserted directly, in any court, tribunal, forum or proceeding, whether based on state, local, foreign, federal, statutory, regulatory, common or other applicable law or rule, arising out of, in connection with, based upon, or relating in any way to, or involving directly or indirectly, any facts, matters, events, representations, acts or omissions that were alleged or could have been alleged in the Action, including, but not limited to, all causes of action arising out of, in connection with, based upon, or relating to the Transactions; *provided, however*, that the Released Plaintiff’s Claims shall not include any claims to enforce the Stipulation or the Settlement. For the avoidance of doubt, the Released Plaintiff’s Claims include only claims belonging to Plaintiff or Surgery Partners, or that could be asserted derivatively on behalf of Surgery Partners, and any direct claims that could be asserted by Released Plaintiff’s Persons, and do not include (i) any direct claims of any other stockholder of Surgery Partners, including any claims arising out of, based upon, or relating to the federal or state securities laws; or (ii) any claims, if any, that any party may have against any insurer with respect to obligations to fund the Bain Settlement Amount or HIG Settlement Amount or any portion thereof.

“Released Plaintiff’s Persons” means Plaintiff, Melvyn Klein (and his estate and/or successors-in-interest), and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, immediate family members, heirs, insurers, reinsurers, and attorneys.

“Person” means any individual, corporation, professional corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, heir, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, or any other business or legal entity.

“Unknown Claims” means any Released Plaintiff’s Claims which any Plaintiff or Released Plaintiff’s Person does not know or suspect to exist in his, her or its favor at the time of the release of such claims and any Released Defendants’ Claims or Released Defendants’ Cross-Claims which any Defendant or Surgery Partners does not know or suspect to exist in its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Plaintiff’s Claims, Released Defendants’ Claims, and Released Defendants’ Cross-Claims, the Settling Parties stipulate and agree that they shall expressly waive any and all provisions, rights, and benefits conferred by any

law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Settling Parties acknowledge that the foregoing waiver was separately bargained for and a key element of the Settlement.

26. The “Effective Date - Bain” of the Settlement will be the first date by which all of the following events and conditions have been met and have occurred or have been waived: (i) the Court has entered the Scheduling Order, substantially in the form set forth in Exhibit A to the Stipulation; (ii) Bain has caused the Bain Settlement Amount to be paid into the Bain Account; (iii) Plaintiff has not exercised her option to terminate the Settlement as to Bain pursuant to the Stipulation; (iv) Bain has not exercised its option to terminate the Settlement pursuant to the Stipulation; and (v) the Court has approved the Settlement as to Bain as described in the Stipulation, following Notice to Current Surgery Partners Stockholders and the Settlement Hearing, and entered the Judgment, substantially in the form set forth in Exhibit C to the Stipulation (or a substantially similar Judgment as to the Released Bain Persons only), and such Judgment has become Final.

27. The “Effective Date – HIG” of the Settlement will be the first date by which all of the following events and conditions have been met and have occurred or have been waived: (i) the Court has entered the Scheduling Order, substantially in the form set forth in Exhibit A to the Stipulation; (ii) HIG has caused the HIG Settlement Amount to be paid into the HIG Account; (iii) Plaintiff has not exercised her option to terminate the Settlement as to HIG pursuant to the Stipulation; (iv) HIG has not exercised its option to terminate the Settlement pursuant to the Stipulation; and (v) the Court has approved the Settlement as to HIG as described in the Stipulation, following Notice to Current Surgery Partners Stockholders and the Settlement Hearing, and entered the Judgment, substantially in the form set forth in Exhibit C to the Stipulation (or a substantially similar Judgment as to the Released HIG Persons only), and such Judgment has become Final.

28. The “Effective Date – Cross-Claims” of the Settlement will be the first date by which both the Effective Date – HIG and the Effective Date – Bain have occurred.

29. By Order of the Court, pending final determination of whether the Settlement should be approved, (i) all proceedings in the Action, other than those incident to the Settlement itself, have been stayed until otherwise ordered by the Court; (ii) Surgery Partners, the Released Plaintiff’s Persons and all other Surgery Partners stockholders are barred and enjoined from commencing, prosecuting, instituting, or in any way participating in the commencement or prosecution of any action asserting any Released Plaintiff’s Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Defendants’ Persons; (iii) Surgery Partners and Defendants are barred and enjoined from commencing, prosecuting, instituting, or in any way participating in the commencement or prosecution of any action asserting any Released Defendants’ Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Plaintiff’s Persons; and (iv) the Released Defendants’ Persons are barred and enjoined from commencing, prosecuting, instituting, or in any way participating in the commencement or prosecution of any action asserting any Released Defendants’ Cross-Claims, either directly, representatively, derivatively, or in any other capacity, against one another.

HOW WILL THE ATTORNEYS BE PAID?

30. Plaintiff's Counsel have not received any payment for their services in pursuing the claims asserted in this Action, nor have Plaintiff's Counsel been reimbursed for their out-of-pocket expenses. Plaintiff's Counsel invested their own resources for pursuing the claims asserted on a contingency basis, meaning they would only recover their expenses and be compensated for their time if they created benefits through this litigation. In light of the risks undertaken in pursuing this litigation on a contingency basis and the benefits created for Surgery Partners and its stockholders through the Settlement and the prosecution of the claims asserted, Plaintiff's Counsel intend to petition the Court for an award of attorneys' fees and litigation expenses to be paid from (and out of) the Total Settlement Amount. Plaintiff's Counsel's fee and expense application will seek an award of attorneys' fees in a total amount not to exceed 30% of the Total Settlement Amount and expenses in a total amount not to exceed \$1,000,000. Defendants and Surgery Partners reserve the right to oppose any part or all of the Fee and Expense Application.

31. The Court will determine the amount of any attorney fee and expense award to Plaintiff's Counsel (the "Fee and Expense Award"). Any Court-approved Fee and Expense Award will be paid from the Total Settlement Amount. Surgery Partners stockholders are not personally liable for any such fees or expenses.

WHEN AND WHERE WILL THE SETTLEMENT HEARING BE HELD? DO I HAVE THE RIGHT TO APPEAR AT THE SETTLEMENT HEARING? MAY I OBJECT TO THE SETTLEMENT AND SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

32. The Court will consider the Settlement and all matters related to the Settlement at the Settlement Hearing. The Settlement Hearing will be held before Vice Chancellor Lori W. Will on February 11, 2022, at 11:00 a.m., in the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801.

33. At the Settlement Hearing, the Court will, among other things: (i) determine whether Plaintiff and Plaintiff's Counsel have adequately represented the interests of Surgery Partners and its stockholders; (ii) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to Surgery Partners and its stockholders, and should be approved by the Court; (iii) determine whether a Final Order and Judgment, substantially in the form attached as Exhibit C to the Stipulation, should be entered dismissing the Action with prejudice against Defendants and settling, releasing, and enjoining prosecution of any and all Released Plaintiff's Claims against the Released Defendants' Persons; (iv) consider the application by Plaintiff's Counsel for an award of attorneys' fees and litigation expenses; (v) consider any objections to the Settlement or the application by Plaintiff's Counsel for an award of attorneys' fees and litigation expenses; and (vi) consider any other matters that may properly be brought before the Court in connection with the Settlement. Surgery Partners stockholders do not need to attend the Settlement Hearing.

34. Please Note: The Court has reserved the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees and expenses, without further notice of any kind other than by oral announcement at the Settlement Hearing or any adjournment thereof. The Court has further reserved the right to approve the Stipulation and the Settlement, at or after the Settlement Hearing, with such modifications as may be consented to by the Settling Parties and without further notice to Surgery Partners stockholders. You should monitor the Court's docket before making plans to attend the Settlement Hearing. You may also confirm the date and time of the Settlement Hearing by contacting Plaintiff's Counsel as indicated in paragraph 41 below.

35. Any Current Surgery Partners Stockholder who or which owns shares of Surgery Partners common stock as of the close of business on December 2, 2021 and continues to own shares of Surgery Partners common stock as of February 11, 2022, the date of the Settlement Hearing, may object to the Settlement and/or Plaintiff’s Counsel’s application for an award of attorneys’ fees and litigation expenses. Objections must be in writing and filed with the Register in Chancery at the address set forth below on or before January 28, 2022. Objections must also be served on counsel for Plaintiff, HIG, Bain, and Surgery Partners by hand, first class U.S. mail, or express service, at the addresses set forth below such that they are received on or before January 28, 2022.

Counsel for Plaintiffs		Counsel for HIG	
Jason M. Leviton Block & Leviton, LLP 260 Franklin Street Suite 1860 Boston, MA 02110	Kurt M. Heyman Heyman Enerio Gattuso & Hirzel, LLP 300 Delaware Avenue Suite 200 Wilmington, DE 19801	Adam Abensohn Quinn Emanuel Urquhart & Sullivan, LLP 51 Madison Avenue 22nd Floor New York, NY 10010	Elena C. Norman Young Conaway Stargatt & Taylor, LLP Rodney Square 1000 N. King Street Wilmington, DE 19801
Counsel for Bain		Counsel for Surgery Partners	
Lewis R. Clayton Paul, Weiss, Rifkind, & Garrison, LLP 1285 Avenue of the Americas New York, NY 10019	S. Michael Sirkin Ross Aronstam & Moritz, LLP 100 S. West Street Suite 400 Wilmington, DE 19801	David B. Hennes Rope & Gray, LLP 1211 Avenue of the Americas New York, NY 10036	Stephen C. Norman Potter Anderson & Corroon, LLP Hercules Plaza, 6 th Floor 1313 N. Market Street Wilmington, DE 19899
Register in Chancery			
Register in Chancery Delaware Court of Chancery Leonard L. Williams Justice Center 500 North King Street Wilmington, DE 19801			

36. Any objections, filings, and other submissions must: (i) state the name, address, and telephone number of the objector and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel; (ii) be signed by the objector; (iii) state that the objection is being filed with respect to “*Colleen Witmer v. H.I.G. Capital, L.L.C., et al.*, C.A. No. 2017-0862-LWW”; (iv) contain a specific, written statement of the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the objector wishes to bring to the Court’s attention, and if the objector has indicated that he, she, or it intends to appear at the Settlement Hearing, the identity of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the hearing; and (v) include documentation sufficient to prove that the objector owned shares of Surgery Partners common stock as of the close of business on December 2, 2021 and contain a statement that the objector continues to hold shares of Surgery Partners common stock as of the date of filing of the objection and will continue to hold shares of Surgery Partners common stock as of the date of the Settlement Hearing.

37. Current Surgery Partners Stockholders who or which continue to own shares of Surgery Partners

common stock as of the date of the Settlement Hearing may file a written objection without having to appear at the Settlement Hearing. Unless the Court orders otherwise for good cause shown, however, such persons may not appear at the Settlement Hearing to present their objections unless they firstfile and serve a written objection in accordance with the procedures described above.

38. Persons who file and serve a timely written objection as described above and who wish to be heard orally at the Settlement Hearing in opposition to the approval of the Settlement or Plaintiff's Counsel's application for an award of attorneys' fees and expenses, must also file a notice of appearance with the Register in Chancery and serve it on counsel for Plaintiff, HIG, Bain, and Surgery Partners at the addresses set forth in paragraph 35 above so that it is *received* on or before January 28, 2022. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

39. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court as described in paragraph 38.

40. Unless the Court orders otherwise for good cause shown, any person or entity who or which does not make his, her, or its objection in the manner set forth above will: (i) be deemed to have waived and forfeited his, her, or its right to object to any aspect of the proposed Settlement or Plaintiff's Counsel's application for an award of attorneys' fees and litigation expenses; (ii) be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving the Settlement, or the attorneys' fees and expenses; and (iii) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or the requested or awarded attorneys' fees and expenses.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

41. This Notice does not purport to be a comprehensive description of the Action, the allegations related thereto, or the terms of the Settlement. For a more detailed statement of the matters involved in the Action, you may view a copy of the Stipulation in the "Investment Information" section of Surgery Partners' website, www.surgerypartners.com. You may also inspect the pleadings, the Stipulation, the Orders entered by the Court, and other papers filed in the Action at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, during regular business hours of each business day. If you have questions regarding the Action or the Settlement, you may write or call Plaintiff's Counsel: Jason M. Leviton, Esq., Block & Leviton LLP, 260 Franklin Street, Suite 1860, Boston, MA 02110, (617) 398-5600; or Kurt M. Heyman, Esq., Heyman Enerio Gattuso & Hirzel LLP, 300 Delaware Avenue, Suite 200, Wilmington, DE 19801, (302) 472-7300.

NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS.

42. Brokerage firms, banks, and other persons or entities holding shares of Surgery Partners common stock as of the close of business on December 2, 2021 as record holders for the beneficial interest of persons or organizations other than themselves are requested to immediately send this Notice to all such beneficial owners. If additional copies of the Notice are required to forward to such beneficial owners, record holders may (i) request from Surgery Partners' Notice Administrator by email at SRGYNoticeAdmin@AngeionGroup.com, sufficient copies of this Notice to forward to all such beneficial owners; or (ii) provide a list of the names and addresses of all such beneficial owners to the Notice Administrator by email at SRGYNoticeAdmin@AngeionGroup.com. Copies of this Notice may also be obtained from the "Investment Information" section of Surgery Partners'

website, www.surgerypartners.com.

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF
THE REGISTER IN CHANCERY REGARDING THIS NOTICE.**

Dated: December 2, 2021

BY ORDER OF THE COURT