

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General (“OIG-HHS”) of the Department of Health and Human Services (“HHS”) (collectively, the “United States”); Elixir Insurance Company (“EIC”) and Rite Aid Corporation (“Rite Aid”), Elixir Rx Options (“Rx Options”), and Elixir Rx Solutions (“Rx Solutions”), for themselves and their respective bankruptcy estates, and their successors and assigns, including any reorganized debtors, any statutory bankruptcy trustees, and any estate representatives appointed pursuant to 11 U.S.C. § 1123(b)(3)(B) (Rite Aid, Elixir Rx Options, and Elixir Rx Solutions are collectively referred to throughout as “Rite Aid Debtors” and together with EIC as “Defendants”); and Glenn Rzeszutko (“Relator”) (hereafter collectively referred to as the “Parties”), through their authorized representatives.

RECITALS

A. Rite Aid Corporation is headquartered in Philadelphia, Pennsylvania. Prior to February 1, 2024, Rite Aid owned and operated a pharmacy services line of business, known generally as Elixir. Elixir was comprised of EIC, Rx Options, and Rx Solutions. As is relevant to this Agreement, EIC participated in the Medicare Part D Program as a Part D Sponsor, offering Medicare Part D prescription drug plans to the public. Rx Options and Rx Solutions acted as pharmacy benefits managers (“PBMs”), which act as intermediaries to process prescriptions, help with drug utilization, and negotiate rebates with drug manufacturers. EIC, Rx Options, and Rx Solutions are headquartered in Twinsburg, Ohio. On February 1, 2024, Rite Aid closed the sale of the assets of the Elixir entities, other than EIC, to a third party through a sale conducted pursuant to section 363 of the Bankruptcy Code.

B. On March 11, 2021, Glenn Rzeszutko filed a *qui tam* action in the United States District Court for the Northern District of Ohio captioned *United States ex rel. Glenn Rzeszutko v. Rite Aid Corporation et al.*, Case No. 5:21-cv-574, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”). The United States intervened in the Civil Action against EIC on March 6, 2024 and against Rite Aid, Rx Options, and Rx Solutions on May 24, 2024.

C. On October 15, 2023, the Rite Aid Debtors filed for protection under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of New Jersey (the “Bankruptcy Court”) in the jointly administered cases styled, *In re Rite Aid Corp., et al.*, Bankr. Case No. 23-18993-MBK (Bankr. D.N.J.) (the “Chapter 11 Cases”). EIC is not a debtor in the Chapter 11 Cases.

D. Under Medicare Part D, private entities known as Part D Plan Sponsors offer and administer insurance plans that provide prescription drug coverage to enrolled Medicare beneficiaries. Part D Sponsors must submit annual reports to the Centers for Medicare and Medicaid Services (“CMS”) with information about rebates and other remuneration the Plans received from drug manufacturers in connection with the Part D drugs provided to beneficiaries, which ensures that the government receives the benefit of discounts, rebates, and other price concessions that serve to decrease drug costs incurred under the Part D plan by the Part D sponsor, either directly or indirectly. CMS relies on the reports in the annual reconciliation process that determines payments due to the Plans or CMS at the end of the year.

E. The United States contends that Defendants submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395lll (“Medicare”).

F. The United States contends that it has certain civil claims against Defendants arising from their knowingly submitting, or causing to be submitted, false and fraudulent claims to CMS by retaining a flat percentage of all drug manufacturer rebates without the manufacturers' knowledge and falsely reporting the retained rebates to CMS as bona fide service fees in EIC's Direct and Indirect Remuneration Reports from January 1, 2014 through December 31, 2020. The United States also contends that the rebates retained by Defendants did not meet the definition of bona fide service fees in 42 C.F.R. § 423.501. From 2014 to 2019, the retained amount equaled 20 percent of the total estimated manufacturer rebate, and, in 2020, the retained amount equaled 5.5 percent of the wholesale acquisition cost of rebateable drugs. That conduct is referred to below as the "Covered Conduct."

G. This Agreement is neither an admission of liability by Defendants nor a concession by the United States that its claims are not well-founded.

H. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Agreement, which the United States and Relator continue to negotiate in good faith, and to Relator's reasonable expenses, attorneys' fees and costs.

I. The Parties have negotiated this Agreement in good faith and at arm's length and intend the Agreement to be consummated through the Chapter 11 Cases. To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Defendants agree that: (i) EIC and Rite Aid shall pay to the United States \$101,000,000.00 ("Fixed Settlement Payments"), all of which is restitution, plus interest at 4.375 percent *per annum* accruing as of February 1, 2025, as set forth below:

- a. \$56,000,000.00, within ten days of EIC receiving any 2023 plan year Medicare Part D final reconciliation payment that may become owing to EIC by CMS (“CMS Receivable”), but no later than March 14, 2025;
- b. \$10,000,000.00, plus accrued interest on February 2, 2026;
- c. \$15,000,000.00, plus accrued interest on February 2, 2027;
- d. \$20,000,000.00, plus accrued interest on February 2, 2028; and

(ii) Rx Options and Rx Solutions shall each grant the United States an allowed general unsecured claim that is not subject to subordination, reconsideration, or disallowance in the amount of \$10,000,000.00 in the Chapter 11 Cases for a total combined claim of \$20,000,000.00 (the “Allowed DOJ Claim”) that shall be treated in accordance with the terms of the Plan of Reorganization and is consistent with the terms of this Agreement. To the extent EIC or Rite Aid make any fixed settlement payment before the date specified above, any prepaid amount shall be applied to the outstanding principal balance, with remaining payments adjusted accordingly. Together, the Fixed Settlement Payments and the Allowed DOJ Claim equal \$121,000,000.00 and shall be referred to throughout this Agreement as the “Total Settlement Amount.” For the avoidance of doubt, nothing in this Agreement guarantees that EIC will receive any CMS Receivable nor creates any obligation on the part of CMS to make any such payment.

2. All payments, including distributions on the Allowed DOJ Claim, made under this Agreement on and after the effective date of a chapter 11 plan of reorganization in the Chapter 11 Cases (“Plan Effective Date”) are not subject to disgorgement or recharacterization. All payments to the United States made by Defendants pursuant to this Agreement shall be made by electronic funds transfers pursuant to written instructions to be provided by the United States Department of Justice, Civil Division.

3. Rite Aid Debtors shall propose and obtain confirmation of a chapter 11 plan of reorganization, together with all exhibits, schedules, supplements, and related documents, each as may be amended from time to time (“Plan of Reorganization”), that provides for a recovery in the form of distributions on account of the Allowed DOJ Claim, which shall be treated *pari passu* with other general unsecured claims allowed under the Plan of Reorganization and does not provide the United States with a controlling equity interest or controlling equity security either directly or indirectly in the reorganized company or any other entity that emerges from the bankruptcy.

4. In connection with the Chapter 11 Cases, the United States and Rite Aid Debtors agree:

- a. The Rite Aid Debtors shall seek approval of this Agreement pursuant to the Plan of Reorganization. The Plan of Reorganization and the order of the Bankruptcy Court approving such Plan of Reorganization (the “Confirmation Order”) shall be in form and substance consistent with this Agreement.
- b. The Confirmation Order shall provide that the Allowed DOJ Claim shall not be subordinated, disallowed, or reconsidered in the Chapter 11 Cases, including based on 11 U.S.C. §§ 510, 726(a)(4), or for any other reason.
- c. The Rite Aid Debtors will not seek releases or exculpation regarding any claims belonging to and currently controlled by the United States against any individuals or non-debtor entities.
- d. The Rite Aid Debtors will not propose a Plan of Reorganization that is inconsistent with this Agreement and shall provide the United States with a draft of such Plan of Reorganization and the proposed Confirmation Order

for review and comment at least two (2) business days before the filing of any such Plan or Order with the Court.

- e. If the Bankruptcy Court does not confirm a Plan of Reorganization in the Chapter 11 Cases consistent with this Agreement, the Rite Aid Debtors and the United States have the option to rescind this Agreement.
- f. The United States reserves the right to object to any proposed Plan of Reorganization for any reason not covered by this Agreement or to the extent that such Plan of Reorganization or any Confirmation Order is inconsistent with the terms of this Agreement. Rite Aid Debtors' rights are expressly preserved with respect to any such objection.

5. Pursuant to 31 U.S.C. § 3730(d), Rite Aid agrees to pay a total of three hundred thirty-three thousand dollars (\$333,000) to Relator's counsel, which payment fully satisfies Relator's claims for Relator's statutory expenses, reasonable attorneys' fees, and costs. Such payment will be made via electronic funds transfer pursuant to written instructions to be provided by Relator's counsel as follows: half (\$166,500) to be paid within sixty (60) days of the date Rite Aid emerges from bankruptcy or by October 31, 2024, whichever is earlier, and the other half (\$166,500) to be paid within one hundred and twenty (120) days of the date Rite Aid emerges from bankruptcy or by December 31, 2024, whichever is earlier (collectively, the "Fee Settlement Payments"); provided, however, that notwithstanding the foregoing, Rite Aid's obligation to make the Fee Settlement Payments in accordance with the terms of this Agreement is subject to, and conditioned on, Rite Aid's emergence from bankruptcy. In the event Rite Aid does not emerge from bankruptcy until after either of the dates set forth above, then the amount(s) that would have been due on such date(s) shall be paid within fourteen (14) days of the date Rite Aid emerges from bankruptcy. If the Fee Settlement Payments are not paid timely as set forth above, interest on them

shall accrue at the rate of 1.25% per month from the respective due dates until paid in full. The Parties acknowledge that the Fee Settlement Payments are a compromise amount for purposes of settlement. In the event this Agreement is not approved, is set aside, or is rescinded for any reason, or in the event Rite Aid does not emerge from bankruptcy, then Relator and Relator's counsel reserve the right to pursue the full amount of Relator's expenses, reasonable attorneys' fees, and costs to which they are statutorily entitled, and Rite Aid's rights in connection with any such pursuit are fully preserved.

6. Subject to the exceptions in Paragraph 8 (concerning reserved claims) below, and conditioned on Paragraphs 1 through 4 (concerning treatment of claims in the Chapter 11 Cases) above, the United States releases Defendants, together with their current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake and unjust enrichment.

7. Subject to the exceptions in Paragraph 5 (concerning Relator's reasonable expenses, attorneys' fees, and costs) and Paragraph 8 (concerning reserved claims) below, and conditioned on Paragraphs 1 through 4 (concerning treatment of claims in the Chapter 11 Cases) above, Relator, for himself and his heirs, successors, attorneys, agents, and assigns, release Defendants together with their directors, officers, agents, employees, and counsel, from any action, in law or in equity, suits, debts, liens, contracts, agreements, covenants, promises, liability, obligations, claims, demands, rights of subrogation, contribution and indemnity, damages, loss, cost or expenses, direct or indirect, of any kind or nature whatsoever (including without limitation

from any civil monetary claim the Relator has on behalf of the United States or certain states for the conduct alleged in the Civil Action under the False Claims Act, 31 U.S.C. §§ 3729-3733, and their state and local counterparts), including, but not limited to, attorney's fees and costs under 31 U.S.C. § 3730(d), known or unknown, fixed or contingent, foreign, state or federal, under common law, statute or regulation, liquidated or unliquidated, claimed or concealed, and without regard to the date of occurrence, which Relator ever had, now has, may assert, or may in the future claim to have, against Defendants by reason of any act, cause, matter, or thing whatsoever from the beginning of time to the date hereof (the "Relator's Released Claims"). The Relator will not be required to either opt-in or opt-out of any debtor releases that are sought in the Plan of Reorganization and shall instead be bound by the terms of this Agreement, and it is expressly understood and agreed to by the Relator and Defendants that the failure to opt-in or opt-out shall have no impact on the agreements set forth herein.

8. Notwithstanding the releases given in Paragraphs 6 and 7 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

- a. any liability arising under Title 26, U.S. Code (Internal Revenue Code);
- b. any criminal liability;
- c. except as explicitly stated in this Agreement, any administrative liability or enforcement right, including mandatory or permissive exclusion from Federal health care programs;
- d. any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. any liability based upon obligations created by this Agreement;
- f. any liability of individuals;

- g. any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services; and
- h. any liability for failure to deliver goods or services due.

9. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). In connection with this Agreement and this Civil Action, Relator and his heirs, successors, attorneys, agents, and assigns agree that neither this Agreement, any intervention by the United States in the Civil Action in order to dismiss the Civil Action, nor any dismissal of the Civil Action, shall waive or otherwise affect the ability of the United States to contend that provisions in the False Claims Act, including 31 U.S.C. §§ 3730(d)(3) and 3730(e), bar Relator from sharing in the proceeds of this Agreement. Moreover, the United States and Relator and his heirs, successors, attorneys, agents, and assigns agree that they each retain all of their rights pursuant to the False Claims Act on the issue of the share percentage, if any, that Relator should receive of any proceeds of the settlement of his claim.

10. Defendants have provided sworn financial disclosures and supporting documents (together “Financial Disclosures”) to the United States and the United States has relied on the accuracy and completeness of those Financial Disclosures in reaching this Agreement. Defendants warrant that the Financial Disclosures are complete, accurate, and current as of the Effective Date of this Agreement (defined below). If the United States learns of asset(s) in which Defendants had an interest of any kind as of the Effective Date of this Agreement (including, but not limited to, promises by insurers or other third parties to satisfy Defendants’ obligations under this Agreement) that were not disclosed in the Financial Disclosures, or if the United States learns of any false statement or misrepresentation by Defendants on, or in connection with, the Financial Disclosures,

and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth set forth in the Financial Disclosures by \$5 million or more, the United States may at its option: (a) rescind this Agreement and file suit based on the Covered Conduct or (b) collect the Total Settlement Amount in accordance with the Agreement plus one hundred percent (100%) of the net value of Defendants' previously undisclosed assets. Defendants agree not to contest any collection action undertaken by the United States pursuant to this provision, and agree that they will immediately pay the United States the greater of (i) a ten-percent (10%) surcharge of the amount collected in the collection action, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States rescinds this Agreement pursuant to this Paragraph, Defendants waive and agree not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within 120 calendar days of written notification to Defendants that this Agreement has been rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date of this Agreement; *provided however*, that the United States will not be prejudiced or enjoined from asserting and seeking a determination that any claims arising from the Covered Conduct are nondischargeable under § 1141(d)(6), if applicable, and Defendants and the Rite Aid Debtors' rights and defenses thereto, other than a defense based on the timeliness, are hereby preserved.

11. If Defendants default on any material obligation under this Agreement and such default remains uncured for fourteen (14) days following the United States' written notice to Defendants (and counsel thereto) of such default (email being sufficient); if a Plan of Reorganization consistent with the terms of this Agreement is not confirmed; in the event of dismissal or conversion of the Chapter 11 Cases, voluntary or otherwise; or in the event

Defendants' obligations under this Agreement are voided for any reason, the United States may elect, in its sole discretion: (a) to rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding for the claims that would otherwise be covered by the release provided in Paragraph 6 above or (b) to have an undisputed, noncontingent, and liquidated, allowed unsecured claim against Defendants for the full amount of the United States' claim, \$476,621,364, less any payments received pursuant to Paragraph 1 of this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Defendants, a receiver, trustee, custodian, or other similar official for Defendants.

12. If the United States exercises the option of rescission pursuant to any paragraph of this Agreement, Defendants will not plead, argue or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims, actions or proceedings that are brought by the United States within 120 calendar days of written notification that the releases have been rescinded, except to the extent such defenses were available on the Effective Date of this Agreement.

13. In the event of a default by Defendants of any material obligation under this Agreement or rescission of this Agreement, Defendants will agree and stipulate that the automatic stay under 11 U.S.C. § 362(a) does not apply to the United States' claims, actions, or proceedings in connection with the Covered Conduct and, to the extent necessary, will consent to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1).

14. In the event of an uncured default by Defendants under Paragraph 11, OIG-HHS may exclude Defendants from participating in all Federal health care programs until Defendants pay the Total Settlement Amount, with interest, as set forth above ("Exclusion for Default"). OIG-HHS will provide written notice of any such exclusion to Defendants. Defendants waive any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agree not to contest such

exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, Defendants wish to apply for reinstatement, they must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-.3005. Defendants will not be reinstated unless and until OIG-HHS approves such request for reinstatement. The option for Exclusion for Default is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

15. The United States fully reserves any and all setoff and recoupment rights, claims, and defenses as to the Defendants that the United States may have, and the United States may pursue its claims in the Chapter 11 Cases as well as in any other case, action, or proceeding. The Defendants' rights with respect to any purported setoff and recoupment rights, claims, and defenses are fully preserved.

16. The Total Settlement Amount set forth in this Agreement represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct (pursuant to and as set forth more expressly in the terms of this Agreement) due solely to the Defendants' financial condition as reflected by its Financial Disclosures.

17. Defendants waive and shall not assert any defenses Defendants may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

18. Defendants fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have asserted, could have asserted, or may assert

in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct or the United States' investigation or prosecution thereof.

19. Defendants, for themselves and their directors, officers, agents, employees, and attorneys, fully and finally release Relator and his heirs, successors, attorneys, agents, and assigns from any action, in law or in equity, suits, debts, liens, contracts, agreements, covenants, promises, liability, obligations, claims, demands, rights of subrogation, contribution and indemnity, damages, loss, cost or expenses, direct or indirect, of any kind or nature whatsoever (including, but not limited to, attorneys' fees, costs, and expenses of every kind and however denominated), known or unknown, foreseen or unforeseen, fixed or contingent, foreign, state or federal, under common law, statute or regulation, liquidated or unliquidated, claimed or concealed, and without regard to the date of occurrence, which Defendants or their directors, officers, agents, employees, or attorneys ever had, now have, may assert, or may in the future claim to have, by reason of any act, cause, matter, or thing whatsoever from the beginning of time to the date hereof (the "Defendants' Released Claims"). Each Defendant represents and warrants that it is not currently aware of any claims that exist or could lawfully be brought at this time against Relator.

20. The Total Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare contractor (*e.g.*, Medicare Administrative Contractor, fiscal intermediary, carrier), TRICARE, or any state payer, related to the Covered Conduct; and Defendants agree not to resubmit to any Medicare contractor, TRICARE, or any state payer any previously denied claims related to the Civil Action, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

21. Defendants agree to the following:

- a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and

XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Defendants, their present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) The Civil Action and investigation and litigation thereof;
- (2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;
- (3) Defendants' investigation, defense, and corrective actions undertaken in response to the United States' audits and civil investigations in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement; and
- (5) the payments Defendants make to the United States pursuant to this Agreement and any payments that Defendants may make to the Relators, including costs and attorneys' fees;

are unallowable costs for government contracting purposes and under Medicare, Medicaid, TRICARE, and Federal Employees Health Benefits Program ("FEHBP") (hereinafter referred to as "Unallowable Costs").

- b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Defendants, and Defendants shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any state Medicaid program, or seek payment for such Unallowable Costs through any cost report, cost statement, information statement, or payment request submitted by

Defendants or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment:

Defendants further agree that within 90 days of the Effective Date of this Agreement they shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this Paragraph) included in payments previously sought from the United States, or any state Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Defendants or any of their subsidiaries or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. Defendants agree that the United States, at a minimum, shall be entitled to recoup from Defendants any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Defendants or any of their subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as

defined in this Paragraph) on Defendants or any of their subsidiaries or affiliates' cost reports, cost statements, or information reports.

- d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Defendants' books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

22. Defendants agree to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Defendants shall encourage, and agrees not to impair, the cooperation of its directors, officers, and employees, and shall use their best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Defendants further agree to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that they have undertaken, or that has been performed by another on their behalf.

23. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity.

24. Defendants agree that they waive and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct.

25. Promptly following the United States' receipt of the first Fixed Settlement Payment and the Confirmation Order having been entered by the Bankruptcy Court and having become a final, non-appealable order, whichever occurs later, the Parties shall promptly sign and file in the

Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1), which will be with prejudice as to the Civil Action for Relator and with prejudice as to the Covered Conduct for the United States.

26. Except as provided in Paragraph 5, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

27. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

28. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Ohio, provided that disputes regarding the implementation of those provisions of this Agreement related to the Chapter 11 Cases may also be heard by the Bankruptcy Court. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

29. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. Forbearance by the United States from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

30. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

31. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

32. This Agreement is binding on Defendants' successors, transferees, heirs, and assigns, including the Rite Aid entities' respective bankruptcy estates, any Rite Aid reorganized debtors, any statutory trustee appointed or elected in any Rite Aid entity's bankruptcy case, and any estate representatives appointed pursuant to 11 U.S.C. § 1123(b)(3)(B).

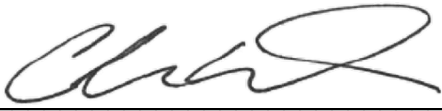
33. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

34. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

35. This Agreement is effective on the date of signature of the last signatory to the Agreement ("Effective Date of this Agreement"). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

DATED: July 3, 2024

BY: 

Christopher G. Wilson
Dan A. Schiffer
Senior Trial Counsel
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: _____

BY: _____
Jackson Froliklong
Assistant United States Attorney
Northern District of Ohio

DATED: _____

BY: _____
Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services

THE UNITED STATES OF AMERICA

DATED: _____

BY: _____
Christopher G. Wilson
Dan A. Schiffer
Senior Trial Counsel
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: 6/27/2024

BY: Jackson Froliklong
Jackson Froliklong
Assistant United States Attorney
Northern District of Ohio

DATED: _____

BY: **LISA RE** Digitally signed by LISA RE
Date: 2024.06.25 16:33:43
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Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services


DEFENDANTS

DATED: 6/28/2024

BY: 

Thomas Sabatino,
Executive Vice President and Chief Legal Officer
Rite Aid Corporation

DATED: 6/28/2024

BY: 

Anna P. Khais,
Vice President, Transition Services and CFO
Elixir Insurance Company
Elixir Rx Options
Elixir Rx Solutions

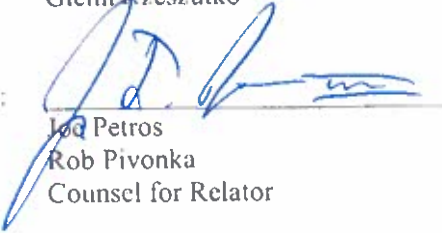
DATED: 6/27/2024

BY: 

Richard Westling
Counsel for Defendants

RELATOR

DATED: 6/27/2024 BY: 
Glenn Rzeszutko

DATED: 6/28/2024 BY: 
Rob Petros
Rob Pivonka
Counsel for Relator