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## 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”), the Drug Enforcement Administration (“DEA”), the Defense Health Agency (“DHA”) acting on behalf of the TRICARE Program, the Office of Personnel Management (“OPM”), which administers the Federal Employees Health Benefits Program (“FEHBP”), the Office of Workers Compensation Programs of the United States Department of Labor (“DOL-OWCP”), and the United States Department of Veterans Affairs (“VA”) (collectively, the “United States”); Walgreen Co., Walgreens Boots Alliance, Inc., Walgreen Eastern Co., Inc., Bond Drug Company of Illinois, Duane Reade, Duane Reade, Inc., Walgreen Arizona Drug Co., Happy Harry’s Inc., Walgreen Louisiana Co., Inc., and Walgreen of Hawaii, LLC (collectively, “Walgreens” or “Walgreens Entities”); and T.J. Novak, Elmer Mosley, Ph.D., K&V Group, LLP, and Patrick Awa (collectively, “Relators”) (hereafter the United States, Walgreens, and the Relators are collectively referred to as “the Parties”), through their authorized representatives.

### RECITALS

A. Walgreen Co. is an Illinois corporation that maintains its principal place of business in Deerfield, Illinois. Walgreen Co. is a wholly-owned subsidiary of Walgreens Boots Alliance, Inc. The remaining eight Walgreens Entities are direct or indirect subsidiaries of Walgreens Boots Alliance, Inc.

B. On October 2, 2018, Relator T.J. Novak filed a *qui tam* action in the United States District Court for the Northern District of Illinois captioned *United States et al. ex rel. T.J. Novak v. Walgreens Boots Alliance, Inc.*, No. 18 C 5452, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b). On May 10, 2019, Relator Elmer Mosley filed a *qui tam* action

in the United States District Court for the Southern District of Florida that was subsequently transferred to the Northern District of Illinois and consolidated with T.J. Novak’s action. On November 1, 2019, Relator K&V Group, LLP filed a *qui tam* action in the United States District Court for the Middle District of Florida that was subsequently transferred to the Northern District of Illinois and consolidated with T.J. Novak’s action. On March 14, 2023, Patrick Awa filed a *qui tam* action in the Northern District of Illinois that was subsequently consolidated with T.J. Novak’s action. The United States intervened in part in the consolidated civil actions on August 30, 2024. Collectively, these matters are referred to below as the “Civil Actions.”

C. The United States contends that Walgreens 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”); the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (“Medicaid”); the TRICARE Program, 10 U.S.C. §§ 1071-1110b (“TRICARE”); the Federal Employees Health Benefits Program, 5 U.S.C. §§ 8901-8914 (“FEHBP”); the Federal Employees’ Compensation Act, 5 U.S.C. § 8101 *et seq.* (“FECA”); and the Department of Veterans Affairs, Veterans Health Administration, 38 U.S.C. Chapter 17. Collectively, these programs are referred to below as the “Federal Healthcare Programs.”

D. As set forth below and in the United States’ Complaint in Intervention, as amended, the United States contends the following (the “Covered Conduct”):

The United States contends that it has certain civil claims against Walgreens related to its dispensing of controlled substances: (1) for violations of the Controlled Substances Act (“CSA”) during the period from October 1, 2013 through March 1, 2023, and (2) for violations of the False Claims Act (“FCA”) in connection with claims submitted to the Federal Healthcare Programs during the period from August 10, 2012, through March 1, 2023 (“the Relevant Time Periods”). Specifically, the United States contends the following:

1. During the Relevant Time Periods, Walgreens knowingly filled numerous invalid controlled-substances prescriptions that were either not issued in the usual course of professional practice, not for a legitimate medical purpose, or both. Walgreens knew that such prescriptions raised significant concerns and were highly likely to be invalid. But Walgreens nevertheless filled numerous such prescriptions without resolving the significant concerns those prescriptions raised. Walgreens also filled many such prescriptions that were issued by practitioners that Walgreens personnel knew were prescribing controlled substances unlawfully on a regular basis. By knowingly filling these invalid controlled-substance prescriptions, Walgreens violated 21 U.S.C. § 842(a)(1).

2. Walgreens also submitted claims for reimbursement to the Federal Healthcare Programs for controlled-substances prescriptions that were invalid, not for a medically accepted indication, and/or not medically necessary. Walgreens thereby caused false claims to be submitted to Federal Healthcare Programs that were not eligible for reimbursement.

E. The United States acknowledges, pursuant to the Department of Justice's Guidelines for Taking Voluntary Disclosure, Cooperation and Remediation into Account in False Claims Act Matters ("Justice Manual § 4.4.112"), that Walgreens cooperated with the Government's investigation in several respects, including preserving, collecting, and disclosing relevant documents and data, and assisting in the determination of the financial impact caused by the issues under investigation.

F. This Settlement Agreement is neither an admission of liability by Walgreens nor a concession by the United States that its claims are not well founded. Walgreens denies the allegations set forth above and in the United States' Amended Complaint in Intervention.

G. Relators claim entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement.

H. Relators also claim entitlement to recover from Walgreens reasonable expenses, attorneys' fees, and costs, pursuant to 31 U.S.C. § 3730(d).

I. Relators have entered into an agreement allocating the Relator's Share among them.

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 Settlement Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. Walgreen Co. agrees to pay the United States the sum of Three Hundred Million Dollars (\$300,000,000), plus interest at a rate of 4.00% per annum accruing from October 20, 2024, of which One Hundred Fifty Million Dollars (\$150,000,000) shall constitute restitution. Payments must be made according to the schedule attached hereto as Exhibit A, and in accordance with instructions provided by counsel for the United States.

A. Up Front Payment. Within twenty-one days after the Effective Date of this Agreement, as defined herein, Walgreen Co. shall pay the United States Twenty Million Dollars (\$20,000,000), plus interest accrued, as indicated in Exhibit A (the "Upfront Payment").

B. Payments Over Time. Walgreen Co. will pay the remaining Two Hundred Eighty Million Dollars (\$280,000,000), plus interest accrued, pursuant to the payment schedule attached in Exhibit A (the "Payments Over Time").

C. Contingency Payments.

(i) In Walgreens’s Fiscal Years 2028, 2029, 2030, or 2031, (1) in the event Walgreens’s Publicly Reported Free Cash Flow (“FCF”)<sup>1</sup> is more than One Billion Six Hundred Fifty Million Dollars (\$1,650,000,000) and less than One Billion Eight Hundred Million Dollars (\$1,800,000,000) (“First Free Cash Flow Threshold”) as reported in Walgreens’s Fiscal Year Earnings Report, Walgreen Co. shall pay the United States an additional Twelve Million Five Hundred Thousand Dollars (\$12,500,000) in each and every year within the aforementioned list of years in which Walgreens’s FCF falls within the First Free Cash Flow Threshold, and (2) in the event Walgreens’s FCF is equal to or exceeds One Billion Eight Hundred Million Dollars (\$1,800,000,000) (“Second Free Cash Flow Threshold”), Walgreen Co. shall pay the United States an additional Twenty-Five Million Dollars (\$25,000,000) in each and every year within the aforementioned list of years in which Walgreens’s FCF is equal to or exceeds the Second Free Cash Flow Threshold (the “Contingency Payments”). If the First Free Cash Flow Threshold or Second Free Cash Flow Threshold is met, the resulting Contingency Payment shall be due 30 days following the release of the Fiscal Year Earnings Report.

(ii) If in Fiscal Years 2028, 2029, 2030, or 2031, Walgreens pays its employees bonuses exceeding Four Hundred Million Dollars (\$400,000,000), adjusted for inflation from the date of this Agreement, any additional amount exceeding \$400,000,000 (adjusted for inflation) shall be added to Walgreens’s FCF to calculate Walgreens’s FCF for purposes of this Agreement (the “Adjusted

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<sup>1</sup> As used herein, Free Cash Flow refers to the measure as defined in Walgreens Boots Alliance, Inc.’s latest SEC Form 8-K filing as “net cash provided by operating activities in a period less additions to property, plant and equipment (capital expenditures), plus acquisition related payments and incremental pension payments made in that period.”

FCF”), and this Adjusted FCF shall be the basis for determining whether Walgreens has met the First Free Cash Flow Threshold or the Second Free Cash Flow Threshold for purposes of subparagraph (i).

(iii) Any Contingency Payments shall not exceed a combined total Fifty Million Dollars (\$50,000,000) over the term of the Agreement.

(iv) For each Contingency Payment actually made by Walgreens, 50% shall be allocated to restitution.

D. Collectively, the Upfront Payment, Payments Over Time, the Contingency Payments, and interest received by the United States shall be referred to as the “Settlement Amount.” The Settlement Amount shall be allocated as follows: (1) CSA penalties of \$150,000,000, plus 50% of interest accrued and 50% of any Contingency Payment, none of which is restitution, to resolve the United States’ claims under the CSA, and (2) FCA damages of \$150,000,000, plus 50% of interest accrued and 50% of any Contingency Payment, all of which is restitution, to resolve the United States’ claims under the FCA (“the FCA Settlement Amount”). For the avoidance of doubt, Relators have no entitlement to any share of the CSA penalties recovered under this Agreement.

E. Qualifying Transaction Payment. If in Walgreens’s Fiscal Years 2025, 2026, 2027, 2028, 2029, 2030, or 2031, Walgreen Co. or Walgreens Boots Alliance, Inc. is sold, merged, or transferred, or a significant portion of the assets of Walgreen Co. or Walgreens Boots Alliance, Inc. is sold, merged, or transferred into another non-affiliated entity (“Qualifying Transaction”), Walgreens shall promptly notify the United States and the entirety of the Fifty Million Dollars (\$50,000,000) in Contingency Payments shall become fixed and non-contingent, and any remaining balance of the Fifty Million Dollars

(\$50,000,000) not previously paid as a Contingency Payment shall become immediately payable.

F. The Settlement Amount may be prepaid, in whole or in part, without penalty or premium. If Walgreen Co. elects to pre-pay the Settlement Amount or any portion thereof, interest shall be accrued through the date on which Walgreen Co. makes said pre-payment. If Walgreen Co. elects to pre-pay the Settlement Amount or any portion thereof, the Contingency Payment (subparagraph C above) and Qualifying Transaction Payment (subparagraph E above) remain in place and payable in accordance with the relevant subparagraphs.

2. Conditioned upon the United States receiving the Settlement Amount payments, the United States agrees that it shall pay to Relator T.J. Novak by electronic funds transfer 17.25 percent of the share of each such payment allocated to the FCA Settlement Amount (the “Relator’s Share”) as soon as feasible after receipt of the payment. For the avoidance of doubt, the total payments to Relator T.J. Novak pursuant to this Agreement shall not exceed (1) for the Upfront Payment and Payments over Time, \$25,875,000, plus a proportionate share of interest, and (2) for the Contingency Payment, \$4,312,500.

3. Subject to the exceptions in Paragraph 9 (concerning reserved claims) below, and subject to Paragraph 11 (concerning disclosure of assets), Paragraph 20 (concerning default), and Paragraph 21 (concerning bankruptcy) below, and upon the United States’ receipt of the Settlement Amount, plus interest due under Paragraph 1, the United States releases Walgreens (together with its current and former parent corporations, brother or sister corporations, divisions, direct and indirect subsidiaries, current or former corporate owners, and the corporate successors and assigns of any of them) (collectively, “the Walgreens Released Entities”) from any civil or administrative monetary claim the United States has for the Covered Conduct under the FCA, 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, as amended; the civil provisions of the CSA, 21 U.S.C. §§ 829, 842(a)(1), and 842(c)(1)(A); or the common law theories of payment by mistake, unjust enrichment, and fraud.

4. Subject to the exceptions in Paragraph 9 (concerning reserved claims) below, and subject to any rights of the United States to rescind this Agreement or the releases provided for herein pursuant to Paragraph 11 (concerning disclosure of assets), Paragraph 20 (concerning default), and Paragraph 21 (concerning bankruptcy) below, and upon the United States' receipt of the Settlement Amount, plus interest due under Paragraph 1, Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, release the Walgreens Released Entities from any civil monetary claim Relators have on behalf of the United States for the Covered Conduct under the FCA, 31 U.S.C. §§ 3729-3733; provided, however, that this release shall not apply to Relators' claims against Defendants for recovery of attorneys' fees, expenses, and costs pursuant to 31 U.S.C. § 3730(d) and Relator Awa's personal claims against Walgreens pursuant to 31 U.S.C. § 3730(h). All such claims are hereby carved out from this Agreement and have been, or will be, resolved by separate agreements between Defendants and each Relator or Relator's counsel, or to the extent any such claim cannot be resolved by agreement, it shall be determined by the court presiding over the Civil Actions, upon the filing and service of a motion to recover attorneys' fees, expenses, and costs pursuant to 31 U.S.C. § 3730(d) and, with respect to Relator Awa, his personal claims under 31 U.S.C. § 3730(h).

5. In consideration of the obligations of Walgreens set forth in this Agreement and the Corporate Integrity Agreement ("CIA"), entered into between OIG-HHS and Walgreens, and upon the United States' receipt of full payment of the Settlement Amount, plus interest due under Paragraph 1, the OIG-HHS shall release and refrain from instituting, directing, or maintaining any

administrative action seeking exclusion from Medicare, Medicaid, and other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) against Walgreens under 42 U.S.C. § 1320a-7a (Civil Monetary Penalties Law) or 42 U.S.C. § 1320a-7(b)(7) (permissive exclusion for fraud, kickbacks, and other prohibited activities) for the Covered Conduct, except as reserved in this paragraph and in Paragraph 9 (concerning reserved claims), below. The OIG-HHS expressly reserves all rights to comply with any statutory obligations to exclude Walgreens from Medicare, Medicaid, and other Federal health care programs under 42 U.S.C. § 1320a-7(a) (mandatory exclusion) based upon the Covered Conduct. Nothing in this paragraph precludes the OIG-HHS from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 9, below.

6. In consideration of the obligations of Walgreens set forth in this Agreement, and upon the United States' receipt of full payment of the Settlement Amount, plus interest due under Paragraph 1, DHA shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from the TRICARE Program against Walgreens under 32 C.F.R. § 199.9 for the Covered Conduct, except as reserved in this paragraph and in Paragraph 9 (concerning reserved claims), below. DHA expressly reserves authority to exclude Walgreens from the TRICARE Program under 32 C.F.R. §§ 199.9 (f)(1)(i)(A), (f)(1)(i)(B), and (f)(1)(iii) (mandatory exclusion), based upon the Covered Conduct. Nothing in this paragraph precludes DHA or the TRICARE Program from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 9 below.

7. In consideration of the obligations of Walgreens set forth in this Agreement, and upon the United States' receipt of full payment of the Settlement Amount, plus interest due under Paragraph 1, OPM shall release and refrain from instituting, directing, or maintaining any administrative action seeking debarment from the FEHBP against Walgreens under 5 U.S.C.

§ 8902a or 5 C.F.R. Part 890 Subpart J or Part 919 for the Covered Conduct, except as reserved in this paragraph and in Paragraph 9 (concerning reserved claims), below, and except if excluded by the OIG-HHS pursuant to 42 U.S.C. § 1320a-7(a). OPM expressly reserves all rights to comply with any statutory obligation to debar Walgreens from the FEHBP under 5 U.S.C. § 8902a(b) (mandatory exclusion) based upon the Covered Conduct. Nothing in this paragraph precludes OPM from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 9 below.

8. In consideration of the obligations of Walgreens set forth in this Agreement, and upon the United States' receipt of full payment of the Settlement Amount, plus interest due under Paragraph 1, DOL-OWCP shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion and debarment from the FECA, Energy Employees Occupational Illness Compensation Program Act ("EEOICPA") and Black Lung Benefits Act ("BLBA") programs against Walgreens under 20 C.F.R. §§ 10.815, 30.715 and 702.431 for the Covered Conduct, except as reserved in Paragraph 9 (concerning reserved claims), below, and except if excluded by the OIG-HHS pursuant to 42 U.S.C. § 1320a-7(a). Nothing in this paragraph precludes the DOL-OWCP from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 9 below.

9. Notwithstanding the releases given in Paragraphs 3 through 8 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 exclusion from Federal health care programs or FEHBP;
- 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.

10. Relators and their 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). Conditioned upon Relator T.J. Novak's receipt of the Relator's Share, all Relators and their heirs, successor, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action. For the avoidance of doubt, the Relators have no claim to any share of the CSA penalties recovered under this agreement, and the United States shall have no obligation to pay any portion of the FCA Settlement Amount to Relators Elmer Mosley, Ph.D., K&V Group, LLP, and Patrick Awa.

11. Walgreens has provided financial information, supporting documents, and supplemental sworn financial disclosures, as well as publicly available information, such as filings

with the United States Securities and Exchange Commission and press releases issued by Walgreens, (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. Walgreens warrants that the Financial Disclosures are complete, accurate, and current as of the Effective Date of this Agreement. If the United States learns of asset(s) in which Walgreens 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 Walgreens’s 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 Walgreens 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 \$50 million or more, the United States may at its option: (a) rescind this Agreement and reinstate its suit or file suit based on the Covered Conduct or (b) collect the full Settlement Amount in accordance with the Agreement plus one hundred percent (100%) of the net value of Walgreens’s previously undisclosed assets. Walgreens agrees not to contest any collection action undertaken by the United States pursuant to this provision, and agrees that it will immediately pay the United States’ reasonable attorneys’ fees and expenses incurred in such an action. In the event that the United States, pursuant to this paragraph, rescinds this Agreement, Walgreens waives and agrees 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 Walgreens 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 the Agreement.

12. Walgreens waives and shall not assert any defenses Walgreens 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.

13. Should DEA initiate any administrative action, including denial, suspension, or revocation of Walgreens's registrations based on conduct that occurs after the Effective Date of this Agreement, nothing in this Agreement shall in any way preclude DEA from introducing evidence of any historical conduct on the part of Walgreens, including conduct that gave rise to this Agreement. Should such an administrative proceeding arise, DEA is not precluded from attempting to offer such evidence as additional bases to support its proposed administrative action. However, Walgreens does not waive its right to challenge any evidence offered against it in any administrative action or otherwise.

14. Walgreens fully and finally releases 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 Walgreens has 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.

15. Walgreens fully and finally releases the Relators and their heirs, successors, attorneys, agents and assigns from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Walgreens has asserted, could have asserted, or may assert in the future against the Relators, related to the Covered Conduct, the Civil Actions, and the Relators' investigation and prosecution thereof.

16. The 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, TRICARE contractor, FEHB contractor, or Medicaid Contractor (*e.g.*, Medicare Administrative Contractor, fiscal intermediary, carrier) or any state payer, related to the Covered Conduct; and Walgreens agrees not to resubmit to any Medicare, TRICARE, or FEHB contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

17. Walgreens agrees 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 Walgreens, its present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;
- (3) Walgreens's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;

- (5) the payment Walgreens makes to the United States pursuant to this Agreement and any payments that Walgreens may make to Relators, including costs, attorneys' fees, and claims for retaliation; and
- (6) the negotiation of, and obligations undertaken pursuant to the CIA to: (i) retain an independent review organization to perform annual reviews as described in the CIA; and (ii) prepare and submit reports to the OIG-HHS are unallowable costs for government contracting purposes and under the Medicare Program, Medicaid Program, TRICARE Program, and FEHBP (hereinafter referred to as "Unallowable Costs"). However, nothing in Paragraph 17(a)(6) that may apply to the obligations undertaken pursuant to the CIA affects the status of costs that are not allowable based on any other authority applicable to Walgreens.

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Walgreens, and Walgreens 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 Walgreens or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Walgreens further agrees that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, Medicaid fiscal agents, and FEHBP carriers and/or contractors, 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 Walgreens or any of its 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. Walgreens agrees that the United States, at a minimum, shall be entitled to recoup from Walgreens 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 Walgreens or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Walgreens or any of its 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 Walgreens's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

18. 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, except to the extent provided for in Paragraph 19 (waiver for beneficiaries paragraph), below.

19. Walgreens agrees that it waives 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.

20. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct based on Walgreens's representations regarding its financial condition as reflected in the Financial Disclosures referenced in Paragraph 11.

a. In the event that Walgreen Co. fails to pay the Settlement Amount as provided in the payment schedule set forth in Paragraph 1 above and Exhibit A, Walgreen Co. shall be in Default of Walgreens's payment obligations ("Default"). The United States will provide a written Notice of Default, and Walgreen Co. shall have an opportunity to cure such Default within fourteen (14) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under the Settlement Agreement up to the date of payment. Notice of Default will be delivered to Peter R. Wilson, Walgreen Co. Vice-President, Commercial/Government Litigation & Regulatory Law, or to such other representative as Walgreens shall designate in advance in writing. If Walgreen Co. fails to cure the Default within 14 calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default not related to an Insolvency Proceeding as defined in Paragraph 21(e) below, Walgreens agrees that the United States, at its sole

discretion, may (i) retain any payments previously made, rescind this Agreement and pursue the Civil Actions or bring any civil and/or administrative claim, action, or proceeding against Walgreens for the claims that would otherwise be covered by the releases provided in Paragraph 3 above with any recovery reduced by the amount of any payments previously made by Walgreen Co. to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Actions; (iii) offset the remaining unpaid balance from any amounts due and owing to Walgreens and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Walgreen Co. agrees immediately to pay the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, Walgreens waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against Walgreens within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date. Walgreens agrees not to contest any offset, recoupment, and/or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

c. In the event of an Uncured Default, OIG-HHS may exclude Walgreens from participating in all Federal health care programs until Walgreens pays the Settlement Amount, with interest, as set forth above (“Exclusion for Default”). OIG-HHS will provide written notice of any such exclusion to Walgreens. Walgreens waives any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agrees 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, Walgreens wishes to apply for reinstatement, it must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-.3005. Walgreens 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.

21. In exchange for valuable consideration provided in this Agreement, Walgreens and Relators acknowledge the following:

a. Walgreens has reviewed its financial situation and warrants that it is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and will not be rendered insolvent by the payment to the United States of the Settlement Amount.

b. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Walgreens, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Walgreens was or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If any of Walgreens's payments or obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Settlement Amount is paid in full, Walgreens or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or any request for an order seeking relief of Walgreens's debts, or to adjudicate Walgreens as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Walgreens or for all or any substantial part of Walgreens's assets (each an "Insolvency Proceeding"):

(i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Walgreens for the claims that would otherwise be covered by the releases provided in Paragraph 3 above. Walgreens agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under this paragraph is not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States' police and regulatory power. Walgreens shall not argue or otherwise contend that the United States' claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Walgreens waives and shall

not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within 120 days of written notification to Walgreens that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on the Effective Date;

(ii) in the event Walgreens fails to pay the balance of the Settlement Amount owed under this Agreement during the course of the Insolvency Proceeding, the United States shall have an undisputed, noncontingent, and liquidated allowed claim that is not subject to subordination or reconsideration in any Insolvency Proceeding for treble damages under the FCA in the amount of One Billion One Hundred Forty-Four Million, Seven Thousand, Eight Hundred Sixty-Two Dollars (\$1,144,007,862), civil penalties under the FCA, and civil penalties under the CSA (collectively the “Allowed Claim”) 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 Walgreens, a receiver, trustee, custodian, or other similar official for Walgreens. If the Settlement Amount is paid in full during the course of an Insolvency Proceeding, the United States agrees to withdraw its claim, referenced in this subparagraph, for treble damages under the FCA, plus civil penalties under the FCA and civil penalties under the CSA.

(iii) if any payments are avoided and recovered by a receiver, trustee, creditor, custodian, or similar official, the United States shall not be responsible for the return of any amounts already paid by the United States to the Relators; and

(iv) if, notwithstanding subparagraph (iii), any amounts already paid by the United States to Relator T.J. Novak are recovered from the United States in an action or proceeding filed by a receiver, trustee, creditor, custodian, or similar official in or in connection with a bankruptcy case that is filed within two years of the Effective Date of this Agreement or of any payment made under Paragraph 1 of this Agreement, Relators shall, within thirty days of written notice from the United States to the undersigned Relator T.J. Novak's counsel, return to the United States all amounts recovered from the United States.

22. Upon this Agreement becoming effective, the United States and Relators shall immediately sign and file in the Civil Actions a Joint Motion of Dismissal of the Civil Actions pursuant to Rule 41(a)(2) as follows:

a. the dismissal shall be with prejudice as to the United States' and the Relators' claims against Defendants as alleged in the United States' Amended Complaint in Intervention and the Covered Conduct (Recital Paragraph D);

b. the dismissal shall be with prejudice to the Relators as to all claims against Defendants alleged in each Relator's operative Complaint except as set forth in Paragraph 22(c); and

c. the dismissal shall not include (1) Relators' claims against Defendants for recovery of attorneys' fees, expenses, and costs pursuant to 31 U.S.C. § 3730(d), or (2) Relator Awa's personal claims pursuant to 31 U.S.C. § 3730(h).

23. Upon this Agreement becoming effective, Walgreens shall immediately file a Stipulation of Dismissal of its civil declaratory judgment action, *Walgreen Co. v. U.S. Drug Enforcement Administration, et al.*, 25-cv-00019 (E.D. Tex. Jan. 16, 2025), with prejudice.

24. Except with regard to Relators' claim to an entitlement under 31 U.S.C. § 3730(d) to reasonable expenses, attorneys' fees, and costs (as excluded from this Agreement in Paragraph 4), each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

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

26. 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 Illinois. 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.

27. 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.

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

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

30. This Agreement is binding on Walgreens's successors, transferees, heirs, and assigns.

31. This Agreement is binding on Relators' successors, transferees, heirs, and assigns.

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

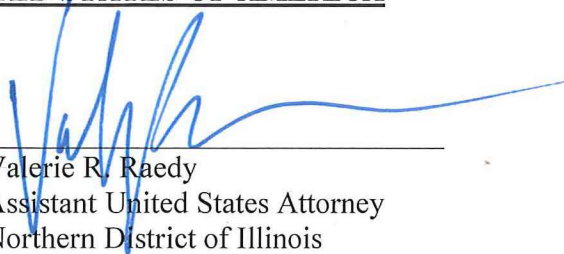


33. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

DATED: 4-17-2025

BY:

  
\_\_\_\_\_  
Valerie R. Raedy  
Assistant United States Attorney  
Northern District of Illinois

DATED: \_\_\_\_\_

BY:

\_\_\_\_\_  
Amy L. DeLine  
Assistant Director  
Nicole Frazer  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Consumer Protection Branch

DATED: \_\_\_\_\_

BY:

\_\_\_\_\_  
Natalie A. Waites  
Assistant Director  
Joshua R. Barron  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Commercial Litigation Branch

DATED: \_\_\_\_\_

BY:

\_\_\_\_\_  
Thomas F. Corcoran  
Assistant United States Attorney  
District of Maryland

DATED: \_\_\_\_\_

BY:

\_\_\_\_\_  
Lacy R. Harwell  
Carolyn B. Tapie  
Assistant United States Attorneys  
Middle District of Florida

DATED: \_\_\_\_\_

BY:


\_\_\_\_\_  
Elliot M. Schachner  
Assistant United States Attorney  
Eastern District of New York


**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Valerie R. Raedy  
Assistant United States Attorney  
Northern District of Illinois

DATED: April 18, 2025 BY: NICOLE FRAZER Digitally signed by NICOLE FRAZER  
Date: 2025.04.18 10:33:57 -04'00'  
Amy L. DeLine  
Assistant Director  
Nicole Frazer  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Consumer Protection Branch

DATED: April 17, 2025 BY: JOSHUA BARRON Digitally signed by JOSHUA BARRON  
Date: 2025.04.17 18:05:39 -04'00'  
Natalie A. Waites  
Assistant Director  
Joshua R. Barron  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Commercial Litigation Branch

DATED: April 17, 2025 BY:  Digitally signed by THOMAS CORCORAN  
Date: 2025.04.17 17:51:57 -04'00'  
Thomas F. Corcoran  
Assistant United States Attorney  
District of Maryland

DATED: 4-17-25 BY:   
Lacy R. Harwell  
Carolyn B. Tapie  
Assistant United States Attorneys  
Middle District of Florida

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Elliot M. Schachner  
Assistant United States Attorney  
Eastern District of New York

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Valerie R. Raedy  
Assistant United States Attorney  
Northern District of Illinois

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Amy L. DeLine  
Assistant Director  
Nicole Frazer  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Consumer Protection Branch

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Natalie A. Waites  
Assistant Director  
Joshua R. Barron  
Trial Attorney  
U.S. Department of Justice  
Civil Division  
Commercial Litigation Branch

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

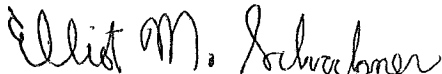
Thomas F. Corcoran  
Assistant United States Attorney  
District of Maryland

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Lacy R. Harwell  
Carolyn B. Tapie  
Assistant United States Attorneys  
Middle District of Florida

DATED: April 17, 2025 BY: \_\_\_\_\_



Elliot M. Schachner  
Assistant United States Attorney  
Eastern District of New York

**JOHN**  
**BEERBOWER**

Digitally signed by  
JOHN BEERBOWER  
Date: 2025.04.17  
16:26:15 -04'00'

DATED: 4/17/2025

BY: \_\_\_\_\_  
John E. Beerbower  
Assistant United States Attorney  
Eastern District of Virginia

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

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Salvatore M. Maida  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Cynthia Butler  
Acting on behalf of Edward M. DeHarde  
Deputy Associate Director of Federal Employee  
Insurance Operations,  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Faiza Mathon-Mathieu  
Deputy Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Jennifer Valdivieso  
Director  
Division of Federal Employees' Compensation  
Office of Workers' Compensation Programs  
United States Department of Labor

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

John E. Beerbower  
Assistant United States Attorney  
Eastern District of Virginia

DATED: 4/18/2025

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

*Robert M. Perreault for Susan Gillin*

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Salvatore M. Maida  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Cynthia Butler  
Acting on behalf of Edward M. DeHarde  
Deputy Associate Director of Federal Employee  
Insurance Operations,  
Healthcare and Insurance  
United States Office of Personnel Management

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United States Office of Personnel Management

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BY: \_\_\_\_\_

Jennifer Valdivieso  
Director  
Division of Federal Employees' Compensation  
Office of Workers' Compensation Programs  
United States Department of Labor

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
John E. Beerbower  
Assistant United States Attorney  
Eastern District of Virginia

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

DATED: April 17, 2025 BY: \_\_\_\_\_  
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Date: 2025.04.17 16:43:46 -04'00'  
Salvatore M. Maida  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Cynthia Butler  
Acting on behalf of Edward M. DeHarde  
Deputy Associate Director of Federal Employee  
Insurance Operations,  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Faiza Mathon-Mathieu  
Deputy Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Jennifer Valdivieso  
Director  
Division of Federal Employees' Compensation  
Office of Workers' Compensation Programs  
United States Department of Labor

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
John E. Beerbower  
Assistant United States Attorney  
Eastern District of Virginia

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

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Salvatore M. Maida  
General Counsel  
Defense Health Agency  
United States Department of Defense

DATED: 4/17/2025

BY: **CYNTHIA BUTLER** Digitally signed by CYNTHIA BUTLER  
Date: 2025.04.17 16:46:13 -04'00'  
Cynthia Butler  
Acting on behalf of Edward M. DeHarde  
Deputy Associate Director of Federal Employee Insurance Operations,  
Healthcare and Insurance  
United States Office of Personnel Management

DATED: 4/17/2025

BY: **FAIZA MATHON-MATHIEU** Digitally signed by FAIZA MATHON-MATHIEU  
Date: 2025.04.17 17:18:27 -04'00'  
Faiza Mathon-Mathieu  
Deputy Assistant Inspector General  
for Legal & Legislative Affairs  
Office of the Inspector General  
United States Office of Personnel Management

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Jennifer Valdivieso  
Director  
Division of Federal Employees' Compensation  
Office of Workers' Compensation Programs  
United States Department of Labor



DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
John E. Beerbower  
Assistant United States Attorney  
Eastern District of Virginia

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

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Salvatore M. Maida  
General Counsel  
Defense Health Agency  
United States Department of Defense

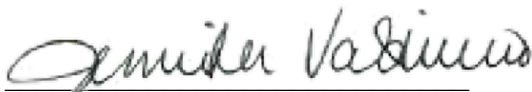
DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Cynthia Butler  
Acting on behalf of Edward M. DeHarde  
Deputy Associate Director of Federal Employee  
Insurance Operations,  
Healthcare and Insurance  
United States Office of Personnel Management

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Faiza Mathon-Mathieu  
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Office of the Inspector General  
United States Office of Personnel Management

DATED: 4/18/25

BY:   
Jennifer Valdivieso  
Director  
Division of Federal Employees' Compensation  
Office of Workers' Compensation Programs  
United States Department of Labor

**WALGREEN CO. ON BEHALF OF THE WALGREENS ENTITIES**

DATED: 4/17/25 BY: Peter R. Wilson  
PETER R. WILSON  
Vice President  
Commercial/Government Litigation & Regulatory Law  
Walgreen Co.

DATED: 4/17/25 BY: Katie B. Johnson  
KATIE B. JOHNSON  
Partner  
Jenner & Block LLP  
  
Counsel for Walgreen Co.

**RELATORS**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
T.J. Novak

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Michael C. Rosenblat  
Rosenblat Law  
  
David J. Chizewer  
William C. Meyers  
Goldberg Kohn Ltd.  
  
Counsel for T.J. Novak

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Elmer Mosley

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Adam T. Rabin  
Havan M. Clark  
Rabin Kammerer Johnson  
  
Rosalyn Sia Baker-Barnes  
Searcy Denney Scarola Barnhart & Shipley  
  
Counsel for Elmer Mosley

**WALGREEN CO. ON BEHALF OF THE WALGREENS ENTITIES**

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PETER R. WILSON  
Vice President  
Commercial/Government Litigation & Regulatory Law  
Walgreen Co.

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
KATIE B. JOHNSON  
Partner  
Jenner & Block LLP  
  
Counsel for Walgreen Co.

**RELATORS**

DATED: 4/17/2025 BY: \_\_\_\_\_  
Signed by: T.J. Novak  
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T.J. NOVAK

DATED: 4/17/2025 BY: \_\_\_\_\_  
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Michael C. Rosenblat  
Rosenblat Law

David J. Chizewer  
William C. Meyers  
Goldberg Kohn Ltd.

Counsel for T.J. Novak

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Elmer Mosley

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Adam T. Rabin  
Havan M. Clark  
Rabin Kammerer Johnson

Rosalyn Sia Baker-Barnes  
Searcy Denney Scarola Barnhart & Shipley

Counsel for Elmer Mosley

**WALGREEN CO. ON BEHALF OF THE WALGREENS ENTITIES**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
PETER R. WILSON  
Vice President  
Commercial/Government Litigation & Regulatory Law  
Walgreen Co.

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
KATIE B. JOHNSON  
Partner  
Jenner & Block LLP  
  
Counsel for Walgreen Co.

**RELATORS**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
T.J. Novak

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Michael C. Rosenblat  
Rosenblat Law  
  
David J. Chizewer  
William C. Meyers  
Goldberg Kohn Ltd.

Counsel for T.J. Novak

4/17/2025  
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Elmer Mosley

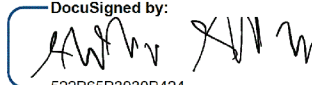
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Adam T. Rabin  
Havan M. Clark  
Rabin Kammerer Johnson

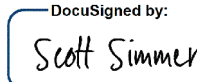
Rosalyn Sia Baker-Barnes  
Searcy Denney Scarola Barnhart & Shipley

Counsel for Elmer Mosley

DATED: Apr-17-2025 \_\_\_\_\_

BY:   
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Shashank Sridhara  
K&V Group, LLP

DATED: Apr-17-2025 \_\_\_\_\_

BY:   
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W. Scott Simmer  
Will Powers  
Baron & Budd, PC

Counsel for K&V Group, LLP

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Patrick Awa

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
Jason T. Brown  
Patrick Almonrode  
Brown, LLC

James M. Evangelista  
Evangelista Worley LLC


David S. Stone  
Robert A. Magnanini  
Stone & Magnanini LLP

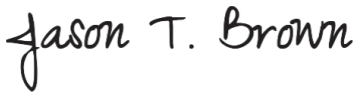
Counsel for Patrick Awa

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Shashank Sridhara  
K&V Group, LLP

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
W. Scott Simmer  
Will Powers  
Baron & Budd, PC

Counsel for K&V Group, LLP

DATED: 04 / 17 / 2025 BY: \_\_\_\_\_  
  
Patrick Awa

DATED: 04 / 17 / 2025 BY: \_\_\_\_\_  
  
Jason T. Brown  
Patrick Almonrode  
Brown, LLC

James M. Evangelista  
Evangelista Worley LLC

David S. Stone  
Robert A. Magnanini  
Stone & Magnanini LLP

Counsel for Patrick Awa

<b>Interest Amount</b>	<b>Exhibit A</b>			
		<b>4.00%</b>		
<b>Settlement Amount</b>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
				\$300,000,000
5/9/2025*	\$26,608,219.18	\$6,608,219.18	\$20,000,000.00	\$280,000,000.00
4/18/2026	\$35,555,616.44	\$10,555,616.44	\$25,000,000.00	\$255,000,000.00
4/18/2027	\$35,200,000.00	\$10,200,000.00	\$25,000,000.00	\$230,000,000.00
4/18/2028	\$64,200,000.00	\$9,200,000.00	\$55,000,000.00	\$175,000,000.00
4/18/2029	\$62,000,000.00	\$7,000,000.00	\$55,000,000.00	\$120,000,000.00
4/18/2030	\$59,800,000.00	\$4,800,000.00	\$55,000,000.00	\$65,000,000.00
4/18/2031	\$67,600,000.00	\$2,600,000.00	\$65,000,000.00	\$0.00
<b>Total</b>	<b>\$350,963,835.62</b>	<b>\$50,963,835.62</b>	<b>\$300,000,000.00</b>	

\* Assumes a handshake date of October 20, 2024 and Up Front Payment made on May 9, 2025, thus includes 201 days of interest.