



## **PBM FAQ**

### **1. What did Rite Aid announce?**

- Rite Aid is taking important actions that will enable us to strengthen the Company's financial foundation and ensure we are well-positioned for long-term success.
- With the support of certain of our financial stakeholders, on October 15, 2023, Rite Aid initiated a voluntary Chapter 11 process to reduce debt, enhance financial flexibility and advance our business priorities.
- We will use this process to accelerate our turnaround strategy, including optimizing our store footprint to better serve customers and communities, implementing a sale of Elixir Solutions and equitably resolving litigation matters.
- As we move through this process, Rite Aid is continuing to serve customers, clients and members across our retail and online platforms, including our Elixir Solutions, Elixir Insurance, and Health Dialog businesses.
- We remain focused on providing leading healthcare products and services that improve the health outcomes of the nearly one million customers that we serve daily.
- Rite Aid also separately announced that Jeffrey S. Stein has been appointed as Rite Aid's CEO, Chief Restructuring Officer, and a member of the Board of Directors, and that Marc Liebman has been appointed as Chief Transformation Officer. Each brings with him decades of experience leading companies through financial restructuring processes and important transformations.

### **2. What is Chapter 11?**

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to implement agreements with financial stakeholders and reorganize their debt while they continue operating their businesses in the normal course.

### **3. Why did Rite Aid file for Chapter 11? How does this action benefit Rite Aid? Why now?**

- Rite Aid has served customers and communities across our country for more than 60 years, and the important actions we are taking today will enable us to move ahead as a stronger company.
- With the support of certain of our financial stakeholders, we look forward to strengthening our financial foundation and accelerating the execution of our turnaround strategy.
- In doing so, we will be even better able to deliver the healthcare products and services our customers and their families rely on daily, now and into the future.



**4. Is Rite Aid going out of business?**

- No. Rite Aid is continuing to serve our customers and members across our retail and online platforms, including our Elixir Solutions, Elixir Insurance, and Health Dialog businesses.

**5. Why is Rite Aid closing stores?**

- Rite Aid regularly assesses our retail footprint to ensure we are operating efficiently while meeting the needs of our customers, communities, and associates.
- In connection with the court-supervised process, we intend to close certain underperforming stores to further reduce rent expense and strengthen overall financial performance.
- The decision to close a store is not one we take lightly. In making it, we take into consideration the impact on our associates and the customers and communities we serve.
- For our customers, we will make every effort to ensure they have access to health services, whether at another Rite Aid or other nearby pharmacy. We will also aim to transfer associates to other Rite Aid locations where possible.

**6. How many stores is Rite Aid closing? Which stores are closing?**

- We are continuing to assess our store footprint and will make these decisions as we move forward.
- We will continue to keep our website updated with information about which stores are open (<https://www.riteaid.com/locations/>).

**7. Does Rite Aid have sufficient liquidity to continue operating throughout this process?**

- Yes. On December 19, 2023, the Court granted Rite Aid final approval to access up to \$3.45 billion in debtor-in-possession financing we received from certain of our lenders.
- This financing is expected to provide sufficient liquidity to support Rite Aid throughout this process.

**8. What does this mean for PBMs who fill prescriptions through Rite Aid?**

- Supporting PBMs is a key priority for Rite Aid, and we are continuing to serve as a participating retail pharmacy for all of the PBMs with which we work.
- This announcement has no impact on our relationship with you or the way we work together.
- We are continuing to fill prescriptions and serve your members across our retail network.
- As always, we will continue to keep you informed regarding updates to our store footprint.
- Thank you for your continued partnership and support.



**9. When does Rite Aid expect to complete the court-supervised process?**

- We intend to move through this process as quickly and efficiently as possible.
- We will keep you informed of important milestones as we move forward.

**10. Why did I receive a Notice of Commencement from Rite Aid? Do I need to take any action?**

- We are required to periodically send out legal notices during this process to a wide range of our stakeholders, including customers, business partners, associates and others who have interacted with Rite Aid over the past few years.
- This is an ordinary and required part of the process, and it is designed to keep you and our other stakeholders informed.
- You should review the materials you received. If you have questions, please call our claims agent, Kroll, toll-free at (844) 274-2766, or (646) 440-4878 for calls originating outside of the U.S. or Canada, or consult with legal counsel.

**11. Where can I find additional information?**

- Additional information is available at [www.riteaidrestructuring.com](http://www.riteaidrestructuring.com), and we will continue to keep you informed as we move forward.
- If you have further questions, please reach out to your usual Rite Aid contact.