

Rite Aid Corporation
30 Hunter Lane
Camp Hill, PA 17011

January 6, 2020

To the beneficial owners, or representatives acting on behalf of beneficial owners, of the 6.125% Senior Notes due 2023 (CUSIP No. / ISIN: 767754CH5, US767754CH50, U76659AW8 and USU76659AW82) (the “Old Notes”) issued by Rite Aid Corporation.

Rite Aid Corporation is considering undertaking a certain transaction with respect to the Old Notes (the “Exchange Offer”). If you are a beneficial owner, or a representative acting on behalf of one or more beneficial owners, of any Old Notes, and are, or each of whom is, an Eligible Holder (as described below), please complete the Eligibility Letter and return it to Global Bondholder Services Corporation at the address set forth in the Eligibility Letter. If you are a beneficial owner, or a representative acting on behalf of one or more beneficial owners, of any Old Notes that is not an Eligible Holder, please do not take any action at this time. **If you are, or are a representative acting on behalf of, a non-“U.S. person” within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”) who is a “non-U.S. qualified offeree” and who is located in Canada, please contact Global Bondholder Services Corporation to request the appropriate form.**

An “Eligible Holder” is a beneficial owner that certifies that it is: (a) a “Qualified Institutional Buyer” as defined in Rule 144A under the Securities Act; or (b) a non-“U.S. person” within the meaning of Regulation S under the Securities Act who is a “non-U.S. qualified offeree”.

The definitions of “Qualified Institutional Buyer,” “U.S. person” and “non-U.S. qualified offeree” are set forth on Annex A hereto. Additional eligibility criteria may apply to holders located in certain other jurisdictions. You are encouraged to speak with your advisors if you have any questions regarding your eligibility.

RESPONSES MUST BE RECEIVED NO LATER THAN 11:59 P.M., NEW YORK CITY TIME, ON FEBRUARY 3, 2020

This letter neither is an offer nor a solicitation of an offer with respect to the Old Notes nor creates any obligations whatsoever on the part of Rite Aid Corporation to make any offer or on the part of the recipient to participate if an offer is made.

MANUALLY COMPLETED FORMS MUST BE FAXED TO THE ATTENTION OF GLOBAL BONDHOLDER SERVICES CORPORATION, THE INFORMATION AGENT FOR THE EXCHANGE OFFERS, AT (212) 624-0294. You may direct any questions about the eligibility process to Global Bondholder Services Corporation, Attention: Corporate Actions, at 65 Broadway, Suite 404, New York, New York 10006, telephone: (866) 470-3900 (Toll-Free) or (212) 925-1630 (Collect).

[Signature Page to follow]

Very truly yours,

Rite Aid Corporation

By: 
Name: Matt Schroeder
Title: Chief Financial Officer

1. DefinitionsA. “Qualified Institutional Buyer” means:

- (1) (i) Any of the following entities, acting for its own account or the accounts of other Qualified Institutional Buyers, that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the entity:
 - (A) Any insurance company as defined in Section 2(a)(13) of the Securities Act;
 - (B) Any investment company registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”) or any business development company as defined in Section 2(a)(48) of the Investment Company Act;
 - (C) Any small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;
 - (D) Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;
 - (E) Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, as amended;
 - (F) Any trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in subparagraph (i)(D) or (E) above, except trust funds that include as participants individual retirement accounts or H.R. 10 plans;
 - (G) Any business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the “Investment Advisers Act”);
 - (H) Any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership, or Massachusetts or similar business trust; and
 - (I) Any investment adviser registered under the Investment Advisers Act;
- (ii) Any dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), acting for its own account or the accounts of other Qualified Institutional Buyers, that in the aggregate owns and invests on a discretionary basis at least \$10 million of securities of issuers that are not affiliated with the dealer, provided that securities constituting the whole

or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer;

- (iii) Any dealer registered pursuant to Section 15 of the Exchange Act acting in a “riskless principal transaction” (as defined below) on behalf of a Qualified Institutional Buyer;
- (iv) Any investment company registered under the Investment Company Act, acting for its own account or for the accounts of other Qualified Institutional Buyers, that is part of a family of investment companies which own in the aggregate at least \$100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies. “Family of investment companies” means any two or more investment companies registered under the Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), provided that:
 - (A) Each series of a series company (as defined in Rule 18f-2 under the Investment Company Act) shall be deemed to be a separate investment company; and
 - (B) Investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company’s adviser (or depositor) is a majority-owned subsidiary of the other investment company’s adviser (or depositor);
- (v) Any entity, all of the equity owners of which are Qualified Institutional Buyers, acting for its own account or the accounts of other Qualified Institutional Buyers; and
- (vi) Any bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act, or any foreign bank or savings and loan association or equivalent institution, acting for its own account or the accounts of other Qualified Institutional Buyers, that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least \$25 million as demonstrated in its latest annual financial statements, as of a date not more than 16 months preceding the date of sale under the rule in the case of a U.S. bank or savings and loan association, and not more than 18 months preceding such date of sale for a foreign bank or savings and loan association or equivalent institution.

For purposes of the foregoing definition:

- (1) In determining the aggregate amount of securities owned and invested on a discretionary basis by an entity, the following instruments and interests shall be excluded: bank deposit notes and certificates of deposit; loan participations; repurchase agreements; securities owned but subject to a repurchase agreement; and currency, interest rate and commodity swaps.

- (2) The aggregate value of securities owned and invested on a discretionary basis by an entity shall be the cost of such securities, except where the entity reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published. In the latter event, the securities may be valued at market for purposes of this section.
- (3) In determining the aggregate amount of securities owned by an entity and invested on a discretionary basis, securities owned by subsidiaries of the entity that are consolidated with the entity in its financial statements prepared in accordance with generally accepted accounting principles may be included if the investments of such subsidiaries are managed under the direction of the entity, except that, unless the entity is a reporting company under Section 13 or 15(d) of the Exchange Act, securities owned by such subsidiaries may not be included if the entity itself is a majority-owned subsidiary that would be included in the consolidated financial statements of another enterprise.
- (4) “Riskless principal transaction” means a transaction in which a dealer buys a security from any person and makes a simultaneous offsetting sale of such security to a Qualified Institutional Buyer, including another dealer acting as riskless principal for a Qualified Institutional Buyer.

B. “U.S. person” means:

- (1) Any natural person resident in the United States;
- (2) Any partnership or corporation organized or incorporated under the laws of the United States;
- (3) Any estate of which any executor or administrator is a U.S. person;
- (4) Any trust of which any trustee is a U.S. person;
- (5) Any agency or branch of a foreign entity located in the United States;
- (6) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (7) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (8) Any partnership or corporation if:
 - (a) Organized or incorporated under the laws of any foreign jurisdiction; and
 - (b) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

The following are not “U.S. persons”

- (1) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (2) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:
 - (a) An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and
 - (b) The estate is governed by foreign law;
- (3) Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to

- the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;
- (4) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
 - (5) Any agency or branch of a U.S. person located outside the United States if:
 - (a) The agency or branch operates for valid business reasons; and
 - (b) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
 - (6) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

“United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

C. “Non-U.S. qualified offeree” means:

- (i) any legal entity in a Relevant Member State which is a qualified investor as defined in the Prospectus Directive;
- (ii) legal entities in any Relevant Member State fewer in number than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive;
- (iii) any other legal entity in a Relevant Member State that in any other circumstances falls within Article 3(2) of the Prospectus Directive; and
- (iv) any entity outside the United States and the European Economic Area to whom the offers related to any new exchange notes in respect of the Old Notes may be made in compliance with any applicable laws and regulations.

For the purposes of this paragraph, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU and the expression “Relevant Member State” means each Member State of the European Economic Area which has implemented the Prospectus Directive, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State.

For purposes of the Exchange Offers, the following are deemed not to be “non-U.S. qualified offerees”:

- (i) any holder to whom any new exchange notes in respect of the Old Notes have been publicly offered, sold or advertised, directly or indirectly, in or from Switzerland;
- (ii) any holder that is an Italian resident or person located in the Republic of Italy;

- (iii) any holder in France, other than (i) persons providing investment services relating to portfolio management for the account of third parties and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L. 411 2 and D. 411-1 to D.411-3 of the Code monétaire et financier;
- (iv) any holder in Germany that is not a qualified investor, as defined in the German Securities Prospectus Act (*Wertpapierprospektgesetz*);
- (v) any holder in the United Kingdom, unless such holder is either (i) an investment professional within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Financial Promotion Order”) or (ii) a high net worth entity as defined in the Financial Promotion Order or (iii) another person to whom the offer may lawfully be communicated falling within Article 49(2)(a) to (e) of the Financial Promotion Order or Article 43 of the Financial Promotion Order;
- (vi) any holder in Ireland that is not a “qualified investor”, as defined in the Irish Prospectus (Directive 2003/71/EC) Regulations 2005;
- (vii) any holder in Norway that is not also registered as a professional investor (“*profesjonell investor*”) with the Oslo Stock Exchange;
- (viii) any holder in Hong Kong that is not a “professional investor” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder;
- (ix) any holder in Singapore that is not an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore.

Eligibility Letter

To: Rite Aid
c/o Global Bondholder Services Corporation
65 Broadway, Suite 404
New York, New York 10006
Facsimile: (212) 624-0294
To Confirm: (866) 470-3900 (Toll-Free)
or (212) 925-1630 (Collect)
Email: info@gbsc-usa.com
Attention: Corporation Actions

Ladies and Gentlemen:

The undersigned acknowledges receipt of your letter dated January 6, 2020 (the "Letter"). Capitalized terms used and not defined in this letter shall have the meanings set forth in the Letter.

The undersigned hereby represents and warrants to Rite Aid Corporation (the "Company") as follows:

- (1) it is the beneficial owner, or is acting on behalf of a beneficial owner, of 6.125% Senior Notes due 2023 (CUSIP No. / ISIN: 767754CH5, US767754CH50, U76659AW8 and USU76659AW82) (the "Old Notes") issued by the Company in the amounts set forth below; and
- (2) it is, or in the event that the undersigned is acting on behalf of a beneficial owner of the Old Notes, the undersigned has received a written certification from such beneficial owner (dated as of a specific date on or since the close of such beneficial owner's most recent fiscal year) to the effect that such beneficial owner is (please indicate below):
 - a "Qualified Institutional Buyer" as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"); or
 - a non-"U.S. person" within the meaning of Regulation S under the Securities Act who is a "non-U.S. qualified offeree" (as defined in the Letter) who is not located in Canada.

If the noteholder is a non-"U.S. person" within the meaning of Regulation S under the Securities Act who is a "non-U.S. qualified offeree" and who is located in Canada, the noteholder should contact Global Bondholder Services Corporation to request the appropriate form.

By signing this Eligibility Letter, the noteholder agrees not to disclose, disseminate or distribute to any person or entity other than an employee or an authorized agent of the noteholder any password that may be assigned to the noteholder to access the password-protected internet website containing confidential information and materials relating to the possible transaction and agrees not to copy or reproduce any part of any materials received in connection with any transaction Rite Aid Corporation may undertake and will not distribute any part of such materials or disclose any of their contents to anyone other than, if applicable, the aforementioned beneficial owners on whose behalf the undersigned is acting.

The noteholder understands that it is providing the information contained herein solely for purposes of enabling Rite Aid Corporation to consider undertaking certain transactions with respect to the Old Notes. This letter neither is an offer with respect to the Old Notes nor creates any obligations

whatsoever on the part of Rite Aid Corporation to make any offer or the undersigned to participate if an offer is made.

The noteholder acknowledges and agrees that Rite Aid Corporation will rely upon the certifications, acknowledgments and agreements set forth herein, and agrees to notify Rite Aid Corporation promptly in writing if any of such certifications, acknowledgments and agreements herein ceases to be accurate and complete. Rite Aid Corporation reserves the right to reject any improper Eligibility Letter.

Dated: _____, _____

Very truly yours,

**Aggregate Principal Amount of 6.125% Senior
Notes due 2023:**

By: _____
(Signature)

\$ _____
(CUSIP No. / ISIN: 767754CH5,
US767754CH50, U76659AW8 and
USU76659AW82);

(Name and Title)

(Institution)

(Address)

(City/State or Province/Zip)

(Phone)

(Facsimile)

(E-Mail Address)

DTC Participant Number: _____