

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

TO: ALL PERSONS WHO PURCHASED OR HELD ANY "RITE AID" BRANDED GIFT CARD SOLD IN THE STATE OF CALIFORNIA BETWEEN JANUARY 1, 2008 AND JULY 31, 2012, (THE "CLASS").

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF THIS CLASS ACTION AND, IF YOU ARE A MEMBER OF THE CLASS, CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHTS CONCERNING THE SETTLEMENT.

THIS NOTICE AFFECTS YOUR RIGHTS:

The Alameda Superior Court (the "Court") authorized this notice (the "Notice").

A settlement was given preliminary approval (the "Settlement") in a class action lawsuit pending in the California Superior Court for the County of Alameda entitled *Amy Chamberlin v. Rite Aid Corporation*, Case No. RG10499331 (the "Action"), involving plaintiff Amy Chamberlin ("Chamberlin" or "Plaintiff") and defendant Rite Aid Corporation ("Rite Aid"). Chamberlin and Rite Aid are collectively referred to herein as the "Parties."

The purpose of this Notice is to provide a brief summary of the claims asserted in the Action and the terms of the Settlement. If you wish to be included in the Settlement, you do not have to do anything to indicate your consent. This Notice also describes what you need to do if you wish to be excluded from the Settlement.

WHAT'S THIS ABOUT?

The Settlement will resolve the Action involving Chamberlin's claims that Rite Aid violated California law by not redeeming gift cards for cash, upon request, when the remaining balance on the gift card was less than Ten Dollars and No Cents (\$10.00). Rite Aid denies any wrongdoing. The Parties concluded it is in their best interests to settle the Action to avoid the expense and uncertainty of ongoing litigation. The Court did not decide which side was right, but both sides agreed to the Settlement.

WHO IS IN THE CLASS?

You are a member of the Class if you purchased or held any "Rite Aid" branded gift card sold in the State of California between January 1, 2008, through July 31, 2012 ("Class Member").

WHAT DOES THE SETTLEMENT PROVIDE?

Defendant agreed to the following: (1) to comply with California's requirement that gift cards with a balance of less than \$10 be redeemed for cash upon request; (2) for 90 days, post a 5"x7" notice at all California Rite Aid gift card kiosks that all Rite Aid Gift Cards with a balance of less than ten dollars (\$10) are redeemable for cash; and (3) appropriate training to all California retail location employees as to the proper procedure to redeem Rite Aid gift cards for cash. Subject to Court approval, the Class Representative will receive an incentive award of \$2,000 and the attorneys for the Class ("Class Counsel") will be paid \$92,500 total for their fees and costs. These payments will not reduce the class benefits.

RELEASE OF ALL CLAIMS

If the Court approves the Settlement, it will enter a judgment in the action with prejudice as to all Class Members. Class Members who do not validly and timely request to be excluded from the Settlement, and each of their respective successors, assigns, legatees, heirs, and personal representatives release and forever discharge Defendant, each of its direct or indirect parents, wholly or majority owned subsidiaries, affiliated and related entities, predecessors, successors and assigns, partners, privities, and any of their present and former directors, officers, employees, shareholders, agents, representatives, attorneys, accountants, insurers, and all persons acting by, through, under or in concert with them, or any of them, from all manner of action, causes of action, claims, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, penalties, losses, costs, expenses, and attorneys' fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, which they have or may have arising out of or relating to any and all violations of California Civil Code section California Civil Code section 1749.5(b)(2) or that were alleged or that could have been asserted in the complaints in the Action, including but not limited to causes of action for declaratory relief and violations of the Consumers Legal Remedies Act (California Civil Code § 1750 et seq.).

Class Members, and each of their respective successors, assigns, legatees, heirs, and personal representatives, also expressly waive and relinquish, as to the claims released in the preceding paragraph, to the fullest extent permitted by law, the provisions, rights and benefits of the California Civil Code § 1542, or any other similar provision under federal or state law, which provides: **"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."**

WHAT ARE YOUR OTHER OPTIONS?

If you want to opt out of the Settlement, you must exclude yourself by no later than November 5, 2012. To be excluded, you must submit a letter postmarked no later than November 5, 2012, containing: (a) the name of the Action: "*Chamberlin v. Rite Aid Corporation*"; (b) your full name, address, and telephone number; and (c) a statement that you are a Class Member and wish to be excluded from the Class. To be considered valid, a request for exclusion must set forth all of this information, be timely, and be sent to class counsel and defense counsel at the following addresses:

Class Counsel	Defense Counsel
Robert B. Hancock, Esq. PACIFIC JUSTICE CENTER 50 California Street, Suite 1500 San Francisco, CA 94111	Joseph Duffy, Esq. MORGAN, LEWIS & BOCKIUS LLP. 300 S. Grand Avenue Los Angeles, CA 90071-3132

You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense, provided you notify the Court of your intent to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number: *Chamberlin v. Rite Aid Corporation*, Case No. RG10499331; (b) be submitted to the Court either by mailing to: Clerk of Court, Superior Court of California, County of Alameda, Rene C. Davidson Alameda County Courthouse, 1225 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior Court, County of Alameda that includes a facility for civil filings; (c) be mailed to the law firms identified above; and (d) be filed or postmarked on or before **November 5, 2012**.

FINAL APPROVAL HEARING

The Court will have a hearing to decide whether to finally approve the settlement on November 14, 2012, at 8:30 a.m. before the Honorable Wynne S. Carvill, in Department 21, of the California Superior Court for the County of Alameda, 1221 Oak Street, Oakland, CA 94612.

ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you are referred to the detailed settlement agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the settlement agreement, may be examined (a) online on the Alameda County Superior Court's website, known as "DomainWeb," at <http://apps.alameda.courts.ca.gov/domainweb/html/casesumbody.html>, or (b) in person in Room B-16 at the County Administration Building at 1221 Oak Street, Oakland, California 94612, between the hours of 8:30 a.m. and 2:30 p.m., Monday through Friday, excluding Court holidays, or you may contact Class Counsel.

HON. WYNNE S. CARVILL
JUDGE OF THE SUPERIOR COURT