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IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

If You Purchased or Paid for a Prescription Drug with Insurance At Walgreens,¹ A Class Action Settlement Could Affect You.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

INFORMATION REGARDING CLASS ACTION SETTLEMENT

A proposed Settlement² has been reached in a class action lawsuit on behalf of individuals, health insurers, and other entities who pay for prescription drugs regarding Walgreens' usual and customary pricing practices. The class action lawsuit, *Russo, et al. v. Walgreen Co.*, No. 1:17-cv-02246, relates to how Walgreens determined its usual and customary prices in submitting claims for prescription reimbursement, specifically whether it should have considered its Prescription Savings Club prices in determining its usual and customary prices. Walgreens denies any wrongdoing and maintains that it correctly reported its retail prices as its usual and customary prices. The Court has not decided who is right.

The Court has preliminarily approved the proposed Settlement described in this Notice. To resolve the claims, the proposed Settlement will provide for \$100,000,000 to be paid by Walgreens. As discussed below, all Court-approved attorneys' fees and expenses, the costs of notice and administering the Settlement, service awards, and other costs will be deducted from this amount ("Net Settlement Fund"). The Net Settlement Fund will be paid to members of the Settlement Class (defined below) who submit valid claims.

The Court has scheduled a Fairness Hearing to decide whether to approve the Settlement, the plan for allocating the Net Settlement Fund among claimants, Class Counsel's request for attorneys' fees and payment of litigation expenses out of the Settlement Fund, and the plaintiffs' request for payment of services awards. The Fairness Hearing is scheduled for September 10, 2025, at 12:15 p.m. CST, before Judge Edmond E. Chang of the U.S. District Court for the Northern District of Illinois at the United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. The time and date of the Fairness Hearing may change. For up-to-date information on the Fairness Hearing, check www.SavingsClubSettlement.com.

What Is This Action About?

Plaintiffs allege that Walgreens inflated its usual and customary ("U&C") prices by not considering the prices it charged under its Prescription Savings Club ("PSC") in determining the

¹ Walgreens includes all pharmacies owned and operated by Walgreen Co., or any of its affiliates, but only to the extent and for the time period they accepted Walgreens' PSC during the Settlement Class Period.

² Unless otherwise defined herein, capitalized terms shall be those defined in the Stipulation of Class Action Settlement which can be found at www.savingsclubsettlement.com.

U&C price, resulting in insured customers and third-party payors paying inflated amounts for prescription drugs. Plaintiffs brought claims against Walgreens for fraud, unjust enrichment, and violation of state consumer protection statutes.

Walgreens denies Plaintiffs' allegations and maintains that it acted appropriately in reporting its retail prices as its U&C prices.

Who Is Included?

The Settlement Class is defined as follows:

- All individuals and entities in the United States and its territories who paid, in whole or in part, at any point in time from the period January 1, 2007 through November 18, 2024 (the "Settlement Class Period"), for one or more prescription drugs from Walgreens, where prescription insurance benefits were used in filling the prescription(s).
- The following groups are excluded from the Settlement Class: (1) Walgreens and its management and affiliates, and employees of Walgreens and its affiliates; (2) the Court, members of their immediate families, and judicial staff (but not members of the immediate families of judicial staff); (3) all pharmacy benefit managers; (4) individuals who paid for all of their prescription drugs from Walgreens during the Settlement Class Period without using insurance benefits; (5) federal and state government entities other than government-funded employee benefit plans; and (6) all individuals and entities, except for the named plaintiffs, that have sued, filed an arbitration demand, or participated in a settlement in a suit against Walgreens relating to its determination of usual and customary prices in connection with the Prescription Savings Club (this exception to the exclusion from the Settlement Class does not apply to individuals or entities that have voluntarily dismissed their claims without prejudice in any suit or arbitration).

What Does The Class Action Settlement Provide?

Walgreens will pay \$100,000,000 into a Settlement Fund to settle all claims in the lawsuit brought on behalf of Settlement Class Members who are individuals, as well as health insurers and other entities who pay for prescription drugs, in whole or in part, for employees/beneficiaries (known as third-party payors).

The Settlement Fund will be distributed pursuant to a Plan of Allocation and Distribution, the latest version of which can be reviewed at www.SavingsClubSettlement.com. Class Counsel will ask the Court to award attorneys' fees not to exceed 30% of the Settlement Fund, as well as out-of-pocket costs, expenses, and charges not to exceed \$3,000,000, and interest, as well as Service Award payments to the Plaintiffs not to exceed \$5,000 to each Individual Plaintiff and \$15,000 to each Fund Plaintiff, and Notice and Administration Expenses.

The Net Settlement Fund will be distributed to members of the Settlement Class who file valid claim forms. Payments will be calculated based on the amount a claimant paid, in whole or in part, during the Settlement Class Period for the purchase of or reimbursement for one or more

prescription drugs from Walgreens, where prescription insurance benefits were used in filling the prescription(s), as described below. The precise amount that you might receive from the Net Settlement Fund will depend on how much you (and other members of the Settlement Class) paid, in whole or in part, during the Settlement Class Period, for the purchase of prescription drug(s) from Walgreens, where prescription insurance benefits were used in filling the prescription(s).

The Plan of Allocation and Distribution provides for distribution of the Settlement Fund as follows:

- The Settlement Administrator will first calculate the Net Settlement Fund amount by subtracting any Court-approved Attorneys’ Fees and Expenses, Service Awards, Notice and Administration Expenses, and any other Court-approved deductions (which may include taxes, tax expenses, and escrow fees) from the total Settlement Fund.
- The Net Settlement Fund amount will be shared by all Settlement Class Members who submit valid claims. Each Settlement Class Member’s claim on the Settlement Fund will be determined under only one of the two means described below, based on whether the Settlement Class Member is an individual Settlement Class Member (“Individual Claimants”) or a third-party payor entity Settlement Class Member (“TPP Claimants”). The Net Settlement Fund will be divided into two (2) pools as follows: (i) Pool 1, consisting of 80% of the Net Settlement Fund, which will be distributed to TPP Claimants; and (ii) Pool 2, consisting of 20% of the Net Settlement Fund, which will be distributed to Individual Claimants. Pools 1 and 2, respectively, shall be distributed on a *pro rata* basis based on the relative size of each Pool’s Recognized Claims within each Pool. Specifically:
 - For each Pool 1 Authorized Claimant, the Distribution Amount shall be that Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Pool 1 Authorized Claimants, multiplied by the total amount in the Net Settlement Fund in Pool 1, *i.e.*:

$$(80\% \text{ of Net Settlement Fund Amount}) * \frac{\text{Pool 1 Authorized Claimant's Recognized Claim Amount}}{\text{Sum of All Pool 1 Authorized Claimant's Recognized Claim Amounts}}$$

- For each Pool 2 Authorized Claimant, the Distribution Amount shall be each Pool 2 Recognized Claim divided by the total Recognized Claims of all Pool 2 Authorized Claimants, multiplied by the total amount in the Net Settlement Fund in Pool 2, *i.e.*:

$$(20\% \text{ of Net Settlement Fund Amount}) * \frac{\text{Pool 2 Authorized Claimant's Recognized Claim Amount}}{\text{Sum of All Pool 2 Authorized Claimant's Recognized Claim Amounts}}$$

As discussed above, the proposed Plan of Allocation and Distribution categorizes claimants into Individual Claimants and TPP Claimants. Individual Claimants are further grouped into Known Claimants and Unknown Claimants based on whether Walgreens identified the claimant as a potential member of the Settlement Class. There are different documentation requirements for each category of claimants, as discussed below. This is a summary of the Plan of Allocation and Distribution. For additional details, the latest version of the Plan can be reviewed at www.SavingsClubSettlement.com.

The proposed Plan of Allocation and Distribution is subject to change until the Court approves it. To view the most current version, visit www.SavingsClubSettlement.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>PARTICIPATE IN THE SETTLEMENT BY SUBMITTING A CLAIM FORM</p>	<p>To exercise your right to obtain a share of the Net Settlement Fund, you will need to complete, sign, and submit a Claim Form (and documentation, if required) by April 17, 2025. You may fill out and submit the Claim Form found at the website www.SavingsClubSettlement.com.</p> <p>For Known and Unknown Individual Claimants, the Claim Form asks you to estimate whether, during the Settlement Class Period, you paid \$1-\$500, \$501-\$1,000, \$1,001-\$5,000, \$5,001-\$9,999, or \$10,000 or more for eligible prescription drugs from Walgreens. All Unknown Individual Claimants who have a claim in any amount and all Known Individual Claimants who claim to have paid \$10,000 or more in eligible prescription drug purchases will be required to submit supporting documentation or data sufficient to identify that Individual Claimant’s payments to Walgreens for eligible prescription drug purchases.</p> <p>TPP Claimants who paid for prescription drugs, in whole or in part, for their employees/beneficiaries who purchased eligible prescription drugs will need to submit supporting documentation of data sufficient to identify the amount paid, directly or indirectly, for the eligible prescription drug purchases of their employees/beneficiaries.</p> <p>Please see the Claim Form for further details about these documentation requirements. If you have any questions, please address them by letter to the following address: <i>In re Walgreens Savings Club Litigation</i>, Settlement Administrator, c/o A.B. Data, Ltd., P.O. Box 173067, Milwaukee, WI 53217 or contact them by email at info@SavingsClubSettlement.com or by phone at 1-877-888-8386.</p>
<p>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS</p>	<p>If you believe you are a member of the Settlement Class, you may choose to exclude yourself, or “opt out,” from the Settlement Class. If you decide to exclude yourself, you will not be bound by</p>

	any decision in this lawsuit relating to Walgreens. This is the only option that allows you to ever be part of any lawsuit (other than this lawsuit) against Walgreens relating to the legal claims against Walgreens in this case. To exclude yourself, you will need to inform the Settlement Administrator of your decision by March 18, 2025, and provide the information set forth below in this Notice. If the Settlement is approved by the Court and you do not notify the Settlement Administrator by the deadline of your election to “opt out” of the Settlement Class, you will be bound by the Settlement. If you opt out, you may not submit a Claim Form.
OBJECT TO THE SETTLEMENT	If you object to all or any part of the proposed Settlement, plan of allocation, and/or requested attorneys’ fees, expenses, or service awards, you may write to the Court and object. You may only object to the proposed Settlement, plan of allocation, and/or requested attorneys’ fees, expenses, or service awards if you have not excluded yourself from the Settlement Class. Any objections must be submitted to the Court by March 18, 2025, and provide the information set forth below in this Notice.
DO NOTHING	If you are a member of the Settlement Class and do not file a valid claim, you will not receive any payment from the Settlement. Moreover, even if you do not file a valid claim, unless you exclude yourself from the Settlement Class, you will nevertheless be bound by past and any future Court rulings, including rulings on the Settlement, if approved, and settlement releases but will not be eligible to receive any payment from the Settlement.
GET MORE INFORMATION	If you would like to get more information about the case or the Settlement, you can send questions to the Settlement Administrator identified in this Notice.

How Do I Get A Payment?

You must submit a Claim Form by April 17, 2025, to be eligible for a payment.

- If you received a notice and a claim identification number from the Settlement Administrator, you are a Known Individual Claimant, as defined in the Plan of Allocation and Distribution, and if you want to participate in the Settlement, then you will need to submit a Claim Form in order to be eligible to obtain a share of the proposed Settlement. If you think you are a potential Settlement Class Member, please visit www.SavingsClubSettlement.com for more information and to submit a Claim Form. You will be asked to provide information or data proving that you are a member of the Settlement Class. You also may be asked to provide data showing your eligible purchases. If you are unable to access the settlement website identified above, please contact the Settlement Administrator by mail at *In re Walgreens Savings Club Litigation*, Settlement Administrator, c/o A.B. Data, Ltd., P.O. Box 173067, Milwaukee, WI 53217, by email at info@SavingsClubSettlement.com, or by phone at **1-877-888-8386**.

- If you did not receive a notice and a claim identification number from the Settlement Administrator, you are not a Known Individual Claimant. Instead, you are an Unknown Individual Claimant or a TPP Claimant, as defined in the Plan of Allocation and Distribution. If you think you are a potential Settlement Class Member, then you will need to submit a Claim Form in order to be eligible to obtain a share of the proposed Settlement. If you think you are a potential Settlement Class Member, please visit www.SavingsClubSettlement.com for more information and to submit a Claim Form. You will be asked to provide information or data proving that you are a member of the Settlement Class. You also will be asked to provide data showing your eligible purchases. If you are unable to access the settlement website identified above, please contact the Settlement Administrator by mail at *In re Walgreens Savings Club Litigation*, Settlement Administrator, c/o A.B. Data, Ltd., P.O. Box 173067, Milwaukee, WI 53217, by email at info@SavingsClubSettlement.com, or by phone at **1-877-888-8386**.
- When and whether you receive your payment depends on several matters, including whether your Claim is approved and whether and when the Court grants final approval of the Settlement. The Net Settlement Fund will be allocated to Settlement Class Members as soon as possible after the Court grants final approval of the Settlement. If the proposed Settlement is given final approval, but there is an appeal of the final approval, the appeal could take several years to resolve. In the event the Settlement is finally approved by all necessary courts, any accrued interest on the Settlement Fund will be included, consistent with the Plan of Allocation and Distribution, in the amount paid to Settlement Class Members.

What Am I Giving Up To Receive A Payment?

Unless you exclude yourself, you remain a Settlement Class Member. That means you cannot sue, continue to sue, or be part of any other lawsuit about the Plaintiffs' Released Claims in this case against Walgreens or any of the Defendant's Released Persons. Upon the effective date of the Settlement, Plaintiffs and all Settlement Class Members, on behalf of themselves and each of the Plaintiffs' Released Persons, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged all Plaintiffs' Released Claims against Walgreens and the Defendant's Released Persons, regardless of whether Plaintiffs and Settlement Class Members execute and deliver Claim Forms. The capitalized terms used in this paragraph are defined in the Settlement Agreements. For easy reference, those terms are copied below:

- "Defendant's Released Persons" means Walgreens and its respective legal representatives, predecessors, successors and assigns, present and former parents and subsidiaries and affiliated entities, present and former employees, partners, agents, representatives, independent contractors, officers, directors, shareholders, attorneys, accountants, managers, and all other legally associated individuals or entities.
- "Plaintiffs' Released Persons" means Plaintiffs, Settlement Class Members, and Plaintiffs' Related Parties. In turn, "Plaintiffs' Related Parties" means Plaintiffs' respective legal representatives, including Class Counsel, heirs, executors, administrators, beneficiaries,

trustees, predecessors, successors in interest, transferees and assignees, in their capacities as such.

- “Plaintiffs’ Released Claims” means all claims, demands, damages, harm, injuries, actions, causes of action, suits, proceedings, matters, disputes, obligations, costs, and losses of any kind whatsoever, whether known or Unknown Claims³, suspected or unsuspected, accrued or unaccrued, and contingent or non-contingent, which now exist or have existed upon any theory of law or equity (whether contractual, common law, statutory, federal, state, local, or otherwise), including any claims for compensatory or punitive damages, or for attorneys’ fees, costs, or disbursements of any kind, against Defendant’s Released Persons arising out of or related to the conduct challenged in the Action, including any and all claims relating to the reporting of U&C prices for pharmaceuticals, regardless of whether “usual and customary” or “U&C” appears as a defined contractual term in any relevant contract, except for claims relating to the enforcement of the Settlement Agreement.

What Are My Other Rights?

If you are a member of the Settlement Class and you do not want to be legally bound by the Settlement, you must exclude yourself. The exclusion deadline is March 18, 2025. If you do not timely exclude yourself, you will not be able to sue Walgreens or Defendant’s Released Persons for any claims relating to the lawsuit and will be bound by the Settlement, if finally approved.

To exclude yourself from the Settlement Class, you must send a letter via First-Class U.S. Mail with postage prepaid or overnight delivery to: *In re Walgreens Savings Club Litigation*, Settlement Administrator, EXCLUSIONS, c/o A.B. Data, Ltd., P.O. Box 173001, Milwaukee, WI 53217 and include the following:

If you are an individual, you must include (1) the individual’s full name, current mailing address, telephone number, and social security number; (2) a statement that the individual purchased and paid for one or more prescription drugs from Walgreens during the Settlement Class Period; (3) a statement that the individual wishes to be excluded from the Settlement Class (e.g., “*I request that I be excluded from the Russo v. Walgreen Co. settlement.*”); and (4) the individual’s signature.

If you are an entity, you must include (1) the entity’s full name, current mailing address, telephone number, and Taxpayer Identification Number; (2) a statement that the entity wishes to exclude itself from the Settlement (e.g., “*I, on behalf of [entity], request that [entity] be excluded from the Russo v. Walgreen Co. settlement.*”); (3) a signature from the authorized representative of the entity along with a statement of that person’s position or authority by which he or she has the power to exclude the entity from the Settlement Class; and (4) data (i) sufficient to establish Class

³ The complete definition of “Unknown Claims” is set forth at Section 1.43 of the Settlement Agreement and includes “(a) any Plaintiffs’ Released Claims that Plaintiffs or any Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of Defendant’s Released Persons which, if known by him, her, or it, might have affected such Plaintiff’s or Settlement Class Member’s settlement or decisions with respect to the Settlement, including the release of Defendant’s Released Persons or the decision not to object to or opt out of this Settlement; and (b) any Defendant’s Released Claims that Defendant does not know or suspect to exist in its favor at the time of the release of Plaintiffs’ Released Persons, which if known by it, might have affected its settlement or decision with respect to the Settlement, including the release of Plaintiffs’ Released Persons.”

membership, and (ii) reflecting all of the entity's payments for prescriptions purchased at Walgreens using insurance during the Settlement Class Period.

Settlement Class Members shall not be permitted to exclude other Settlement Class Members. Moreover, group or class-wide exclusions shall not be permitted. A request for exclusion must be submitted by each Settlement Class Member on an individual basis, and any request for exclusion by a purported authorized agent or representative of a Class Member must include proof of the representative's legal authority and authorization to act and request exclusion on behalf of each Class Member they seek to opt out. If you exclude yourself from either Class, you will not receive any benefits of the Settlement, you will not be legally bound by anything that happens in the lawsuit, and you may be able to sue (or continue to sue) Walgreens in the future about the legal issues in this case.

Your letter requesting exclusion must be postmarked no later than March 18, 2025.

A request for exclusion that does not include all of the foregoing information, that does not contain the proper signature, that is sent to an address other than the one designated above, or that is not sent within the time specified shall be invalid and the individual or entity filing such an invalid request shall be a Settlement Class Member and shall be bound by the Settlement, if approved.

If you do not exclude yourself from the Settlement Class, you may object to the Settlement by March 18, 2025.

To object to the Settlement: If you are a Settlement Class Member and you have not excluded yourself from the Settlement Class, you can object to all or any part of the proposed Settlement, Plan of Allocation and Distribution, and/or requested attorneys' fees, expenses, or service awards. You can give reasons why you think the Court should not approve it, and the Court will consider your views.

To object to the proposed Settlement, you must file or send a letter via First-Class U.S. Mail (or file electronically with the Court) saying that you object to the Settlement in *Russo, et al. v. Walgreen Co.*, No. 1:17-cv-02246 (N.D. Ill.), with the following information:

- (a) your name, address, email address, and the identity of and contact information for any attorney representing you;
- (b) the legal or factual bases for your objection;
- (c) documentation sufficient to prove your membership in the Settlement Class (such as evidence of your relevant prescription purchases or payments);
- (d) a list of any witnesses, exhibits, or legal authority that you intend to offer;
- (e) whether you intend to appear, either in person or through counsel, at the Fairness Hearing;
- (f) whether your objection applies only to yourself, to a subset of the Settlement Class, or to the Settlement Class as a whole; and
- (g) a list of all class action settlements to which you and/or your counsel have previously objected.

File or mail any objections to the Clerk of the United States District Court for the Northern District of Illinois, United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, with a copy to David Mitchell, Arthur L. Shingler III, Robbins Geller Rudman & Dowd LLP, 655 West

Broadway, Suite 1900, San Diego, CA 92101, Joseph P. Guglielmo, Erin G. Comite, Scott+Scott Attorneys at Law LLP, The Helmsley Building, 230 Park Ave, 24th Floor, New York, NY 10169, and Selina P. Coleman, Reed Smith LLP, 1301 K Street, N.W., Suite 1000 – East Tower, Washington, D.C. 20005-3373.

You also may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter via First-Class U.S. Mail saying that it is your “Notice of Intention to Appear in *Russo, et al. v. Walgreen Co.*, No. 1:17-cv-02246 (N.D. Ill.)” Be sure to include your name, address, email address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than March 18, 2025, and must be filed or sent to the Clerk of the Court and to counsel at the addresses listed in the prior paragraph. You may not be able to speak at the Fairness Hearing if you have excluded yourself from the Settlement Class or if you do not send a Notice of Intention to Appear.

The Lawyers Representing the Settlement Class

The Court has appointed Scott+Scott Attorneys at Law LLP and Robbins Geller Rudman & Dowd LLP as Class Counsel. You may contact the following lawyers regarding questions: David Mitchell, Arthur L. Shingler III, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101 or Joseph P. Guglielmo, Erin G. Comite, Scott+Scott Attorneys at Law LLP, The Helmsley Building, 230 Park Ave, 24th Floor, New York, NY 10169.

The Lawyers for the Defendants

Defendant is represented by Reed Smith LLP, including Selina P. Coleman, 1301 K Street, N.W., Suite 1000 – East Tower, Washington, D.C. 20005-3373.

If You Want More Information

If you have questions about this case or want additional information, you may visit www.SavingsClubSettlement.com; call 1-877-888-8386; or contact Class Counsel. This Notice is only a summary of the proposed Settlement and is qualified in its entirety by the terms of the Settlement Agreement. Copies of the Settlement Agreement are on public file with the United States District Court for the Northern District of Illinois Courthouse, 219 South Dearborn Street, Chicago, IL 60604. The Settlement Agreement is also available on the Settlement website: www.SavingsClubSettlement.com.

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK’S OFFICE
TO INQUIRE ABOUT THE SETTLEMENT OR THE CLAIMS PROCESS.**

FOR MORE INFORMATION AND TO SUBMIT A CLAIM:
CALL 1-877-888-8386 OR VISIT WWW.SAVINGSCLUBSETTLEMENT.COM.