

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____	
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☒		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)	

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES</u>	1b	Three-digit plan number (PN) ► <u>032</u>
		1c	Effective date of plan <u>11/01/1999</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>RITE AID CORPORATION</u> <u>P.O. BOX 3165</u> <u>HARRISBURG, PA 17105</u>	2b	Employer Identification Number (EIN) <u>23-1614034</u>
		2c	Plan Sponsor's telephone number <u>717-761-2633</u>
		2d	Business code (see instructions) <u>446110</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2017	JESSICA KAZMAIER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

3a Plan administrator's name and address ☐ Same as Plan Sponsor EMPLOYEE BENEFITS ADMINISTRATION COMMITTEE P.O. BOX 3165 HARRISBURG, PA 17105	3b Administrator's EIN 23-1614034 3c Administrator's telephone number 717-761-2633
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 14654
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 12806 6a(2) 12925 6b 3 6c 212 6d 13140 6e 9 6f 13149 6g 2128 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ 0 **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016	
A Name of plan RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES	B Three-digit plan number (PN) ▶ 032
C Plan sponsor's name as shown on line 2a of Form 5500 RITE AID CORPORATION	D Employer Identification Number (EIN) 23-1614034

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation HEWITT FINANCIAL SERVICES LLC

36-3943169

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HEWITT ASSOCIATES LLC

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50	RECORDKEEPER	84054	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST INVESTMENTS INC

300 ATLANTIC STREET
STAMFORD, CT 06901

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 26 50	NONE	35455	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MATRIX TRUST COMPANY

RODNEY SQUARRE NORTH
1100 NORTH MARKET STREET
WILMINGTON, DE 19890-0001

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	TRUSTEE	6052	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES</u>	B Three-digit plan number (PN) ►	<u>032</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>RITE AID CORPORATION</u>	D Employer Identification Number (EIN) <u>23-1614034</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: RITE AID MASTER RET SAVINGS TRUST

b Name of sponsor of entity listed in (a): RITE AID CORPORATION

c EIN-PN <u>36-7409441-001</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>30339075</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES</u>	B Three-digit plan number (PN) ►	<u>032</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>RITE AID CORPORATION</u>	D Employer Identification Number (EIN) <u>23-1614034</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	157236	299499
(2) Participant contributions	1b(2)	72677	124116
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	1012154	1015872
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	27255738	30339075
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	28497805 31778562
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	28497805 31778562

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	299456
	(B) Participants	2a(1)(B)	3148573
	(C) Others (including rollovers)	2a(1)(C)	19912
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	3467941
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	38251
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	38251
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	0
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		1967336
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		5473528

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2066110	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		2066110
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	126661	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		126661
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2192771

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3280757
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **DELOITTE & TOUCHE LLP**

(2) EIN: **13-3891517**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES</u>	B Three-digit plan number (PN) ▶ <u>032</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>RITE AID CORPORATION</u>	D Employer Identification Number (EIN) <u>23-1614034</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>52-1481931</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
a	The current year	14a	
b	The plan year immediately preceding the current plan year	14b	
c	The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a	The corresponding number for the plan year immediately preceding the current plan year	15a	
b	The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
a	Enter the number of employers who withdrew during the preceding plan year	16a	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
a	Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
b	Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
c	What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / /	

Rite Aid Corporation 401(k) Plan for Collectively Bargained Associates

Employer ID No: 23-1614034
Plan No: 032

Financial Statements as of December 31, 2016 and
2015, and for the Year Ended December 31, 2016,
Supplemental Schedule as of December 31, 2016, and
Independent Auditors' Report

RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES

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Statements of Net Assets Available for Benefits as of December 31, 2016 and 2015	3
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Notes to Financial Statements as of December 31, 2016 and 2015, and for the Year Ended December 31, 2016	5–18
SUPPLEMENTAL SCHEDULE—	19
Form 5500, Schedule H Part IV, Line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2016	20
NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Rite Aid Corporation 401(k) Plan
For Collectively Bargained Associates
Harrisburg, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Rite Aid Corporation 401(k) Plan For Collectively Bargained Associates (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Matrix Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the Trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the Plan administrator by the Trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2015 the Plan adopted Financial Accounting Standards Board Accounting Standards Update ("ASU") No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* and ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)*. Our opinion is not modified with respect to this matter.

Other Matter

The supplemental schedule listed in the Table of Contents is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Deloitte & Touche LLP

October 6, 2017

**RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY
BARGAINED ASSOCIATES**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2016 AND 2015**

	2016	2015
ASSETS:		
Investments—at fair value:		
Participant-directed investments—interest in Rite Aid Master Retirement Savings Trust	<u>\$ 24,670,404</u>	<u>\$ 21,530,653</u>
Investments—at contract value:		
Participant-directed investments—interest in Rite Aid Master Retirement Savings Trust	<u>5,668,671</u>	<u>5,670,408</u>
Receivables:		
Employer contributions	299,499	157,236
Employee contributions	124,116	72,677
Notes receivable from participants	<u>1,015,872</u>	<u>1,012,154</u>
Total receivables	<u>1,439,487</u>	<u>1,242,067</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 31,778,562</u>	<u>\$ 28,443,128</u>

See notes to financial statements.

**RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY
BARGAINED ASSOCIATES**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2016**

ADDITIONS:

Contributions:

Employee	\$ 3,148,573
Employer	299,456
Rollover	<u>19,912</u>

Total contributions 3,467,941

Plan's interest in investment income on Master Trust	2,022,013
Interest income on notes receivable from participants	<u>38,251</u>

Total additions 5,528,205

DEDUCTIONS:

Benefit payments	2,066,110
Administrative expenses	<u>126,661</u>

Total deductions 2,192,771

INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS 3,335,434

NET ASSETS AVAILABLE FOR BENEFITS—Beginning of year 28,443,128

NET ASSETS AVAILABLE FOR BENEFITS—End of year \$ 31,778,562

See notes to financial statements.

RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES

NOTES TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016 AND 2015, AND FOR THE YEAR ENDED DECEMBER 31, 2016

1. DESCRIPTION OF THE PLAN

The following brief description of the Rite Aid Corporation 401(k) Plan for Collectively Bargained Associates (the "Plan") is provided for general informational purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General—The Plan is a defined contribution Plan sponsored by Rite Aid Corporation (the "Plan Sponsor"). An individual account is established for each participant and provides benefits that are based on (a) amounts contributed to the participant's account by the employee, (b) investment earnings (losses), and (c) administrative expenses charged to participant accounts, if any.

Matrix Trust Company ("Trustee") serves as Plan Trustee. The Employee Benefits Administration Committee is the Plan administrator (the "Plan Administrator") and is responsible for the preparation of the Plan's financial statements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participation—The Plan includes employees covered by collective bargaining agreements who have negotiated for this Plan, as defined in the Plan. Eligible employees for the non-match provision or Local 614 must have completed one year of service (a twelve-month period when at least 1,000 hours are credited) and have attained age 21. Eligible employees for the match provision, other than Local 614, must have completed 90 days of service and have attained age 21.

Contributions—For employees who have bargained for an employer match, the Plan Sponsor matches 100% of a participant's pretax payroll contribution, up to a maximum of 2% of such participant's pretax compensation. Thereafter, the Plan Sponsor will match 50% of the participant's additional pretax payroll contributions, up to a maximum of 2% of such participant's additional pretax annual compensation. Participants may also contribute, or rollover, amounts representing distributions from another qualified defined benefit or defined contribution Plan. Contributions are subject to certain Internal Revenue Code (IRC) limitations.

Investment Options—The Plan provides participants with the option of investing the participant's account balances into various investment options contained within the Master Trust. The Plan currently offers four mutual funds, six custom funds, twelve common/collective trusts, and a stable value fund ("SVF").

The Plan's custom funds are custom investment options created specifically for the Plan by Northern Trust Global Advisors, Inc. The custom funds are unregistered custom accounts maintained by the Trustee. The performance of the custom funds is based on the performance of the underlying mutual funds which are registered in the market.

Payment of Benefits—Upon termination of service, a participant may elect to receive a lump-sum amount equal to the value of the participant's account or installment payments. Benefits are payable upon retirement, termination of employment, or the death or disability of the participant. In certain circumstances, benefits may be paid to a participant prior to termination of employment.

Notes Receivable from Participants—A participant may elect to borrow against the participant's vested balance at a reasonable rate of interest as defined in the Plan document. A participant may borrow up to 50% of the participant's vested balance, with a maximum loan of \$50,000. A participant may only have one loan outstanding at any time.

Vesting—Participants are immediately vested in all contributions credited to the participant's accounts, plus actual earnings (losses) thereon.

Forfeited Accounts—At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$0. To the extent available, forfeited amounts may, among other uses, be used to reduce future employer contributions and pay certain administrative expenses. During the year ended December 31, 2016, there were no such forfeited accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Risks and Uncertainties—The Plan utilizes various investment instruments, including registered investment companies and the SVF. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported changes to the Plan's net assets available for benefits during the reporting period. Actual results may differ from those estimates and assumptions.

The Plan invests in mutual funds, common/collective trusts, corporate stocks and the SVF. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition—The Plan’s investments in the Rite Aid Master Retirement Savings Trust are stated at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Money market funds are stated at amortized cost, which approximates fair value. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end.

Common collective trust funds are stated at net asset value as determined by the issuer of the common collective trust funds based on the net asset market value of the underlying investments, utilizing the practical expedient.

The SVF is a custom investment which is made up of a fully benefit responsive synthetic guaranteed contract (“GIC”) issued by Prudential Insurance Company of America (“Prudential”) and an investment in the T. Rowe Price Stable Value Common Trust Fund, on an approximate 50%-50% basis. The synthetic GIC is made up of a group annuity contract and a portfolio of assets owned by the Plan and designee. The fair value of the synthetic GIC portion of the SVF is based on the fair value of the underlying investments and the wrapper contract and then adjusted to arrive at contract value, which represents principle plus accrued interest. The Common Trust Fund portion of the SVF is based on the net asset value (“NAV”) of the underlying asset portfolio which is further discussed in Note 4 below. In accordance with GAAP, the SVF is included at contract value in participant-directed investments in the statements of net assets available for benefits. The statement of changes in net assets available for benefits is presented on a contract basis.

The common collective trust funds and the SVF may invest in fixed interest insurance investment contracts, money market funds, corporate and government bonds, mortgage-backed securities, bond funds, and other fixed income securities. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals.

Purchases and sales of securities are recorded on a trade-date basis. Realized gain or loss on investment transactions is determined using the first-in, first-out method; investment transactions are recorded at the trade date. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Valuation of Investment(s) Contracts—The Plan offers the SVF as an investment option, which as discussed above consists of a synthetic GIC. Interest on the synthetic GIC portion of the SVF is credited daily. Prudential declares an annual interest rate on a quarterly basis and credits one-fourth of that amount on a quarterly basis. The synthetic GIC portion of the SVF is deemed to be fully benefit responsive; therefore, it is presented at contract value.

Administrative Expenses—Plan fees and expenses related to account maintenance, transaction, and investment fund management may be allocated to participant accounts. Under the terms of the Plan document, costs relating to Plan administration may be paid by the Plan Sponsor or paid from Plan forfeitures. For the year ended December 31, 2016, participant accounts have paid substantially all administrative expenses.

Recently Adopted Accounting Pronouncements—In July 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*. Part I eliminates the requirements to measure fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent five percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, Plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of Plan asset. Part III permits Plans to elect a practical expedient of using, as an alternative measurement date for Plan investments (and investment-related accounts such as a liability for a pending trade with a broker), the month-end closest to the Plan's fiscal year-end when the fiscal year-end does not coincide with a month-end. Any contributions, distributions, or other significant events occurring between the employee benefit Plan's fiscal year-end and the alternative measurement date should be disclosed. Management adopted Parts I and II during the 2015 Plan year. Part III is not applicable to the Plan.

In May 2015, the FASB issued ASU No. 2015-07, *Fair Value Measurement (Topic 820) Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*. Topic 820, Fair Value Measurement, permits a reporting entity, as a practical expedient, to measure the fair value of certain investments using the net asset value per share of the investment. This ASU removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. Management adopted this ASU during the 2015 Plan year.

Recently Issued Accounting Pronouncements Not Yet Adopted—In February 2017, the FASB issued ASU No. 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting*. For each master trust in which a Plan holds an interest, the amendments in this Update require a Plan's interest in that master trust and any change in that interest to be presented in separate line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits, respectively. Additionally, the amendments in this Update remove the requirement to disclose the percentage interest in the master trust for Plans with divided interests and require that all Plans disclose the dollar amount of their interest in each of those general types of investments, which supplements the existing requirement

to disclose the master trust's balances in each general type of investments. Finally, the amendments in this Update require all Plans to disclose (1) their master trust's other asset and liability balances and (2) the dollar amount of the Plan's interest in each of those balances. The amendments in this Update are effective for fiscal years beginning after December 15, 2018. Management is evaluating the potential impact that adoption of this ASU will have on the Plan financial statements.

3. INFORMATION CERTIFIED BY TRUSTEE

The Plan's investments are held in a Master Trust that was established for the investment of assets of the Plan and several other Company sponsored retirement Plans. The assets of the Master Trust are held by the Trustee as of and for the periods ended December 31, 2016 and December 31, 2015. A portion of the Plan's asset portfolio is segregated from the other participating Plan's assets within the Master Trust whereas the remaining portion is commingled with other participating Plan's assets for investment and administrative purposes. Although a portion of the assets of all Plans are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating Plans. The net investment income and administrative expenses are allocated by the Trustee to each participating Plan based on the relationship of the interest of each Plan to the total of the interests of the participating Plans. For the portion of assets that is segregated, the Plan does not have an undivided interest in each investment in the Master Trust. Rather, the Plan has a specific interest in each of these investments that differs from the overall percentage interest in the Master Trust.

In compliance with GAAP, the net change in value from participation in the Master Trust is reported as one line item in the accompanying statement of changes in net assets available for benefits and the Plan's interest in the Master Trust is reported as a single line item in the accompanying statements of net assets available for benefits for those investments at fair value and a single line item for those investments at contract value.

A summary of assets of the Master Trust as of December 31, 2016 and 2015, is as follows:

	December 31, 2016
Mutual funds:	
Vanguard Extended Equity Market Index Fund	\$ 109,294,830
Vanguard FTSE All World	40,734,004
Vanguard Intl Index Fund	304,606,723
Vanguard Total Bond Market	<u>58,768,573</u>
Total mutual funds	<u>513,404,130</u>
Custom funds:	
Northern Trust Global Advisors International Equity Fund:	
John Hancock Disciplined Value International Fund	37,485,899
Oppenheimer International Growth Fund	17,039,045
Van Eck Emerging Markets Fund	13,631,232
Northern Trust Global Advisors Large-Cap Growth Fund:	
T. Rowe Price Blue Chip Growth Fund	114,633,680
Jennison Growth Fund	114,633,677
Northern Trust Global Advisors Large-Cap Value Fund:	
Delaware Value Fund	87,544,298
Dodge & Cox Stock Fund	47,139,237
Northern Trust Global Advisors Mid-Cap Fund:	
Harbor Mid Cap Value Fund	49,556,126
T. Rowe Price Mid Cap Growth Fund	49,556,124
Northern Trust Small-Cap Fund:	
Undisc Mgrs Behav Value Fund	35,357,196
Wells Fargo Small Company Growth Fund	35,357,196
Westcore Small Cap Value Fund	30,306,168
Fixed Income Fund:	
Doubleline Total Return Bond I	45,523,802
Natixis Loomis SAY C/P Bond Y	<u>45,376,067</u>
Total custom funds	<u>723,139,747</u>
Common and Collective Trusts:	
T. Rowe Price Retirement Bal Active Trust C	15,906,387
T. Rowe Price Retirement 2005 Active Trust C	11,234,030
T. Rowe Price Retirement 2010 Active Trust C	26,627,840
T. Rowe Price Retirement 2015 Active Trust C	93,368,170
T. Rowe Price Retirement 2020 Active Trust C	205,759,457
T. Rowe Price Retirement 2025 Active Trust C	224,999,972
T. Rowe Price Retirement 2030 Active Trust C	228,017,991
T. Rowe Price Retirement 2035 Active Trust C	189,259,251
T. Rowe Price Retirement 2040 Active Trust C	194,875,011
T. Rowe Price Retirement 2045 Active Trust C	124,224,843
T. Rowe Price Retirement 2050 Active Trust C	72,278,331
T. Rowe Price Retirement 2055 Active Trust C	<u>26,673,780</u>
Total Common and Collective Trusts	<u>1,413,225,063</u>
Investments at contract value:	
Fully benefit-responsive investment contracts	<u>504,145,785</u>
Net assets of the Master Trust	<u>\$3,153,914,725</u>
Plan's interest in net assets of the Master Trust	<u>\$ 30,325,025</u>

	December 31, 2015
Mutual funds:	
Vanguard Extended Equity Market Index Fund	\$ 98,912,336
Vanguard FTSE All World	39,743,796
Vanguard Intl Index Fund	275,772,659
Vanguard Total Bond Market	<u>44,060,404</u>
Total mutual funds	<u>458,489,195</u>
Custom funds:	
Northern Trust Global Advisors International Equity Fund:	
Allianz NFJ International Value Fund	37,365,476
American Funds EuroPacific Growth Fund	37,365,475
Northern Trust Global Advisors Large-Cap Growth Fund:	
T. Rowe Price Blue Chip Growth Fund	128,052,946
Jennison Growth Fund	128,052,941
Northern Trust Global Advisors Large-Cap Value Fund:	
T. Rowe Price Equity Income Fund	51,594,183
Delaware Value Fund	51,594,180
Northern Trust Global Advisors Mid-Cap Fund:	
Harbor Mid Cap Value Fund	45,371,310
T. Rowe Price Mid Cap Growth Fund	45,371,308
Northern Trust Small-Cap Fund:	
Westcore Small Cap Value Fund	43,902,040
Morgan Stanley Institutional Small Co	43,902,036
Fixed Income Fund:	
Westcore Small Cap Value Fund	43,569,029
Morgan Stanley Institutional Small Co	<u>43,415,799</u>
Total custom funds	<u>699,556,723</u>
Common and Collective Trusts:	
T. Rowe Price Retirement Bal Active Trust C	14,086,414
T. Rowe Price Retirement 2005 Active Trust C	10,714,766
T. Rowe Price Retirement 2010 Active Trust C	29,966,743
T. Rowe Price Retirement 2015 Active Trust C	96,525,145
T. Rowe Price Retirement 2020 Active Trust C	206,169,195
T. Rowe Price Retirement 2025 Active Trust C	208,629,004
T. Rowe Price Retirement 2030 Active Trust C	210,401,288
T. Rowe Price Retirement 2035 Active Trust C	172,131,155
T. Rowe Price Retirement 2040 Active Trust C	179,617,180
T. Rowe Price Retirement 2045 Active Trust C	110,353,377
T. Rowe Price Retirement 2050 Active Trust C	59,127,015
T. Rowe Price Retirement 2055 Active Trust C	<u>18,089,762</u>
Total Common and Collective Trusts	<u>1,315,811,044</u>
Investments at contract value:	
Fully benefit-responsive investment contracts	<u>490,759,705</u>
Net assets of the Master Trust	<u>\$2,964,616,667</u>
Plan's interest in net assets of the Master Trust	<u>\$ 27,155,479</u>

Investment income from the Master Trust for the year ended December 31, 2016 is as follows (in thousands):

	December 31, 2016	
	Dividends and Interest Income	Net Appreciation / (Depreciation) in Fair Value of Investments
Mutual funds	10,111,822	40,216,339
Custom funds	-	47,397,019
Common and collective trusts	-	103,673,900
Stable value funds	-	12,886,525
Total	<u>\$ 10,111,822</u>	<u>\$ 204,173,783</u>
Total investment income on Master Trust		<u>214,285,605</u>
Plan's interest in investment income on Master Trust		<u>\$ 2,022,013</u>

4. FAIR VALUE MEASUREMENTS

The Plan utilizes the three-level valuation hierarchy for the recognition and disclosure of fair value measurements.

The categorization of assets and liabilities within this hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy consist of the following:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

Level 2—Inputs to the valuation methodology are quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active or inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.

Level 3—Inputs to the valuation methodology are unobservable inputs based upon management's best estimate of inputs market participants could use in pricing the asset or liability at the measurement date, including assumptions about risk.

The following is a description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Mutual Funds—The Plan measures its mutual funds that are exchange-traded using the fund's quoted price, which is in an active market. Therefore, these investments are classified within Level 1 of the valuation hierarchy.

Custom Funds—Custom funds are made up of two mutual funds. The Plan measures its mutual funds that are exchange-traded using the fund's quoted price. They are traded daily based on observable fair value at a net asset value (NAV) that is recalculated daily. Regardless of the underlying investments, as permitted under GAAP, the Plan values its investment in the custom funds using the practical expedient of net asset value. There are no redemption restrictions on its investment in the custom funds and shares can be redeemed at net asset value on a daily basis without a notice period. In accordance with ASC Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Common and Collective Trusts—Common and Collective Trusts are priced at trust NAV per unit, adjusted for Trustee fees accrued daily (as applicable). Investments held by the trusts are stated at fair value in accordance with ASC Topic 820. Regardless of the underlying investments, as permitted under GAAP, the Plan values its investment in the custom and collective trusts using the practical expedient of net asset value. There are no redemption restrictions on its investment in the custom funds and shares can be redeemed at net asset value on a daily basis without a notice period. In accordance with ASC Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Stable Value Fund—SVF is a blended investment consisting of the synthetic GIC and the stable value common trust fund. The fair value of the synthetic GIC is based on the underlying portfolio of fixed income securities whose value is derived from the observable inputs based on the pricing of similar instruments that are publicly traded. The stable value common trust fund has underlying investments that consist of cash equivalents, collective trust funds, GICs, and alternative investment contracts. Cash equivalents are short-term investment funds that have a maturity of 90 days or less and are valued at cost. The collective trust funds value is derived by their respective NAV. The collective trust funds consist of bonds and asset-backed securities whose value is derived from observable inputs based on the pricing of similar instruments that are publicly traded. GICs are valued based on their underlying securities, which consist of bonds whose value is derived from observable inputs, including London InterBank Offered Rate (LIBOR) forward interest rate curves. The bonds are valued based on the pricing of similar bonds that are publicly traded. In determining fair value, factors such as the benefit-responsiveness of the investment contracts and the ability of the parties to the investment contracts to perform in accordance with the terms of the contracts, such inputs were not significant to the valuation. Alternative investment contracts are valued based on their underlying securities, which consists of common funds consisting of bonds and asset-backed securities whose value is derived from observable inputs based on the pricing of similar instruments that are publicly traded. Regardless of the underlying investments, as permitted under GAAP, the Plan values its investment in the stable value common trust fund using the practical expedient of net asset value. There are no redemption restrictions on its investment in the custom funds and shares can be redeemed at net asset value on a daily basis without a notice period. In accordance with ASC Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables sets forth by Level within the fair value hierarchy a summary of the Master Trust's investments, and the corresponding Plan's interest in those investments, measured at fair value on a recurring basis at December 31, 2016 and 2015.

	Investments at Fair Value			Total
	Active Markets with Identical Assets Level 1	Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	
December 31, 2016				
Cash and cash equivalents	\$ 2,177,383	\$ -	\$ -	\$ 2,177,383
Mutual funds:				
Vanguard Extended Equity Market Index Fund	109,294,830	-	-	109,294,830
Vanguard FTSE All World	40,734,005	-	-	40,734,005
Vanguard Instl Index Fund	304,606,726	-	-	304,606,726
Vanguard Total Bond Market	58,747,671	-	-	58,747,671
Total mutual funds	513,383,232	-	-	513,383,232
Investments measured at net asset value:				
Custom funds:				
Northern Trust Global Advisors International Equity Fund:				
John Hancock Disciplined Value International Fund	-	-	-	37,485,899
Oppenheimer International Growth Fund	-	-	-	17,039,045
Van Eck Emerging Markets Fund	-	-	-	13,631,232
Northern Trust Global Advisors Large-Cap Growth Fund:				
T. Rowe Price Blue Chip Growth Fund	-	-	-	114,633,680
Jennison Growth Fund	-	-	-	114,633,674
Northern Trust Global Advisors Large-Cap Value Fund:				
Delaware Value Fund	-	-	-	87,544,298
Dodge & Cox Stock Fund	-	-	-	47,139,236
Northern Trust Global Advisors Mid-Cap Fund:				
Harbor Mid Cap Value Fund	-	-	-	49,556,126
T. Rowe Price Mid Cap Growth Fund	-	-	-	49,556,125
Northern Trust Small-Cap Fund:				
Undisc Mgrs Behav Value Fund	-	-	-	35,357,196
Wells Fargo Small Company Growth Fund	-	-	-	35,357,196
Westcore Small Cap Value Fund	-	-	-	30,306,167
Fixed Income Fund:				
Doubleline Total Return Bond I	-	-	-	45,523,802
Natixis Loomis SAY C/P Bond Y	-	-	-	45,376,067
Total custom funds	-	-	-	723,139,743
Common and Collective Trusts:				
T. Rowe Price Retirement Bal Active Trust C	-	-	-	15,906,387
T. Rowe Price Retirement 2005 Active Trust C	-	-	-	11,234,030
T. Rowe Price Retirement 2010 Active Trust C	-	-	-	26,627,840
T. Rowe Price Retirement 2015 Active Trust C	-	-	-	93,368,170
T. Rowe Price Retirement 2020 Active Trust C	-	-	-	205,759,456
T. Rowe Price Retirement 2025 Active Trust C	-	-	-	224,999,971
T. Rowe Price Retirement 2030 Active Trust C	-	-	-	228,017,990
T. Rowe Price Retirement 2035 Active Trust C	-	-	-	189,259,252
T. Rowe Price Retirement 2040 Active Trust C	-	-	-	194,875,012
T. Rowe Price Retirement 2045 Active Trust C	-	-	-	124,224,843
T. Rowe Price Retirement 2050 Active Trust C	-	-	-	72,278,332
T. Rowe Price Retirement 2055 Active Trust C	-	-	-	26,673,780
Total Common and Collective Trusts	-	-	-	1,413,225,063
Total investments measured at net asset value	-	-	-	2,136,364,806
Net assets of the Master Trust	\$ 515,560,615	\$ -	\$ -	\$ 2,651,925,421
Plan's interest in net assets in the Master Trust				\$ 24,670,404

	Investments at Fair Value			Total
	Active Markets with Identical Assets Level 1	Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	
December 31, 2015				
Cash and cash equivalents	\$ 3,425,067	\$ -	\$ -	\$ 3,425,067
Mutual funds:				
Vanguard Extended Equity Market Index Fund	98,912,336	-	-	98,912,336
Vanguard FTSE All World	39,743,796	-	-	39,743,796
Vanguard Instl Index Fund	275,772,660	-	-	275,772,660
Vanguard Total Bond Market	44,063,838	-	-	44,063,838
Total mutual funds	458,492,630	-	-	458,492,630
Investments measured at net asset value:				
Custom funds:				
Northern Trust Global Advisors International Equity Fund:				
Allianz NFJ International Value Fund	-	-	-	37,365,477
American Funds EuroPacific Growth Fund	-	-	-	37,365,475
Northern Trust Global Advisors Large-Cap Growth Fund:				
T. Rowe Price Blue Chip Growth Fund	-	-	-	128,052,943
Jennison Growth Fund	-	-	-	128,052,941
Northern Trust Global Advisors Large-Cap Value Fund:				
T. Rowe Price Equity Income Fund	-	-	-	51,594,183
Delaware Value Fund	-	-	-	51,594,180
Northern Trust Global Advisors Mid-Cap Fund:				
Harbor Mid Cap Value Fund	-	-	-	45,371,310
T. Rowe Price Mid Cap Growth Fund	-	-	-	45,371,308
Northern Trust Small-Cap Fund:				
Westcore Small Cap Value Fund	-	-	-	43,902,040
Morgan Stanley Institutional Small Co	-	-	-	43,902,036
Fixed Income Fund:				
Westcore Small Cap Value Fund	-	-	-	43,569,029
Morgan Stanley Institutional Small Co	-	-	-	43,415,799
Total custom funds	-	-	-	699,556,721
Common and Collective Trusts:				
Bond Index Trust	-	-	-	-
T. Rowe Price Retirement Bal Active Trust C	-	-	-	14,086,485
T. Rowe Price Retirement 2005 Active Trust C	-	-	-	10,714,766
T. Rowe Price Retirement 2010 Active Trust C	-	-	-	29,969,849
T. Rowe Price Retirement 2015 Active Trust C	-	-	-	97,002,478
T. Rowe Price Retirement 2020 Active Trust C	-	-	-	206,147,899
T. Rowe Price Retirement 2025 Active Trust C	-	-	-	208,628,723
T. Rowe Price Retirement 2030 Active Trust C	-	-	-	210,401,819
T. Rowe Price Retirement 2035 Active Trust C	-	-	-	172,194,290
T. Rowe Price Retirement 2040 Active Trust C	-	-	-	179,617,643
T. Rowe Price Retirement 2045 Active Trust C	-	-	-	110,415,668
T. Rowe Price Retirement 2050 Active Trust C	-	-	-	59,189,312
T. Rowe Price Retirement 2055 Active Trust C	-	-	-	18,097,581
Total Common and Collective Trusts	-	-	-	1,316,466,513
Total investments measured at net asset value	-	-	-	2,016,023,234
Net assets of the Master Trust	\$ 461,917,697	\$ -	\$ -	\$ 2,477,940,931
Plan's interest in net assets in the Master Trust				\$ 21,530,653

For the years ended December 31, 2016 and 2015, there were no significant transfers in or out of Levels 1, 2, or 3.

Other Financial Instruments—Other financial instruments not detailed above, employer and employee contributions receivable and notes receivable from participants, are recorded at book value, which the Plan believes approximates their fair values due to their short term nature.

5. NET ASSET VALUE (NAV) PER SHARE

The following tables set forth a summary of the Plan's investments with a reported NAV at December 31, 2016 and 2015.

Fair Value Estimated Using Net Asset Value per Share				
December 31, 2016				
Investment	Fair Value *	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Custom funds	\$ 723,139,743	N/A	Daily	None
Common and Collective Trusts	<u>1,413,225,063</u>	N/A	Daily	None
Total	<u>\$2,136,364,806</u>			

Fair Value Estimated Using Net Asset Value per Share				
December 31, 2015				
Investment	Fair Value *	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Custom funds	\$ 699,556,721	N/A	Daily	None
Common and Collective Trusts	<u>1,316,466,513</u>	N/A	Daily	None
Total	<u>\$2,016,023,234</u>			

6. SYNTHETIC GUARANTEED INVESTMENT CONTRACT

As part of the investment in the SVF, the Plan provides a self-managed stable value investment option to participants that includes a synthetic guaranteed investment contract which simulates the performance of a guaranteed investment contract through an issuer's guarantee of a specific interest rate (the wrapper contract) and a portfolio of financial instruments that are owned by the Plan. The synthetic GIC contract includes underlying assets which are held in trust owned by the Plan and utilizes a benefit-responsive wrapper contract. The contract provides that participants execute Plan transactions at contract value. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals. The interest rates are reset quarterly based on market rates of other similar investments, the current yield of the underlying investments and the spread between the market value and contract value. Certain events such as Plan termination or a Plan merger initiated by the Plan sponsor, may limit the ability of the Plan to transact at contract value or may allow for the termination of the wrapper contract at less than contract value. The Plan sponsor does not believe that any events that may limit the ability of the Plan to transact at contract value are probable.

7. TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Plan by a letter dated March 14, 2016 that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. Plan management believes that the Plan and the related trust is currently designed and operated in compliance with the applicable requirements of the IRC and continues to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Tax years 2014, 2015, and 2016 remain open to audit.

8. PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event that the Plan is terminated, participants would become 100% vested in their accounts.

9. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by the Trustee. The transactions related to such investments qualify as party-in-interest transactions. The Plan Administrator does not consider benefits paid by the Plan to be party-in-interest transactions.

10. RECONCILIATION OF FINANCIALS TO FORM 5500

The reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2016, is as follows:

	2016	2015
Net assets available for benefits per the financial statements at contract value	\$ 31,778,562	\$ 28,443,128
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	<u>-</u>	<u>54,677</u>
Net assets available for benefits per Form 5500, Schedule H, Part I (line L)	<u>\$ 31,778,562</u>	<u>\$ 28,497,805</u>

For the year ended December 31, 2016, the following is a reconciliation of total income per the financial statements to the Form 5500:

Total contribution	\$ 3,467,941
Total investment income/(loss)	2,022,013
Total interest income	38,251
Prior year adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(54,677)</u>
Total income per Form 5500, Schedule H, Part II (line 2d)	<u>\$ 5,473,528</u>

11. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 6, 2017, the date the financial statements were available to be issued. There were no subsequent events requiring recording or disclosure in the financial statements.

* * * * *

SUPPLEMENTAL SCHEDULE

**RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY
BARGAINED ASSOCIATES**

EMPLOYER ID NO: 23-1614034

PLAN NO: 032

**FORM 5500, SCHEDULE H PART IV, LINE 4i—SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
AS OF DECEMBER 31, 2016**

Identity of Issuer, Borrower, Lessor or Similar Party and Description		Cost ^{***}	Current Market Value
* Plans interest in net assets of Master Trust		\$ -	\$30,339,075
* Participant notes	Loan fund ^{**}	<u>-</u>	<u>1,015,872</u>
Total assets held at end of year		<u>\$ -</u>	<u>\$31,354,947</u>

* Party-in-interest.

** The loans range in interest rates from 4.25% to 10.5% and expire through 2026.

*** Cost information is not required for participant-directed investments and therefore is not included

See accompanying independent auditors' report.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2016****This Form Is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
- ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☒
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
- ☐ special extension (enter description) _____

Part II Basic Plan Information—enter all requested information

1a Name of plan RITE AID CORPORATION 401(K) PLAN FOR COLLECTIVELY BARGAINED ASSOCIATES	1b Three-digit plan number (PN) ▶ 032
	1c Effective date of plan 11/01/1999
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) RITE AID CORPORATION P.O. BOX 3165 HARRISBURG PA 17105	2b Employer Identification Number (EIN) 23-1614034
	2c Plan Sponsor's telephone number 717-761-2633
	2d Business code (see instructions) 446110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE  Signature of plan administrator	<u>10-11-17</u> Date	JESSICA KAZMAIER Enter name of individual signing as plan administrator
SIGN HERE Signature of employer/plan sponsor	 Date	 Enter name of individual signing as employer or plan sponsor
SIGN HERE Signature of DFE	 Date	 Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)		Preparer's telephone number

For Paperwork Reduction Act Notice, see the instructions for Form 5500.

Form 5500 (2016)

3a Plan administrator's name and address ☐ Same as Plan Sponsor EMPLOYEE BENEFITS ADMINISTRATION COMMITTEE P.O. BOX 3165 HARRISBURG PA 17105	3b Administrator's EIN 23-1614034 3c Administrator's telephone number 717-761-2633
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 14,654
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 12,806
a(2) Total number of active participants at the end of the plan year	6a(2) 12,925
b Retired or separated participants receiving benefits.....	6b 3
c Other retired or separated participants entitled to future benefits	6c 212
d Subtotal. Add lines 6a(2), 6b, and 6c.....	6d 13,140
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 9
f Total. Add lines 6d and 6e.....	6f 13,149
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 2,128
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information - Small Plan)
- (3) ☐ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**RITE AID CORPORATION 401(k) PLAN FOR COLLECTIVELY
BARGAINED ASSOCIATES**

EMPLOYER ID NO: 23-1614034

PLAN NO: 032

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