

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2017</div> This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</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>CVS HEALTH CORPORATION LEGACY PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>027</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>CVS HEALTH CORPORATION</u> <u>HR RETIREMENT BENEFITS</u> <u>ONE CVS DRIVE, MC 1110</u> <u>WOONSOCKET, RI 02895</u>		1c Effective date of plan <u>01/01/2013</u>	2b Employer Identification Number (EIN) <u>05-0494040</u>
		2c Plan Sponsor's telephone number <u>401-770-7153</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.	09/20/2018	ROBERTA F. JOHNNENE
	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

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 14805
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) 3454
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits	6b 82
c Other retired or separated participants entitled to future benefits	6c 44
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 126
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 126
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants who 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:

1A 1I

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
--	--

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)** ☒ 1 **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 2017 Form M-1 annual report. If the plan was not required to file the 2017 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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
---	---	---

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017	
A Name of plan CVS HEALTH CORPORATION LEGACY PENSION PLAN	B Three-digit plan number (PN) ▶ 027
C Plan sponsor's name as shown on line 2a of Form 5500 CVS HEALTH CORPORATION	D Employer Identification Number (EIN) 05-0494040

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
---------------	---

1 Coverage Information:

(a) Name of insurance carrier THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
22-1211670	68241	GA-48072	8606	01/01/2017	12/31/2017

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
--

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	
5 Current value of plan's interest under this contract in separate accounts at year end	5	

6 Contracts With Allocated Funds:**a** State the basis of premium rates ► **CLOSEOUT PRICING FOR PLAN TERMINATION CONTRACTS**

b Premiums paid to carrier	6b	466993000
c Premiums due but unpaid at the end of the year	6c	0
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ►	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☒ other (specify) ► **GROUP ANNUITY CONTRACT**

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ► ☒**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ►

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
►		
(6) Total additions	7c(6)	0
d Total of balance and additions (add lines 7b and 7c(6))	7d	0
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
►		
(5) Total deductions	7e(5)	0
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	0
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2017
		This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan CVS HEALTH CORPORATION LEGACY PENSION PLAN	B Three-digit plan number (PN) ▶	027
C Plan sponsor's name as shown on line 2a of Form 5500 CVS HEALTH CORPORATION	D Employer Identification Number (EIN) 05-0494040	

Part I	Service Provider Information (see instructions)
--------	---

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

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

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

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

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

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

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

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

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

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)

MERCER LLC

36-2668272

(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 99	NONE	1500453	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PIMCO

33-0239892

(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?
28 50 51	NONE	1188151	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CONDUENT HR CONSULTING, LLC

13-3954297

(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?
11 17 27 38 50 70 99	NONE	1064221	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)

AON HEWITT

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?
13 11 50	NONE	942664	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

JPMORGAN CHASE BANK, N.A.

13-4994650

(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 25 50	NONE	513033	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIDUCIARY COUNSELORS INC.

22-3709903

(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?
49 50	NONE	253856	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)

MOSS ADAMS LLP

91-0189318

(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?
10 50 99	NONE	31500	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 2017 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan <u>CVS HEALTH CORPORATION LEGACY PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>027</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CVS HEALTH CORPORATION</u>	D Employer Identification Number (EIN) <u>05-0494040</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)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: CVS HEALTH DB PLANS MT-CEA

b Name of sponsor of entity listed in (a): CVS HEALTH CORPORATION

c EIN-PN <u>61-1617506-001</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>0</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: CVS HEALTH DB PLANS MT-FIA

b Name of sponsor of entity listed in (a): CVS HEALTH CORPORATION

c EIN-PN <u>61-1617506-002</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>0</u>
---------------------------------------	-------------------------------	--

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 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):

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
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
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
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>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor 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.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>CVS HEALTH CORPORATION LEGACY PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>027</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CVS HEALTH CORPORATION</u>	D Employer Identification Number (EIN) <u>05-0494040</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	0
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	14255646	1270852
	(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)		
	(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)	609318086	0
	(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)	0	0
	(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	623573732 1270852
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	857996 320864
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	857996 320864
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	622715736 949988

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
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	39000000
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	39000000
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	88476
	(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)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	88476
(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)		34827217
(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		73915693

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	222684794	
(2) To insurance carriers for the provision of benefits	2e(2)	466993000	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		689677794
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)	4308851	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	1188151	
(4) Other	2i(4)	506645	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		6003647
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		695681441

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-621765748
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: MOSS ADAMS LLP

(2) EIN: 91-0189318

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.)		X	
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.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		20000000
4e	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)	X		
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.)	X		
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☒ Yes ☐ No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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 4081243. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan CVS HEALTH CORPORATION LEGACY PENSION PLAN		B Three-digit plan number (PN) ▶ 027
C Plan sponsor's name as shown on line 2a of Form 5500 CVS HEALTH CORPORATION		D Employer Identification Number (EIN) 05-0494040
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 0
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): 13-4994650		
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 6031
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	
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		
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.	
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) 2017 v. 170203		

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

- 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: 5.0% Investment-Grade Debt: 95.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 0.0%

- 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):



*Report of Independent Auditors and
Financial Statements with
Supplemental Schedules*

**CVS Health Corporation Legacy
Pension Plan**

December 31, 2017 and 2016

Table of Contents

REPORT OF INDEPENDENT AUDITORS 1

FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits 4

Statements of Changes in Net Assets Available for Benefits 5

Notes to Financial Statements 6

SUPPLEMENTAL SCHEDULES REQUIRED BY THE DEPARTMENT OF LABOR

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) 19

Schedule H, Line 4(j) – Schedule of Reportable Transactions 20

Report of Independent Auditors

To the Participants and Plan Administrator
CVS Health Corporation Legacy Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying Financial Statements of the CVS Health Corporation Legacy Pension Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2017 (in liquidation) and 2016 (in liquidation), and the related Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2017 (in liquidation) and 2016 (in liquidation), 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on conducting the audits 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 (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 7, which was certified by JPMorgan Chase Bank, N.A. (JPMorgan), the Trustee, and The John Hancock Life Insurance Company (John Hancock), the Custodian, except for comparing such information with the related information included in the Financial Statements. We have been informed by the Plan Administrator that the Trustee and Custodian hold the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2017 and 2016, and Custodian for the period of January 1, 2016 to September 30, 2016, that the information provided to the Plan Administrator by the Trustee and Custodian 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 on the Financial Statements. Accordingly, we do not express an opinion on the Financial Statements.

Emphasis of a Matter – Terminated Plan

As further discussed in Note 1 and 2 to the financial statements, the Board of Directors of CVS Health Corporation, the Plan's sponsor, adopted a resolution to terminate the Plan effective December 31, 2015. In accordance with accounting principles generally accepted in the United States of America, the Plan has prepared the financial statements on the liquidation basis of accounting.

Other Matter – Supplemental Schedules

The Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2017, and Schedule H, Line 4(j) – Schedule of Reportable Transactions for the year ended December 31, 2017, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the Financial Statements and supplemental schedules, other than that derived from the information certified by the Trustee and Custodian, 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Moss Adams LLP

Campbell, California
August 8, 2018

Financial Statements

CVS Health Corporation Legacy Pension Plan
Statements of Net Assets Available for Benefits
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
	(liquidation basis)	(liquidation basis)
Assets:		
Investments, at fair value:		
Plan interest in Fixed Income Master Trusts (Note 3)	\$ -	\$ 575,739,446
Plan interest in Equities Master Trust (Note 3)	-	33,578,640
Interest-bearing cash	<u>1,270,852</u>	<u>14,255,646</u>
Total investments	1,270,852	623,573,732
Total assets	<u>1,270,852</u>	<u>623,573,732</u>
Liabilities:		
Administrative expenses payable	<u>320,864</u>	<u>857,996</u>
Net Assets Available for Benefits	<u>\$ 949,988</u>	<u>\$ 622,715,736</u>

CVS Health Corporation Legacy Pension Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2017 and 2016

	2017	2016
	(liquidation basis)	(liquidation basis)
Additions to net assets attributed to:		
Dividends and interest	\$ 88,476	\$ 18,663
Net realized and unrealized appreciation on investments	-	85,887
Plan interest in net gain of master trusts	<u>34,827,217</u>	<u>46,036,682</u>
	34,915,693	46,141,232
Employer's contributions	<u>39,000,000</u>	<u>-</u>
Total additions	<u>73,915,693</u>	<u>46,141,232</u>
Deductions from net assets attributed to:		
Administrative expenses	6,003,647	6,151,905
Benefits paid to participants	222,684,794	31,632,411
Transfer of assets to Prudential for the provision of benefits (Note 1)	<u>466,993,000</u>	<u>-</u>
Total deductions	<u>695,681,441</u>	<u>37,784,316</u>
Net increase (decrease) in net assets	(621,765,748)	8,356,916
Net Assets Available for Benefits:		
Beginning of year	<u>622,715,736</u>	<u>614,358,820</u>
End of year	<u><u>\$ 949,988</u></u>	<u><u>\$ 622,715,736</u></u>

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

NOTE 1 – THE PLAN AND ITS SIGNIFICANT ACCOUNTING POLICIES

General – The following description of the CVS Health Corporation Legacy Pension Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a non-contributory defined benefit pension plan established on January 1, 2013, covering former eligible employees of Revco D.S., Inc. (Revco). During July 1994, Revco acquired Hook-SuperRx, Inc. (HSI), and effective June 4, 1995, the HSI Retirement Plan's (the HSI Plan) assets and liabilities were transferred to the Revco D.S., Inc. Retirement Income Plan (the Revco Plan). During 1997, Revco was acquired by CVS Corporation and the Plan is now sponsored by CVS Health Corporation (CVS). The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2001, the Standard Drug Company Employees' Retirement Plan (the Standard Plan) merged into the Revco Plan. Benefit accruals with respect to service and salary earned in the Standard Plan were eliminated prior to the merger with the Plan. All assets and liabilities accrued under the Standard Plan as of January 1, 2001, were transferred to the Revco Plan and, as of that date, benefits for the participants and beneficiaries of the Standard Plan were to be paid from the Revco Plan.

Effective January 1, 2013, CVS, the Plan sponsor, restructured the Revco Plan by separating the Revco Plan into two plans: (a) the Revco D.S., Inc. Retirement Income Plan for Former Employees covering participants who (i) had terminated employment with CVS prior to January 1, 2013, and who had been identified for purposes of the January 1, 2013, actuarial valuation to be entitled to or in receipt of a retirement benefit pursuant to the provisions of the Plan as of such date and (ii) all other participants who had been identified for purposes of the January 1, 2013, actuarial valuation to have accrued a benefit under the Revco Plan determined (in part or in its entirety) under the provisions of the former Standard Plan and (b) a continuation of the Revco Plan solely for the benefit of all remaining participants. The Plan was a continuation of the Revco Plan and constituted a successor plan to the Revco Plan to which the exception under Section 436(d)(4) of the Internal Revenue Code (the Code) continued to apply. The Plan was subject to the provisions of ERISA and was intended to be qualified under Section 401(a) of the Code. Except as otherwise specifically provided herein, the rights and benefits of any participant who retired or whose employment was terminated were determined in accordance with the provisions of the Plan as in effect at the time of such termination of employment.

On September 30, 2015, CVS merged three defined benefit retirement plans sponsored by CVS (Revco D.S., Inc. Retirement Income Plan, Caremark International, Inc. Pension Plan, and AdvancePCS Retirement Plan) into the Plan.

The Caremark International, Inc. Pension Plan (Caremark) was a non-contributory defined benefit pension plan covering all eligible employees of Caremark International, L.L.C., formerly known as Caremark International, Inc. Caremark International, L.L.C. was a subsidiary of Caremark Rx, L.L.C.

The AdvancePCS Retirement Plan (AdvancePCS) was a non-contributory defined benefit pension plan in which all former employees of PCS Holding Corporation, acquired by Advance Paradigm on October 2, 2000, were eligible to participate. In May 2001, AdvancePCS became the Plan sponsor. On March 24, 2004, AdvancePCS became a wholly-owned subsidiary of Caremark Rx, L.L.C.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Effective March 22, 2007, Caremark Rx, L.L.C. merged with CVS. Effective September 24, 2008, sponsorship of the Caremark and AdvancePCS Plans transferred to CVS. During 2015, CVS voted to terminate the Plan effective December 31, 2015, and Plan assets were distributed during 2017, in accordance with provisions of ERISA (refer below for further detail on the distribution of Plan assets). All participants became fully vested as of the termination date.

As all benefit accruals are frozen, as summarized below, the Plan termination had no impact on benefit accruals under the Plan. The Financial Statements are presented on the liquidation basis of accounting.

Pension benefits – Benefit accruals with respect to service and salary earned are frozen under the Plan. Effective June 1, 1997, participation under the Plan was frozen and, effective as of September 20, 1997, the accrued benefits of all participants were frozen and no person shall accrue any additional benefits under the Plan.

The Plan provides normal retirement benefits based on a percentage of average earnings for the last five years of employment. The normal retirement benefits, including social security benefits, range from 50% to 81% as a percentage of average earnings, depending on the amount of average earnings, and was reduced in cases of early retirement (before age 65) or retirement prior to completion of 30 years of credited service. Retirees receiving benefits prior to June 1, 1981, and vested participants terminated prior to June 1, 1981, received benefits in accordance with the then effective benefit formula. Death benefits were provided at 50% of applicable pension benefits to spouses of participants who were vested.

For HSI participants retiring on or after June 4, 1995, participants were entitled to, and received, the greater of the retirement benefits determined as follows: (1) based on the HSI Plan's provisions through June 4, 1995, and the Plan's provisions subsequent to June 4, 1995, or (2) based on the Plan's provisions with years of service to include a participant's pension service prior to June 4, 1995.

In addition, any former participants of the Standard Plan who, as of January 1, 2001, had been granted a retirement pension or rights to a deferred vested benefit under the Standard Plan became eligible to receive, from the Plan, benefits in the same amount and form, without charge, as paid under the terms and conditions of the Standard Plan as in effect on December 31, 2000. Participants should refer to the Standard Plan document for a more complete description of the Standard Plan's provisions.

The Plan allowed for automatic lump sum cash outs for terminated participants with a total value of benefits which are less than \$1,000. If participants' total value of vested benefits was between \$1,000 and \$10,000 on the date their benefit commenced, participants had an option to elect a lump sum distribution.

The Plan provides that benefits vest to participants based on years of service as follows: less than five years of credited service, 0%; five or more years of credited service, 100%.

For Caremark participants, participants with five or more years of service were entitled to monthly pension benefits beginning at age 65 equal to the ratio of current years of service over years of service projected to age 65 multiplied by the difference of: (a) 1.75% multiplied by average monthly compensation (based on the five highest consecutive years of compensation out of the last ten years of participation) multiplied by years of service projected to age 65; minus (b) 1.75% multiplied by years of service projected to age 65 (the product not to exceed 60%) multiplied by primary social security benefit.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Early retirement benefits were payable to participants whose years of service plus age upon retirement equaled at least 65. Participants became 100% vested in their accrued benefits as of February 28, 1997. Employees received the value of their benefits as a straight-life annuity payable monthly from retirement or, if married, received their benefits as a reduced 50% or 75% joint and survivor annuity. Death benefits were paid to spouses of employees if the participant has completed five years of service prior to death.

Effective February 28, 1997, Caremark was frozen. No new employees were eligible to enter Caremark. All active participants as of February 28, 1997, became fully vested. Any inactive participants who subsequently returned to work prior to attaining the age of 65 had pension benefit payments discontinued during the period of reemployment and had all vesting service and benefit service at the time of previous termination of employment reinstated. An inactive participant who subsequently resumed employment after attaining the age of 65 had pension benefit payments discontinued during their period of reemployment. The participant had to be employed at least 40 hours per month and continued to accrue further benefits based on the previous election form of payment. Furthermore, a participant who continued employment after attaining the age of 65 did not begin benefit payments during the period of continued employment. The participant continued to accrue further benefits under the Plan. Effective January 1, 2014, any participant previously terminated from CVS and where benefit payments had commenced, who was then rehired, did not have their benefit payments discontinued or suspended. The participants continued to be paid in the same form and received the same form of payment during the period of reemployment.

For AdvancePCS participants, effective July 1, 2001, AdvancePCS was frozen and closed to new participants. Accrued benefits and any other benefit that a participant had under AdvancePCS were also frozen unless the participant was considered a grandfathered participant on July 1, 2001, as defined. Effective December 31, 2005, the accrued benefits of all participants (including grandfathered participants) were frozen and no person accrued any additional benefits under the Plan.

Prior to July 1, 2001, a person employed by AdvancePCS who was at least age 21 and had at least one year of vesting service was eligible to participate in AdvancePCS. Eligibility, vesting, and benefit service were measured in years and days. One year of benefit service was credited for each 365 days of service. Benefit service included periods of prior service if the last period of employment was at least five years of service or if other breaks in service rules were met.

AdvancePCS provided for normal, early, and disability retirement benefits, as well as deferred service and survivor benefits. The payment amount under each type of benefit was calculated using specific formulas, which took into consideration various factors, including the employee's eligibility for benefits. A detailed description of each type of benefit available and the formulas used to calculate the benefits were included in the Plan document.

Early retirement benefits were payable to participants whose years of service plus age upon retirement equaled at least 80. Participants became 100% vested in their accrued benefits after completing five years of service. Employees received the value of their benefits as a straight-life annuity payable monthly from retirement or, if married, received their benefits as a reduced 50% joint and survivor annuity.

Death benefits were paid to spouses of employees if the participant had completed five years of service prior to death.

Effective November 1, 2015, participants could elect to defer commencement of their normal benefit until the earlier of the required beginning date or lump sum window offered in connection with the plan termination.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Effective March 1, 2017, accrued benefits under \$5,000 were rolled over to an IRA and accrued benefits under \$1,000 were paid in a lump sum unless participant elected otherwise.

The Plan Administrator offered a “Special Election Window” to certain eligible participants, surviving spouses, beneficiaries and alternate payees during 2017. This window provided a one-time opportunity to receive an immediate lump-sum payment from the Plan, regardless of account value. Following the Window (120 days after March 1, 2017), any amounts of \$5,000 or less were automatically rolled-over to an Individual Retirement Account (IRA).

The termination process of the Plan was completed in August 2017. The final cost to terminate the Plan was \$662,780,000; comprised of \$195,787,000 in lump sum distributions to the active and terminated vested participants and a group annuity contract purchased with Prudential Insurance Co. (Prudential), for \$466,993,000, covering continuing annuity benefits for the remaining Plan population.

The Plan continued distributing ongoing benefit payments to the retiree population through the remainder of 2017, to provide Prudential with sufficient time to implement administrative procedures for the ongoing payment of benefits. Assets still remained in the Trust at December 31, 2017 to cover outstanding plan-related expenses.

Administration – CVS has appointed a Benefit Plans Committee (the Committee) to manage the operation and administration of the Plan. The Committee further named an Administrative Subcommittee and an Investment Subcommittee, and delegated certain fiduciary duties to each of these Subcommittees. Third-party administrators, Mercer HR Services, LLC, and Aon Hewitt Associates were engaged to process and maintain the records of participant data. Master trust accounts were established for all CVS defined benefit pension plans and JPMorgan Chase Bank, N.A. (JPMorgan) was contracted to act as the Trustee. Prior to September 31, 2016, the Plan had also contracted with The John Hancock Life Insurance Company (John Hancock) to act as a Custodian. Administrative expenses are paid by the Plan.

Estimates – The preparation of Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, the disclosure of contingent assets and liabilities, and the actuarial present value of accumulated Plan benefits at the date of the Financial Statements. Actual results could differ from those estimates.

Basis of accounting – The Financial Statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America. Benefits withdrawals and distributions are recorded when paid.

Investment valuation and income recognition – The Plan’s investments are reported at fair value. The Plan’s Trustee, JP Morgan, certified the fair market value of all investments, for 2017 and 2016. If available, quoted market prices were used to value investments.

Fair value 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. See Note 2 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan’s gains on investments bought or sold as well as held during the year.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Certain assets of the Plan were pooled in Master Trust Investment Accounts (MTIA's). The Plan was the only participant in these MTIA's as of December 31, 2017 and 2016, and for the year ended December 31, 2017.

Income taxes – The Plan has received a favorable determination letter to terminate the Plan dated March 1, 2017. CVS believes that the Plan is operated in accordance with, and qualifies under, the applicable requirements of the Internal Revenue Code (the Code) and related state statutes, and that the trust, which forms a part of the Plan, is exempt from federal income and state franchise taxes. Accordingly, no provision for income taxes has been included in the Plan's Financial Statements.

In accordance with guidance on accounting for uncertainty in income taxes (ASC 740-10), management evaluated the Plan's tax positions and does not believe the Plan had any uncertain tax positions that require disclosure or adjustment to 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.

Risks and uncertainties – The Plan invested in various investment securities. Investment securities were exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it was at least reasonably possible that changes in market values of investment securities occurred in the near term and that such changes potentially materially affected the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions were made and the actuarial present value of accumulated Plan benefits were reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which were subject to change. Due to uncertainties inherent in the estimations and assumptions process, it was at least reasonably possible that changes in these estimates and assumptions were material to the Financial Statements.

Recent accounting pronouncements – In February 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2017-06, Employee Benefit Master Trust Reporting. The ASU clarified and affirmed single line reporting of Master Trust Investments/income in the Financial Statements, as well as added additional Master Trust disclosure requirements. These include: additional reporting for plans with a divided interest in a Master Trust, disclosure of the Master Trust's other assets/liabilities, and the Plan's interest in the other assets/liabilities. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. The ASU is not expected to have any impact on the Plan upon taking effect.

Subsequent events – The Plan has evaluated subsequent events through August 8, 2018, which is the date the Financial Statements were available to be issued, and no events were noted that require disclosure.

NOTE 2 – FAIR VALUE MEASUREMENTS

The fair value measurements standard establishes a framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

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

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Level 2 – Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

What follows is a description of the valuation method used for assets measured at fair value. There have been no changes in the method used at December 31, 2017 and 2016.

Interest-bearing cash: Valued using the market approach at the net asset value (NAV) of shares held by the Plan at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is 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 set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

2017				
	Level 1	Level 2	Level 3	Total
Interest-bearing cash	\$ 1,270,852	\$ -	\$ -	\$ 1,270,852
Total assets at fair value	<u>\$ 1,270,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,270,852</u>
2016				
	Level 1	Level 2	Level 3	Total
Interest-bearing cash	\$ 14,255,646	-	-	\$ 14,255,646
Total assets at fair value	<u>\$ 14,255,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,255,646</u>

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

NOTE 3 – MASTER TRUSTS

Effective January 1, 2011, a Master Trust was created for the CVS defined benefit pension plans. As part of this Master Trust arrangement, JPMorgan held certain investments of the Plan in two MTIAs and executed all investment transactions on behalf of the Plan. All investment information disclosed in the accompanying Financial Statements, including Plan investments held in the MTIAs at December 31, 2016, and Plan interest in investment gain (loss) in the MTIAs for the years ended December 31, 2017 and 2016, was obtained from information provided and certified as complete and accurate by JPMorgan.

All assets in the MTIAs were distributed during 2017 as part of the Plan's liquidation.

The MTIAs were established to achieve certain economies in the management of investments and to maximize the return on investments of participating plans. The Plan had an interest in the MTIAs, as described below. Assets of the MTIAs were invested by investment managers in accordance with guidelines established by the Investment Subcommittee.

What follows is a description of the valuation methodologies used for assets measured at fair value in the MTIAs.

Interest-bearing cash: Valued using the market approach at the net asset value (NAV) of shares held by the Plan at year end.

Common stocks: Valued using the quoted market price of shares held by the MTIAs at year end.

Government obligations (Bonds): Valued using the market approach based on a compilation of primarily observable market information or a broker quote in a nonactive market. Observable inputs that were used to value included treasury feeds, yield to maturity (YTM), broker feeds, the Consumer Price Index (CPI), and reported trades.

Government agency obligations (Bonds): Valued using the market approach based on a compilation of primarily observable market information or a broker quote in a nonactive market. Observable inputs that were used to value may have included to-be-announced forward market (TBA), treasury or floating index benchmarks, spreads to TBA levels, weighted average maturity (WAM), prepayment speeds, cash flows, and reported trades.

Corporate bonds (Bonds): Valued using the market approach based on a compilation of primary observable market information or a broker quote in a nonactive market. Observable inputs included benchmark yields, base spreads, YTM adjustments for corporate actions, broker quotes, quality rating changes, and observation of credit default swaps related to the user.

Mutual funds (publicly traded): Valued at the daily closing price as reported by the fund. Mutual funds held by the Master Trust were open-end mutual funds that were registered with the U.S. Securities and Exchange Commission. These funds were required to publish their daily NAV and to transact at that price. The mutual funds held by the Master Trust were deemed to be actively traded.

Mutual funds (non-publicly traded): Valued using the NAV practical expedient of the mutual fund as reported by the mutual fund managers. The NAV practical expedient were based on the fair value of the underlying assets owned by the mutual funds, minus its liabilities, and then divided by the number of units outstanding.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Mortgage backed securities: Valued using the market approach based on a compilation of primarily observable market information or a broker quote in a nonactive market. Observable inputs that were used to value included TBA.

Equities Master Trust Investment Account

There were no assets of the Equities MTIA as of December 31, 2017. Net assets of the Equities MTIA as of December 31, 2016, consisted of the following:

Assets:

Investments, at fair value:	
Interest-bearing cash	\$ 833,594
Mutual funds	<u>32,744,980</u>
Total investments at fair value	33,578,574
Accrued income	<u>66</u>
Total Net Assets of the Equities MTIA	<u><u>\$ 33,578,640</u></u>

Investments of the Equities MTIA measured at fair value at December 31, 2016, were as follows:

	2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Interest-bearing cash	\$ 833,594	\$ -	\$ -	\$ 833,594
Mutual funds	<u>32,744,980</u>	<u>-</u>	<u>-</u>	<u>32,744,980</u>
Investments at fair value	<u><u>\$ 33,578,574</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33,578,574</u></u>

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

Fixed Income Master Trust Investment Account

There were no assets of the Fixed Income MTIA as of December 31, 2017. Net assets of the Fixed Income MTIA as of December 31, 2016, consisted of the following:

Assets:

Investments, at fair value:

Interest-bearing cash	\$ 578,862
Government obligations (Bonds)	78,414,209
Government agency obligations (Bonds)	51,985,709
Corporate bonds (Bonds)	39,991,862
Mutual funds	406,814,289
Mortgage backed securities	23,803,736

Total investments at fair value	601,588,667
---------------------------------	-------------

Non-interest bearing cash	4,071,660
Pending trades payable	(41,071,260)
Accrued income	11,237,709
Other payables	(87,330)

Total Net Assets of the Fixed Income MTIA	\$ 575,739,446
---	----------------

Investments of the Fixed Income MTIA measured at fair value at December 31, 2016, were as follows:

	2016			
	Level 1	Level 2	Level 3	Total
Interest-bearing cash	\$ 578,862	\$ -	\$ -	\$ 578,862
Mutual funds	406,814,289	-	-	406,814,289
Bonds	-	170,391,780	-	170,391,780
Mortgage backed securities	-	23,803,736	-	23,803,736
Investments at fair value	\$ 407,393,151	\$ 194,195,516	\$ -	\$ 601,588,667

NOTE 4 – RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by JPMorgan. Any purchases and sales of these funds were performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

NOTE 5 – ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated Plan benefits represented the estimated future periodic payments, including lump sum distributions, under the Plan's provisions that were attributable to services rendered by employees through the valuation date. Accumulated Plan benefits included benefits expected to be paid to:

- a) retired or terminated employees or their beneficiaries;
- b) beneficiaries of employees who have died; and
- c) present employees or their beneficiaries.

Benefits under the Plan were based on years of service and benefit credit rates. The accumulated Plan benefits for active employees were based on years of service and benefit credit rates on the date at which the benefit information was presented (valuation date). Benefits payable under all circumstances (retirement, death, disability, and termination of employment) were included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated Plan benefits was determined by the Plan's actuary, Conduent HR Services, and is that amount that resulted from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation as of January 1, 2018 (subsequent to year end) and January 1, 2017 (beginning of the Plan year) are as follows:

Actuarial cost method:	Projected Unit Credit Method
Investment rate of return:	3.09% (liquidation basis)
Mortality assumption:	IRS 2017 Applicable Mortality Table
Retirement age:	Age 65 for inactive participants

The actuarial present value of accumulated Plan benefits, is as follows:

	2018	2017
Actuarial present value of accumulated Plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 191,830	\$ 425,665,272
Other participants	609,980	281,884,248
	801,810 (1)	707,549,520
Nonvested benefits	-	2,297,854
Total actuarial present value of accumulated Plan benefits	\$ 801,810	\$ 709,847,374

- (1) Represents remaining uncashed checks for lump sum distributions or annuities in payments, valued as cash and not discounted.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

The change in the actuarial present value of accumulated Plan benefits, is as follows:

Actuarial present value of accumulated Plan benefits, January 1, 2016	\$ 711,314,543
Increase (decrease) during the year attributable to:	
Benefit payments	(31,632,411)
Interest	21,981,635
Assumption changes	6,788,313
Benefits accumulated and other	<u>1,395,294</u>
Net change	<u>(1,467,169)</u>
Actuarial present value of accumulated Plan benefits, January 1, 2017	709,847,374
Increase (decrease) during the year attributable to:	
Benefit payments (1)	(693,688,489)
Interest	14,114,429
Benefits accumulated and other (2)	<u>(29,471,504)</u>
Net change	<u>(709,045,564)</u>
Actuarial present value of accumulated Plan benefits, January 1, 2018	<u>\$ 801,810</u>
(1) Includes \$195,787,000 of lump sum payments and annuity purchase cost of \$466,993,000 to effectuate plan liquidation, as well as other "regular" benefit payments paid during the year.	
(2) Includes difference between assumed liability and the actual premium charged by the issuer to effectuate the group annuity purchase.	

The remaining accumulated Plan benefits of \$801,810 as noted above were paid to participants after December 31, 2017 and completed by May 25, 2018.

NOTE 6 – FUNDING POLICY

CVS' funding policy was to make annual contributions at least equal to the minimum funding requirements of ERISA. This funding standard is such that, based on certain assumptions, annual contributions would provide adequate funding to meet benefit claims as they became due. CVS met these minimum funding requirements in 2017 and 2016.

CVS Health Corporation Legacy Pension Plan

Notes to Financial Statements

NOTE 7 – CERTIFIED INFORMATION

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, JPMorgan, the Trustee, and John Hancock, the Custodian, respectively, of the Plan, have certified to the completeness and accuracy of:

- Investments and Plan interests in MTIA accounts presented on the accompanying Statements of Net Assets Available for Benefits as of December 31, 2017 and 2016
- Investments held within the MTIA accounts presented as of December 31, 2016 (Note 3).
- Plan interest in net gain of MTIAs, dividends and interest, and net realized/unrealized gains, reflected on the accompanying Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2017 and 2016.
- Net appreciation in fair value of investments and dividends and interest within the MTIAs of which the Plan invested in for the years ended December 31, 2017 and 2016.
- Investments reflected on the schedule of assets (held at end of year).
- Schedule of reportable transactions.

**Supplemental Schedules
Required by the Department of Labor**

CVS Health Corporation Legacy Pension Plan
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2017

Plan Sponsor: CVS Health Corporation
Employer Identification Number: 05-0494040
Plan Number: 027
Schedule H, Line 4(i)

(a)	(b)	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d)	(e)
	Identity of issue, borrower, lessor, or similar party		Cost	Current value
*	JPMorgan Liquid Assets Money Market Fund	Interest-Bearing Cash	\$ 1,270,852	\$ 1,270,852
		Total	\$ 1,270,852	\$ 1,270,852
*	Party-in-interest.			

CVS Health Corporation Legacy Pension Plan
Schedule H, Line 4(j) – Schedule of Reportable Transactions
Year Ended December 31, 2017

Plan Sponsor: CVS Health Corporation
Employer Identification Number: 05-0494040
Plan Number: 027
Schedule H, Line 4(j)

Identity of party involved	Description of assets (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
Series of transactions in excess of 5% of Plan assets:								
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	\$ 583,687,136	\$ -	\$ -	\$ -	\$ 583,687,136	\$ 583,687,136	\$ -
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	596,671,930	-	-	596,671,930	596,671,930	-
Single transaction exceeds 5% of Plan value:								
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	20,490,995	-	-	-	20,490,995	20,490,995	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	2,888,448	-	-	-	2,888,448	2,888,448	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	60,980,051	-	-	60,980,051	60,980,051	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	33,947,783	-	-	33,947,783	33,947,783	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	160,000,000	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	160,000,000	-	-	160,000,000	160,000,000	-

CVS Health Corporation Legacy Pension Plan
Schedule H, Line 4(j) – Schedule of Reportable Transactions
Year Ended December 31, 2017

Plan Sponsor: CVS Health Corporation
Employer Identification Number: 05-0494040
Plan Number: 027
Schedule H, Line 4(j)

Identity of party involved	Description of assets (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
Series of transactions in excess of 5% of Plan assets:								
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	\$ 583,687,136	\$ -	\$ -	\$ -	\$ 583,687,136	\$ 583,687,136	\$ -
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	596,671,930	-	-	596,671,930	596,671,930	-
Single transaction exceeds 5% of Plan value:								
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	160,000,000	-	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	20,490,995	-	-	-	20,490,995	20,490,995	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	2,888,448	-	-	-	2,888,448	2,888,448	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	60,980,051	-	-	60,980,051	60,980,051	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	33,947,783	-	-	33,947,783	33,947,783	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	160,000,000	-	-	160,000,000	160,000,000	-
JPMorgan Liquid Assets Money Market Fund	Money Market Fund	-	160,000,000	-	-	160,000,000	160,000,000	-

CVS Health Corporation Legacy Pension Plan
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2017

Plan Sponsor: CVS Health Corporation
Employer Identification Number: 05-0494040
Plan Number: 027
Schedule H, Line 4(i)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
*	JPMorgan Liquid Assets Money Market Fund	Interest-Bearing Cash	\$ 1,270,852	\$ 1,270,852
		Total	\$ 1,270,852	\$ 1,270,852
* Party-in-interest.				