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10  
11 UNITED STATES DISTRICT COURT  
12 FOR THE EASTERN DISTRICT OF CALIFORNIA  
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14 UNITED STATES OF AMERICA, and the  
15 STATE OF CALIFORNIA, et al., ex rel. LLOYD  
F. SCHMUCKLEY, JR.

16 Plaintiffs,

17 vs.

18 RITE AID CORPORATION, RITE AID  
19 HDQTRS. CORP., THRIFTY PAYLESS, INC.

20 Defendants.

21 STATE OF CALIFORNIA *ex rel.* LLOYD F.  
22 SCHMUCKLEY, JR.,

23 Plaintiffs,

24 Vs.

25 RITE AID CORPORATION, RITE AID  
26 HDQTRS. CORP., THRIFTY PAYLESS, INC.

27 Defendants.  
28

Case No. 2:12-cv-1699 KJM JDP

**JOINT MOTION TO EXTEND THE  
DEADLINE TO FILE  
DISPOSITIONAL DOCUMENTS;  
~~PROPOSED~~ ORDER**

1 **RECITALS**

2 WHEREAS, on October 13, 2023, through the Court’s Voluntary Dispute Resolution  
3 Program led by the Honorable Jeremy D. Peterson, Plaintiff-Intervenor State of California  
4 (“California”), Relator Loyd F. Schmuckley, Jr. (“Relator”), and Defendants Rite Aid  
5 Corporation, Rite Aid Hdqtrs. Corp., and Thrifty Payless, Inc. (“Defendants,” and together with  
6 California and Relator, “the Parties”) have entered and executed a Settlement Agreement in  
7 connection with the above-captioned action entitled *United States, et al., ex rel. Loyd F.*  
8 *Schmuckley, Jr., v. Rite Aid Corporation, et al.* Case No. 2-12-cv-01699 (“Action”), *see* ECF  
9 Nos. 315-1, 400 (California’s Amended Complaint-in-Intervention);’

10 WHEREAS, Paragraph 18 of the Settlement Agreement, provides, in part, relevant here,

11 Upon . . . the final allowance of California’s unsecured proof of claim  
12 (either by a stipulated proof of claim, Bankruptcy Court order granting a  
13 Rule 9019 motion, and/or Bankruptcy Court order confirming a chapter 11  
14 plan that incorporates the allowed proof of claim), California and  
Schmuckley shall file in the Schmuckley Action a Stipulation of Dismissal  
15 (“Dismissal”) pursuant to Fed. R. Civ. P. 41(a)(1)

16 WHEREAS, on October 15, 2023, in the United States Bankruptcy Court in the District of  
17 New Jersey (Trenton), Defendants filed a Voluntary Petition for Non-Individuals Filing for  
18 Bankruptcy, Lead Case No. 23-18993-MBK;

19 WHEREAS, on October 16, 2023, Defendants filed in the Action a pleading entitled  
20 “Suggestion of Bankruptcy for Rite Aid Corporation and Certain of Its Affiliates and Notice of  
Automatic Stay of Proceedings,” ECF No. 489;

21 WHEREAS, on October 16, 2023, pursuant to Local Rule 160(a), California filed a Notice  
22 of Settlement, ECF No. 490;

23 WHEREAS, Local Rule 160(b) states

24 Upon such notification of disposition or resolution of an action or motion,  
25 the Court shall fix a date upon which the documents disposing of the action  
26 or motion must be filed, which date shall not be more than twenty-one (21)  
27 days from the date of said notification, absent good cause. The Court may,  
28 on good cause shown, extend the time for filing the dispositional papers. A  
failure to file dispositional papers on the date prescribed by the Court may  
be grounds for sanctions. See L.R. 272.

1 WHEREAS, under the Settlement Agreement, certain actions must occur in the  
2 bankruptcy proceedings before the Parties may file dispositional documents in the Action;

3 WHEREAS, the Parties anticipate that they will likely file dispositional documents within  
4 a year from Defendants' bankruptcy filing; and

5 WHEREAS, on November 1, 2023, Defendants received an order from the Bankruptcy  
6 Court for a limited relief from the bankruptcy stay to file this joint motion to extend the deadline  
7 to file dispositional documents.

8 **JOINT MOTION**

9 Based on the foregoing, the Parties, by and through their respective counsel,  
10 THEREFORE HEREBY JOINTLY MOVE THIS COURT to find good cause and grant an Order  
11 to extend the deadline to file dispositional documents to October 15, 2024.

12 Respectfully submitted,

13 Dated: November 1, 2023

14 ROB BONTA  
Attorney General of the State of California

15 By /s/ Emmanuel R. Salazar

16 Emmanuel R. Salazar  
17 Deputy Attorney General  
Attorneys for Plaintiff-Intervenor STATE OF  
18 CALIFORNIA

18 Dated: November 1, 2023

19 WATERS & KRAUS, LLP

20 By /s/ Wm. Paul Lawrence, II (authorized on  
21 11/1/2023)

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LOYD F. SCHMUCKLEY, JR.

27 Dated: November 1, 2023

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28 By /s/ Benjamin P. Smith (authorized on 10/31/2023)

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RITE AID CORPORATION, RITE AID  
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**PROPOSED ORDER**

The Court, having considered the Joint Motion to Extend the Deadline to File Dispositional Documents, finds good cause and ORDERS that:

1. The deadline to file dispositional documents is extended to October 15, 2024.
2. Upon final allowance of California’s unsecured proof of claim in the bankruptcy action, or other change in circumstances warranting dismissal of this case, the parties shall promptly file dispositional documents.
3. The parties shall also file a joint status report apprising the court of the status of the bankruptcy proceedings every ninety days.

IT IS SO ORDERED.

Dated: November 17, 2023

  
\_\_\_\_\_  
JEREMY D. PETERSON  
UNITED STATES MAGISTRATE JUDGE