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TRADEMARKS ONLY

FINANCIAL RECORD The Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):
Kerr Drug, Inc.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other _____

Citizenship (see guidelines) Delaware

Execution Date(s) June 23, 2004

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies) Yes
 No

Additional names, addresses, or citizenship attached?

Name: General Electric Capital Corporation,
as Agent
Internal Address: 201 Merritt 7, 3rd Floor
Address: _____
Street Address: P.O. Box 5201
City: Norwalk
State: CT
Country: USA Zip: 06856

Association Citizenship _____
 General Partnership Citizenship _____
 Limited Partnership Citizenship _____
 Corporation Citizenship Delaware
 Other _____ Citizenship _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other First Amendment & Reaffirmation of Trademark Security Agreement

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) See attached Schedule 4(B)

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Amanda Jane Elliott, Esq.

Internal Address: Paul, Hastings, Janofsky & Walker LLP

Street Address: 1299 Pennsylvania Ave., NW
10th Floor

City: Washington

State: DC Zip: 20004

Phone Number: (202) 508-9513
Fax Number: (202) 508-8543
Email Address: amandaelliott@paulhastings.com

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 140.00

Authorized to be charged by credit card
 Authorized to be charged to deposit account
 Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 16-0752
Authorized User Name _____

9. Signature: Amanda Jane Elliott 7/15/04
Signature Date

Amanda Jane Elliott
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 9

00000139 75-07007 40.00 DP 100.00 DP 07/20/2004 08:00 AM 01 FC:0521 02 FC:0522

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to: Trademark Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

07/20/2004 DBTRM 00000139-7507007 40.00 DP 01 FC:0521

Schedule 2

Additional Receiving Party

The CIT Group/Business Credit, Inc., as Agent
1211 Avenue of the Americas
21st Floor
New York, NY 10036

Corporation
Citizenship – New York

Schedule 4(B)

Intellectual Property

	<u>Trademark</u>	<u>Serial/Registration Number</u>
1.	"THE SMARTER BRAND TO BUY"	<u>75487007</u>
2.	"SR. SILVER REWARDS"	2433156
3.	"SR. SILVER REWARDS"	2431100
4.	"\$SMART DOLLAR"	2330992
5.	"KERR DRUG"	2320446
6.	Borrower owns various unregistered copyrights, including, without limitation, the material posted at its web site located at http://www.kerrdrug.com , and various other unregistered copyrights.	

**FIRST AMENDMENT AND REAFFIRMATION
OF TRADEMARK SECURITY AGREEMENT**

This FIRST AMENDMENT AND REAFFIRMATION OF TRADEMARK SECURITY AGREEMENT (this "Reaffirmation") is entered into as of this 23rd day of June, 2004, among KERR DRUG, INC., a Delaware corporation (the "Grantor"), GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation (in its individual capacity, "GE Capital"), for itself, as Lender and as Collateral Agent for Lenders, THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation (in its individual capacity, "CIT"), for itself, as Lender and as Collateral Agent for Lenders (CIT and GE Capital as collateral agents are herein collectively defined as "Collateral Agents" and individually "Collateral Agent").

WITNESSETH:

WHEREAS, the Grantor, Kerr Health Care Services, LLC, a North Carolina limited liability company ("Kerr Health" and together with the Grantor, each a "Borrower" and collectively, "Borrowers"), GE Capital, CIT, the other financial institutions whose names appear as lenders on the signature pages thereof and the agents party thereto entered into that certain Credit Agreement dated as of June 27, 2002, as amended by that certain First Amendment to Credit Agreement dated as of May 23, 2003, and as further amended by that certain Second Amendment to Credit Agreement dated as of December 15, 2003 (as amended, the "Prior Credit Agreement"); and

WHEREAS, Borrowers have requested and GE Capital and CIT have agreed to amend and restate the Prior Credit Agreement in its entirety as set forth in that certain Amended and Restated Credit Agreement as of even date herewith (including all annexes, exhibits and schedules thereto, as amended, restated, supplemented or otherwise modified from time to time, the "Amended and Restated Credit Agreement") pursuant to which Agents (as defined in the Amended and Restated Credit Agreement) and Lenders have agreed to continue to make the Loans (as defined in the Amended and Restated Credit Agreement) and to incur Letter of Credit Obligations (as defined in the Amended and Restated Credit Agreement); and

WHEREAS, Collateral Agents have agreed to act as collateral agents for themselves and for the ratable benefit of the Lenders in connection with the transactions contemplated by the Amended and Restated Credit Agreement; and

WHEREAS, the Grantor has heretofore duly executed and delivered a Trademark Security Agreement dated as of June 27, 2002, in favor of Collateral Agents (as amended hereby and as otherwise amended, restated, supplement or modified from time to time, the "Security Agreement"), pursuant to which the Grantor granted to Collateral Agents a continuing Lien on the Collateral (as defined in the Security Agreement); and

WHEREAS, Grantor acknowledges and agrees that the security interest granted to Collateral Agents pursuant to the Security Agreement and the other Loan Documents (as defined in the Prior Credit Agreement) shall remain outstanding and in full force and effect in accordance with the Prior Credit Agreement, the Security Agreement (except to the extent modified herein) and the other Loan Documents (as defined in the Prior Credit Agreement) and shall continue to secure the Obligations (as defined in the Prior Credit Agreement);

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that capitalized terms used herein shall have the meanings ascribed to them in the Security Agreement, and the Grantor hereby affirms that the Security Agreement shall in all respects be a continuing, absolute, unconditional and irrevocable pledge of Collateral to secure, without interruption or impairment of any kind, all existing Obligations, and shall remain in full force and effect until all Obligations have been paid in full, that all the agreements, conditions, covenants and obligations of the Borrowers contained in the Amended and Restated Credit Agreement, and under each of the other Loan Documents (as defined in the Amended and Restated Credit Agreement) shall have been performed, kept, observed, and fulfilled by the Borrowers and all obligations of Grantor thereunder and under the Security Agreement shall have terminated.

The Grantor and Collateral Agents hereby further agree that:

1. The Security Agreement is hereby modified and amended to the extent necessary to provide that all references to the "Credit Agreement" in the Security Agreement shall be to the Prior Credit Agreement, as amended and restated in its entirety by the Amended and Restated Credit Agreement, as further modified, amended, restated or supplemented from time to time.

2. Upon the effectiveness of this Reaffirmation, on and after the date hereof, each reference in the Security Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Security Agreement, and each reference in the other Loan Documents to "the Security Agreement," "thereunder," "thereof" or words of like import referring to the Security Agreement shall mean and be a reference to the Security Agreement as amended hereby.

3. This Reaffirmation does not evidence a termination of the granting of the Liens contained in the Security Agreement. The Liens granted pursuant to the Security Agreement as in effect prior to the date hereof shall remain in full force and effect and shall be continuing in all respects.

4. The Grantor hereby confirms its obligations under the Security Agreement and agrees that the Liens granted to Collateral Agents in the Collateral under the Security

Agreement shall remain outstanding and in full force and effect in accordance with the Amended and Restated Credit Agreement and shall continue to secure the Obligations (as defined in the Prior Credit Agreement).

5. This Reaffirmation may be executed (including by facsimile or e-mail transmission) in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Reaffirmation.

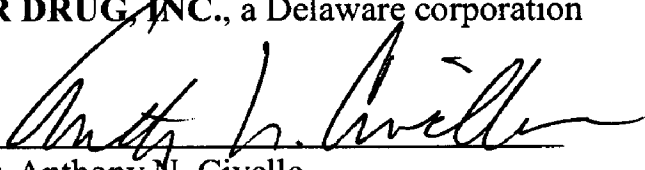
6. Except as specifically modified and amended hereby, the Security Agreement shall remain extant and in full force and effect.

7. This Reaffirmation shall be deemed to be a Loan Document for all purposes.

IN WITNESS WHEREOF, the Grantor has caused this Reaffirmation to be executed and delivered as of the date first above written.

GRANTOR:

KERR DRUG, INC., a Delaware corporation

By: 
Name: Anthony N. Civello
Title: President and CEO

COLLATERAL AGENTS:

GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation

By: _____
Name: _____
Title: _____

THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Grantor has caused this Reaffirmation to be executed and delivered as of the date first above written.

GRANTOR:

KERR DRUG, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

COLLATERAL AGENTS:

GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation

By: _____
Name: _____
Title: _____

THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Grantor has caused this Reaffirmation to be executed and delivered as of the date first above written.

GRANTOR:

KERR DRUG, INC., a Delaware corporation

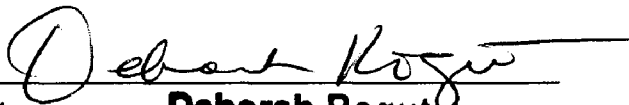
By: _____
Name: _____
Title: _____

COLLATERAL AGENTS:

GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation

By: _____
Name: _____
Title: _____

THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation

By:  _____
Name: **Deborah Rogut**
Title: **Vice President**