

04-23-2001

4/5/01



101683879

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)  
Document ID #

Correction of PTO Error  
Reel #  Frame #

Corrective Document  
Reel #  Frame #

Conveyance Type

Assignment  License

Security Agreement  Nunc Pro Tunc Assignment

Merger  
Effective Date  
Month Day Year

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

Individual  General Partnership  Limited Partnership  If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

REEL: 002276 FRAME: 0580

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Registration Number(s)

<input type="text" value="2161199"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Sharon S. Patterson

*Sharon S. Patterson*

4/5/01

Name of Person Signing

Signature

Date Signed

**FIRST AMENDMENT TO  
CREDIT DOCUMENTS AND  
AGREEMENT REGARDING COLLATERAL AGENT**

This FIRST AMENDMENT TO CREDIT DOCUMENTS AND AGREEMENT REGARDING COLLATERAL AGENT ("Amendment") is dated as of March 30, 2001 and is entered into by and between Addus Healthcare, Inc., an Illinois corporation ("Addus"), each of the Subsidiaries of Addus (together with Addus, the "Borrowers"), W. Andrew Wright and Mark Heaney (together, the "Guarantors" and each, a "Guarantor"), Heller Healthcare Finance, Inc., a Delaware corporation ("Heller"), LaSalle Bank National Association, a national banking association ("LaSalle") and Bank of America, N.A., a national banking association ("B of A").

WHEREAS, Borrowers, LaSalle, as Administrative Agent and as a Bank and B of A, as Collateral Agent and as a Bank, are parties to a certain Amended and Restated Credit Agreement dated as of June 29, 2000 (the "Agreement");

WHEREAS, concurrently with the execution and delivery of this Amendment Heller is purchasing all of the Loans held by B of A and all of B of A's rights, benefits and obligations as a Bank under the Agreement;

WHEREAS, the parties hereto desire that Heller replace B of A as the Collateral Agent under the Agreement; and

WHEREAS, the parties desire to amend the Agreement in connection with the foregoing and in certain other respects, as hereinafter set forth.

NOW THEREFORE, in consideration of the mutual conditions and agreements set forth in the Agreement and this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Definitions.** Capitalized terms used in this Amendment, unless otherwise defined herein, shall have the meaning ascribed to such terms in the Agreement.

2. **Designation of Heller as Collateral Agent.** Pursuant to Section 10.7 of the Agreement, (a) B of A hereby resigns as the Collateral Agent under the Agreement, (b) the Banks hereby appoint Heller as the successor Collateral Agent under the Agreement and (c) Heller hereby accepts its appointment as the successor Collateral Agent under the Agreement. In connection with the foregoing, (i) Heller shall succeed to and become vested with all of the rights and duties of the Collateral Agent under the Agreement and the other Credit Documents, (ii) B of A shall be discharged from its duties and obligations under the Agreement and the other Credit Documents, (iii) all protective provisions of the Credit Documents shall inure to B of A's benefit as to any actions taken or omitted to be taken by B

of A while it served as Collateral Agent under the Credit Documents, (iv) subject to the terms and conditions of the Credit Documents, B of A shall remain responsible for the actions taken or omitted to be taken by B of A while it served as Collateral Agent under the Credit Documents, (v) Heller shall bear no responsibility whatsoever for the actions taken or omitted to be taken by B of A while it served as Collateral Agent under the Credit Documents, (vi) B of A agrees, upon the reasonable request of Heller, to take such additional actions and to execute and deliver such additional documents and instruments (including, without limitation, appropriate Uniform Commercial Code amendments no later than three Business Days from the date hereof) as Heller may reasonably request to effect Heller's succession as Collateral Agent under the Credit Documents and (vii) B of A represents and warrants to Heller that, while it has served as Collateral Agent under the Credit Documents, B of A has not executed any release or other discharge of any portion of the collateral securing the Obligations under the Credit Documents.

**3. Removal of Edens Medical Supply, LLC as a Borrower; Representations, Warranties and Covenants Regarding Arcadia Medical Products, Inc. and Arcadia Employee Services, Inc.**

(a) The parties hereto agree that, effective as of the date hereof, Edens Medical Supply, LLC ("Eden") shall no longer be a Borrower for any purposes under the Agreement or any other Credit Document. The foregoing shall not apply to any Obligations of Eden incurred prior to the date hereof. In connection with the foregoing, each other Borrower represents and warrants that (i) as of the date hereof, Edens does not own any Property and (ii) in connection with the distribution of all of Eden's Property, Addus received the portion of Eden's Property to which Addus was entitled as a member of Eden.

(b) Each Borrower hereby represents and warrants that, as of the date hereof, neither Arcadia Medical Products, Inc. nor Arcadia Employee Services, Inc. owns any Property. In addition, each Borrower hereby covenants and agrees that no Borrower shall permit either of Arcadia Medical Products, Inc. or Arcadia Employee Services, Inc. to own any Property or conduct any business from and after the date hereof.

**4. Amendments.** Subject to the conditions set forth below, the parties hereto hereby agree to the following amendments to the Credit Documents:

(a) Each reference to "Bank of America, N.A., as Collateral Agent" set forth in the Agreement and the other Credit Documents is hereby deleted and replaced with a reference to "Heller Healthcare Finance, Inc., as Collateral Agent".

(b) Section 2.1(d) of the Agreement is hereby amended and restated in its entirety, as follows:

"(d) *Agency Fees.* The Borrowers shall pay to the Collateral Agent a collateral management fee of \$87,500 per annum, which collateral management fee shall be (i) fully-earned as of March 30, 2001 and as of each

anniversary thereafter until the Revolving Loans and Term Loans are fully repaid and the Revolving Credit Termination Date has occurred and (ii) payable on a quarterly basis, with the first quarterly payment of \$21,875 due and payable on March 30, 2001 and a quarterly payment of \$21,875 due and payable on each June 30, September 30, December 31 and March 31 thereafter. The Borrowers shall pay to the Administrative Agent an administrative agency fee of \$10,000 per annum, which administrative agency fee shall be (i) fully-earned as of March 30, 2001 and as of each anniversary thereafter until the Revolving Loans and Term Loans are fully repaid and the Revolving Credit Termination Date has occurred and (ii) payable on a quarterly basis, with the first quarterly payment of \$2,500 due and payable on March 30, 2001 and a quarterly payment of \$2,500 due and payable on each June 30, September 30, December 31 and March 31 thereafter. "

(c) The following defined terms are hereby added to Section 4 of the Agreement in their appropriate respective alphabetical order, as follows:

" *Agents*" means, collectively, the Administrative Agent and the Collateral Agent.

" *Collateral Agent*" means Heller Healthcare Finance, Inc. and any successor pursuant to Section 10.7 hereof. "

(d) The defined term "Account" that is set forth in Section 4 of the Agreement is hereby amended and restated in its entirety, as follows:

" *Account*" shall mean, collectively, all of each Borrower's "accounts" as defined in the Illinois Uniform Commercial Code, including, without limitation, all of such Borrower's accounts receivable (including health-care-insurance receivables), all rights to payment for goods sold or leased or to be sold or leased (including all rights to returned or repossessed goods) or for services rendered at any time or for services to be rendered (including any rights to stoppage in transit, repossession and reclamation and other rights of an unpaid vendor or secured party), all rights under or evidenced by book debts, notes, bills drafts or acceptances, all instruments evidencing or relating to any of the foregoing, and all rights under security agreements, guarantees, indemnities and other instruments and contracts securing or otherwise relating to any of the foregoing, and in each case whether now owned or existing or hereafter acquired or arising. "

(e) The defined term "Applicable Margin" that is set forth in Section 4 of the Agreement is hereby amended and restated in its entirety, as follows:

" *Applicable Margin*" means (i) on any date, for any Domestic Rate Loan or Eurocurrency Loan advanced under the Revolving Credit, the rate per annum set forth below

in the Matrix with reference to the Fixed Charge Coverage Ratio calculated on a rolling four (4) fiscal quarters basis, as in effect on such date as determined pursuant to the provisions of the definition of Pricing Date:

<b>Revolver Tier</b>	<b>ROLLING FOUR (4) QUARTER FIXED CHARGE COVERAGE RATIO</b>	<b>EUROCURRENCY LOANS</b>	<b>DOMESTIC RATE LOANS</b>
<b>TIER I STATUS</b>	≥1.75x	2.75%	0.875%
<b>TIER II STATUS</b>	<1.75x to 1.50x	3.00%	1.00%
<b>TIER III STATUS</b>	<1.50x	3.125%	1.125%

(ii) on any date, for any Domestic Rate Loan or Eurocurrency Loan advanced as a Term Loan, the rate per annum set forth below in the Matrix with reference to the Fixed Charge Coverage Ratio calculated on a rolling four (4) fiscal quarters basis, as in effect on such date as determined pursuant to the provisions of the definition of Pricing Date:

<b>Term Tier</b>	<b>ROLLING FOUR (4) QUARTER FIXED CHARGE COVERAGE RATIO</b>	<b>EUROCURRENCY LOANS</b>	<b>DOMESTIC RATE LOANS</b>
<b>TIER I STATUS</b>	≥2.00x	4.35%	2.35%
<b>TIER II STATUS</b>	<2.00x to 1.75x	4.475%	2.475%
<b>TIER III STATUS</b>	<1.75x to 1.50x	4.60%	2.60%
<b>TIER IV STATUS</b>	<1.50x	4.75%	2.75% "

(f) The defined term "Account" that is set forth in Section 1 of the Security Agreement dated as of June 29, 2000 and made by the Borrowers in favor of the Collateral Agent is hereby amended and restated in its entirety, as follows:

" **Account**" shall mean, collectively, all of each Pledgor's "accounts" as defined in the Illinois Uniform Commercial Code, including, without limitation, all of such Pledgor's accounts receivable (including health-care-insurance receivables), all rights to payment for goods sold or leased or to be sold or leased (including all rights to returned or repossessed goods) or for services rendered at any time or for services to be rendered (including any rights to stoppage in transit, repossession and reclamation and other rights of an unpaid vendor or secured party), all rights under or evidenced by book debts, notes, bills drafts or acceptances, all instruments evidencing or relating to any of the foregoing, and all rights under security agreements, guarantees,

indemnities and other instruments and contracts securing or otherwise relating to any of the foregoing, and in each case whether now owned or existing or hereafter acquired or arising. "

5. **Conditions.** The effectiveness of this Amendment is subject to the following conditions precedent (unless waived in writing by Heller and LaSalle):

(a) Each party hereto shall have executed and delivered this Amendment;

(b) Heller shall have received each of the documents, instruments and other items identified on Schedule 4(a) attached hereto, in each case in form and substance satisfactory to Heller, and Heller and LaSalle shall have received such other documents and instruments as Heller or LaSalle may require;

(c) All proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be satisfactory to Heller and LaSalle and their respective legal counsel;

(d) No Default or Event of Default shall have occurred and be continuing;

(e) Borrowers shall have satisfied (i) the \$21,875 quarterly installment of the collateral management fee owing to Heller as of the date of this Amendment, (ii) the \$2,500 quarterly installment of the administrative agency fee owing to LaSalle as of the date of this Amendment and (iii) all of the fees and expenses of Agents and Banks incurred in connection with this Amendment; provided, that Borrowers shall not be responsible for any attorneys' fees incurred by B of A in connection with the negotiation, execution and delivery of this Amendment; and

(f) There shall have occurred no material adverse change in the business, operations, financial condition, profits or prospects of Borrowers and its Subsidiaries since the date of the most recent audited financial statements of Borrowers delivered to Heller and there shall have occurred no material adverse change in the financial condition or prospects of either Guarantor since June 29, 2000.

6. **Representations and Warranties of Borrowers and Guarantors.** To induce Agents and Banks to enter into this Amendment, each Borrower and each Guarantor represents and warrants to Agents and Banks that:

(a) the execution, delivery and performance of this Amendment has been duly authorized by all requisite corporate action on the part of each Borrower and that this Amendment has been duly executed and delivered by each Borrower;

(b) each of the representations and warranties set forth in Section 5 of the Agreement (other than those which, by their terms, specifically are made as of a certain date prior to the date hereof) are true and correct in all material respects as of the date hereof;

(c) each of the Credit Documents (true, correct and complete copies of which have been delivered to Heller) remains in full force and effect as of the date hereof and, except as set forth on Schedule 5(c) attached hereto, none of the Credit Documents have been amended, restated, supplemented or otherwise modified; and

(d) no Default or Event of Default exists as of the date hereof.

7. **Representations of Administrative Agent.** The Administrative Agent represents and warrants that:

(a) no payment default exists with respect to any Loan;

(b) the Administrative Agent has neither accelerated the payment of all or any portion of any Loan nor received a request from a Bank to accelerate all or any portion of any Loan; and

(c) the Administrative Agent has not (i) issued a notice of default to Borrowers under the Agreement or any other Credit Document, (ii) received a request from a Bank to issue a notice of default to Borrowers under the Agreement or any other Credit Document or (iii) granted a waiver or otherwise agreed to forbear with respect to any Default or Event of Default under the Agreement or any other Credit Document.

8. **Severability.** Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

9. **References.** Any reference to the Agreement contained in any document, instrument or agreement executed in connection with the Agreement shall be deemed to be a reference to the Agreement as modified by this Amendment.

10. **Patent, Trademark and License Mortgage.** For purposes of filing this Amendment with the United States Patent and Trademark Office, it is hereby confirmed that, for all purposes hereof, the term "Credit Documents" includes, without limitation, the Patent, Trademark and License Mortgage made by Borrowers in favor of Collateral Agent, dated as of June 29, 2000 and recorded with the United States Patent and Trademark Office as of July 20, 2000.

11. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall be one and the same instrument.

12. **Ratification.** The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions of the Credit Documents and



shall not be deemed to be a consent to the modification or waiver of any other term or condition of any Credit Document. Except as expressly modified and superseded by this Amendment, the terms and provisions of each Credit Document are ratified and confirmed and shall continue in full force and effect.

Schedule 4(a)  
Documentation to be Delivered to Heller

1. \$15,000,000 Revolving Note
2. \$ \_\_\_\_\_ Term Note
3. UCC-3 Amendments necessary to reflect "Heller Healthcare Finance, Inc., as Collateral Agent" as Secured Party with respect to each UCC-1 Financing Statements filed against the Borrowers
4. Assignments necessary to reflect "Heller Healthcare Finance, Inc., as Collateral Agent" as Assignee with respect to each item of federally-registered intellectual property owned by any Borrower
5. Original stock certificates, together with stock powers for the same, previously delivered by Borrowers to B of A in its capacity as Collateral Agent
6. Documentation necessary to reflect "Heller Healthcare Finance, Inc., as Collateral Agent" with respect to each insurance policy of Borrowers and with respect to each policy of key man life insurance covering any manager of Addus
7. Reliance Letter regarding opinion of counsel to Borrowers dated June 29, 2000
8. Opinion of counsel to Borrowers regarding, among other things, First Amendment, Assignment and Acceptance and Notes
9. Officer's and Individual's Certificates
10. Completed IRS Form 8821 for each Borrower
11. [UCC-3 Termination Statements with respect to UCC-1 financing statements attached to this Schedule 4(a)]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal and delivered by their respective duly authorized officers on the date first written above.

LASALLE BANK NATIONAL ASSOCIATION

By: Frances P. Dear  
Title: First VP

HELLER HEALTHCARE FINANCE, INC.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Borrowers:

Addus Healthcare, Inc., an Illinois corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

CC Acquisition Corporation

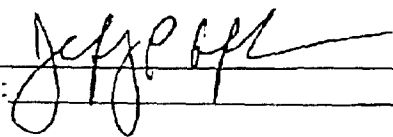
By: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal and delivered by their respective duly authorized officers on the date first written above.

LASALLE BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

HELLER HEALTHCARE FINANCE, INC.

By:  \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Borrowers:

Addus Healthcare, Inc., an Illinois corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

CC Acquisition Corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal and delivered by their respective duly authorized officers on the date first written above.

LASALLE BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

HELLER HEALTHCARE FINANCE, INC.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: Mary C. Laska  
Title: VP

Borrowers:

Addus Healthcare, Inc., an Illinois corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

CC Acquisition Corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal and delivered by their respective duly authorized officers on the date first written above.

LASALLE BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

HELLER HEALTHCARE FINANCE, INC.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Borrowers:

Addus Healthcare, Inc., an Illinois corporation

By: Ron Jazf  
Title: Assistant Secretary

CC Acquisition Corporation

By: Ron Jazf  
Title: Secretary

MHCS Incorporated

By: Ron J. [Signature]  
Title: Secretary

PHC Acquisition Corporation:

By: Ron J. [Signature]  
Title: Secretary

Professional Reliable Nursing Services, Inc.

By: Ron J. [Signature]  
Title: Secretary

San Francisco Home Care

By: Ron J. [Signature]  
Title: Secretary

Benefits Assurance Co., Inc.

By: Ron J. [Signature]  
Title: Secretary

ABC Medical Supply, Inc.

By: Ron J. [Signature]  
Title: Secretary

Impulse C.V. Stat d/b/a Superior Home Care

By: Ron J. Paul  
Title: Secretary

Arcadia Services, Inc.

By: Ron J. Paul  
Title: President

Arcadia Health Services, Inc.

By: Ron J. Paul  
Title: President

Arcadia Health Services of Michigan, Inc.

By: Ron J. Paul  
Title: President

Arcadia Staff Resources, Inc.

By: Ron J. Paul  
Title: President



Arcadia Employee Services, Inc.

By: Ron J. J. [Signature]  
Title: President

Arcadia Medical Products, Inc.

By: Ron J. J. [Signature]  
Title: President

Grayrose, Inc.

By: Ron J. J. [Signature]  
Title: President

ASR Staffing, Inc.

By: Ron J. J. [Signature]  
Title: President

Ft. Smith Home Health Agency, Inc. d/b/a  
Carenetwork of Ft. Smith

By: Ron J. J. [Signature]  
Title: Secretary

Hot Springs Home Health Agency, Inc. d/b/a  
Carenetwork of Hot Springs

By: Ron J. J. [Signature]  
Title: Secretary

Little Rock Home Health Agency, Inc. d/b/a  
Carenetwork of Little Rock

By: *Ron Jarp*  
Title: *Secretary*

Lowell Home Health Agency, Inc. d/b/a Carenetwork  
of Lowell

By: *Ron Jarp*  
Title: *Secretary*

Guarantors:

\_\_\_\_\_  
W. Andrew Wright

\_\_\_\_\_  
Mark Heaney

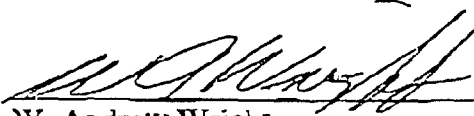
Little Rock Home Health Agency, Inc. d/b/a  
Carenetwork of Little Rock

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Lowell Home Health Agency, Inc. d/b/a Carenetwork  
of Lowell

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Guarantors:

  
\_\_\_\_\_  
W. Andrew Wright

\_\_\_\_\_  
Mark Heaney

DE : HOTEL CASA MAYA

NO. DE FAX : 01 9 8831168

32 MAR. 2001 21:22PM PZ

2507

Little Rock Home Health Agency, Inc. d/b/a  
Carenetwork of Little Rock

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Lowell Home Health Agency, Inc. d/b/a Carenetwork  
of Lowell

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Guarantors:

\_\_\_\_\_  
W. Andrew Wright

  
\_\_\_\_\_  
Mark Heaney