

07-17-2003

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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings

RE



102499219

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): NAME RITE, L.L.C. 30 HUNTER LANE CAMP HILL, PA 17011 [] Individual(s) [] Association [] General Partnership [] Limited Partnership [] Corporation-State [x] Other limited liability company

Additional name(s) of conveying party(ies) attached? [] Yes [x] No

3. Nature of conveyance: [] Assignment [] Merger [] Security Agreement [] Change of Name [x] Other Second Priority Subsidiary Security Agreement

Execution Date: MAY 28, 2003

2. Name and address of receiving party(ies) Name: Wilmington Trust Company, as Second Priority Internal Collateral Trustee Address: Radney Square North, Street Address: 1100 NORTH MARKET STREET City: WILMINGTON State: DE Zip: 19890

[] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [x] Corporation-State DELAWARE [] Other

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) Additional name(s) & address(es) attached? [] Yes [x] No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

PLEASE SEE

B. Trademark Registration No.(s)

ATTACHED

Additional number(s) attached [x] Yes [] No

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

Name: PENELOPE AGODOA

Internal Address: Federal Research Corporation

Street Address: 1030 Fifteenth Street NW, Suite 920

City: Washington State: D.C. Zip: 20005

6. Total number of applications and registrations involved: 63

7. Total fee (37 CFR 3.41): \$ 1590.00

[x] Enclosed [] Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.

Randi S. Aronow

Name of Person Signing

Signature

June 23, 2003

Date

Total number of pages including cover sheet, attachments, and document.

07/18/2003 STON11 00000076 2134953

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D. C. 20231

01 FC 8521 40.00 OP 02 FC 8522 1550.00 OP

TRADEMARK REEL: 002772 FRAME: 0556

RITE AID CORPORATION
FEDERAL TRADE/SERVICE MARK REGISTRATIONS

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
1-800-RITE AID	Reg. No. 2,134,953 February 3, 1998	Retail drug store services, in Class 42.	Name Rite, L.L.C.
BEAUTY THE RITE WAY	Reg. No. 2,243,537 May 4, 1999	Newsletters featuring information and tips on the subjects of beauty, cosmetics, skin care and health care, in Class 16; Providing advice related to cosmetics and beauty, in Class 41.	Name Rite, L.L.C.
BIG FIZZ	Reg. No. 2,480,732 August 21, 2001	Fruit flavored soft drinks, in Class 32.	Name Rite, L.L.C.
CANADA'S DOMINION RARE	Reg. No. 749,893 May 21, 1963	Canadian whisky, in Class 33.	Name Rite, L.L.C.
COMPLI-LINE	Reg. No. 1,987,679 July 16, 1996	Telephone advising and consulting service provided to pharmacy customers to assist them in complying with prescribed medical treatment, in Class 42.	Name Rite, L.L.C.
CRYSTAL LAKE	Reg. No. 2,362,972 June 27, 2000	Distilled bottled water, in Class 1; Bottled drinking water, in Class 32.	Name Rite, L.L.C.
DUNCAN SINCLAIR	Reg. No. 787,900 April 6, 1965	Scotch whisky, in Class 33.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
EAGLE MANAGED CARE	Reg. No. 2,302,313 December 21, 1999	Claims processing and insurance claims administration of prescription drug programs for third party payors, in Class 36; Distributorship services for computer software for prescription claims processing and pharmacy benefits management programs for third-party payors, in Class 42.	Name Rite, L.L.C.
ELSEWHERE	Reg. No. 2,480,686 August 21, 2001	Bath and spa products, namely, shower gel, body powder, body lotion, and fragrances, namely and body sprays, in Class 3.	Name Rite, L.L.C.
FIRST-CLASS PHARMACY Plus Design	Reg. No. 1,837,183 May 17, 1994	Mail order services featuring pharmaceuticals and other pharmacy merchandise, in Class 42.	Name Rite, L.L.C.
FLEXACIN	Reg. No. 2,579,782 June 11, 2002	Nutritional supplements for promoting bone and joint health, in Class 5.	Name Rite, L.L.C.
FOR YOUR LIFE RITE AID'S GOT IT	Reg. No. 2,115,340 November 25, 1997	Retail drug store services, in Class 42.	Name Rite, L.L.C.
GOOD HEALTH SOLUTIONS Plus Design	Reg. No. 2,628,803 October 1, 2002	Providing health information services in the fields of self-care, nutrition, wellness and disease prevention; and providing health care services, namely health and nutritional diagnostic tests, in Class 42.	Name Rite, L.L.C.
GRAY DRUG	Reg. No. 1,180,634 December 1, 1981	Retail drug store services, in Class 42.	Name Rite, L.L.C.
HARCO TOTAL CARE SICK ROOM SUPPLY SERVICE Plus Design	Reg. No. 1,227,039 February 8, 1983	Distributorship services and rental of sick room supplies and equipment, in Class 42.	Name Rite, L.L.C.
INTELL-RX	Reg. No. 1,782,893 July 20, 1993	Providing management services; namely, prescription drug utilization review, in Class 35.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
JALTA (Stylized)	Reg. No. 694,657 March 15, 1960	Vodka, in Class 33.	Name Rite, L.L.C.
K & B Plus Design	Reg. No. 954,207 February 27, 1973	Retail drug store services, in Class 42.	Name Rite, L.L.C.
K & B Plus Design	Reg. No. 1,165,074 August 11, 1981	Retail drug store services, in Class 42.	Name Rite, L.L.C.
LIFE CHECK	Reg. No. 2,507,320 November 13, 2001	Pharmacy services, namely, monitoring drug interaction, in Class 42.	Name Rite, L.L.C.
MAC ALPINE (Stylized)	Reg. No. 695,802 April 5, 1960	Scotch whisky, in Class 33.	Name Rite, L.L.C.
NITE AID	Reg. No. 2,225,533 February 23, 1999	Retail pharmacy and drug store services, in Class 35.	Name Rite, L.L.C.
OUTDOOR CHEF	Reg. No. 2,379,844 August 22, 2000	Barbecue grills and hibachis; fitted barbecue grill covers, in Class 11; Cooking skewers; barbecue grill cleaning brushes; barbecue forks, sold individually; barbecue hamburger turners, sold individually, in Class 21; Matches, in Class 34.	Name Rite, L.L.C.
OUTDOOR COMFORT	Reg. No. 2,352,244 May 23, 2000	Carry-all bags, tote bags, beach umbrellas, and fanny packs; in Class 18; Deck and patio furniture, in Class 20.	Name Rite, L.L.C.
OWNER'S CHOICE	Reg. No. 2,358,179 June 13, 2000	Pet foods, biscuits, treat and litter, in Class 31.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
PERFECT PAIRS	Reg. No. 2,427,245 February 6, 2001	Coupons for retail cosmetics and beauty products, in Class 16; Promoting the sale of cosmetics and beauty products of others through special pricing discounts and the distribution of coupons and/or membership discount cards, in Class 35; Providing rebates on the purchase of cosmetics and beauty products of others through the use of a membership card, special pricing rebates featuring combinations of specifically identified complementary products, in Class 36.	Name Rite, L.L.C.
PHOTO RITE	Reg. No. 2,352,455 May 23, 2000	Retail drug store services, namely a section in a retail store featuring photographic supplies and accessories, in Class 35; Photographic processing services, namely photofinishing, photographic printing and photographic enlarging services, in Class 40.	Name Rite, L.L.C.
POCKET MINTS	Reg. No. 2,633,060 October 8, 2002	Mints, in Class 30.	Name Rite, L.L.C.
PURE SPRING	Reg. No. 2,664,160 December 17, 2002	Bubble bath, bath gel, bath oil, bath powder, non-medicated bath salts, body cream, body oil, body powder, deodorant soap, skin moisturizer, shaving balm, after-shave lotions, hand, facial and body lotion, shower gels, body shampoos, and facial conditioner gels, excluding sanitizing hand wash and instant hand sanitizer with antibacterial properties, in Class 3.	Name Rite, L.L.C.
RAPIDSCRIPT	Reg. No. 2,493,022 September 25, 2001	Pharmacy services, in Class 42.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
READY RX	Reg. No. 2,161,704 June 2, 1998	Automated telephone prescription refill services, in Class 42.	Name Rite, L.L.C.
REVELATIONS	Reg. No. 1,809,431 December 7, 1993	Ice cream, in Class 30.	Name Rite, L.L.C.
RITE ADVICE	Reg. No. 2,161,703 June 2, 1998	Providing personalized information to customers regarding prescription drugs they have purchased, in Class 42.	Name Rite, L.L.C.
RITE AID	Reg. No. 1,280,221 May 29, 1984	Retail drug store services, in Class 42.	Name Rite, L.L.C.
RITE AID 10 MINUTE PRESCRIPTIONS Plus Design	Reg. No. 2,421,850 January 16, 2001	Pharmacy services, in Class 42.	Name Rite, L.L.C.
RITE AID COSMETICOS GARANTIA DE DEVOLUCION DE TU DINERO EN ¡SIN RIESGO! Plus Design	Reg. No. 2,387,615 September 19, 2000	Retail store services in the field of cosmetics, in Class 35.	Name Rite, L.L.C.
RITE AID COSMETICS MONEY BACK GUARANTEE IT'S RISK FREE Plus Design	Reg. No. 2,247,560 May 25, 1999	Retail store services in the field of cosmetics, in Class 35.	Name Rite, L.L.C.
RITE AID GARDEN RITE	Reg. No. 2,373,996 August 1, 2000	Fertilizer for domestic use; potting soil, in Class 1; Live flowers; live trees, live shrubs; living vegetable plants; flower bulbs; top soil; mulch and seeds for plants and flowers, in Class 31.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE AID INTERNET REFILLS WWW.RITEAID.COM Plus Design	Reg. No. 2,281,756 September 28, 1999	Retail pharmacy services rendered by means of a global computer network, in Class 42.	Name Rite, L.L.C.
RITE AID IT'S NOT JUST A STORE. IT'S A SOLUTION.	Reg. No. 2,275,996 September 7, 1999	Retail drugstore and pharmacy services, in Class 35.	Name Rite, L.L.C.
RITE AID PHARMACY CONNECTION Plus Design	Reg. No. 2,483,026 August 28, 2001	Retail pharmacy services, featuring remotely transmitted customer prescription orders and refills electronically via a remote kiosk, in Class 35.	Name Rite, L.L.C.
RITE AID Plus Design	Reg. No. 875,773 August 26, 1969	Mouthwash, toothpaste, denture cleanser, baby oil, personal deodorant, cream hair rinse, glycerin and rose water, bath oil, hair tonic, pre-electric shave lotion, after-shave lotion, in Class 3; Witch hazel, in Class 5.	Name Rite, L.L.C.
RITE AID Plus Design	Reg. No. 877,669 September 30, 1969	Iodine; peroxide; alcohol; salt tablets; aspirins; cough syrup, cold tablets and capsules; medicated rubbing compound; soda mint and antacid tablets; mineral oils; rectal suppositories; milk of magnesia; boric acid; powdered alum; camphorated oil; spirits of camphor; spirits of ammonia; peppermint, nitre and turpentine; castor oil; glycerin; medicated cream; and epsom salts, in Class 5	Name Rite, L.L.C.
RITE AID REFILLS BY PHONE Plus Design	Reg. No. 2,307,413 January 11, 2000	Providing retail pharmacy services through an interactive tone and/or voice response telephone system, in Class 42.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE AID SINGLE CHECK REBATES Plus Design	Reg. No. 2,216,866 January 12, 1999	Promoting the sales of products of others through an in-house product rebate program for a drug store, in Class 35.	Name Rite, L.L.C.
RITE AID VITAMIN INSTITUTE MAGAZINE	Reg. No. 2,304,222 December 28, 1999	Magazines in the field of health, vitamins and nutrition, in Class 16.	Name Rite, L.L.C.
RITE AID VITAMIN INSTITUTE Plus Design	Reg. No. 2,318,513 February 15, 2000	Vitamins and herbal supplements, in Class 5; Retail drug store services and promoting the sales of vitamins and herbal supplements through a product discount program, in Class 35; Educational services, namely, conducting classes and seminars in the vitamin and herbal supplement field, in Class 41.	Name Rite, L.L.C.
RITE EXPRESS	Reg. No. 1,866,572 December 6, 1994	Packaging articles for transportation, in Class 39.	Name Rite, L.L.C.
RITE EXPRESS	Reg. No. 1,924,009 October 3, 1995	Document photocopy and utility bill payment services, in Class 35; Providing money orders; prepaid debit telephone calling card services, in Class 36; Key duplicating services, in Class 37; Facsimile transmission services, in Class 38; Mailbox rental services, in Class 39; Laminating and photographs, cards, and the like; photo film development and photo printing services, in Class 40; Passport portrait photography, in Class 42.	Name Rite, L.L.C.
RITE REWARDS	Reg. No. 2,157,337 May 12, 1998	Promoting the sale of the goods of others through the administration of incentive award programs, in Class 35.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE TASTE	Reg. No. 2,062,350 May 13, 1997	Pretzels, thin pretzels, stick pretzels, corn and flour based chips, candy, cookies, cakes and pies, popped popcorn, candy-coated popped popcorn, candied nuts, granola-based snack bars and mixes, tortilla chips, and iced tea, in Class 30; Carbonated soft drinks, bottled water and fruit juices and drinks, in Class 32.	Name Rite, L.L.C.
SCOTTS GLEN	Reg. No. 720,102 August 15, 1961	Whisky, in Class 33.	Name Rite, L.L.C.
SENTINEL	Reg. No. 1,932,339 October 31, 1995	Smoker's articles, namely smoking tobacco and snuff, in Class 34.	Name Rite, L.L.C.
SOAKED IN CUDDLES	Reg. No. 2,696,306 March 11, 2003	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners, and hair shampoos, and skin care preparations, namely skin cleansers, skin cleansing bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Name Rite, L.L.C.
SOAKED IN TICKLES	Reg. No. 2,696,307 March 11, 2003	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners, and hair shampoos, and skin care preparations, namely skin cleansers, skin cleansing bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Name Rite, L.L.C.
SPECIAL OCCASION	Reg. No. 2,223,490 February 16, 1999	Ice cream, sherbet and frozen yogurt, in Class 30.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
SPORTSMAN (Stylized)	Reg. No. 637,987 December 4, 1956	Fishing tackle and equipment - namely, rods, line lures, leaders, leader material and hooks, both loose and snelled, in Class 28.	Name Rite, L.L.C.
THE DIABETES CONNECTION	Reg. No. 2,193,860 October 6, 1998	Consumer health information services in the field of diabetes and providing diabetes screening tests, in Class 42.	Name Rite, L.L.C.
THE RITE OF SPRING	Reg. No. 2,451,903 May 15, 2001	Candles, in Class 04; Candlesticks not of precious metal, pots, vases, porcelain figurines, and dishes, in Class 21.	Name Rite, L.L.C.
THRIFTY	Reg. No. 1,813,929 December 28, 1993	Frozen yogurt, frozen dairy dessert, ice cream, sherbet and frozen confections, in Class 30.	Name Rite, L.L.C.
TRYLON (Stylized)	Reg. No. 697,070 May 3, 1960	Badminton rackets, air mattresses, table tennis sets, table tennis balls, baseball gloves, fishing reels, fish hooks, fish line, snap swivels, fish rods, dry flies, lures, and golf balls, in Class 28.	Name Rite, L.L.C.
WITH US IT'S PERSONAL	Reg. No. 2,622,152 September 17, 2002	Retail pharmacy services, in Class 35.	Name Rite, L.L.C.
YULE RITE	Reg. No. 1,860,176 October 25, 1994	Electrified Christmas tree light bulbs and ornaments, in Class 11; Christmas tree decorations; Christmas tree ornaments and artificial Christmas wreaths, in Class 28.	Name Rite, L.L.C.

**RITE AID CORPORATION
STATE TRADE/SERVICE MARK REGISTRATIONS**

Mark	State	Registration No./Date	Description of Goods/Services	Current Record Owner
MONOGRAM 6	California	46,606 August 9, 1968	Whiskey, in Class 33.	Name Rite, L.L.C.
K-B	Louisiana	361,588 December 15, 1978	Retail merchandise, in Class 42.	Name Rite, L.L.C.
K-B	Louisiana	501,995 October 13, 1992	Retail drugstore and/or photo shop, in Class 5.	Name Rite, L.L.C.
K-B	Louisiana	501,996 October 13, 1992	Retail drugstore and/or photo shop, in Class 42.	Name Rite, L.L.C.
KB	Louisiana	361,548 December 15, 1978	Retail merchandise, in Class 42.	Name Rite, L.L.C.
KB	Louisiana	501,997 October 13, 1992	Retail drugstore and/or photo shop, in Class 5.	Name Rite, L.L.C.
KB	Louisiana	501,998 October 13, 1992	Retail drugstore and/or photo shop, in Class 42.	Name Rite, L.L.C.
KB Plus Design	Louisiana	501,991 October 13, 1992	Retail drugstore and/or photo shop, in Class 42.	Name Rite, L.L.C.

RITE AID CORPORATION
FOREIGN TRADE/SERVICE MARK REGISTRATIONS

Mark	Country	Reg. No./Ser. No. Reg./Filing Date	Description of Goods/Services	Current Record Owner
THRIFTY	Mexico	602,624 March 4, 1999	Ice cream, sherbet and frozen confectionery, in Class 30.	Name Rite, L.L.C.
THRIFTY	Mexico	518,855 March 18, 1996	Frozen dairy desserts, including frozen yogurt desserts, in Class 30.	Name Rite, L.L.C.
THRIFTY Plus Design	Mexico	426,602 November 17, 1992	Ice creams, in Class 30.	Name Rite, L.L.C.
THRIFTY Plus Design	Mexico	462,012 May 16, 1994	Commercialization of ice creams, pastries and confectionery, in Class 42.	Name Rite, L.L.C.

RITE AID CORPORATION
TRADEMARK LICENSE AGREEMENTS

Intra-Company License Agreements:

Wholesale Goods

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Rome Distribution Center, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Distributors, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of West Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of South Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Florida, Inc.

Stores and Retail Goods

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Alabama, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Connecticut, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Delaware, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Florida, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Georgia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Indiana, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Kentucky, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Keystone Centers, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Maryland, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Massachusetts, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Michigan, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New Hampshire, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New Jersey, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New York, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of North Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Ohio, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Pennsylvania, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Rhode Island, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of South Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Tennessee, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Vermont, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Washington, D.C., Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of West Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Drug Palace, Inc.

Third-Party License Agreements:

1. Between Rite Aid Corporation and KBS Enterprises, Inc. (grants rights to use K&B mark in connection with restaurant services offered by single retail location in Knoxville, Tennessee).
2. Between Rite Aid Corporation, through its wholly-owned subsidiary Name Rite, L.L.C., and Zenrin USA, Inc. (grants rights to use RITE AID and RITE AID Plus Shield Design for use in connection with car navigation software).

RITE AID CORPORATION
PENDING FEDERAL TRADE/SERVICE MARK APPLICATIONS

Mark	Serial No./ Filing Date/ Basis	Description of Goods/Services	Current Record Owner
INNER STRENGTH	76/503,283 March 31, 2003 Intent-to-Use	Printed publications, namely, magazines on the topic of diabetes, in Class 16.	Name Rite, L.L.C.
TRIM SUPPORT	76/491,624 February 20, 2003 Intent-to-Use	Dietary and nutritional supplements, in Class 5.	Name Rite, L.L.C.
BE HEALTHY & BEAUTIFUL	Ser. No. 76/460,487 October 18, 2002 Intent-to-Use	Magazine featuring topics on women's health and beauty, in Class 16.	Name Rite, L.L.C.
RITE AID PRESCRIPTION CONNECTION	Ser. No. 76/355,227 January 7, 2002 Intent-to-Use	Retail pharmacy services, featuring remotely transmitted physician prescription orders via a global computer network, in Class 35.	Name Rite, L.L.C.
RITE AID SILVER SAVERS DISCOUNT PROGRAM	Ser. No. 76/056,739 May 25, 2000 Intent-to-Use	Promoting the sale of pharmaceutical prescription products of others through a discount program, in Class 35.	Name Rite, L.L.C.
RITE SOLUTIONS	Ser. No. 76/355,373 January 7, 2002 Intent-to-Use	Educational services, namely, conducting classes, seminars and workshops on the subject of pharmaceuticals and disease management for individual consumers, and not for the management of prescription drug benefit insurance plans, or information or consultation relating thereto, or the satisfaction of federal training requirements for the responsible conduct of research, in Class 41.	Name Rite, L.L.C.

Mark	Serial No./ Filing Date/ Basis	Description of Goods/Services	Current Record Owner
ROYAL GLOW	Ser. No. 76/367,049 February 6, 2002 Use-based	Charcoal briquettes and charcoal lighter fluid, in Class 4.	Name Rite, L.L.C.
ROYAL GLOW	Ser. No. 76/366,049 February 5, 2002 Intent-to-Use	Barbecue grills, in Class 11. Utensils and accessories for barbecue grills, namely, grill cleaning tools and brushes, skewers, tongs, long-handled forks, spatulas, and grill top pans and trays, in Class 21. Lighters and charcoal tube starters, in Class 34	Name Rite, L.L.C.
SOAKED IN GIGGLES	Ser. No. 76/117,903 August 28, 2000 Intent-to-Use	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners and hair shampoos, and skin care preparations, namely skin cleansers, skin cleaning bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Mana Products, Inc. [To be assigned to Rite Aid pending filing and acceptance of Statement of Use]
SPECIAL SENTIMENTS	Ser. No. 76/416,638 May 31, 2002 Intent-to-Use	Photo albums, in Class 16; Picture frames, in Class 20.	Name Rite, L.L.C.
WHOLESOME TWOSOMES	Ser. No. 76/362,247 January 24, 2002 Intent-to-Use	Coupons for vitamins and nutritional supplements in Class 16. Promoting the sale of vitamins and nutritional supplements through special pricing discounts, the distribution of coupons, and/or membership discount cards, in Class 35. Providing rebates and/or discounts on the purchase of vitamins and nutritional supplements through the use of a membership card and/or special pricing rebates, in Class 36.	Name Rite, L.L.C.

SECOND PRIORITY SUBSIDIARY SECURITY AGREEMENT

SECOND PRIORITY SUBSIDIARY SECURITY AGREEMENT, dated as of June 27, 2001, as amended and restated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, this "Agreement"), made by the SUBSIDIARY GUARANTORS identified on the signature pages hereto and any other Person that becomes a Subsidiary Guarantor pursuant to the Senior Credit Agreement (as such term is defined below) (collectively, the "Grantors"), in favor of WILMINGTON TRUST COMPANY, a Delaware banking corporation, as collateral trustee (in such capacity, the "Second Priority Collateral Trustee") for the Second Priority Debt Parties.

Reference is made to (a) the Senior Credit Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, the "*Senior Credit Agreement*"), among Rite Aid Corporation, a Delaware corporation (the "*Borrower*"), the lenders from time to time party thereto (the "*Senior Lenders*"), Citicorp North America, Inc., a Delaware corporation, as administrative agent for the Senior Lenders, and JPMorgan Chase Bank, a New York banking corporation, as syndication agent for the Senior Lenders, and (b) the Second Priority Debt Documents (as defined in the Definitions Annex attached as Annex 2 hereto). Reference is also made to the Second Priority Subsidiary Security Agreement dated as of June 27, 2001 (as amended, supplemented or otherwise modified from time to time prior to the Restatement Effective Date, the "*Original Second Priority Subsidiary Security Agreement*") among the Subsidiary Guarantors identified on the signature pages thereto and each other Person that became a Subsidiary Guarantor pursuant to the Senior Credit Agreement prior to the Restatement Effective Date (collectively, the "*Original Grantors*") and the Second Priority Collateral Trustee (in such capacity, the "*Original Second Priority Collateral Trustee*"), pursuant to which the Original Grantors agreed to secure the Second Priority Debt Obligations (as defined in the Definitions Annex). The Original Grantors now wish to amend and restate the Original Second Priority Subsidiary Security Agreement in its entirety as set forth herein to secure the obligations of the Borrower under the Second Priority Debt Documents.

Each of the Subsidiary Guarantors has agreed to guarantee, among other things, all the obligations of the Borrower under the Second Priority Debt Documents. It is a condition precedent, among other conditions, to the effectiveness of the Second Priority Debt Documents that the Grantors execute and deliver an agreement in the form hereof to secure the Second Priority Debt Obligations.

Accordingly, the Grantors and the Second Priority Collateral Trustee, on behalf of itself and each Second Priority Debt Party (and each of their respective successors and assigns), hereby agree as follows:

SECTION 1. Defined Terms.

SECTION 1.01. *Definitions.* (a) Unless otherwise defined herein, capitalized terms used herein shall have the meanings given in the Definitions Annex attached as Annex 2 hereto (as amended, supplemented or otherwise modified from time to time), or if not defined therein as defined in the Second Priority Debt Documents. All terms defined in the New York UCC (as defined herein) and not defined in this Agreement shall have the meanings specified therein.

(b) The following terms shall have the following meanings:

“Accounts Receivable” means, with respect to each Grantor, all right, title and interest of such Grantor to Accounts and all of its right, title and interest in any returned goods, together with all rights, titles, securities and guaranties with respect thereto, including any rights to stoppage in transit, replevin, reclamation and resales, and all related security interests, liens and pledges, whether voluntary or involuntary in each case whether due or become due, whether now or hereafter arising in the future.

“Contracts” means, with respect to each Grantor, all rights of such Grantor under all contracts and agreements to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, supplemented or otherwise modified, including, without limitation, (a) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (b) all rights of such Grantor to damages arising out of, or for, breach or default in respect thereof and (c) all rights of such Grantor to exercise all remedies thereunder.

“Copyright License” means any written agreement, now or hereafter in effect, granting any right to any third party under any copyright now or hereafter owned by any Grantor or that such Grantor otherwise has the right to license, or granting any right to any Grantor under any copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

“Copyrights” means all of the following now owned or hereafter acquired by any Grantor: (a) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether as author, assignee, transferee or otherwise, and (b) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office.

“Deposit Account” means, collectively, (a) the Lockbox Account and (b) the Government Lockbox Account, as well as any demand, time, savings, passbook, or similar account maintained with a bank or other financial institution. The term “Deposit Account” shall not include investment property or accounts evidenced by an instrument.

“Event of Default” means an “Event of Default” as defined in any Second Priority Debt Document.

"Government Lockbox Account" means the deposit account and corresponding lockbox established and maintained with Mellon Bank, N.A., Account No.1037294 or another Government Lockbox Account Bank.

"Indemnitee" means the Second Priority Debt Parties and their respective officers, directors, trustees, affiliates and controlling Persons.

"Intellectual Property" means all inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

"Intercompany Advances" means any advances or open accounts owing by the Borrower or any Subsidiary to any Grantor.

"License" means any Patent License, Trademark License, Copyright License or other license or sublicense agreement to which any Grantor is a party.

"New York UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York.

"Patent License" means any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a patent, now or hereafter owned by any Grantor or that any Grantor otherwise has the right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement.

"Patents" means all of the following now owned or hereafter acquired by any Grantor: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or the equivalent thereof in any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or the equivalent thereof in any similar offices in any other country, and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

"Prescription Files" means, as to any Grantor, all right, title and interest of such Grantor in and to all prescription files maintained by it or on its behalf, including without limitation all patient profiles, customer lists, customer information and other records of prescriptions filed by it, in whatever form and wherever maintained by it or on its behalf, and all goodwill and other intangible assets arising from the maintenance of such records and the possession of information contained therein.

"Proceeds" means all "proceeds" as such term is defined in Section 9-102 of the New York UCC, and shall include (a) all cash and negotiable instruments received by or held on

behalf of the Second Priority Collateral Trustee, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement of any Patent now or hereafter owned by any Grantor, or licensed under a Patent License, (ii) past, present or future infringement or dilution of any Trademark now or hereafter owned by any Grantor or licensed under a Trademark License or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, (iii) past, present or future breach of any License and (iv) past, present or future infringement of any Copyright now or hereafter owned by any Grantor or licensed under a Copyright License and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Second Priority Collateral.

“*Second Priority Collateral*” is defined in Section 2 of this Agreement.

“*Second Priority Collateral Account*” means any collateral account established by the Second Priority Collateral Trustee as provided in Section 5.03 or Section 7.02.

“*Trademark License*” means any written agreement, now or hereafter in effect, granting to any third party any right to use any trademark now or hereafter owned by any Grantor or that any Grantor otherwise has the right to license, or granting to any Grantor any right to use any trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement.

“*Trademarks*” means all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, (b) all goodwill associated therewith or symbolized thereby and (c) all other assets, rights and interests that uniquely reflect or embody such goodwill.

SECTION 1.02. *Other Definitional Provisions.* (a) The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

SECTION 2. *Grant of Security Interest.* As security for the payment or performance, as the case may be, in full of the obligations under the Second Priority Debt Documents, each Grantor hereby assigns and pledges to the Second Priority Collateral Trustee, its successors and assigns, for the ratable benefit of the Second Priority Debt Parties, and hereby grants to the Second Priority Collateral Trustee, its successors and assigns, for the ratable benefit of the

Second Priority Debt Parties, a security interest, in all right, title or interest now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Second Priority Collateral"):

- (a) all Accounts Receivable and Chattel Paper;
- (b) all Deposit Accounts;
- (c) the Cash Management Accounts and the funds on deposit therein;
- (d) all Contracts;
- (e) all Documents;
- (f) all General Intangibles;
- (g) all Instruments;
- (h) all Intellectual Property;
- (i) all Inventory;
- (j) all Prescription Files;
- (k) all books and records pertaining to any and all of the foregoing; and

(l) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing.

Nothing contained in this Section 2 is intended to limit any Grantor's rights to create Permitted Liens (as defined below). Second Priority Collateral shall not include any property specified in Section 2(h) above if the granting of a security interest therein would jeopardize the Grantor's rights in any pending intent-to-use applications for Federal Trademark registration. Furthermore, notwithstanding anything herein to the contrary, in no event shall the security interest granted under this Section 2 attach to any lease, license, contract, property rights or agreement to which each Grantor is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of any Grantor therein or (ii) in a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity); provided however that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and, to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified in clause (i) or (ii) of this sentence.

Each Grantor hereby irrevocably authorizes the Second Priority Collateral Trustee at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements (including fixture filings) and amendments thereto without the signature of such Grantor in such form and in such filing offices as the Second Priority Collateral Trustee reasonably determines, that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment, including (a) whether the Grantor is an organization, the type of organization and any organizational identification number issued to the Grantor and (b) in the case of a financing statement filed as a fixture filing, a sufficient description of the real property to which such Second Priority Collateral relates. The Grantor agrees to provide such information to the Second Priority Collateral Trustee promptly upon request. In addition, each Grantor hereby authorizes and agrees that such financing statements may describe the Second Priority Collateral Trustee in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner as the Second Priority Collateral Trustee may determine, in its sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interest in the Second Priority Collateral granted to the Second Priority Collateral Trustee herein, including, without limitation, describing such property as "all assets now owned or hereafter acquired" or "all personal property now owned or hereafter acquired."

Each Grantor also ratifies its authorization for the Second Priority Collateral Trustee to file in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the Restatement Effective Date.

The Second Priority Collateral Trustee is further authorized to file filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the second priority security interest in the Second Priority Collateral granted by each Grantor hereunder, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Second Priority Collateral Trustee as secured party.

Upon the request of the Second Priority Collateral Trustee, the Grantors shall make such filings contemplated herein as the Second Priority Collateral Trustee reasonably requests.

Such security interests are granted as security only and shall not subject the Second Priority Collateral Trustee nor any Second Priority Debt Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Second Priority Collateral.

SECTION 3. *Representations and Warranties.* Each Grantor hereby represents and warrants, as to itself and the Second Priority Collateral in which the security interest is created hereunder, that:

SECTION 3.01. *Title; No Other Liens.* Except for the security interest granted to the Second Priority Collateral Trustee for the ratable benefit of the Second Priority Debt Parties pursuant to this Agreement and the other Liens permitted to exist pursuant to the Second Priority Debt Documents (the "*Permitted Liens*"), each Grantor owns each item of the Second Priority

Collateral free and clear of any and all Liens or claims of others (or arrangements reasonably satisfactory to the Second Priority Collateral Trustee have been made for the timely release or discharge of such Liens). No security agreement, financing statement or other public notice with respect to all or any part of such Second Priority Collateral is on file or of record in any public office, except such as have been filed or will be filed, pursuant to this Agreement, in favor of the Second Priority Collateral Trustee, for the ratable benefit of the Second Priority Debt Parties, or in respect of Permitted Liens (or arrangements reasonably satisfactory to the Second Priority Collateral Trustee have been made for the timely termination of such agreement or financing statement). Further, no Grantor has intentionally entered into any contract, lease or license in anticipation of this Agreement, which by its terms, validly prohibits the granting of a security interest in the Second Priority Collateral herein.

SECTION 3.02. *Enforceable Obligation; Perfected, First Priority Security Interests.*

This Agreement constitutes a legal, valid and binding obligation of each Grantor, enforceable against such Grantor in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally and except as enforceability may be limited by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and the security interests granted pursuant to this Agreement (a) upon completion of the filings and other actions contemplated by or specified in this Agreement (or in the case of Instruments, delivery to the Second Priority Collateral Trustee or its designee) shall constitute fully perfected security interests in the Second Priority Collateral in favor of the Second Priority Collateral Trustee for the ratable benefit of the Second Priority Debt Parties, and (b) are prior and superior in right to all other Liens (other than Permitted Liens, to the extent that such Permitted Liens are expressly permitted by the Second Priority Debt Documents to have priority) on the Second Priority Collateral in existence on the Restatement Effective Date.

SECTION 3.03. *Chief Executive Office; Jurisdiction of Incorporation.* As of the Restatement Effective Date, each Grantor's chief executive office, principal place of business and jurisdiction of incorporation is located at the locations listed in Schedule 4 hereto.

SECTION 3.04. *Farm Products.* None of the Second Priority Collateral constitutes, or is the Proceeds of, Farm Products (as such term is defined in the Uniform Commercial Code).

SECTION 3.05. *Intellectual Property.* (a) Schedule 2 lists all Intellectual Property owned (and registered with the U.S. Copyright Office or the U.S. Patent and Trademark Office) or licensed by such Grantor in its own name on the Restatement Effective Date.

(b) On the date hereof, based on information known, or reasonably available to such Grantor, all Intellectual Property material to the conduct of such Grantor's business is valid, subsisting, unexpired and enforceable, has not been abandoned and does not infringe the intellectual property rights of any other Person.

(c) Except as set forth in Schedule 2, on the Restatement Effective Date, none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor.

(d) On the Restatement Effective Date, based on information known, or reasonably available to such Grantor, no holding decision or judgment has been rendered by any Governmental Authority which would materially limit, cancel or question the validity of, or such Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect.

(e) Except as set forth on Schedule 2, on the Restatement Effective Date, no action or proceeding is pending, or, to the knowledge of such Grantor, threatened (i) seeking to materially limit, cancel or question the validity of any Intellectual Property material to the conduct of such Grantor's business or such Grantor's ownership interest therein, or (ii) which, if adversely determined, would have a material adverse effect on the value of any Intellectual Property.

SECTION 4. *Covenants.* Each Grantor covenants and agrees with the Second Priority Debt Parties that, from and after the Restatement Effective Date until this Agreement is terminated and the security interests created hereby are released:

SECTION 4.01. *Maintenance of Insurance.* Each Grantor shall maintain insurance policies in accordance with the requirements of the Second Priority Debt Documents.

SECTION 4.02. *Maintenance of Perfected Security Interest; Further Documentation.*
(a) Each Grantor shall maintain the security interests created by this Agreement as first priority perfected security interests subject only to Permitted Liens, to the extent such Permitted Liens are expressly permitted by the Second Priority Debt Documents to have priority, and shall defend such security interests against all claims and demands of all Persons whomsoever (other than those pursuant to Permitted Liens).

(b) At any time and from time to time, upon the written request of the Second Priority Collateral Trustee, and at the sole expense of a Grantor, such Grantor shall promptly and duly execute and deliver such further instruments and documents and take such further action as the Second Priority Collateral Trustee may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the security interests created hereby.

(c) No Grantor shall intentionally enter into any contract, lease or license which by its terms would validly prohibit the grant of a security interest in the Second Priority Collateral under this Agreement.

SECTION 4.03. *Changes in Locations, Name, etc.* Each Grantor agrees promptly to notify the Second Priority Collateral Trustee in writing of any change (i) in its corporate name, (ii) in the location of its chief executive office or its principal place of business, (iii) in its identity or type of organization, (iv) in its Federal Taxpayer Identification Number or organizational identification number or (v) in its jurisdiction of organization. Each Grantor agrees to promptly provide the Second Priority Collateral Trustee with certified organizational documents reflecting any of the changes described in the preceding sentence. Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings

have been made under the Uniform Commercial Code or otherwise that are required in order for the Second Priority Collateral Trustee to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Second Priority Collateral.

SECTION 4.04. *Further Identification of Second Priority Collateral.* Each Grantor shall furnish to the Second Priority Collateral Trustee from time to time statements and schedules further identifying and describing the Second Priority Collateral and such other reports in connection with such Second Priority Collateral as the Second Priority Collateral Trustee may reasonably request, all in reasonable detail.

SECTION 4.05. *Notices.* A Grantor shall advise the Second Priority Collateral Trustee promptly, in reasonable detail, in accordance with Section 11 hereof, of:

(a) any Lien (other than security interests created hereby or Permitted Liens) on any material portion of the Second Priority Collateral; and

(b) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the security interests created hereby or on the aggregate value of the Second Priority Collateral.

SECTION 4.06. *Second Priority Collateral Trustee's Liabilities and Expenses; Indemnification.* (a) Notwithstanding anything to the contrary provided herein, neither the Second Priority Collateral Trustee nor any other Second Priority Debt Party assumes any liabilities with respect to any claims regarding each Grantor's ownership (or purported ownership) of, or rights or obligations (or purported rights or obligations) arising from, the Second Priority Collateral or any use (or actual or alleged misuse) whether arising out of any past, current or future event, circumstance, act or omission or otherwise, or any claim, suit, loss, damage, expense or liability of any kind or nature arising out of or in connection with the Second Priority Collateral or the production, marketing, delivery, sale or provision of goods or services under or in connection with any of the Second Priority Collateral. All of such liabilities shall, as between the Second Priority Collateral Trustee, the Second Priority Debt Parties and the Grantors, be borne exclusively by the Grantors unless such liability arises from the gross negligence or willful misconduct of the Second Priority Collateral Trustee or any Second Priority Debt Party.

(b) Each Grantor hereby agrees to pay all reasonable expenses of the Second Priority Collateral Trustee and the other Second Priority Debt Parties and to indemnify the Second Priority Collateral Trustee and the other Second Priority Debt Parties with respect to any and all losses, claims, damages, liabilities and related expenses in respect of this Agreement or the Second Priority Collateral in each case to the extent and under the circumstances the Borrower is required to do so pursuant to the Second Priority Debt Documents.

(c) Any amounts payable as provided hereunder shall be additional Second Priority Debt Obligations secured hereby and by the other Second Priority Debt Documents. Without prejudice to the survival of any other agreements contained herein, all indemnification and reimbursement obligations contained herein shall survive the payment in full of the principal and

interest and other amounts due under the Second Priority Debt Documents and the termination of this Agreement.

SECTION 4.07. *Intellectual Property.* (a) Each relevant Grantor (either itself or through licensees) will (i) continue to use each Trademark material to the conduct of such Grantor's business, to the extent that such Grantor's business operations continue as to the said goods and/or services (subject to such Grantor's reasonable business judgment), sufficient to avoid unintentional abandonment of any rights in such Trademarks, (ii) maintain as in the past the quality of products and services offered under such Trademark, (iii) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable law, (iv) not knowingly adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Second Priority Collateral Trustee, for the ratable benefit of the Second Priority Debt Parties, shall obtain a perfected security interest in such mark pursuant to this Agreement, and (v) not knowingly (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark material to the conduct of Grantor's business may become invalidated or impaired in any way.

(b) Such Grantor (either itself or through licensees) will not do any act, or omit to do any act, whereby any Patent material to the conduct of Grantor's business may become forfeited, abandoned or dedicated to the public.

(c) Such Grantor (either itself or through licensees) will not knowingly (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any portion of the Copyrights material to the conduct of Grantor's business may become invalidated or otherwise impaired or fall into the public domain.

(d) Such Grantor (either itself or through licensees) will not do any act that knowingly uses any material Intellectual Property to infringe the intellectual property rights of any other Person.

(e) In a status report provided to the Second Priority Collateral Trustee on a quarterly basis ("*Quarterly Status Report*"), such Grantor will indicate whether any application or registration relating to any material Intellectual Property has been forfeited, abandoned or dedicated to the public, or of any such determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country) regarding such Grantor's ownership of, or the validity of, any material Intellectual Property or such Grantor's right to register the same or to own and maintain the same.

(f) In the Quarterly Status Report provided to the Second Priority Collateral Trustee pursuant to Section 4.07(e), such Grantor will report whenever such Grantor, either by itself or through any agent, employee, licensee or designee, has filed an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof. Upon request of the Second Priority Collateral Trustee, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the

Second Priority Collateral Trustee may request to evidence the Second Priority Collateral Trustee's and Second Priority Debt Parties' security interest in any Copyright, Patent or Trademark and the goodwill and general intangibles of such Grantor relating thereto or represented thereby.

(g) Such Grantor will take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the Intellectual Property material to the conduct of Grantor's business, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(h) In the event that any Intellectual Property material to the conduct of Grantor's business is infringed, misappropriated or diluted by a third party, such Grantor shall (i) take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property and (ii) if such Intellectual Property is of material economic value, promptly notify the Second Priority Collateral Trustee after it learns thereof and take all reasonable steps to protect its interests, which may include bringing suit for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.

SECTION 5. Provisions Relating to Accounts.

SECTION 5.01. *Grantors Remain Liable under Accounts.* Anything herein to the contrary notwithstanding, a Grantor shall remain liable under each of the Accounts to observe and perform all the material conditions and material obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Account. No Second Priority Debt Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Second Priority Collateral Trustee or any Second Priority Debt Party of any payment relating to such Account pursuant hereto, nor shall any Second Priority Debt Party be obligated in any manner to perform any of the obligations of a Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto), to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

SECTION 5.02. *Analysis of Accounts.* In addition to its rights under the Second Priority Debt Documents, the Second Priority Collateral Trustee shall have the right upon the occurrence and during the continuance of an Event of Default to make test verifications of the Accounts in any manner and through any medium that it considers reasonably advisable, and each Grantor shall furnish all such assistance and information as the Second Priority Collateral Trustee may reasonably require in connection with such test verifications. At any time and from time to time upon the occurrence and during the continuance of an Event of Default, upon the Second Priority Collateral Trustee's reasonable request and at the expense of each Grantor, each Grantor shall

immediately request and use commercially reasonable efforts to cause independent public accountants or others reasonably satisfactory to the Second Priority Collateral Trustee to furnish to the Second Priority Collateral Trustee reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts. Upon the occurrence and during the continuance of an Event of Default, the Second Priority Collateral Trustee in its own name or in the name of others may communicate with Account Debtors on the Accounts to verify with them to the Second Priority Collateral Trustee's reasonable satisfaction the existence, amount and terms of any Accounts and to direct all payments to the Second Priority Collateral Trustee. To the extent reasonably practicable the Second Priority Collateral Trustee will seek to take such actions through third parties.

SECTION 5.03. *Collections on Accounts.* (a) The Second Priority Collateral Trustee hereby authorizes each Grantor to collect the Accounts, and the Second Priority Collateral Trustee may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required by the Second Priority Collateral Trustee at any time after the occurrence and during the continuance of an Event of Default, any payments of Accounts, when collected by a Grantor during the continuance of such an Event of Default, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to the Second Priority Collateral Trustee if required, in a Second Priority Collateral Account maintained under the sole dominion and control of and on terms and conditions reasonably satisfactory to the Second Priority Collateral Trustee, subject to withdrawal by the Second Priority Collateral Trustee as provided in Section 7.03, and (ii) until so turned over, shall be held by such Grantor in trust for the Second Priority Debt Parties, segregated from other funds of such Grantor.

(b) At the Second Priority Collateral Trustee's request after the occurrence and during the continuance of an Event of Default, each Grantor shall deliver to the Second Priority Collateral Trustee all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Accounts, including, without limitation, all original orders, invoices and shipping receipts.

SECTION 5.04. *Representations and Warranties.* As of the Restatement Effective Date, the place where each Grantor keeps its records concerning the Accounts is at the location listed in Schedule 1 hereto.

SECTION 5.05. *Covenants.* (a) The amount represented by each Grantor to the Second Priority Debt Parties from time to time as owing by each account debtor or by all Account Debtors in respect of the Accounts shall at such time be in all material respects the correct amount actually owing by such Account Debtor or debtors thereunder.

(b) Upon the occurrence and during the continuance of an Event of Default, a Grantor shall not grant any extension of the time of payment of any of the Accounts Receivable, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon other than extensions, credits, discounts, compromises or settlements granted or made in the ordinary course of business.

(c) Unless a Grantor shall deliver prior written notice, identifying the change of location for its books and records, such Grantor shall not remove its books and records from the location specified in Schedule 1.

SECTION 6. Provisions Relating to Contracts.

SECTION 6.01. *Grantors Remain Liable under Contracts.* Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each Contract to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with and pursuant to the terms and provisions of such Contract. No Second Priority Debt Party shall have any obligation or liability under any Contract by reason of or arising out of this Agreement or the receipt by any such Second Priority Debt Party of any payment relating to such Contract pursuant hereto, nor shall any Second Priority Debt Party be obligated in any manner to perform any of the obligations of a Grantor under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

SECTION 6.02. *Communication With Contracting Parties.* Upon the occurrence and during the continuance of an Event of Default, the Second Priority Collateral Trustee in its own name or in the name of its nominee may communicate with parties to the Contracts to verify with them to the Second Priority Collateral Trustee's reasonable satisfaction the existence, amount and terms of any Contracts. To the extent reasonably practicable the Second Priority Collateral Trustee will seek to take such actions through third parties.

SECTION 7. Remedies.

SECTION 7.01. *Notice to Account Debtors and Contract Parties.* Upon the request of the Second Priority Collateral Trustee at any time after the occurrence and during the continuance of an Event of Default, a Grantor shall notify Account Debtors on the Accounts and parties to the Contracts that the Accounts and the Contracts have been assigned to the Second Priority Collateral Trustee for the ratable benefit of the Second Priority Debt Parties and that payments in respect thereof during the continuance of such an Event of Default shall be made directly to the Second Priority Collateral Trustee.

SECTION 7.02. *Proceeds to be Turned Over To Second Priority Collateral Trustee.* In addition to the rights of the Second Priority Collateral Trustee and the Second Priority Debt Parties specified in Section 5.03 with respect to payments of Accounts, if an Event of Default shall occur and be continuing all Proceeds received by a Grantor consisting of cash, checks and other near-cash items shall upon the Second Priority Collateral Trustee's request be held by such Grantor in trust for the Second Priority Debt Parties, segregated from other funds of such Grantor, and shall, upon the Second Priority Collateral Trustee's request (it being understood that the exercise of remedies by the Second Priority Debt Parties in connection with an Event of Default under the Second Priority Debt Documents shall be deemed to constitute a request by the Second Priority Collateral Trustee for the purposes of this sentence) forthwith upon receipt by such Grantor, be turned over to the Second Priority Collateral Trustee in the exact form received

by such Grantor (duly indorsed by such Grantor to the Second Priority Collateral Trustee, if required) and held by the Second Priority Collateral Trustee in a Second Priority Collateral Account maintained under the sole dominion and control of the Second Priority Collateral Trustee and on terms and conditions reasonably satisfactory to the Second Priority Collateral Trustee. All Proceeds while held by the Second Priority Collateral Trustee in a Second Priority Collateral Account (or by such Grantor in trust for the Second Priority Collateral Trustee and the Second Priority Debt Parties) shall subject to Section 7.03 continue to be held as collateral security for all the Second Priority Debt Obligations, and shall not constitute payment thereof until applied as provided in Section 7.03.

SECTION 7.03. *Application of Proceeds.* (a) So long as the Collateral Trust and Intercreditor Agreement is in effect, following a Triggering Event (as defined therein), the proceeds of any sale or other realization upon any Collateral will be applied as set forth in the Collateral Trust and Intercreditor Agreement.

(b) At all times when the Collateral Trust and Intercreditor Agreement is not in effect, the proceeds of any sale or other realization upon any Collateral following an Event of Default will be applied as soon as practicable after receipt as follows:

FIRST: to the Second Priority Collateral Trustee in an amount equal to the fees and expenses of the Second Priority Collateral Trustee pursuant to this Agreement and the Second Priority Debt Documents that are unpaid as of the applicable date of receipt of such proceeds, and to any Second Priority Debt Party which has theretofore advanced or paid any such fees and expenses of the Second Priority Collateral Trustee in an amount equal to the amount thereof so advanced or paid by such Second Priority Debt Party pro rata based on the amount of such fees and expenses (or such advances or payment);

SECOND: to the Second Priority Collateral Trustee to reimburse any amounts owing to the Second Priority Collateral Trustee pursuant to Section 8.03;

THIRD: to the trustee, administrative agent, security agent, or similar agent under each Second Priority Debt Facility, if any, in an amount equal to the fees thereof which are unpaid as of the applicable Distribution Date and to any Second Priority Debt Party which has theretofore advanced or paid any such fees in an amount equal to the amount thereof so advanced or paid, pro rata based on the amounts of such fees (or such advance or payment);

FOURTH: to the trustee, administrative agent, security agent or similar agent under each Second Priority Debt Facility and to any Second Priority Debt Party to reimburse such Second Priority Representative or such Second Priority Debt Party for the amount of any advance made pursuant to Section 2.04 of the Collateral Trust and Intercreditor Agreement (with interest thereon at the Default Rate), pro rata based on the amounts so advanced;

FIFTH: to the trustee, administrative agent, security agent or similar agent under each Second Priority Debt Facility for distribution to the Second Priority Debt Parties to be applied to the payment of the Second Priority Debt Obligations, pro rata based on the

amount of the Second Priority Debt Obligations then due and owing, until all the Second Priority Debt Obligations have been paid in full; and

SIXTH: after payment in full of all Secured Obligations, to Rite Aid and the Subsidiary Guarantors or their successors or assigns, as their interests may appear, or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

SECTION 7.04. *Uniform Commercial Code Remedies.* If an Event of Default shall have occurred and be continuing, the Second Priority Collateral Trustee, on behalf of the Second Priority Debt Parties may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Second Priority Debt Obligations, all rights and remedies of a senior secured party under the Uniform Commercial Code. Without limiting the generality of the foregoing, the Second Priority Collateral Trustee, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon a Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Second Priority Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Second Priority Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of any Second Priority Debt Party or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Any Second Priority Debt Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Second Priority Collateral so sold, free of (to the extent permitted by law) any right or equity of redemption in a Grantor, which right or equity is hereby, to the extent permitted by law, waived or released. Each Grantor further agrees, at the Second Priority Collateral Trustee's request, to assemble the Second Priority Collateral and make it available to the Second Priority Collateral Trustee at places which the Second Priority Collateral Trustee shall reasonably select, whether at such Grantor's premises or elsewhere. The Second Priority Collateral Trustee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses incurred therein or incidental to the care or safekeeping of any of such Second Priority Collateral or reasonably relating to such Second Priority Collateral or the rights of the Second Priority Collateral Trustee and the Second Priority Debt Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Second Priority Debt Obligations, in accordance with Section 7.03, and only after such application and after the payment by the Second Priority Collateral Trustee of any other amount required by any provision of law, including, without limitation, Section 9-615(a)(3) of the Uniform Commercial Code, need the Second Priority Collateral Trustee account for the surplus, if any, to such Grantor. If any notice of a proposed sale or other disposition of such Second Priority Collateral shall be required by law, such notice shall be in writing and deemed reasonable and proper if given at least 10 days before such sale or other disposition.

The Second Priority Collateral Trustee shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of the Second Priority Collateral by the Second Priority Collateral Trustee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Second Priority Collateral Trustee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Second Priority Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Second Priority Collateral Trustee or such officer or be answerable in any way for the misapplication thereof.

SECTION 7.05. *Grant of License to Use Intellectual Property.* For the purpose of enabling the Second Priority Collateral Trustee to exercise rights and remedies under this Article at such time as the Second Priority Collateral Trustee shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Second Priority Collateral Trustee an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sub-license any of the Second Priority Collateral consisting of Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Second Priority Collateral Trustee shall be exercised, at the option of the Second Priority Collateral Trustee, solely upon the occurrence and during the continuation of an Event of Default; *provided* that any license, sub-license or other transaction entered into by the Second Priority Collateral Trustee in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

SECTION 7.06. *Waiver; Deficiency.* Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Second Priority Collateral are insufficient to pay the Second Priority Debt Obligations and the reasonable fees and disbursements of any attorneys employed by any Second Priority Debt Party to collect such deficiency.

SECTION 8. *Second Priority Collateral Trustee's Appointment as Attorney-in-Fact; Second Priority Collateral Trustee's Performance of Grantors' Obligations.*

SECTION 8.01. *Powers.* Each Grantor hereby irrevocably constitutes and appoints the Second Priority Collateral Trustee and any officer or agent thereof, with full power of substitution, during the continuance of an Event of Default, as its true and lawful attorney-in-fact, with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name from time to time in the Second Priority Collateral Trustee's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, such Grantor hereby gives the Second Priority Collateral Trustee the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do the following upon the occurrence and during the continuance of an Event of Default:

(a) in the name of such Grantor or its own name, or otherwise, to take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account, Instrument, General Intangible or Contract or with respect to any other Second Priority Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Second Priority Collateral Trustee for the purpose of collecting any and all such moneys due under any Account, Instrument, General Intangible or Contract or with respect to any other Second Priority Collateral whenever payable;

(b) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Second Priority Collateral Trustee may request to evidence the Second Priority Collateral Trustee's and the Second Priority Debt Parties' security interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(c) to pay or discharge taxes and Liens levied or placed on or threatened against the Second Priority Collateral (other than Permitted Liens), to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or any part of the premiums therefor and the costs thereof;

(d) to execute, in connection with any sale provided for in Section 7.04 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Second Priority Collateral;

(e) (i) to direct any party liable for any payment under any of the Second Priority Collateral to make payment of any and all moneys due or to become due thereunder directly to the Second Priority Collateral Trustee or as the Second Priority Collateral Trustee shall direct; (ii) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Second Priority Collateral; (iii) to sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Second Priority Collateral; (iv) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Second Priority Collateral or any thereof and to enforce any other right in respect of any Second Priority Collateral; (v) to defend any suit, action or proceeding brought against any Grantor with respect to any Second Priority Collateral Trustee; (vi) to settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, to give such discharges or releases as the Second Priority Collateral Trustee may deem appropriate; (vii) to the extent permitted by applicable law, assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains); and (viii) generally, to use, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Second Priority Collateral Trustee as fully and completely as though the Second Priority Collateral Trustee were the absolute owner thereof for all purposes, and to do, at the Second Priority Collateral Trustee's option and at the expense of such Grantor, at any time, or from time

to time, all acts and things which the Second Priority Collateral Trustee reasonably deems necessary to protect, preserve or realize upon such Second Priority Collateral and the Second Priority Collateral Trustee's and the Second Priority Debt Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do; and

(f) to file any Uniform Commercial Code financing statement, or to take such other steps, required to perfect or confirm the perfection of any security interest described herein.

SECTION 8.02. *Performance by Second Priority Collateral Trustee of Grantor's Obligations.* If any Grantor fails to perform or comply with any of its agreements contained herein, the Second Priority Collateral Trustee, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

SECTION 8.03. *Grantor's Reimbursement Obligation.* The expenses of the Second Priority Collateral Trustee and any other Second Priority Debt Party, as applicable, reasonably incurred in connection with actions undertaken as provided in this Section 8, together with interest thereon at a rate per annum equal to the Default Rate, from the date payment is demanded by the Second Priority Collateral Trustee to the date reimbursed by such Grantor, shall be payable by the Borrower to the Second Priority Collateral Trustee on demand.

SECTION 8.04. *Ratification; Power Coupled With An Interest.* Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

SECTION 9. *Duty of Second Priority Collateral Trustee.* The Second Priority Collateral Trustee's sole duty with respect to the custody, safekeeping and physical preservation of the Second Priority Collateral in its possession, under Section 9-207 of the Uniform Commercial Code or otherwise, shall be to deal with it in the same manner as the Second Priority Collateral Trustee deals with similar property for its own account. No Second Priority Debt Party nor any of its respective directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon any of the Second Priority Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Second Priority Collateral upon the request of a Grantor or any other Person or to take any other action whatsoever with regard to the Second Priority Collateral or any part thereof. The powers conferred on the Second Priority Debt Parties hereunder are solely to protect the Second Priority Debt Parties' interests in the Second Priority Collateral and shall not impose any duty upon any Second Priority Debt Party to exercise any such powers. The Second Priority Debt Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or wilful misconduct.

SECTION 10. *Authority of Second Priority Collateral Trustee.* Each Grantor acknowledges that the rights and responsibilities of the Second Priority Collateral Trustee under

this Agreement with respect to any action taken by the Second Priority Collateral Trustee or the exercise or non-exercise by the Second Priority Collateral Trustee of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Second Priority Collateral Trustee and the other Second Priority Debt Parties, be governed by the Second Priority Debt Documents and by such other agreements with respect thereto as may exist from time to time among them but, as between the Second Priority Collateral Trustee and the Grantors, the Second Priority Collateral Trustee shall be conclusively presumed to be acting as agent for the other Second Priority Debt Parties with full and valid authority so to act or refrain from acting.

SECTION 11. *Notices.* All notices, requests and demands to or upon the Second Priority Debt Parties or the Grantors under this Agreement shall be given or made in accordance with Section 15 of the Second Priority Subsidiary Guarantee Agreement and addressed as follows:

(a) if to the Second Priority Collateral Trustee, in accordance with Section 8.02 of the Collateral Trust and Intercreditor Agreement;

(b) if to any Grantor, c/o the Borrower at the address of the Borrower specified in Section 8.02 of the Collateral Trust and Intercreditor Agreement;

SECTION 12. *Security Interest Absolute.* Subject to Section 18 hereof, all rights of the Second Priority Collateral Trustee hereunder, the security interest and all obligations of the Grantors hereunder shall be absolute and unconditional.

SECTION 13. *Survival of Agreement.* All covenants, agreements, representations and warranties made by any Grantor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Second Priority Debt Document shall be considered to have been relied upon by the Second Priority Debt Parties and shall survive the execution and delivery to the Second Priority Debt Parties of the Second Priority Debt Documents, regardless of any investigation made by the Second Priority Debt Parties or on their behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Second Priority Obligation, or any fee or any other amount payable under or in respect of this Agreement or any other Second Priority Debt Document is outstanding and unpaid.

SECTION 14. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION, DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY LITIGATION, ACTION OR OTHER PROCEEDING SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE

OTHER SENIOR LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 14.

SECTION 15. *Jurisdiction; Consent to Service of Process.* (a) Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Second Priority Debt Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any Obligor or any Second Priority Debt Party may otherwise have to bring any action or proceeding relating to this Agreement or the other Second Priority Debt Documents against any Grantor or any Second Priority Debt Party or its properties in the courts of any jurisdiction.

(b) Each Grantor and each Second Priority Debt Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Second Priority Debt Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 11. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 16. *Release.* (a) This Agreement and the security interest created hereunder shall terminate when all Second Priority Debt Obligations have been fully and indefeasibly paid, at which time the Second Priority Collateral Trustee shall execute and deliver to each Grantor, or to such Person or Persons as such Grantor shall reasonably designate, all Uniform Commercial Code termination statements and similar documents prepared by such Grantor at its expense which such Grantor shall reasonably request to evidence such termination. Moreover, the security interest hereunder shall terminate with respect to an individual Second Priority Debt Obligation when that individual Second Priority Debt Obligation has been fully and indefeasibly paid. Any execution and delivery of termination statements or documents pursuant to this Section 16(a) shall be without recourse to or warranty by the Second Priority Collateral Trustee.

(b) All Second Priority Collateral used, sold, transferred or otherwise disposed of in accordance with the terms of the Second Priority Debt Documents (including pursuant to a waiver or amendment of the terms thereof) shall be used, sold, transferred or otherwise disposed of free and clear of the Lien and the security interest created hereunder. In connection with the foregoing, (i) the Second Priority Collateral Trustee shall execute and deliver to each Grantor, or to such Person or Persons as such Grantor shall reasonably designate, all Uniform Commercial

Code termination statements and similar documents prepared by such Grantor at its expense which such Grantor shall reasonably request to evidence the release of the Lien and security interest created hereunder with respect to such Second Priority Collateral and (ii) any representation, warranty or covenant contained herein relating to such Second Priority Collateral shall no longer be deemed to be made with respect to such used, sold, transferred or otherwise disposed Second Priority Collateral.

SECTION 17. *Severability.* Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereunder shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 18. *Collateral Trust and Intercreditor Agreement.* Notwithstanding any provision to the contrary contained herein, the terms of this Agreement, the Liens created hereby, and the rights and remedies of the Second Priority Collateral Trustee and the Second Priority Debt Parties hereunder, are subject to the Collateral Trust and Intercreditor Agreement and subordinated as provided therein.

SECTION 19. *Amendments in Writing; No Waiver.* (a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Grantors and the Second Priority Collateral Trustee, *provided* that (i) any provision of this Agreement may be waived by the Second Priority Instructing Group pursuant to a letter or agreement executed by the Second Priority Collateral Trustee or by telecopy transmission from the Second Priority Collateral Trustee, in either case with the prior written consent of the Second Priority Instructing Group and (ii) any amendment or waiver or other modification which by its terms materially adversely affects the rights of the Second Priority Debt Parties under a particular Second Priority Facility in a manner materially different from its effect on the other Second Priority Facilities shall only be effective with the consent of the Second Priority Representative for each Second Priority Facility so adversely affected.

(b) No Second Priority Debt Party shall by any act (except by a written instrument pursuant to Section 19(a) hereof) or delay be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of any Second Priority Debt Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by any Second Priority Debt Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such Second Priority Debt Party would otherwise have on any future occasion.

SECTION 20. *Remedies Cumulative.* The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

SECTION 21. *Section Headings.* The section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

SECTION 22. *Successors and Assigns.* This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of each Grantor and the Second Priority Debt Parties and their successors and assigns, *provided* that this Agreement may not be assigned by any Grantor without the prior written consent of the Second Priority Collateral Trustee.

SECTION 23. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

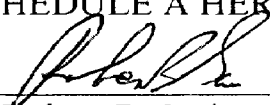
SECTION 24. *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 25. *Additional Grantors.* Pursuant to the Second Priority Debt Documents, certain Domestic Subsidiaries that were not in existence or not a Second Priority Collateral Trustee on the date thereof are required to enter into this Agreement as a Grantor upon becoming a Domestic Subsidiary. Upon execution and delivery, after the date hereof, by the Second Priority Collateral Trustee and such Domestic Subsidiary of an instrument in the form of Annex 1, such Domestic Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor hereunder. The execution and delivery of any such instrument shall not require the consent of any Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

SECTION 26. *Patient Confidentiality.* The Second Priority Collateral Trustee hereby agrees on behalf of itself and each Second Priority Debt Party and any of their designees and assigns to, and shall take all reasonable steps to, comply with all applicable state or federal laws or administrative regulations regarding the confidentiality of patient records and patient medical information it receives in connection with the transactions described in this Agreement.

IN WITNESS WHEREOF, the undersigned has caused this Second Priority Subsidiary Security Agreement to be duly executed and delivered as of the date first above written.

EACH OF THE SUBSIDIARIES LISTED ON SCHEDULE A HERETO, as Grantors,

By 

Name: Robert B. Sari

Title: Authorized Representative

WILMINGTON TRUST COMPANY, as Second Priority Collateral Trustee,

By _____

Name:

Title:

IN WITNESS WHEREOF, the undersigned has caused this Second Priority Subsidiary Security Agreement to be duly executed and delivered as of the date first above written.

EACH OF THE SUBSIDIARIES LISTED ON SCHEDULE A HERETO, as Grantors,

By _____

Name:

Title:

WILMINGTON TRUST COMPANY, as
Second Priority Collateral Trustee,

By  _____

Name: Bruce L. Bisson

Title: Vice President

SUPPLEMENT NO. dated as of [] (this
“*Supplement*”) to the Second Priority Subsidiary Security
Agreement dated as of June 27, 2001 and amended and restated as
of May 28, 2003 (as amended, supplemented or otherwise
modified from time to time, the “*Second Priority Subsidiary
Security Agreement*”), between the SUBSIDIARIES
GUARANTORS identified on the signature pages thereto and any
other Person that becomes a Subsidiary Guarantor (collectively,
the “*Grantors*”) and WILMINGTON TRUST COMPANY, a
Delaware banking corporation, as collateral trustee (in such
capacity, the “*Second Priority Collateral Trustee*”) for the Second
Priority Debt Parties.

A. Reference is made to the (a) the Second Priority Debt Documents and (b) the Second Priority Subsidiary Security Agreement dated as of June 27, 2001 and amended and restated as of May 28, 2003, among the Subsidiary Guarantors and the Second Priority Collateral Trustee.

B. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Second Priority Subsidiary Security Agreement, including the Definitions Annex.

C. The Grantors have entered into the Second Priority Subsidiary Security Agreement in order to induce the Second Priority Debt Parties to enter into the Second Priority Debt Documents. Pursuant to the Second Priority Debt Documents, certain Domestic Subsidiaries that were not in existence or not a Domestic Subsidiary on the date thereof are required to enter into the Second Priority Subsidiary Security Agreement as a Grantor upon becoming a Domestic Subsidiary. Section 25 of the Second Priority Subsidiary Security Agreement provides that additional Domestic Subsidiaries may become Grantors under the Second Priority Subsidiary Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned (the “*New Grantor*”) is a Domestic Subsidiary and is executing this Supplement in accordance with the requirements of the Second Priority Debt Documents to become a Grantor under the Second Priority Subsidiary Security Agreement as consideration for credit previously extended to the Borrower.

Accordingly, the Second Priority Collateral Trustee and the New Grantor agree as follows:

SECTION 1. In accordance with Section 25 of the Second Priority Subsidiary Security Agreement, the New Grantor by its signature below becomes a Grantor under the Second Priority Subsidiary Security Agreement with the same force and effect as if

originally named therein as a Grantor and the New Grantor hereby agrees to all the terms and provisions of the Second Priority Subsidiary Security Agreement applicable to it as a Grantor thereunder. Each reference to a "Grantor" in the Second Priority Subsidiary Security Agreement shall be deemed to include the New Grantor. The Second Priority Subsidiary Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Second Priority Debt Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to the effects of applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and equitable principles of general applicability.

SECTION 3. This Supplement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument. This Supplement shall become effective when the Second Priority Collateral Trustee shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Second Priority Collateral Trustee.

SECTION 4. Except as expressly supplemented hereby, the Second Priority Subsidiary Security Agreement shall remain in full force and effect.

SECTION 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, neither party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Second Priority Subsidiary Security Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in the Collateral Trust and Intercreditor Agreement. All communications and notices hereunder to the New Grantor shall be given to it c/o the Borrower as set forth in Section 8.02 of the Collateral Trust and Intercreditor Agreement.

IN WITNESS WHEREOF, the New Grantor and the Second Priority Collateral Trustee have duly executed this Supplement to the Second Priority Subsidiary Security Agreement as of the day and year first above written.

[NAME OF NEW GRANTOR],

by

Name:

Title:

WILMINGTON TRUST COMPANY, as
Second Priority Collateral Trustee,

by

Name:

Title:

DEFINITIONS ANNEX

This is the Definitions Annex referred to in the Senior Loan Documents and the Second Priority Debt Documents. Each capitalized term used herein shall have the meaning assigned to it below or, if not defined herein, the meaning assigned to it in the applicable Senior Loan Document or Second Priority Debt Document. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

References to any agreement are to such agreement as amended, modified or supplemented from time to time in accordance with the terms thereof and of each Senior Loan Document and Second Priority Debt Document containing restrictions or imposing conditions on the amendment, modification or supplementing of such agreement.

“Affiliate” means, when used with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Asset Sale” means any sale, lease, assignment, transfer or other disposition (including pursuant to a Sale and Leaseback Transaction) of any property or asset (whether now owned or hereafter acquired, whether in one transaction or a series of transactions and whether by way of merger or otherwise) of the Borrower or any Subsidiary (including of any Equity Interest in a Subsidiary).

“Attributable Debt” means, as to any particular Capital Lease or Sale and Leaseback Transaction under which the Borrower or any Subsidiary is at the time liable, as of any date as of which the amount thereof is to be determined (i) in the case of a transaction involving a Capital Lease, the amount as of such date of Capital Lease Obligations with respect thereto and (ii) in the case of a Sale and Leaseback Transaction not involving a Capital Lease, the then present value of the minimum rental obligations under such Sale and Leaseback Transaction during the remaining term thereof (after giving effect to any extensions at the option of the lessor) computed by discounting the rental payments at the actual interest factor included in such payments or, if such interest factor cannot be readily determined, at the rate per annum that would be applicable to a Capital Lease of the Borrower having similar payment terms. The amount of any rental payment required to be made under any such Sale and Leaseback Transaction not involving a Capital Lease may exclude amounts required to be paid by the lessee on account of maintenance and repairs, insurance, taxes, assessments, utilities, operating and labor costs and similar charges, whether or not characterized as rent. Any determination of any rate implicit in the terms of a Capital Lease or a lease in a Sale and Leaseback Transaction not involving a Capital Lease made in accordance with generally accepted financial practices by the Borrower shall be binding and conclusive absent manifest error.

“**Bankruptcy Proceeding**” means any proceeding under Title 11 of the U.S. Code or any other Federal, state or foreign bankruptcy, insolvency, reorganization, receivership or similar law.

“**Basket Asset Sale**” means any sale, transfer or disposition (including a Sale and Leaseback Transaction not involving any Mortgaged Property) of office locations, Stores or other personal or real property (including any improvements thereon), whether or not constituting Mortgaged Property, or leasehold interest therein for fair value in the ordinary course of business consistent with past practice and not inconsistent with the business plan delivered to the Senior Lenders prior to the Restatement Effective Date; provided, however, that (i) the aggregate consideration received therefor (including the fair market value of any non-cash consideration) shall not exceed \$75,000,000 in any fiscal year of Rite Aid (calculated without regard to Sale and Leaseback Transactions permitted by Section 6.01(vii), (xii) and (xiii) of the Senior Credit Agreement) and (ii) except with respect to any net consideration received from any sale, transfer or disposition to a third Person of Stores, leases and prescription files closed at substantially the same time as, and entered into as part of a single related transaction with, the purchase or other acquisition from such third Person of Stores, leases and prescription files of a substantially equivalent value, at least 75% of such consideration shall consist of cash.

“**Borrower**” means Rite Aid.

“**Business Day**” means any day other than a Saturday, Sunday or day on which commercial banks in New York City or Chicago, Illinois are authorized or required by law to close; provided, however, that when used in connection with a Eurodollar Loan, the term “**Business Day**” shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

“**Capital Lease**” means any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which, in accordance with GAAP, should be capitalized on the lessee’s balance sheet.

“**Capital Markets Transaction**” means the receipt by the Borrower or a Subsidiary of proceeds of an issuance in the public or private capital markets of long-term debt securities, of equity securities or of equity-linked (e.g., trust preferred) securities, other than any proceeds received by the Borrower or a Subsidiary in respect of and issuance or incurrence of (A) Indebtedness or Attributable Debt pursuant to Sections 6.01(a)(v), (vi), (vii), (viii), (xii) or (xiii) of the Senior Credit Agreement or (B) Refinancing Indebtedness pursuant to Section 6.01(a)(ii) of the Senior Credit Agreement.

“**Casualty/Condemnation**” means any event that gives rise to Casualty/Condemnation Proceeds.

“Casualty/Condemnation Proceeds” means

(a) any insurance proceeds under any insurance policies or otherwise with respect to any casualty or other insured damage to any properties or assets of the Borrower or the Subsidiaries; and

(b) any proceeds received by the Borrower or any Subsidiary in connection with any action or proceeding for the taking of any properties or assets of the Borrower or the Subsidiaries, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any similar public improvement or condemnation proceeding;

minus, in each case (i) any fees, commissions and expenses (including the costs of adjustment and condemnation proceedings) and other costs paid or incurred by the Borrower or any Subsidiary in connection therewith, (ii) the amount of income taxes reasonably estimated to be payable as a result of any gain recognized in connection with the receipt of such payment or proceeds and (iii) the amount of any Indebtedness (or Attributable Debt), other than the Senior Obligations, together with premium or penalty, if any, and interest thereon (or comparable obligations in respect of Attributable Debt), that is secured by a Lien on (or if Attributable Debt, the lease of) the properties or assets in question and that has priority over both the Senior Lien and the Second Priority Lien, that is required to be repaid as a result of the receipt by the Borrower or a Subsidiary of such payments or proceeds; provided, however, that no such proceeds shall constitute Casualty/Condemnation Proceeds to the extent that such proceeds are (A) reinvested in other like fixed or capital assets within 270 days of the Casualty/Condemnation that gave rise to such proceeds or (B) committed to be reinvested in other like fixed or capital assets within 270 days of such Casualty/Condemnation, with diligent pursuit of such reinvestment, and reinvested in such assets within 365 days of such Casualty/Condemnation.

“Citibank” means Citibank, N.A.

“Collateral” means the Senior Collateral and the Second Priority Collateral.

“Collateral Documents” means the Senior Collateral Documents and the Second Priority Collateral Documents.

“Collateral Trust and Intercreditor Agreement” means the Amended and Restated Collateral Trust and Intercreditor Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003, among Rite Aid, the Subsidiary Guarantors, the Second Priority Collateral Trustee, the Senior Collateral Agents and each other Representative.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms “Controlling” and “Controlled” shall have meanings correlative thereto.

“Debt Facility” means the Senior Credit Agreement and any Second Priority Debt Facility, or any combination thereof (as the context requires).

“Default Rate” means a rate per annum (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be) equal to the sum of (a) the rate of interest publicly announced by Citibank in New York, New York, from time to time as its “base rate” plus (b) 2.00%.

“Domestic Subsidiary” means any Subsidiary incorporated or organized under the laws of the United States of America, any State thereof or the District of Columbia.

“Effective Date” means June 27, 2001.

“Effective Date Indentures” mean, collectively, (a) the Indenture dated as of December 21, 1998, between Rite Aid and Harris Trust and Savings Bank, as trustee, (b) the Indenture dated as of August 1, 1993, between Rite Aid and Morgan Guaranty Trust Company of New York, as trustee, (c) the Indenture dated as September 10, 1997, between Rite Aid and Harris Trust and Savings Bank, as trustee and (d) the Indenture dated as of September 22, 1998, between Rite Aid and Harris Trust and Savings Bank, as trustee.

“8.125% Note Indenture” means the Indenture dated as of April 22, 2003 among Rite Aid, the Subsidiary Guarantors and BNY Midwest Trust Company, as trustee, relating to the 8.125% Notes.

“8.125% Notes” means the 8.125% Senior Secured Notes of the Borrower due 2010 issued pursuant to the 8.125% Note Indenture and any Registered Equivalent Notes issued in exchange therefor.

“11.25% Senior Notes” means the 11.25% Senior Notes of the Borrower due 2008 issued pursuant to the Unsecured Note Indenture and any Registered Equivalent Notes issued in exchange therefor.

“4.75% Convertible Notes” means the 4.75% Convertible Notes of the Borrower due 2006 issued pursuant to the 4.75% Note Indenture and any Registered Equivalent Notes issued on exchange thereof.

“4.75% Note Indenture” means the Indenture dated as of November 19, 2001 between Rite Aid and BNY Midwest Trust Company, as trustee, relating to the 4.75% Convertible Notes.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the

purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty and (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indentures” mean, collectively, the Effective Date Indentures and the Restatement Date Indentures.

“Instructing Group” means, until the Senior Obligation Payment Date, the Required Lenders and, thereafter, the Second Priority Instructing Group.

“Intercompany Inventory Purchase Agreement” means the Intercompany Inventory Purchase Agreement dated as of June 12, 2000 (as amended), among the Borrower, Rite Aid Hdqtrs. Corp., the Distribution Subsidiaries named therein and the Operating Subsidiaries named therein.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, Capital Lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of

securities, any purchase option, call or similar right of a third party with respect to such securities.

“Majority Senior Parties” means the Required Lenders (as defined in the Senior Credit Agreement), or with respect to any waiver, amendment or request, Senior Lenders having such amount of unused Revolving Commitments, Revolving Credit Exposure, unused Term Loan Commitments and outstanding Term Loans as may be required under the Senior Credit Agreement to approve the same.

“Moody’s” means Moody’s Investors Service, Inc., or any successor to its business of rating debt securities.

“Net Cash Proceeds” means:

(a) with respect to any Asset Sale, an amount equal to the cash proceeds received by the Borrower or any of the Subsidiaries from or in respect of such Asset Sale (including, when received, any cash proceeds received in respect of any noncash proceeds of any Asset Sale), less the sum of

(i) reasonable costs and expenses paid or incurred in connection with such transaction, including, without limitation, any underwriting brokerage or other customary selling commissions and reasonable legal, advisory and other fees and expenses (including title and recording expenses, associated therewith), payments of unassumed liabilities relating to the assets sold and any severance and termination costs;

(ii) the amount of any Indebtedness (or Attributable Debt), together with premium or penalty, if any, and accrued interest thereon (or comparable obligations in respect of Attributable Debt) secured by a Lien on (or if Attributable Debt, the lease of) any asset disposed of in such Asset Sale and discharged from the proceeds thereof, but only to the extent such Lien has priority over the Senior Lien and the Second Priority Lien;

(iii) any taxes actually paid or to be payable by such Person (as estimated by a senior financial or accounting officer of the Borrower, giving effect to the overall tax position of the Borrower) in respect of such Asset Sale; and

(iv) the portion of such cash proceeds which the Borrower determines in good faith and reasonably should be reserved for post-closing adjustments, including, without limitation, indemnification payments and purchase price adjustments, provided, that on the date that all such post-closing adjustments have been determined, the amount (if any) by which the reserved amount in respect of such Asset Sale exceeds

the actual post-closing adjustments payable by the Borrower or any of the Subsidiary Loan Parties shall constitute Net Cash Proceeds on such date;

(b) with respect to any Capital Markets Transaction, an amount equal to the cash proceeds received by the Borrower or any of the Subsidiaries from or in respect of such Capital Markets Transaction, less any reasonable transaction costs, including investment banking and underwriting fees, discounts and commissions and any other expenses (including legal fees and expenses) reasonably incurred by such Person in respect of such Capital Markets Transaction; and

(c) with respect to a Casualty/Condemnation, the amount of Casualty/Condemnation Proceeds.

“9.5% Note Indenture” means the Indenture dated as of February 12, 2003 among Rite Aid, the Subsidiary Guarantors and BNY Midwest Trust Company, as trustee, relating to the 9.5% Notes.

“9.5% Notes” means the 9.5% Senior Secured Notes of Rite Aid due 2011 issued pursuant to the 9.5% Note Indenture and any Registered Equivalent Notes issued in exchange therefor.

“9.25% Note Indenture” means the Indenture dated as of May 20, 2003 between Rite Aid and BNY Midwest Trust Company, as trustee, relating to the 9.25% Notes.

“9.25% Notes” means the 9.25% Senior Unsecured Notes of Rite Aid due 2013 issued pursuant to the 9.25% Note Indenture and any Registered Equivalent Notes issued in exchange therefor.

“Obligors” means Rite Aid, the Subsidiary Guarantors, the Subsidiary Loan Parties and any other Person who is liable for any of the Secured Obligations.

“Permitted Disposition” means any of the following:

(i) dispositions of inventory at retail, cash, cash equivalents and other cash management investments and obsolete, unused, uneconomic or unnecessary equipment or inventory, in each case in the ordinary course of business;

(ii) a disposition to a Subsidiary Loan Party, provided that if the property subject to such disposition constitutes Collateral immediately before giving effect to such disposition, such property continues to constitute Collateral subject to the Senior Lien and the Second Priority Lien;

(iii) a sale or discount, in each case without recourse and in the ordinary course of business, of overdue Accounts (as defined in the Senior Credit Agreement) arising in the ordinary course of business, but only to the extent such Accounts are no longer Eligible Accounts Receivable (as defined in the Senior

Credit Agreement) and such sale or discount is in connection with the compromise or collection thereof consistent with customary industry practice (and not as part of any bulk sale);

(iv) Basket Asset Sales; and

(v) sales of Accounts Receivable (as defined in the Senior Subsidiary Security Agreement) relating to worker's compensation claims to collection agencies pursuant to the Borrower's customary cash management procedures.

“Permitted Investments” means any investment by any Person in (i) direct obligations of the United States or any agency thereof, or obligations guaranteed by the United States or any agency thereof, (ii) commercial paper rated at least A-1 by S&P and P-1 by Moody's, (iii) time deposits with, including certificates of deposit issued by, any office located in the United States of any bank or trust company which is organized or licensed under the laws of the United States or any state thereof and has capital, surplus and undivided profits aggregating at least \$500,000,000, (iv) repurchase agreements with respect to securities described in clause (i) above entered into with an office of a bank or trust company meeting the criteria specified in clause (iii) above, provided in each case that such investment matures within one year from the date of acquisition thereof by such Person or (v) money market mutual funds at least 80% the assets of which are held in investments referred to in clauses (i) through (iv) above (except that the maturities of certain investments held by any such money market funds may exceed one year so long as the dollar-weighted average life of the investments of such money market mutual fund is less than one year).

“Reduction” means, when applied to any Debt Facility, (i) the permanent repayment of outstanding loans (or obligations in respect of Attributable Debt) under such Debt Facility, (ii) the permanent reduction of outstanding lending commitments under such Debt Facility or (iii) the permanent cash collateralization of outstanding letters of credit under such facility (together with the termination of any lending commitments utilized by such letters of credit).

“Reduction Event” means each of the following:

(i) any Senior Collateral Disposition or any other Asset Sale, except in each case any Permitted Disposition or in connection with any Sale and Leaseback Transaction permitted under Section 6.01(a)(vii), (xii) or (xiii) of the Senior Credit Agreement;

(ii) any Casualty/Condemnation; and

(iii) any Capital Markets Transaction; provided, however, that Capital Markets Transactions (or portions thereof) consummated on or after the Restatement Date resulting in receipt of initial cumulative Net Cash Proceeds in the amount of up to \$500,000,000 shall not be deemed to constitute Reduction

Events (except to the extent cumulative Net Cash Proceeds in excess of such amount are generated by any such Capital Markets Transaction); and provided further, however, that any Capital Markets Transaction or portions thereof the Net Cash Proceeds of which are required (without regard to this proviso) to be applied to Reductions pursuant to clause (i) of the first sentence of Section 2.11(d) will in any event be deemed to constitute Reduction Events and will be disregarded for purposes of calculations when such \$500,000,000 limit has been reached.

“Refinance” means, with respect to any issuance of Indebtedness, to replace, renew, extend, refinance, repay, refund, repurchase, redeem, defease or retire, or to issue Indebtedness in exchange or as a replacement therefor.

“Refinanced” and “Refinancing” shall have correlative meanings.

“Registered Equivalent Notes” means, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act of 1933, substantially identical notes issued in a dollar for dollar exchange therefor pursuant to an exchange offer registered with the SEC.

“Representatives” means each of the Senior Collateral Agents and the Second Priority Representatives.

“Restatement Effective Date” means the date on which the Senior Credit Agreement becomes effective pursuant to its terms.

“Restatement Date Indentures” mean, collectively, (a) the Unsecured Note Indenture, (b) the 12.5% Note Indenture, (c) the 9.5% Note Indenture, (d) the 8.125% Note Indenture, (e) the 9.25% Note Indenture and (f) the 4.75% Note Indenture.

“Rite Aid” means Rite Aid Corporation, a Delaware corporation, and its successors.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor to its business of rating debt securities.

“Sale and Leaseback Transaction” means any arrangement whereby the Borrower or a Subsidiary shall sell or transfer any office building (including its headquarters), distribution center, manufacturing plant, warehouse, Store, equipment or other property, real or personal, now or hereafter owned by the Borrower or a Subsidiary with the intention that the Borrower or any Subsidiary rent or lease the property sold or transferred (or other property of the buyer or transferee substantially similar thereto).

“SEC” means the United States Securities and Exchange Commission and any successor agency thereto.

“Second Priority Collateral” means all the “Second Priority Collateral” as defined in any Second Priority Collateral Document.

“Second Priority Collateral Documents” means the Second Priority Subsidiary Security Agreement, the Second Priority Subsidiary Guarantee Agreement, the Second Priority Indemnity, Subrogation and Contribution Agreement, the Collateral Trust and Intercreditor Agreement and each of the security agreements and other instruments and documents executed and delivered by any Subsidiary Guarantor pursuant to any of the foregoing for purposes of providing collateral security or credit support for any Second Priority Debt Obligation or obligation under the Second Priority Subsidiary Guarantee Agreement.

“Second Priority Collateral Trustee” means Wilmington Trust Company, in its capacity as collateral trustee under the Collateral Trust and Intercreditor Agreement and the Second Priority Collateral Documents, and its successors.

“Second Priority Debt” means any Indebtedness (including the 12.5% Notes, 9.5% Notes and 8.125% Notes) incurred by Rite Aid and Guaranteed by the Subsidiary Guarantors on or after the Effective Date pursuant to the Second Priority Subsidiary Guarantee Agreement (i) which is secured by the Second Priority Collateral on a pari passu basis with the other Second Priority Debt Obligations and (ii) if issued on or after the Restatement Effective Date, matures after April 30, 2008; provided, however, that (A) such Indebtedness is permitted to be incurred, secured and Guaranteed on such basis by each Senior Loan Document and each Second Priority Debt Document and (B) the Representative for the holders of such Second Priority Debt shall have become party to the Collateral Trust and Intercreditor Agreement pursuant to, and by satisfying the conditions set forth in, Section 10.12 thereof. Second Priority Debt shall include any Registered Equivalent Notes issued in exchange thereof.

“Second Priority Debt Documents” means, with respect to any series, issue or class of Second Priority Debt, the promissory notes, indentures and other operative agreements or instruments evidencing or governing such Debt, including the Second Priority Collateral Documents.

“Second Priority Debt Facility” means the indenture or other governing agreement or instrument with respect to any Second Priority Debt.

“Second Priority Debt Obligations” means with respect to any series, issue or class of Second Priority Debt, (i) all principal of, and interest (including without limitation, any interest which accrues after the commencement of any Bankruptcy Proceeding, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to such Second Priority Debt, (ii) all other amounts payable to the related Second Priority Debt Parties under the related Second Priority Debt Documents and (iii) any renewals or extensions of the foregoing.

“Second Priority Debt Parties” means with respect to any series, issue or class of Second Priority Debt, the holders of such Debt, any trustee or agent therefor under any related Second Priority Debt Documents and the beneficiaries of each indemnification obligation undertaken by Rite Aid or any Second Priority Obligor under any related Second Priority Debt Documents, but shall not include the Loan Parties or any Controlled Affiliates thereof (unless such Loan Party or Controlled Affiliate is a holder of such Debt, a trustee or agent therefore or beneficiary of such an indemnification obligation named as such in a Second Priority Debt Document).

“Second Priority Indemnity, Subrogation and Contribution Agreement” means the Amended and Restated Second Priority Indemnity, Subrogation and Contribution Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003 among Rite Aid, the Subsidiary Guarantors and the Second Priority Collateral Trustee.

“Second Priority Instructing Group” means Second Priority Representatives with respect to Second Priority Debt Facilities under which at least a majority of the then aggregate amount of Second Priority Debt Obligations are outstanding.

“Second Priority Lien” means the Liens on the Second Priority Collateral in favor of the Second Priority Parties under the Second Priority Collateral Documents.

“Second Priority Representative” means, in respect of a Second Priority Debt Facility, the trustee, administrative agent, security agent or similar agent under each Second Priority Facility, as the case may be, and each of their successors in such capacities.

“Second Priority Subsidiary Guarantee Agreement” means the Amended and Restated Second Priority Subsidiary Guarantee Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003, made by the Subsidiary Guarantors (including any additional Subsidiary Guarantor becoming party thereto after the Restatement Effective Date) in favor of the Second Priority Collateral Trustee for the benefit of the Second Priority Debt Parties.

“Second Priority Subsidiary Security Agreement” means the Amended and Restated Second Priority Subsidiary Security Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003, made by the Subsidiary Guarantors (including any additional Subsidiary Guarantor becoming party thereto after the Restatement Effective Date) in favor of the Second Priority Collateral Trustee for the benefit of the Second Priority Debt Parties.

“Secured Obligations” means the Senior Obligations and the Second Priority Debt Obligations.

“Secured Parties” means the Senior Secured Parties and the Second Priority Debt Parties.

“Senior Collateral” means all the “Collateral” as defined in any Senior Collateral Document.

“Senior Collateral Agents” means Citicorp North America, Inc. and JPMorgan Chase Bank, each in its capacity as a senior collateral processing co-agent under the Senior Collateral Documents, and their successors.

“Senior Collateral Disposition” means (i) any sale, transfer or other disposition of Senior Collateral (including any property or assets that would constitute Senior Collateral but for the release of the Senior Lien with respect thereto in connection with such sale, transfer or other disposition), other than a Permitted Disposition or (ii) a Casualty/Condemnation with respect to Senior Collateral.

“Senior Collateral Documents” means the Senior Subsidiary Security Agreement, the Senior Subsidiary Guarantee Agreement, the Senior Indemnity, Subrogation and Contribution Agreement, the Collateral Trust and Intercreditor Agreement and each of the security agreements and other instruments and documents executed and delivered by any Subsidiary Guarantor pursuant to any of the foregoing or pursuant to the Senior Credit Agreement or for purposes of providing collateral security or credit support for any Senior Obligation or obligation under the Senior Subsidiary Guarantee Agreement.

“Senior Credit Agreement” means the Amended and Restated Senior Credit Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003, among Rite Aid, the Senior Lenders and Citicorp North America, Inc., as administrative agent and as Senior Collateral Agents for the Senior Lenders.

“Senior Indemnity, Subrogation and Contribution Agreement” means the Amended and Restated Senior Indemnity, Subrogation and Contribution Agreement, dated as of June 27, 2001, as amended and restated as of May 28, 2003, among Rite Aid, the Subsidiary Guarantors (including Subsidiary Guarantors becoming party thereto after the Restatement Effective Date) and the Senior Collateral Agents.

“Senior Hedging Agreement” means any Hedging Agreement entered into with Rite Aid or any Subsidiary, if the applicable counterparty was a Senior Lender or an Affiliate thereof (i) on the Effective Date, in the case of any Hedging Agreement entered into prior to the Restatement Effective Date, or (ii) at the time the Hedging Agreement was entered into, in the case of any Hedging Agreement entered into on or after the Restatement Effective Date.

“Senior Lender” means a “Lender” as defined in the Senior Credit Agreement.

“Senior Lien” means the Liens on the Senior Collateral in favor of the Senior Secured Parties under the Senior Collateral Documents.

“Senior Loan Documents” means the Senior Credit Agreement, the Notes referred to in the Senior Credit Agreement, each Senior Hedging Agreement and the Senior Collateral Documents.

“Senior Obligation Payment Date” means the date on which (i) the Senior Obligations have been paid in full, (ii) all lending commitments under the Senior Credit Agreement have been terminated and (iii) there are no outstanding letters of credit issued under the Senior Credit Agreement other than such as have been fully cash collateralized under documents and arrangements satisfactory to the issuer of such letters of credit.

“Senior Obligations” means (i) the principal of each loan made under the Senior Credit Agreement, (ii) all reimbursement and cash collateralization obligations in respect of letters of credit issued under the Senior Credit Agreement, (iii) all monetary obligations of the Borrower or any Subsidiary under each Senior Hedging Agreement entered into (x) prior to the Restatement Effective Date with any counterparty that was a Senior Lender (or an Affiliate thereof) on the Restatement Effective Date or (y) on or after the Effective Date with any counterparty that was a Senior Lender (or an Affiliate thereof) at the time such Senior Hedging Agreement was entered into, (iv) all interest on the loans, letter of credit reimbursement, fees and other obligations under the Senior Credit Agreement or such Senior Hedging Agreements (including, without limitation any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Borrower or any Subsidiary Loan Party, whether or not allowed or allowable as a claim in such proceeding), (v) all other amounts payable by the Borrower or any Subsidiary under the Senior Loan Documents and (vi) all increases, renewals, extensions and Refinancings of the foregoing.

“Senior Secured Parties” means each party to the Senior Credit Agreement other than any Senior Loan Party, each counterparty to a Senior Hedging Agreement, the beneficiaries of each indemnification obligation undertaken by Rite Aid or any other Loan Party under any Senior Loan Document, and the successors and permitted assigns of each of the foregoing.

“Senior Subsidiary Guarantee Agreement” means the Amended and Restated Senior Subsidiary Guarantee Agreement, made by the Subsidiary Guarantors (including Subsidiary Guarantors that become parties thereto after the Restatement Effective Date) in favor of the Senior Collateral Agents for the benefit of the Senior Secured Parties, as such agreement may be amended, supplemented or otherwise modified from time to time.

“Senior Subsidiary Security Agreement” means the Amended and Restated Senior Subsidiary Security Agreement, made by the Subsidiary Guarantors (including Subsidiary Guarantors that become parties thereto after the Restatement Effective Date) in favor of the Senior Collateral Agents for the benefit of the Senior Secured Parties, as such agreement may be amended, supplemented or otherwise modified from time to time.

“Subsidiary” means any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by the Borrower.

“Subsidiary Guarantor” means each Subsidiary that is party to any Second Priority Collateral Document.

“Subsidiary Loan Party” means each Subsidiary that is party to any Senior Collateral Document.

“Triggering Event” shall have the meaning assigned to such term in the Collateral Trust and Intercreditor Agreement.

“12.5% Note Exchange Agreement” means the Note Exchange Agreement entered into as of June 27, 2001, by and among Rite Aid and the entities listed on Schedule I to the agreement relating to the issuance of the Exchange Notes in exchange for \$152,025,000 principal amount of Rite Aid’s 10.5% Senior Secured Notes due 2002.

“12.5% Note Indenture” means the Indenture dated as of June 27, 2001, among Rite Aid, the Subsidiary Guarantors and U.S. Bank and Trust, as trustee, relating to the 12.5% Notes.

“12.5% Note Registration Rights Agreement” means the Exchange and Registration Rights Agreement, dated as of June 27, 2001, among Rite Aid, each of the Subsidiary Guarantors and the Holders from time to time as provided therein.

“12.5% Notes” means the 12.5% Senior Secured Notes due 2006 of Rite Aid issued on the Effective Date pursuant to the 12.5% Note Indenture.

“Uniform Commercial Code” or “UCC” means, unless otherwise specified, the Uniform Commercial Code as from time to time in effect in the State of New York.

“Unsecured Note Indenture” means the Indenture dated as of June 27, 2001, between Rite Aid and BNY Midwest Trust Company, as trustee, relating to the 11.25% Senior Notes.

Subsidiary Guarantors

112 Burleigh Avenue Norfolk, LLC
1515 West State Street Boise, Idaho, LLC
1525 Cortyou Road - Brooklyn Inc.
1740 Associates, L.L.C.
3581 Carter Hill Road - Montgomery Corp.
4042 Warrensville Center Road - Warrensville Ohio, Inc.
5277 Associates, Inc.
537 Elm Street Corp.
5600 Superior Properties, Inc.
657-659 Broad St. Corp.
764 South Broadway- Geneva, Ohio, LLC
Ann & Government Streets - Mobile, Alabama, LLC
Apex Drug Stores, Inc.
Baltimore/Annapolis Boulevard and Governor Richie Highway-Glen Burnie, Maryland, LLC
Broadview and Wallings- Broadview Heights Ohio, Inc.
Central Avenue and Main Street - Petal, MS, LLC
Dominion Action Four Corporation
Dominion Action One Corporation
Dominion Action Three Corporation
Dominion Action Two Corporation
Dominion Drug Stores Corp.
Drug Fair, Inc.
Eagle Managed Care Corp.
Eighth and Water Streets - Urichsville, Ohio, LLC
England Street-Asheland Corporation
Fairground, L.L.C.
GDF, Inc.
Gettysburg and Hoover-Dayton, Ohio, LLC
Gratiot & Center - Saginaw Township, Michigan, LLC
Harco, Inc.
K & B Alabama Corporation
K & B Louisiana Corporation
K & B Mississippi Corporation
K & B Services, Incorporated
K & B Tennessee Corporation
K & B. Incorporated
K&B Texas Corporation
Keystone Centers, Inc.
Lakehurst and Broadway Corporation
Mayfield & Chillicothe Roads - Chesterland, LLC
Munson & Andrews, LLC
Name Rite, L.L.C.
Northline & Dix - Toledo - Southgate, LLC
Ocean Acquisition Corporation
P.L.D. Enterprises, Inc.

Patton Drive and Navy Boulevard Property Corporation
Paw Paw Lake Road & Paw Paw Avenue - Coloma, Michigan, LLC
PDS-1 Michigan, Inc.
Perry Distributors, Inc.
Perry Drug Stores, Inc.
PL Xpress, Inc.
Portfolio Medical Services Inc.
Ram-Utica, Inc.
RDS Detroit, Inc.
Read's Inc.
Rite Aid Drug Palace, Inc.
Rite Aid Hdqtrs. Corp.
Rite Aid of Alabama, Inc.
Rite Aid of Connecticut, Inc.
Rite Aid of Delaware, Inc.
Rite Aid of Florida, Inc.
Rite Aid of Georgia, Inc.
Rite Aid of Illinois, Inc.
Rite Aid of Indiana, Inc.
Rite Aid of Kentucky, Inc.
Rite Aid of Maine, Inc.
Rite Aid of Maryland, Inc.
Rite Aid of Massachusetts, Inc.
Rite Aid of Michigan, Inc.
Rite Aid of New Hampshire, Inc.
Rite Aid of New Jersey, Inc.
Rite Aid of New York, Inc.
Rite Aid of North Carolina, Inc.
Rite Aid of Ohio, Inc.
Rite Aid of Pennsylvania, Inc.
Rite Aid of South Carolina, Inc.
Rite Aid of Tennessee, Inc.
Rite Aid of Virginia, Inc.
Rite Aid of West Virginia, Inc.
Rite Aid Realty Corp.
Rite Aid Rome Distribution Center, Inc.
Rite Aid Services, L.L.C.
Rite Aid Transport, Inc.
Rite Aid Venturer #1, Inc.
Rite Fund, Inc.
Rite Investments Corp.
Rx Choice, Inc.
Seven Mile and Evergreen - Detroit, LLC
Silver Springs Road - Baltimore, Maryland/One, LLC
Silver Springs Road - Baltimore, Maryland/Two, LLC
Sophie One Corp.
State & Fortification Streets - Jackson, Mississippi, LLC
State Street and Hill Road - Gerard, Ohio, LLC
Super Ice Cream Suppliers, Inc.
Super Pharmacy Network, Inc.
Super Tobacco Distributors, Inc.

The Lane Drug Company
The Muir Company
Thrifty Corporation
Thrifty PayLess, Inc.
Tyler and Sanders Roads, Birmingham - Alabama, LLC
Virginia Corporation



Schedule 1

Records of Accounts

Rite Aid Corporation
30 Hunter Lane
Camp Hill, PA 17011

Rite Aid Corporation
451 South St. Johns Road
Camp Hill, PA 17011

Rite Aid Corporation
200 Newbury Commons
Etters, PA 17319-9363

Rite Aid Corporation
433 Railroad Avenue
Shiremanstown, PA 17011

Schedule 2

Intellectual Property

(1) Copyright Registrations and Licenses

RITE AID CORPORATION - COPYRIGHT REGISTRATIONS

Title of Work	Reg. No./ Reg. Date	Owner	Status/Comments
Rite Aid Corporation Index (Internet Web Site)	TX4771731 May 8, 1998	Name Rite, L.L.C.	Registered

(2) Patents and Patent Licenses

NONE

(3) Trademark Registrations and Licenses -- See attached pages 2-15.

(4) Pending Actions -- See attached pages 16-17.

RITE AID CORPORATION
FEDERAL TRADE/SERVICE MARK REGISTRATIONS

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
1-800-RITE AID	Reg. No. 2,134,953 February 3, 1998	Retail drug store services, in Class 42.	Name Rite, L.L.C.
BEAUTY THE RITE WAY	Reg. No. 2,243,537 May 4, 1999	Newsletters featuring information and tips on the subjects of beauty, cosmetics, skin care and health care, in Class 16; Providing advice related to cosmetics and beauty, in Class 41.	Name Rite, L.L.C.
BIG FIZZ	Reg. No. 2,480,732 August 21, 2001	Fruit flavored soft drinks, in Class 32.	Name Rite, L.L.C.
CANADA'S DOMINION RARE	Reg. No. 749,893 May 21, 1963	Canadian whisky, in Class 33.	Name Rite, L.L.C.
COMPLI-LINE	Reg. No. 1,987,679 July 16, 1996	Telephone advising and consulting service provided to pharmacy customers to assist them in complying with prescribed medical treatment, in Class 42.	Name Rite, L.L.C.
CRYSTAL LAKE	Reg. No. 2,362,972 June 27, 2000	Distilled bottled water, in Class 1; Bottled drinking water, in Class 32.	Name Rite, L.L.C.
DUNCAN SINCLAIR	Reg. No. 787,900 April 6, 1965	Scotch whisky, in Class 33.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
EAGLE MANAGED CARE	Reg. No. 2,302,313 December 21, 1999	Claims processing and insurance claims administration of prescription drug programs for third party payors, in Class 36; Distributorship services for computer software for prescription claims processing and pharmacy benefits management programs for third-party payors, in Class 42.	Name Rite, L.L.C.
ELSEWHERE	Reg. No. 2,480,686 August 21, 2001	Bath and spa products, namely, shower gel, body powder, body lotion, and fragrances, namely and body sprays, in Class 3.	Name Rite, L.L.C.
FIRST-CLASS PHARMACY Plus Design	Reg. No. 1,837,183 May 17, 1994	Mail order services featuring pharmaceuticals and other pharmacy merchandise, in Class 42.	Name Rite, L.L.C.
FLEXACIN	Reg. No. 2,579,782 June 11, 2002	Nutritional supplements for promoting bone and joint health, in Class 5.	Name Rite, L.L.C.
FOR YOUR LIFE RITE AID'S GOT IT	Reg. No. 2,115,340 November 25, 1997	Retail drug store services, in Class 42.	Name Rite, L.L.C.
GOOD HEALTH SOLUTIONS Plus Design	Reg. No. 2,628,803 October 1, 2002	Providing health information services in the fields of self-care, nutrition, wellness and disease prevention; and providing health care services, namely health and nutritional diagnostic tests, in Class 42.	Name Rite, L.L.C.
GRAY DRUG	Reg. No. 1,180,634 December 1, 1981	Retail drug store services, in Class 42.	Name Rite, L.L.C.
HARCO TOTAL CARE SICK ROOM SUPPLY SERVICE Plus Design	Reg. No. 1,227,039 February 8, 1983	Distributorship services and rental of sick room supplies and equipment, in Class 42.	Name Rite, L.L.C.
INTELL-RX	Reg. No. 1,782,893 July 20, 1993	Providing management services; namely, prescription drug utilization review, in Class 35.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
JALTA (Stylized)	Reg. No. 694,657 March 15, 1960	Vodka, in Class 33.	Name Rite, L.L.C.
K & B Plus Design	Reg. No. 954,207 February 27, 1973	Retail drug store services, in Class 42.	Name Rite, L.L.C.
K & B Plus Design	Reg. No. 1,165,074 August 11, 1981	Retail drug store services, in Class 42.	Name Rite, L.L.C.
LIFE CHECK	Reg. No. 2,507,320 November 13, 2001	Pharmacy services, namely, monitoring drug interaction, in Class 42.	Name Rite, L.L.C.
MAC ALPINE (Stylized)	Reg. No. 695,802 April 5, 1960	Scotch whisky, in Class 33.	Name Rite, L.L.C.
NITE AID	Reg. No. 2,225,533 February 23, 1999	Retail pharmacy and drug store services, in Class 35.	Name Rite, L.L.C.
OUTDOOR CHEF	Reg. No. 2,379,844 August 22, 2000	Barbecue grills and hibachis; fitted barbecue grill covers, in Class 11; Cooking skewers; barbecue grill cleaning brushes; barbecue forks, sold individually; barbecue hamburger turners, sold individually, in Class 21; Matches, in Class 34.	Name Rite, L.L.C.
OUTDOOR COMFORT	Reg. No. 2,352,244 May 23, 2000	Carry-all bags, tote bags, beach umbrellas, and fanny packs; in Class 18; Deck and patio furniture, in Class 20.	Name Rite, L.L.C.
OWNER'S CHOICE	Reg. No. 2,358,179 June 13, 2000	Pet foods, biscuits, treat and litter, in Class 31.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
PERFECT PAIRS	Reg. No. 2,427,245 February 6, 2001	Coupons for retail cosmetics and beauty products, in Class 16; Promoting the sale of cosmetics and beauty products of others through special pricing discounts and the distribution of coupons and/or membership discount cards, in Class 35; Providing rebates on the purchase of cosmetics and beauty products of others through the use of a membership card, special pricing rebates featuring combinations of specifically identified complementary products, in Class 36.	Name Rite, L.L.C.
PHOTO RITE	Reg. No. 2,352,455 May 23, 2000	Retail drug store services, namely a section in a retail store featuring photographic supplies and accessories, in Class 35; Photographic processing services, namely photofinishing, photographic printing and photographic enlarging services, in Class 40.	Name Rite, L.L.C.
POCKET MINTS	Reg. No. 2,633,060 October 8, 2002	Mints, in Class 30.	Name Rite, L.L.C.
PURE SPRING	Reg. No. 2,664,160 December 17, 2002	Bubble bath, bath gel, bath oil, bath powder, non-medicated bath salts, body cream, body oil, body powder, deodorant soap, skin moisturizer, shaving balm, after-shave lotions, hand, facial and body lotion, shower gels, body shampoos, and facial conditioner gels, excluding sanitizing hand wash and instant hand sanitizer with antibacterial properties, in Class 3.	Name Rite, L.L.C.
RAPIDSCRIPT	Reg. No. 2,493,022 September 25, 2001	Pharmacy services, in Class 42.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
READY RX	Reg. No. 2,161,704 June 2, 1998	Automated telephone prescription refill services, in Class 42.	Name Rite, L.L.C.
REVELATIONS	Reg. No. 1,809,431 December 7, 1993	Ice cream, in Class 30.	Name Rite, L.L.C.
RITE ADVICE	Reg. No. 2,161,703 June 2, 1998	Providing personalized information to customers regarding prescription drugs they have purchased, in Class 42.	Name Rite, L.L.C.
RITE AID	Reg. No. 1,280,221 May 29, 1984	Retail drug store services, in Class 42.	Name Rite, L.L.C.
RITE AID 10 MINUTE PRESCRIPTIONS Plus Design	Reg. No. 2,421,850 January 16, 2001	Pharmacy services, in Class 42.	Name Rite, L.L.C.
RITE AID COSMETICS GARANTIA DE DEVOLUCION DE TU DINERO EN ¡SIN RIESGO! Plus Design	Reg. No. 2,387,615 September 19, 2000	Retail store services in the field of cosmetics, in Class 35.	Name Rite, L.L.C.
RITE AID COSMETICS MONEY BACK GUARANTEE IT'S RISK FREE Plus Design	Reg. No. 2,247,560 May 25, 1999	Retail store services in the field of cosmetics, in Class 35.	Name Rite, L.L.C.
RITE AID GARDEN RITE	Reg. No. 2,373,996 August 1, 2000	Fertilizer for domestic use; potting soil, in Class 1; Live flowers; live trees, live shrubs; living vegetable plants; flower bulbs; top soil; mulch and seeds for plants and flowers, in Class 31.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE AID INTERNET REFILLS WWW.RITEAID.COM Plus Design	Reg. No. 2,281,756 September 28, 1999	Retail pharmacy services rendered by means of a global computer network, in Class 42.	Name Rite, L.L.C.
RITE AID IT'S NOT JUST A STORE. IT'S A SOLUTION.	Reg. No. 2,275,996 September 7, 1999	Retail drugstore and pharmacy services, in Class 35.	Name Rite, L.L.C.
RITE AID PHARMACY CONNECTION Plus Design	Reg. No. 2,483,026 August 28, 2001	Retail pharmacy services, featuring remotely transmitted customer prescription orders and refills electronically via a remote kiosk, in Class 35.	Name Rite, L.L.C.
RITE AID Plus Design	Reg. No. 875,773 August 26, 1969	Mouthwash, toothpaste, denture cleanser, baby oil, personal deodorant, cream hair rinse, glycerin and rose water, bath oil, hair tonic, pre-electric shave lotion, after-shave lotion, in Class 3; Witch hazel, in Class 5.	Name Rite, L.L.C.
RITE AID Plus Design	Reg. No. 877,669 September 30, 1969	Iodine; peroxide; alcohol; salt tablets; aspirins; cough syrup, cold tablets and capsules; medicated rubbing compound; soda mint and antacid tablets; mineral oils; rectal suppositories; milk of magnesia; boric acid; powdered alum; camphorated oil; spirits of camphor; spirits of ammonia; peppermint, nitre and turpentine; castor oil; glycerin; medicated cream; and epsom salts, in Class 5	Name Rite, L.L.C.
RITE AID REFILLS BY PHONE Plus Design	Reg. No. 2,307,413 January 11, 2000	Providing retail pharmacy services through an interactive tone and/or voice response telephone system, in Class 42.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE AID SINGLE CHECK REBATES Plus Design	Reg. No. 2,216,866 January 12, 1999	Promoting the sales of products of others through an in-house product rebate program for a drug store, in Class 35.	Name Rite, L.L.C.
RITE AID VITAMIN INSTITUTE MAGAZINE	Reg. No. 2,304,222 December 28, 1999	Magazines in the field of health, vitamins and nutrition, in Class 16.	Name Rite, L.L.C.
RITE AID VITAMIN INSTITUTE Plus Design	Reg. No. 2,318,513 February 15, 2000	Vitamins and herbal supplements, in Class 5; Retail drug store services and promoting the sales of vitamins and herbal supplements through a product discount program, in Class 35; Educational services, namely, conducting classes and seminars in the vitamin and herbal supplement field, in Class 41.	Name Rite, L.L.C.
RITE EXPRESS	Reg. No. 1,866,572 December 6, 1994	Packaging articles for transportation, in Class 39.	Name Rite, L.L.C.
RITE EXPRESS	Reg. No. 1,924,009 October 3, 1995	Document photocopy and utility bill payment services, in Class 35; Providing money orders; prepaid debit telephone calling card services, in Class 36; Key duplicating services, in Class 37; Facsimile transmission services, in Class 38; Mailbox rental services, in Class 39; Laminating and photographs, cards, and the like; photo film development and photo printing services, in Class 40; Passport portrait photography, in Class 42.	Name Rite, L.L.C.
RITE REWARDS	Reg. No. 2,157,337 May 12, 1998	Promoting the sale of the goods of others through the administration of incentive award programs, in Class 35.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
RITE TASTE	Reg. No. 2,062,350 May 13, 1997	Pretzels, thin pretzels, stick pretzels, corn and flour based chips, candy, cookies, cakes and pies, popped popcorn, candy-coated popped popcorn, candied nuts, granola-based snack bars and mixes, tortilla chips, and iced tea, in Class 30; Carbonated soft drinks, bottled water and fruit juices and drinks, in Class 32.	Name Rite, L.L.C.
SCOTTS GLEN	Reg. No. 720,102 August 15, 1961	Whisky, in Class 33.	Name Rite, L.L.C.
SENTINEL	Reg. No. 1,932,339 October 31, 1995	Smoker's articles, namely smoking tobacco and snuff, in Class 34.	Name Rite, L.L.C.
SOAKED IN CUDDLES	Reg. No. 2,696,306 March 11, 2003	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners, and hair shampoos, and skin care preparations, namely skin cleansers, skin cleansing bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Name Rite, L.L.C.
SOAKED IN TICKLES	Reg. No. 2,696,307 March 11, 2003	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners, and hair shampoos, and skin care preparations, namely skin cleansers, skin cleansing bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Name Rite, L.L.C.
SPECIAL OCCASION	Reg. No. 2,223,490 February 16, 1999	Ice cream, sherbet and frozen yogurt, in Class 30.	Name Rite, L.L.C.

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
SPORTSMAN (Stylized)	Reg. No. 637,987 December 4, 1956	Fishing tackle and equipment - namely, rods, line lures, leaders, leader material and hooks, both loose and spooled, in Class 28.	Name Rite, L.L.C.
THE DIABETES CONNECTION	Reg. No. 2,193,860 October 6, 1998	Consumer health information services in the field of diabetes and providing diabetes screening tests, in Class 42.	Name Rite, L.L.C.
THE RITE OF SPRING	Reg. No. 2,451,903 May 15, 2001	Candles, in Class 04; Candlesticks not of precious metal, pots, vases, porcelain figurines, and dishes, in Class 21.	Name Rite, L.L.C.
THRIFTY	Reg. No. 1,813,929 December 28, 1993	Frozen yogurt, frozen dairy dessert, ice cream, sherbet and frozen confections, in Class 30.	Name Rite, L.L.C.
TRYLON (Stylized)	Reg. No. 697,070 May 3, 1960	Badminton rackets, air mattresses, table tennis sets, table tennis balls, baseball gloves, fishing reels, fish hooks, fish line, snap swivels, fish rods, dry flies, lures, and golf balls, in Class 28.	Name Rite, L.L.C.
WITH US IT'S PERSONAL	Reg. No. 2,622,152 September 17, 2002	Retail pharmacy services, in Class 35.	Name Rite, L.L.C.
YULE RITE	Reg. No. 1,860,176 October 25, 1994	Electrified Christmas tree light bulbs and ornaments, in Class 11; Christmas tree decorations; Christmas tree ornaments and artificial Christmas wreaths, in Class 28.	Name Rite, L.L.C.

RITE AID CORPORATION
STATE TRADE/SERVICE MARK REGISTRATIONS

Mark	State	Registration No./Date	Description of Goods/Services	Current Record Owner
MONOGRAM 6	California	46,606 August 9, 1968	Whiskey, in Class 33.	Name Rite, L.L.C.
K-B	Louisiana	361,588 December 15, 1978	Retail merchandise, in Class 42.	Name Rite, L.L.C.
K-B	Louisiana	501,995 October 13, 1992	Retail drugstore and/or photo shop, in Class 5.	Name Rite, L.L.C.
K-B	Louisiana	501,996 October 13, 1992	Retail drugstore and/or photo shop, in Class 42	Name Rite, L.L.C.
KB	Louisiana	361,548 December 15, 1978	Retail merchandise, in Class 42.	Name Rite, L.L.C.
KB	Louisiana	501,997 October 13, 1992	Retail drugstore and/or photo shop, in Class 5.	Name Rite, L.L.C.
KB	Louisiana	501,998 October 13, 1992	Retail drugstore and/or photo shop, in Class 42	Name Rite, L.L.C.
KB Plus Design	Louisiana	501,991 October 13, 1992	Retail drugstore and/or photo shop, in Class 42	Name Rite, L.L.C.

RITE AID CORPORATION
FOREIGN TRADE/SERVICE MARK REGISTRATIONS

Mark	Country	Reg. No./Ser. No. Reg./Filing Date	Description of Goods/Services	Current Record Owner
THRIFTY	Mexico	602,624 March 4, 1999	Ice cream, sherbet and frozen confectionery, in Class 30.	Name Rite, L.L.C.
THRIFTY	Mexico	518,855 March 18, 1996	Frozen dairy desserts, including frozen yogurt desserts, in Class 30.	Name Rite, L.L.C.
THRIFTY Plus Design	Mexico	426,602 November 17, 1992	Ice creams, in Class 30.	Name Rite, L.L.C.
THRIFTY Plus Design	Mexico	462,012 May 16, 1994	Commercialization of ice creams, pastries and confectionery, in Class 42.	Name Rite, L.L.C.

RITE AID CORPORATION
TRADEMARK LICENSE AGREEMENTS

Intra-Company License Agreements:

Wholesale Goods

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Rome Distribution Center, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Distributors, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of West Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of South Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Florida, Inc.

Stores and Retail Goods

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Alabama, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Connecticut, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Delaware, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Florida, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Georgia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Indiana, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Kentucky, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Keystone Centers, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Maryland, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Massachusetts, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Michigan, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New Hampshire, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New Jersey, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of New York, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of North Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Ohio, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Pennsylvania, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Rhode Island, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of South Carolina, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Tennessee, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Vermont, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of Washington, D.C., Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid of West Virginia, Inc.

Trademark License Agreement, dated as of May 31, 1988, between Name Rite, Inc. and Rite Aid Drug Palace, Inc.

Third-Party License Agreements:

1. Between Rite Aid Corporation and KBS Enterprises, Inc. (grants rights to use K&B mark in connection with restaurant services offered by single retail location in Knoxville, Tennessee).
2. Between Rite Aid Corporation, through its wholly-owned subsidiary Name Rite, L.L.C., and Zenrin USA, Inc. (grants rights to use RITE AID and RITE AID Plus Shield Design for use in connection with car navigation software).

RITE AID CORPORATION
PENDING FEDERAL TRADE/SERVICE MARK APPLICATIONS

Mark	Serial No./ Filing Date/ Basis	Description of Goods/Services	Current Record Owner
INNER STRENGTH	76/503,283 March 31, 2003 Intent-to-Use	Printed publications, namely, magazines on the topic of diabetes, in Class 16.	Name Rite, L.L.C.
TRIM SUPPORT	76/491,624 February 20, 2003 Intent-to-Use	Dietary and nutritional supplements, in Class 5.	Name Rite, L.L.C.
BE HEALTHY & BEAUTIFUL	Ser. No. 76/460,487 October 18, 2002 Intent-to-Use	Magazine featuring topics on women's health and beauty, in Class 16.	Name Rite, L.L.C.
RITE AID PRESCRIPTION CONNECTION	Ser. No. 76/355,227 January 7, 2002 Intent-to-Use	Retail pharmacy services, featuring remotely transmitted physician prescription orders via a global computer network, in Class 35.	Name Rite, L.L.C.
RITE AID SILVER SAVERS DISCOUNT PROGRAM	Ser. No. 76/056,739 May 25, 2000 Intent-to-Use	Promoting the sale of pharmaceutical prescription products of others through a discount program, in Class 35.	Name Rite, L.L.C.
RITE SOLUTIONS	Ser. No. 76/355,373 January 7, 2002 Intent-to-Use	Educational services, namely, conducting classes, seminars and workshops on the subject of pharmaceuticals and disease management for individual consumers, and not for the management of prescription drug benefit insurance plans, or information or consultation relating thereto, or the satisfaction of federal training requirements for the responsible conduct of research, in Class 41.	Name Rite, L.L.C.

Mark	Serial No./ Filing Date/ Basis	Description of Goods/Services	Current Record Owner
ROYAL GLOW	Ser. No. 76/367,049 February 6, 2002 Use-based	Charcoal briquettes and charcoal lighter fluid, in Class 4.	Name Rite, L.L.C.
ROYAL GLOW	Ser. No. 76/366,049 February 5, 2002 Intent-to-Use	Barbecue grills, in Class 11. Utensils and accessories for barbecue grills, namely, grill cleaning tools and brushes, skewers, tongs, long-handled forks, spatulas, and grill top pans and trays, in Class 21. Lighters and charcoal tube starters, in Class 34	Name Rite, L.L.C.
SOAKED IN GIGGLES	Ser. No. 76/117,903 August 28, 2000 Intent-to-Use	Bath products, namely bath gels, bath oils, bath powders, bath salts, body sprays, body splashes, bubble bath, hair conditioners and hair shampoos, and skin care preparations, namely skin cleansers, skin cleaning bars, skin toners, skin moisturizers, eye gel, makeup remover, non-medicated blemish treatment creams, fade creams, fade gels, facial masks and facial scrubs, in Class 3.	Mana Products, Inc. [To be assigned to Rite Aid pending filing and acceptance of Statement of Use]
SPECIAL SENTIMENTS	Ser. No. 76/416,638 May 31, 2002 Intent-to-Use	Photo albums, in Class 16; Picture frames, in Class 20.	Name Rite, L.L.C.
WHOLESOME TWOSOMES	Ser. No. 76/362,247 January 24, 2002 Intent-to-Use	Coupons for vitamins and nutritional supplements in Class 16. Promoting the sale of vitamins and nutritional supplements through special pricing discounts, the distribution of coupons, and/or membership discount cards, in Class 35. Providing rebates and/or discounts on the purchase of vitamins and nutritional supplements through the use of a membership card and/or special pricing rebates, in Class 36.	Name Rite, L.L.C.