

07-15-2002



Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

RE

102155442

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): Kerr Drug, Inc. 2522 South Tri Center Blvd. Durham, NC 27713

7-9-02

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

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

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other

Execution Date: June 27, 2002

2. Name and address of receiving party(ies) Name: General Electric Capital Corporation, as Collateral Agent Address: 12th Floor

Street Address: 500 West Monroe Street

City: Chicago State: IL Zip: 60661

- Individual(s) citizenship Association General Partnership Limited Partnership 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 No

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s)

see attached

Additional number(s) attached Yes No

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

Name: Amanda Jane Elliott, Esq.

Internal Address: Paul, Hastings, Janofsky & Walker LLP

Street Address: 600 Peachtree Street, NE

City: Atlanta State: GA Zip: 30308

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41): \$ 140.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number: 16-0752

DO NOT USE THIS SPACE

9. Signature.

Amanda Jane Elliott, Esq. Name of Person Signing

Amanda Jane Elliott Signature

July 9, 2002 Date

Total number of pages including cover sheet, attachments, and document: 10

07/15/2002 TDIAZI 00000014 75487007

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

TRADEMARK REEL: 002543 FRAME: 0288

Question 2

Receiving Parties

General Electric Capital Corporation, as Collateral Agent
500 West Monroe Street
12th Floor
Chicago, IL 60661
Corporation - Delaware

The CIT Group/Business Credit, Inc., as Collateral Agent
Two Wachovia Center, 25th Floor
Charlotte, NC 28202
Corporation - New York

Question 4(B)

Trademark Registration Numbers

- | | | |
|----|----------------------------|----------|
| 1. | "THE SMARTER BRAND TO BUY" | 75487007 |
| 2. | "SR. SILVER REWARDS" | 2433156 |
| 3. | "SR. SILVER REWARDS" | 2431100 |
| 4. | "\$MART DOLLAR" | 2330992 |
| 5. | "KERR DRUG" | 2320446 |

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of June 27, 2002, by KERR DRUG, INC., a Delaware corporation ("Grantor"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation (in its individual capacity, "GE Capital"), for itself, as Lender and as Collateral Agent for Lenders, THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation (in its individual capacity, "CIT", together with GE Capital, "Collateral Agents") for itself as Lender and as Collateral Agent for Lenders.

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement dated as of the date hereof by and among Grantor, Collateral Agents and the Persons signatory thereto from time to time as Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make the Loans and to incur Letter of Credit Obligations for the benefit of Grantor;

WHEREAS, Collateral Agents and Lenders are willing to make the Loans and to incur Letter of Credit Obligations as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Collateral Agents, for itself and the ratable benefit of Lenders, that certain Security Agreement dated as of the date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Collateral Agents, for itself and the ratable benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in Annex A thereto to the Credit Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Collateral Agents, on behalf of itself and Lenders, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

(d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Collateral Agents, on behalf of itself and Lenders, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Collateral Agents with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

GRANTOR:

KERR DRUG, INC.

By: Anthony N. Civello

Name: Anthony N. Civello

Title: President & CEO

ACCEPTED AND ACKNOWLEDGED
BY:

GENERAL ELECTRIC CAPITAL
CORPORATION, as Collateral Agent

By: Angela J. Harmon

Name: Angela J. Harmon

Title: VP

THE CIT GROUP/BUSINESS CREDIT,
INC., as Collateral Agent

By: David M. Phillips

Name: David M. Phillips

Title: V.P.

ACKNOWLEDGMENT OF GRANTOR

STATE OF Georgia)

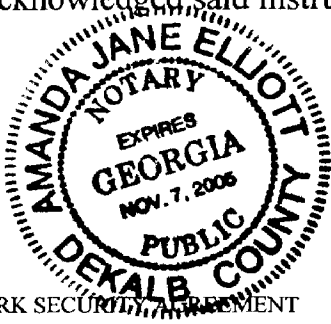
COUNTY OF Fulton)

ss. Atlanta

On this 27th day of June, 2002 before me personally appeared Anthony Civello, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of KERR DRUG, INC., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Amanda Jane Elliott
Notary Public

{seal}



TRADEMARK SECURITY AGREEMENT

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT
TRADEMARK REGISTRATIONS

	<u>Trademark/Service Mark</u>	<u>Serial/Registration Number</u>
1.	“THE SMARTER BRAND TO BUY”	75487007
2.	“SR. SILVER REWARDS”	2433156
3.	“SR. SILVER REWARDS”	2431100
4.	“\$MART DOLLAR”	2330992
5.	“KERR DRUG”	2320446