

06-18-2003

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REGISTRATION FORM COVER SHEET
ADEMARKS ONLY

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

102476036

Tab settings ⇌⇌⇌

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
 Other limited liability company

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

2. Name and address of receiving party(ies)
 Name: CITICORP NORTH AMERICA, INC., AS
 Internal Senior Collateral Agent
 Address: _____

Street Address: 388 GREENWICH STREET
 City: NEW YORK State: NY Zip: 10013

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

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

Execution Date: MAY 28, 2003

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
 PLEASE SEE

B. Trademark Registration No.(s)
 ATTACHED
2134953

Additional number(s) attached 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: 74

7. Total fee (37 CFR 3.41)..... \$ 1865⁰⁰

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 [Signature] June 9, 2003
 Name of Person Signing Signature Date

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

06/19/2003 6TOM11 00000009 2134953

01 FC:8521 40.00 OP
 02 FC:8522 1825.00 OP

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

Name Rite, L.L.C.

Additional receiving party:

JPMorgan Chase Bank, as Senior Collateral Agent

270 Park Avenue

New York, NY 10017

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

Mark	Registration No./Date	Description of Goods/Services	Current Record Owner
I-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.

SENIOR SUBSIDIARY SECURITY AGREEMENT

SENIOR 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 CITICORP NORTH AMERICA, INC., a Delaware corporation ("*CNAI*"), as senior collateral processing co-agent, and JPMORGAN CHASE BANK, a New York banking corporation ("*JPMCB*"), as senior collateral processing co-agent (each, individually in such capacity, a "*Senior Collateral Agent*", and collectively, the "*Senior Collateral Agents*") for the Senior Secured Parties.

Reference is made to 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*"), CNAI, as administrative agent for the Senior Lenders, and JPMCB, as syndication agent for the Senior Lenders. Reference is also made to the Senior 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 Senior 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 Citicorp USA, Inc., a Delaware corporation, as senior collateral agent (in such capacity, the "*Original Senior Collateral Agent*"), pursuant to which the Original Grantors agreed to secure the Senior Obligations (as defined in the Original Senior Subsidiary Security Agreement). The Original Grantors and the Original Senior Collateral Agent now wish to amend and restate the Original Senior Subsidiary Security Agreement in its entirety as set forth herein to secure the obligations of the Borrower under the Senior Credit Agreement.

The Senior Lenders have agreed to make Loans to the Borrower, and the Issuing Banks have agreed to issue Letters of Credit for the account of the Borrower, pursuant to, and upon the terms and subject to the conditions specified in, the Senior Credit Agreement. Each of the Subsidiary Guarantors has agreed to guarantee, among other things, all the obligations of the Borrower under the Senior Credit Agreement. In order to induce the Senior Lenders to make the Loans and the Issuing Banks to issue Letters of Credit, the Grantors have agreed to guarantee the due and punctual payment of the Senior Obligations pursuant to the terms of the senior subsidiary guarantee 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 Subsidiary Guarantee Agreement*”) among the Borrower, the Subsidiary Guarantors and the Senior Collateral Agents for the benefit of the Senior Secured Parties.

Accordingly, the Grantors and the Senior Collateral Agents, on behalf of themselves and each Senior Secured 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 Senior Credit Agreement. 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.

“*Blocked Account*” means each of the accounts established by the applicable Grantors listed in Section 4 of Schedule 3 to this Agreement and maintained with a Blocked Account Bank pursuant to a Blocked Account Agreement.

“*Blocked Account Agreement*” means any Blocked Account Agreement between the Senior Collateral Agents and a Blocked Account Bank substantially in the form of Schedule 4 to this Agreement.

“*Blocked Account Bank*” means any bank or financial institution that is satisfactory to the Senior Collateral Agents that executes and delivers to the Senior Collateral Agents a Blocked Account Agreement.

“*Blocked Account Cash Sweep Notice*” means a notice in the form attached as Exhibit A to the Blocked Account Agreement.

“*Cash Management Accounts*” mean, collectively, (a) the Blocked Accounts, (b) the Deposit Accounts, (c) the Concentration Account and (d) the Citibank Concentration Accounts.

“*Cash Management System*” means the system of cash management described in Schedule 3 to this Agreement.

“*Cash Sweep Cash Collateral Account*” means the collateral account established as part of the Cash Management System at Citibank, N.A. and under the sole dominion and control of the Senior Collateral Agents, Account No. 30429836.

“*Cash Sweep Notice*” means (a) any Blocked Account Cash Sweep Notice and (b) the Concentration Account Cash Sweep Notice.

“*Cash Sweep Period*” means any period in which funds are transferred from (a) any Blocked Account to the Concentration Account or any Citibank Concentration Account, as applicable, pursuant to a Blocked Account Cash Sweep Notice or (b) the Concentration Account to any Citibank Concentration Account pursuant to a Concentration Account Cash Sweep Notice.

“*Citibank Concentration Account*” means the account established at Citibank and under sole dominion and control of the Senior Collateral Agents, Account No. [30429828], together with any similar account established at Citibank, N.A. for the purpose of collecting funds during a Cash Sweep Period.

“*Concentration Account*” means the cash collateral account established at JPMorgan Chase Bank and maintained with the Concentration Account Bank pursuant to a Concentration Account Agreement, Account No. 9102750222.

“*Concentration Account Agreement*” means a Concentration Account Agreement between any Subsidiary Guarantor, the Senior Collateral Agents and a bank or financial institution satisfactory to the Senior Collateral Agents substantially in the form of Schedule 7 to this Agreement.

“*Concentration Account Bank*” means a bank or financial institution that is satisfactory to the Senior Collateral Agents that executes and delivers to the Senior Collateral Agents a Concentration Account Agreement.

“*Concentration Account Cash Sweep Notice*” means a notice in the form attached as Exhibit A to the Concentration Account Agreement.

“*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 the Senior Credit Agreement.

“*Government Lockbox Account*” means the deposit account and corresponding lockbox established and maintained at Mellon Bank, N.A., Account No. 1037294 or another Government Lockbox Account Bank.

“*Government Lockbox Account Agreement*” means any Government Lockbox Account Agreement between the Senior Collateral Agents and a Government Lockbox Account Bank substantially in the form of Schedule 6 to this Agreement.

“*Government Lockbox Account Bank*” means any bank or financial institution that is satisfactory to the Senior Collateral Agents that executes and delivers to the Senior Collateral Agents a Government Lockbox Account Agreement.

“*Indemnitee*” means the Senior Secured 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.

“*Lockbox Account*” means the deposit account and corresponding lockbox established at Mellon Bank, N.A. and maintained with the Lockbox Account Bank pursuant to a Lockbox Account Agreement, Account No. 0693636.

“*Lockbox Account Agreement*” means any Lockbox Account Agreement between the Senior Collateral Agents and a Lockbox Account Bank substantially in the form of Schedule 5 to this Agreement.

“*Lockbox Account Bank*” means any bank or financial institution that is satisfactory to the Senior Collateral Agents that executes and delivers to the Senior Collateral Agents a Lockbox Account Agreement.

“*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 filled 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*” has the meaning specified 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 Senior Collateral Agents, (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 infringements 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 Senior Collateral.

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

“*Senior Collateral Account*” means any collateral account established by the Senior Collateral Agents 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 Senior Subsidiary Guarantee Agreement, each Grantor hereby assigns and pledges to the Senior Collateral Agents, jointly, their successors and assigns, for the ratable benefit of the Senior Secured Parties, and hereby grants to the Senior Collateral Agents, jointly, their successors and assigns, for the ratable benefit of the Senior Secured 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 “*Senior 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). Senior 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 Senior Collateral Agents 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 Senior Collateral Agents reasonably determine, 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 Collateral relates. The Grantor agrees to provide such information to the Senior Collateral Agents promptly upon request. In addition, each Grantor hereby authorizes and agrees that such financing statements may describe the Senior Collateral 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 Senior Collateral Agents may determine, in their sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interest in the Collateral granted to the Senior Collateral Agents 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 Senior Collateral Agents to file in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the Restatement Effective Date.

The Senior Collateral Agents are 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 security interest in the Senior Collateral granted by each Grantor hereunder, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Senior Collateral Agents as secured parties.

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

SECTION 3. *Representations and Warranties.* Each Grantor hereby represents and warrants, as to itself and the Senior 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 Senior Collateral Agents for the ratable benefit of the Senior Secured Parties pursuant to this Agreement and the other Liens (including the Second Priority Liens) permitted to exist pursuant to the Senior Credit Agreement (the “*Permitted Liens*”), each Grantor owns each item of the Senior Collateral free and clear of any and all Liens or claims of others (or arrangements reasonably satisfactory to the Senior Collateral Agents 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 Senior 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 Senior Collateral Agents, for the ratable benefit of the Senior Secured Parties, or in respect of Permitted Liens (or arrangements reasonably satisfactory to the Senior Collateral Agents 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 Senior 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 Senior Collateral Agents or their designees) shall constitute fully perfected security interests in the Senior Collateral in favor of the Senior Collateral Agents for the ratable benefit of the Senior Secured 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 Senior Loan Documents to have priority) on the Senior 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 8 hereto.

SECTION 3.04. *Farm Products.* None of the Senior 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 Senior Secured 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. *Delivery of Instruments.* If an Intercompany Advance owned by such Grantor shall be or become evidenced by any promissory note, or other Instrument, upon the request of the Senior Collateral Agents, such promissory note, or other Instrument shall be immediately delivered to the Senior Collateral Agents, duly indorsed in a manner reasonably satisfactory to the Senior Collateral Agents, to be held as Senior Collateral pursuant to this Agreement.

SECTION 4.02. *Maintenance of Insurance.* Each Grantor shall maintain insurance policies in accordance with the requirements of Section 5.07 of the Senior Credit Agreement.

SECTION 4.03. *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 Senior Loan 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 Senior Collateral Agents, 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 Senior Collateral Agents 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 Senior Collateral under this Agreement.

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

SECTION 4.05. *Senior Collateral Agents' Liabilities and Expenses; Indemnification.*

(a) Notwithstanding anything to the contrary provided herein, neither the Senior Collateral Agents nor any other Senior Secured 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 Senior 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 Senior Collateral or the production, marketing, delivery, sale or provision of goods or services under or in connection with any of the Senior Collateral. All of such liabilities shall, as between the Senior Collateral Agents, the Senior Secured Parties and the Grantors, be borne exclusively by the Grantors unless such liability arises from the gross negligence or willful misconduct of the Senior Collateral Agents or any Senior Secured Party.

(b) Each Grantor hereby agrees to pay all reasonable expenses of the Senior Collateral Agents and the other Senior Secured Parties and to indemnify the Senior Collateral Agents and the other Senior Secured Parties with respect to any and all losses, claims, damages, liabilities and related expenses in respect of this Agreement or the Senior Collateral, in each case to the extent and under the circumstances the Borrower is required to do so pursuant to Section 9.03 of the Senior Credit Agreement.

(c) Any amounts payable as provided hereunder shall be additional Senior Obligations secured hereby and by the other Senior Collateral Documents. Without prejudice to the survival of any other agreements contained herein, all indemnification and reimbursement obligations contained herein shall survive the Senior Obligation Payment Date and the termination of this Agreement.

SECTION 4.06. *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 Senior Collateral Agents, for the ratable benefit of the Senior Secured 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 Senior Collateral Agents 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 Senior Collateral Agents pursuant to Section 4.06(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 Senior Collateral Agents, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Senior Collateral Agents may request to evidence the Senior Collateral Agents' and Senior Secured 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 Senior Collateral Agents 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 4.07. *Cash Management System.* (a) The Grantors shall at all times maintain, and each Subsidiary Guarantor shall comply with its obligations under, the Cash Management System.

(b) Each Grantor shall use its commercially reasonable efforts to cause any applicable third party to effectuate the Cash Management System.

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 Senior Secured 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 Senior Collateral Agents or any Senior Secured Party of any payment relating to such

Account pursuant hereto, nor shall any Senior Secured 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 their rights under the Senior Credit Agreement, the Senior Collateral Agents 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 they considers reasonably advisable, and each Grantor shall furnish all such assistance and information as the Senior Collateral Agents 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 Senior Collateral Agents' 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 Senior Collateral Agents to furnish to the Senior Collateral Agents 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 Senior Collateral Agents in their own names or in the name of others may communicate with Account Debtors on the Accounts to verify with them to the Senior Collateral Agents' reasonable satisfaction the existence, amount and terms of any Accounts and to direct all payments to the Senior Collateral Agents. To the extent reasonably practicable the Senior Collateral Agents will seek to take such actions through third parties.

SECTION 5.03. *Collections on Accounts.* (a) The Senior Collateral Agents hereby authorize each Grantor to collect the Accounts, and the Senior Collateral Agents 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 Senior Collateral Agents 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 Senior Collateral Agents if required, in a Senior Collateral Account maintained under the sole dominion and control of and on terms and conditions reasonably satisfactory to the Senior Collateral Agents, subject to withdrawal by the Senior Collateral Agents as provided in Section 8.03, and (ii) until so turned over, shall be held by such Grantor in trust for the Senior Secured Parties, segregated from other funds of such Grantor.

(b) At the Senior Collateral Agents' request after the occurrence and during the continuance of an Event of Default, each Grantor shall deliver to the Senior Collateral Agents 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 Senior Secured 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 5.06. *Deposit Accounts.* For each deposit account that any Grantor at any time opens or maintains, such Grantor shall, at the Senior Collateral Agents' request and option, pursuant to an agreement in form and substance satisfactory to the Senior Collateral Agents, either (a) cause the depository bank to agree to comply at any time with instructions from the Senior Collateral Agents to such depository bank directing the disposition of funds from time to time credited to such deposit account, without further consent of such Grantor, or (b) arrange for the Senior Collateral Agents to become the customers of the depository bank with respect to the deposit account, with the Grantor being permitted, only with the consent of the Senior Collateral Agents, to exercise rights to withdraw funds from such deposit account. The provisions of this paragraph shall not apply to (i) any deposit account for which any Grantor, the depository bank and the Senior Collateral Agents have entered into a cash collateral agreement specially negotiated among such Grantor, the depository bank and the Senior Collateral Agents for the specific purpose set forth therein and (ii) deposit accounts for which the Senior Collateral Agents are the depositories.

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 Senior Secured 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 Senior Secured Party of any payment relating to such Contract pursuant hereto, nor shall any Senior Secured 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 Senior Collateral Agents in their own names or in the name of their nominees may communicate with parties to the Contracts to verify with them to the Senior Collateral Agents' reasonable satisfaction the existence, amount and terms of any Contracts. To the extent reasonably practicable the Senior Collateral Agents 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 Senior Collateral Agents 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 Senior Collateral Agents for the ratable benefit of the Senior Secured Parties and that payments in respect thereof during the continuance of such an Event of Default shall be made directly to the Senior Collateral Agents.

SECTION 7.02. *Proceeds to be Turned Over To Senior Collateral Agents.* In addition to the rights of the Senior Collateral Agents and the Senior Secured 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 Senior Collateral Agents' request be held by such Grantor in trust for the Senior Secured Parties, segregated from other funds of such Grantor, and shall, upon the Senior Collateral Agents' request (it being understood that the exercise of remedies by the Senior Secured Parties in connection with an Event of Default under clauses (h) and (i) of Article VII of the Senior Credit Agreement shall be deemed to constitute a request by the Senior Collateral Agents for the purposes of this sentence) forthwith upon receipt by such Grantor, be turned over to the Senior Collateral Agents in the exact form received by such Grantor (duly indorsed by such Grantor to the Senior Collateral Agents, if required) and held by the Senior Collateral Agents in a Senior Collateral Account maintained under the sole dominion and control of the Senior Collateral Agents and on terms and conditions reasonably satisfactory to the Senior Collateral Agents. All Proceeds while held by the Senior Collateral Agents in a Senior Collateral Account (or by such Grantor in trust for the Senior Collateral Agents and the Senior Secured Parties) shall subject to Section 7.03 continue to be held as collateral security for all the Senior 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 Senior Collateral Agents in an amount equal to the fees and expenses of the Senior Collateral Agents pursuant to this Agreement and the Senior Credit Agreement that are unpaid as of the applicable date of receipt of such proceeds, and to any Senior Secured Party which has theretofore advanced or paid any such fees and expenses of the Senior Collateral Agents in an amount equal to the amount thereof so advanced or paid by such Senior Secured Party pro rata based on the amount of such fees and expenses (or such advances or payment);

SECOND: to the Senior Collateral Agents to reimburse any amounts owing to the Senior Collateral Agents pursuant to Section 8.03;

THIRD: to the Senior Collateral Agents, for distribution to the Senior Secured Parties to be applied to the payment of the Senior Obligations then due and owing, pro rata based on the amount of Senior Obligations then due and owing (after giving effect to any payments previously made under this Section), until all of the Senior Obligations then due and owing have been paid in full; and

FOURTH: after payment in full of all Senior Obligations, to Rite Aid and the Grantors 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 Senior Collateral Agents, on behalf of the Senior Secured 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 Senior Obligations, all rights and remedies of a senior secured party under the Uniform Commercial Code. Without limiting the generality of the foregoing, the Senior Collateral Agents, 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 Senior 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 Senior 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 Senior Secured Party or elsewhere upon such terms and conditions as the Senior Collateral Agents may deem advisable and at such prices as they may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Any Senior Secured 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 Senior 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 Senior Collateral Agents' request, to assemble the Senior Collateral and make it available to the Senior Collateral Agents at places which the Senior Collateral Agents shall reasonably select, whether at such Grantor's premises or elsewhere. The Senior Collateral Agents 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 Senior Collateral or reasonably relating to such Senior Collateral or the rights of the Senior Collateral Agents and the Senior Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Senior Obligations, in accordance with Section 7.03, and only after such application and after the payment by the Senior Collateral Agents 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 Senior Collateral Agents account for the surplus, if any, to such Grantor. If any notice of a proposed sale or other disposition of such Senior 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 Senior Collateral Agents 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 Senior Collateral by the Senior Collateral Agents (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Senior Collateral Agents or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Senior 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 Senior Collateral Agents 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 Senior Collateral Agents to exercise rights and remedies under this Article at such time as the Senior Collateral Agents shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Senior Collateral Agents 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 Senior 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 Senior Collateral Agents shall be exercised, at the option of the Senior Collateral Agents, 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 Senior Collateral Agents 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 Senior Collateral are insufficient to pay the Senior Obligations and the reasonable fees and disbursements of any attorneys employed by any Senior Secured Party to collect such deficiency.

SECTION 7.07. *Cash Sweep Remedies.* The Senior Collateral Agents, on behalf of the Senior Secured Parties are entitled to exercise all rights and remedies granted to them in respect of the Cash Management Accounts in accordance with Schedule 3 of this Agreement.

SECTION 8. *Senior Collateral Agents' Appointment as Attorneys-in-Fact; Senior Collateral Agents' Performance of Grantors' Obligations.*

SECTION 8.01. *Powers.* Each Grantor hereby irrevocably constitutes and appoints the Senior Collateral Agents and any officer or agent thereof, with full power of substitution, during the continuance of an Event of Default, as its true and lawful attorneys-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 their own name from time to time in the Senior Collateral Agents' 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 Senior Collateral Agents 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 their own names, 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 Senior 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 Senior Collateral Agents 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 Senior 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 Senior Collateral Agents may request to evidence the Senior Collateral Agents' and the Senior Secured 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 Senior 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 Senior Collateral;

(e) (i) to direct any party liable for any payment under any of the Senior Collateral to make payment of any and all moneys due or to become due thereunder directly to the Senior Collateral Agents or as the Senior Collateral Agents 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 Senior 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 Senior 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 Senior Collateral or any thereof and to enforce any other right in respect of any Senior Collateral; (v) to defend any suit, action or proceeding brought against any Grantor with respect to any Senior Collateral; (vi) to settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, to give such discharges or releases as the Senior Collateral Agents 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 Senior Collateral as fully and completely as though the Senior Collateral Agents were the absolute owners thereof for all purposes, and to do, at the Senior Collateral Agents' option and at the expense of such Grantor, at any time, or from time to time, all acts and things which the Senior Collateral Agents reasonably deem necessary to protect, preserve or realize upon such Senior Collateral and the Senior Collateral Agents' and the Senior Secured 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 Senior Collateral Agents of Grantor's Obligations.* If any Grantor fails to perform or comply with any of its agreements contained herein, the Senior Collateral Agents, at their 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 Senior Collateral Agents and any other Senior Secured 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 Senior Collateral Agents to the date reimbursed by such Grantor, shall be payable by the Borrower to the Senior Collateral Agents 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 Senior Collateral Agents.* The Senior Collateral Agents' sole duty with respect to the custody, safekeeping and physical preservation of the Senior 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 Senior Collateral Agents deal with similar property for their own accounts. No Senior Secured 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 Senior Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any

Senior Collateral upon the request of a Grantor or any other Person or to take any other action whatsoever with regard to the Senior Collateral or any part thereof. The powers conferred on the Senior Secured Parties hereunder are solely to protect the Senior Secured Parties' interests in the Senior Collateral and shall not impose any duty upon any Senior Secured Party to exercise any such powers. The Senior Secured 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 Senior Collateral Agents.* Each Grantor acknowledges that the rights and responsibilities of the Senior Collateral Agents under this Agreement with respect to any action taken by the Senior Collateral Agents or the exercise or non-exercise by the Senior Collateral Agents 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 Senior Collateral Agents and the other Senior Secured Parties, be governed by the Senior Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them but, as between the Senior Collateral Agents and the Grantors, the Senior Collateral Agents shall be conclusively presumed to be acting as co-agents for the other Senior Secured 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 Senior Secured Parties or the Grantors under this Agreement shall be given or made in accordance with Section 9.01 of the Senior Credit Agreement and addressed as follows:

(a) if to the Senior Collateral Agents, in accordance with Section 9.01 of the Senior Credit Agreement;

(b) if to any Grantor, c/o the Borrower in accordance with Section 9.01 of the Senior Credit Agreement.

SECTION 12. *Security Interest Absolute.* All rights of the Senior Collateral Agents 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 Senior Loan Document shall be considered to have been relied upon by the Senior Secured Parties and shall survive the making by the Senior Lenders of the Loans, the execution and delivery to the Senior Lenders of the Senior Loan Documents and the issuance of any Letters of Credit, regardless of any investigation made by the Senior Secured 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 Loan or LC Disbursement, or any other Senior Obligation is outstanding and unpaid and so long as any Letter of Credit is outstanding and so long as the Commitments have not been terminated.

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, ACTION OR OTHER PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER SENIOR 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 Senior Loan 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 Senior Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or the other Senior Loan Documents against any Grantor or any Senior Secured Party or its properties in the courts of any jurisdiction.

(b) Each Grantor and each Senior Secured 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 Senior Loan 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 Senior Obligations have been fully and indefeasibly paid and when the Senior Secured Parties have no further Commitments under the Senior Credit Agreement and no Letters of Credit are outstanding (except pursuant to cash collateral arrangements satisfactory to the Senior Collateral Agents), at which time the Senior Collateral Agents 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.

Any execution and delivery of termination statements or documents pursuant to this Section 16(a) shall be without recourse to or warranty by the Senior Collateral Agents.

(b) All Senior Collateral used, sold, transferred or otherwise disposed of in accordance with the terms of the Senior Credit Agreement and the Collateral Trust and Intercreditor Agreement (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 Senior Collateral Agents 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 Senior Collateral and (ii) any representation, warranty or covenant contained herein relating to such Senior Collateral shall no longer be deemed to be made with respect to such used, sold, transferred or otherwise disposed Senior 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. *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 Senior Collateral Agents, *provided* that any provision of this Agreement may be waived by the Majority Senior Parties pursuant to a letter or agreement executed by the Senior Collateral Agents or by telecopy transmission from the Senior Collateral Agents.

(b) No Senior Secured Party shall by any act (except by a written instrument pursuant to Section 18(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 Senior Secured 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 Senior Secured 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 Senior Secured Party would otherwise have on any future occasion.

SECTION 19. *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 20. *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 21. *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 Senior Secured Parties and their successors and assigns, provided that this Agreement may not be assigned by any Grantor without the prior written consent of the Senior Collateral Agents.

SECTION 22. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 23. *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.

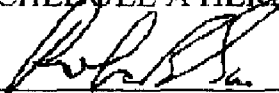
SECTION 24. *Additional Grantors.* Pursuant to Section 5.11 of the Senior Credit Agreement, certain wholly owned Domestic Subsidiaries that were not in existence or not a Domestic Subsidiary on the Restatement Effective Date are required to enter into this Agreement as a Grantor upon becoming a Domestic Subsidiary. Upon execution and delivery, after the Restatement Effective Date, by the Senior Collateral Agents and such a 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 25. *Patient Confidentiality.* The Senior Collateral Agents hereby agree on behalf of themselves and each Senior Secured 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.

SECTION 26. *Collateral Trust and Intercreditor Agreement.* Notwithstanding anything herein to the contrary, the terms of this Agreement, and the rights of the Senior Collateral Agents and the Senior Secured Parties hereunder, are subject to the Collateral Trust and Intercreditor Agreement.

IN WITNESS WHEREOF, the undersigned has caused this Senior
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

CITICORP NORTH AMERICA, INC., as
Senior Collateral Agent,

By _____

Name:
Title:

JPMORGAN CHASE BANK, as Senior
Collateral Agent,

By _____

Name:
Title:

IN WITNESS WHEREOF, the undersigned has caused this Senior
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:

CITICORP NORTH AMERICA, INC., as
Senior Collateral Agent,

By _____
Name:
Title: **SEBASTIEN DELASNERIE**
Vice President
Asset Based Finance

JPMORGAN CHASE BANK, as Senior
Collateral Agent,

By _____
Name:
Title:

IN WITNESS WHEREOF, the undersigned has caused this Senior
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:

CITICORP NORTH AMERICA, INC., as
Senior Collateral Agent,

By _____
Name:
Title:

JPMORGAN CHASE BANK, as Senior
Collateral Agent,

By _____
Name: Gary L. Spevack
Title: Vice President
JPMorgan Chase Bank

SUPPLEMENT NO. dated as of []
(this "*Supplement*") to the Senior 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 "*Senior 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*"), in favor of CITICORP NORTH AMERICA, INC., a Delaware banking corporation ("*CNAF*"), as senior collateral processing co-agent and JPMORGAN CHASE BANK, a New York banking corporation ("*JPMCB*"), as senior collateral processing co-agent (each, individually, a "*Senior Collateral Agent*", and collectively, the "*Senior Collateral Agents*" for the Senior Secured Parties.

A. Reference is made to the (a) Senior Credit 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 "*Senior Credit Agreement*"), among Rite Aid Corporation, a Delaware corporation (the "*Borrower*"), the lenders from time to time party thereto (the "*Senior Lenders*"), CNAI, as administrative agent for the Senior Lenders, and JPMCB, as syndication agent for the Senior Lenders and (b) the Senior Subsidiary Security Agreement.

B. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Subsidiary Security Agreement, including the Definitions Annex (as may be amended, supplemented or otherwise modified from time to time) and the Senior Credit Agreement.

C. The Grantors have entered into the Senior Subsidiary Security Agreement in order to induce the Senior Lenders to make Loans and induce the Issuing Banks to issue Letters of Credit pursuant to, and upon the terms and subject to the conditions specified in, the Senior Credit Agreement. Pursuant to Section 5.11 of the Senior Credit Agreement, certain wholly owned Domestic Subsidiaries that were not in existence or not a Domestic Subsidiary on the date thereof are required to enter into the Senior Subsidiary Security Agreement as a Grantor upon becoming a Domestic Subsidiary. Section 24 of the Senior Subsidiary Security Agreement provides that additional Domestic Subsidiaries may become Grantors under the Senior Subsidiary Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned (the "*New Grantor*") is a wholly-owned Domestic Subsidiary and is executing this Supplement in accordance with the requirements of the Senior Credit Agreement to become a Grantor under the Senior Subsidiary Security Agreement in order to induce the Senior Lenders to make additional Loans and the Issuing Banks to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Senior Collateral Agents and the New Grantor agree as follows:

SECTION 1. In accordance with Section 24 of the Senior Subsidiary Security Agreement, the New Grantor by its signature below becomes a Grantor under the Senior 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 Senior Subsidiary Security Agreement applicable to it as a Grantor thereunder. Each reference to a "Grantor" in the Senior Subsidiary Security Agreement shall be deemed to include the New Grantor. The Senior Subsidiary Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Senior Secured 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 Senior Collateral Agents shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Senior Collateral Agents.

SECTION 4. Except as expressly supplemented hereby, the Senior 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 Senior 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 Senior Credit Agreement. All communications and notices hereunder to the New Grantor shall be given to it c/o the Borrower as set forth in Section 9.01 of the Senior Credit Agreement.

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

[NAME OF NEW GRANTOR],

by _____

Name:

Title:

CITICORP NORTH AMERICA, INC., as Senior
Collateral Agent,

by _____

Name:

Title:

JPMORGAN CHASE BANK, as Senior Collateral
Agent,

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 an 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 of PA, Inc.
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.
Rack Rite Distributors, 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
W. R. A. C., Inc.

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 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.

CASH MANAGEMENT SYSTEM

SECTION 1. *Accounts.* (a) No later than 30 days after the Restatement Effective Date (or such later date as may be agreed by the Senior Collateral Agents), each Grantor shall, upon the request of the Senior Collateral Agents, cause:

(i) each Blocked Account Bank to execute and deliver an updated Blocked Account Agreement in respect of each Blocked Account;

(ii) each Lockbox Account Bank to execute and deliver an updated Lockbox Account Agreement in respect of each Lockbox Account;

(iii) each Government Lockbox Account Bank to execute and deliver an updated Government Lockbox Account Agreement in respect of each Government Lockbox Account; and

(iv) each Concentration Account Bank to execute and deliver an updated Concentration Account Agreement in respect of the Concentration Account.

(b) On each Business Day, each Grantor will transfer, directly or indirectly substantially all of the funds credited to each of its depository accounts in same day funds, to a Blocked Account (including during a Cash Sweep Period) in accordance with its customary business practice.

(c) Each Grantor shall cause all payments in the Government Lockbox Account to be deposited into the Lockbox Account as promptly as possible and in any event no later than the Business Day on which such payments become available in the Government Lockbox Account (including during a Cash Sweep Period).

(d) Each Cash Management Account is, and shall remain, under the sole dominion and control of the Senior Collateral Agents. Each Grantor acknowledges and agrees that:

(i) during a Cash Sweep Period such Grantor has no right of withdrawal from any Cash Management Account except that:

(A) the relevant Grantors shall be permitted to instruct any Blocked Account Bank to transfer all amounts deposited in or credited to any Blocked Account to the Concentration Account in accordance with the applicable Blocked Account Agreement, and

(B) the relevant Grantor shall be permitted to instruct the Concentration Account Bank to transfer all amounts deposited in or credited to the Concentration Account in accordance with the Concentration Account Agreement;

(ii) the funds on deposit in the Cash Management Accounts shall continue to be collateral security for all of the Senior Obligations.

(e) Prior to the delivery of a Cash Sweep Notice, the Grantor is free to withdraw funds on deposit in or credited to the Blocked Accounts and the Concentration Account in such amounts and with such frequency as the Grantor may from time to time determine, without notice to or consent from the Senior Collateral Agents.

SECTION 2. *Cash Sweep.* (a) The Senior Collateral Agents shall immediately be entitled to deliver Cash Sweep Notices upon the conditions specified in Section 9.15(a) in the Senior Credit Agreement.

(b) Upon delivery of:

(i) a Blocked Account Cash Sweep Notice from the Senior Collateral Agents, the balance of each Blocked Account shall be forwarded to the Concentration Account, each Business Day or the next Business Day (as permitted by the applicable Blocked Account Agreement), in same day funds, for so long as such Blocked Account Cash Sweep Notice shall be in effect; and

(ii) a Concentration Account Cash Sweep Notice from the Senior Collateral Agents, the balance of the Concentration Account shall be forwarded to a Citibank Concentration Account, each Business Day (or the next Business Day (as permitted by the Concentration Account Agreement)), in same day funds, for so long as such Concentration Account Cash Sweep Notice shall be in effect.

(c) On each Business Day during a Cash Sweep Period, the Senior Collateral Agents shall use funds on deposit in any Citibank Concentration Account as follows:

(i) after the occurrence of a Triggering Event, in accordance with the provisions of Section 4.01(a) of the Collateral Trust and Intercreditor Agreement, as applicable; and

(ii) at any other time, *first*, to repay the Revolving Borrowings (without any Reduction of the Commitments) and *second*, to be deposited into the Cash Sweep Cash Collateral Account for the benefit of the Senior Secured Parties, as collateral for the payment and performance of the Senior Obligations. The Senior Collateral Agents shall have exclusive dominion and control, including the exclusive right of withdrawal, over the Cash Sweep Cash Collateral Account. Deposits in the Cash Sweep Cash Collateral Account shall be invested in Permitted Investments, to be selected by the Senior Collateral Agents in their sole discretion, and interest earned on such deposits shall be deposited in such account as additional collateral for the payment and performance of the Senior Obligations. Interest or profits, if any, on such investments shall accumulate in such account. Upon termination of any Cash Sweep Period, funds in the Cash Sweep Cash Collateral Account shall be

released to the Concentration Account within three Business Days after the end of such Cash Sweep Period.

(d) The Senior Collateral Agents shall be required to automatically rescind any Cash Sweep Notice upon the conditions specified in Section 9.15(b) of the Senior Credit Agreement.

(e) The Senior Collateral Agents reserve the right to send as many Cash Sweep Notices to the extent that they are entitled to do so under paragraph (a) of this Section 2.

SECTION 3. *Collections.* (a) Each Grantor agrees to notify and direct promptly

(i) subject to paragraph (ii) below, each Account Debtor and every other Person obligated to make payments to any Blocked Account or Deposit Account, as applicable, to make all such payments to such Blocked Account or Deposit Account, as applicable. Each Grantor shall use all commercially reasonable efforts to cause each Account Debtor and every other Person identified in the preceding sentence to make all payments owing to any Grantor to a Blocked Account or Deposit Account, as applicable; and

(ii) each Account Debtor which is a Governmental Authority (and only such Account Debtors) to make all payments owing to any Grantor to the Government Lockbox Account.

(b) In the event that any Grantor directly receives any remittances or payments on Accounts Receivable or any other obligation, notwithstanding the arrangements for payment directly into the Blocked Accounts or the Deposit Accounts, such remittances and payments shall be held in trust for the benefit of the Senior Collateral Agents and the other Senior Secured Parties and shall be segregated from other funds of such Grantor, subject to the Lien granted by the Senior Subsidiary Security Agreement, and such Grantor shall cause such remittances and payments to be deposited into the applicable Blocked Account or Deposit Account as soon as practicable after such Grantor's receipt thereof.

SECTION 4. *Accounts.* (a) The following are the Blocked Accounts:

Blocked Account Bank	Account Numbers
Bank of America	1233625317
PNC Bank	8612489237
US Bank	153607068225
Fleet Bank	9415842956
Union Bank of CA	1870024297

(b) The following are the Deposit Accounts:

Account Holder	Account Details
Mellon Bank, N.A.	0693636
Mellon Bank, N.A.	1037294

(c) The following is the Concentration Account:

Account Holder	Account Details
JPMorgan Chase Bank	9102750222

[FORM OF]

BLOCKED ACCOUNT AGREEMENT

[Date]

[Blocked Account Bank]
[address]

Ladies and Gentlemen:

Reference is made to (a) account no. [] maintained with you (the "*Blocked Account Bank*") by [] (the "*Grantor*") into which funds are deposited from time to time (the "*Blocked Account*") and (b) the Senior 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 "*Senior Subsidiary Security Agreement*"), among the Subsidiary Guarantors (such term and each other capitalized term used but not defined herein having the meaning assigned to such term in the Senior Subsidiary Security Agreement, including the Definitions Annex, and the Senior Credit Agreement) and the Senior Collateral Agents.

Pursuant to the Senior Subsidiary Security Agreement, the Grantor has granted to the Senior Collateral Agents, for the benefit of the Senior Secured Parties, a perfected security interest in certain property of the Grantor, including, the Blocked Account.

The Grantor hereby transfers to the Senior Collateral Agents exclusive ownership and control of, and all of its right, title and interest in and to, the Blocked Account and all funds and other property on deposit therein. By executing this Blocked Account Agreement, the Blocked Account Bank acknowledges that the Senior Collateral Agents now have exclusive ownership and control of the Blocked Account, that all funds in the Blocked Account shall be transferred to the Senior Collateral Agents as provided herein, that the Blocked Account is being maintained by the Blocked Account Bank for the benefit of the Senior Collateral Agents and that all amounts and other property therein are held by the Blocked Account Bank as custodian for the Senior Collateral Agents.

Except as provided in paragraphs (e), (f) and (l) below, the Blocked Account shall not be subject to deduction, setoff, banker's lien, counterclaim, defense, recoupment or any other right in favor of any Person or entity other than the Senior Collateral Agents. By executing this Blocked Account Agreement the Blocked Account Bank also acknowledges that, as of the date hereof, the Blocked Account Bank has received no notice of any other pledge or assignment of the Blocked Account and the Blocked Account Bank agrees with the Senior Collateral Agents as follows:

(a) Notwithstanding anything to the contrary or any other agreement relating to the Blocked Account, the Blocked Account is and will be maintained for the benefit of the Senior Collateral Agents, will be entitled "*Citicorp North America, Inc. and JPMorgan Chase Bank, as Senior Collateral Agents under the Senior Subsidiary Security Agreement dated as of June 27, 2001 and amended and restated as of May 28, 2003 Account*" and will be subject to written instructions only from an authorized officer of the Senior Collateral Agents (except as expressly provided otherwise herein).

(b) The Blocked Account Bank agrees to give the Senior Collateral Agents prompt notice if the Blocked Account shall become subject to any writ, judgment, warrant of attachment, execution or similar process.

(c) [A post office box (the "*Lockbox*") has been rented in the name of the Grantor at the [post office and the address to be used for such Lockbox is:

[Insert address]

The Blocked Account Bank's authorized representatives will have access to the Lockbox under the authority given by the Grantor to the post office and will make regular pick-ups from the Lockbox timed to gain maximum benefit of early presentation and availability of funds. The Blocked Account Bank will endorse and process all checks received in the Lockbox and deposit such checks (to the extent eligible) in the Blocked Account in accordance with the procedures set forth below .]

(d) The Blocked Account Bank will follow its operating procedures for the handling of any [checks received from the Lockbox] or other remittance received in the Blocked Account that contains restrictive endorsements, irregularities (such as a variance between the written and numerical amounts), undated or postdated items, missing signatures, incorrect payees and the like.

(e) The Blocked Account Bank will endorse and process all eligible checks and other remittance items not covered by paragraph (d) and deposit such checks and remittance items in the Blocked Account.

(f) The Blocked Account Bank will mail all checks returned unpaid because of uncollected or insufficient funds under appropriate advice to the Grantor (with a copy of the notification of return to the Senior Collateral Agents). The Blocked Account Bank may charge the Blocked Account for the amounts of any returned check that has been previously credited to the Blocked Account. To the extent insufficient funds remain in the Blocked Account to cover any such returned check, the Grantor shall indemnify the Blocked Account Bank for the uncollected amount of such returned check upon your demand.

(g) The Blocked Account Bank will maintain a record of all checks and other remittance items received in the Blocked Account on a daily basis and, in

addition to providing the Grantor with photostatic copies thereof, vouchers, enclosures and the like of such checks and remittance items, furnish to the Senior Collateral Agents a monthly statement setting forth the amounts deposited in and withdrawn from the Blocked Account and shall furnish such other information relating to the Blocked Account at such times as shall be reasonably requested by the Senior Collateral Agents to: Citicorp North America, Inc., as Senior Collateral Agent, [], Attention: [] and JPMorgan Chase Bank, as Senior Collateral Agent, [], Attention: [], with a copy to the Grantor.

(h) Prior to the delivery of a written notice from the Senior Collateral Agents in the form of Exhibit A hereto (the "*Blocked Account Cash Sweep Notice*"), the Grantor is free to withdraw funds from the Blocked Account in such amounts and with such frequency as the Grantor may from time to time determine, without notice to or consent from the Senior Collateral Agents.

(i) From and after delivery to the Blocked Account Bank of a Blocked Account Cash Sweep Notice and until the Blocked Account Bank is notified in writing by the Senior Collateral Agents that the Blocked Account Cash Sweep Notice is no longer in effect (a "*Blocked Account Cash Sweep Period*"), the Grantor will have no control over the use of, or any right to withdraw any amount from, to draw upon, or to otherwise exercise any power with respect to the Blocked Account, except that the Grantor shall be permitted to instruct the Blocked Account Bank only with respect to the transfer of funds from the Blocked Account to the Concentration Account (as defined below) in accordance with paragraph (k) below.

(j) During a Blocked Account Cash Sweep Period, the Blocked Account Bank shall transfer, in same day funds, on each Business Day, all funds, if any on deposit in, or otherwise to the credit of, the Blocked Account to the account listed below (the "*Concentration Account*") in accordance with paragraph (k) below, *provided* that funds on deposit that are subject to collection may be transmitted promptly upon collection:

ABA Number:

[name and address of Grantor's bank]

Account Name:

Concentration Account

Account Number:

Reference:

Attn:

or to such other account as the Senior Collateral Agents may from time to time, or at any time, designate in writing.

(k) During a Blocked Account Cash Sweep Period, (i) the Grantor shall provide written instructions to the Blocked Account Bank on each Business Day

to transfer all funds on deposit in, or otherwise credited to, the Blocked Account to the Concentration Account; (ii) to the extent there are any available balances in the Blocked Account at the end of any Business Day which have not been transferred pursuant to clause (i) of this paragraph, the Grantor shall provide, on the next Business Day, written instructions for the transfer of such available balances from the Blocked Account to the Concentration Account; and (iii) if the Grantor does not provide the written instructions pursuant to clause (ii) of this paragraph, the Blocked Account Bank shall automatically initiate such transfer described in clause (ii) of this paragraph and all other transfers from the Blocked Account to the Concentration Bank without further direction from the Grantor until otherwise notified by the Senior Collateral Agents.

(l) All customary service charges and fees with respect to the Blocked Account shall be debited to the Blocked Account. In the event insufficient funds remain in the Blocked Account to cover such customary service charges and fees, the Grantor shall pay and indemnify the Blocked Account Bank for the amounts of such customary service charges and fees. Neither the Senior Collateral Agents nor the Senior Secured Parties shall have any liability for the payment of any such fees in respect of the Blocked Account.

This letter agreement shall be binding upon and shall inure to the benefit of the Blocked Account Bank, the Grantor, the Senior Collateral Agents, the Senior Secured Parties referred to in the Senior Subsidiary Security Agreement and their respective successors, transferees and assigns of any of the foregoing. This letter agreement may not be modified or terminated except upon the mutual consent of the Senior Collateral Agents, the Grantor and the Blocked Account Bank. The Blocked Account Bank may terminate the letter agreement only upon 45 days' prior written notice to the Grantor and the Senior Collateral Agents. The Senior Collateral Agents may terminate this letter agreement at any time. So long as any Senior Obligations remain outstanding and the Commitments are still outstanding, upon such termination the Blocked Account Bank shall close the Blocked Account and transfer all funds in the Blocked Account to the Senior Collateral Agents at the Concentration Account or as otherwise directed by the Senior Collateral Agents. After any such termination, the Blocked Account Bank shall nonetheless remain obligated promptly to transfer to the Concentration Account or as the Senior Collateral Agents may otherwise direct all funds and other property received in respect of the Blocked Account.

This letter agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this letter agreement by telecopier shall be effective as delivery of a manually executed counterpart of this letter agreement.

This letter agreement supersedes all prior agreements, oral or written, with respect to the subject matter hereof and may not be amended, modified or supplemented except by a writing signed by the Senior Collateral Agents, the Grantor and the Blocked Account Bank.

This letter agreement shall be governed by, and construed in accordance with, the law of the State of New York.

Upon acceptance of this letter agreement it will be the valid and binding obligation of the Grantor, the Senior Collateral Agents, and the Blocked Account Bank, in accordance with its terms.

Very truly yours,

[]

By: _____

Name:

Title:

CITICORP NORTH AMERICA, INC, as Senior
Collateral Agent

By: _____

Name:

Title:

JPMORGAN CHASE BANK, as Senior Collateral
Agent

By: _____

Name:

Title:

Acknowledged and agreed to as of
the date first above written:

[]

By: _____

Name:

Title:

BLOCKED ACCOUNT CASH SWEEP NOTICE

[Blocked Account Bank]
[Address]

Re: Account No. [] (the "*Blocked Account*")

Ladies and Gentlemen:

Reference is made to the Blocked Account and that certain Blocked Account Agreement dated June 27, 2001 and amended and restated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, the "*Blocked Account Agreement*") among the Blocked Account Bank, the Grantor and the Senior Collateral Agents. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Blocked Account Agreement.

The Senior Collateral Agents hereby notify you that, in accordance with certain provisions of the Senior Subsidiary Security Agreement, from and after the date of this notice, you are hereby directed to transfer (by wire transfer or other method of transfer mutually acceptable to you and the Senior Collateral Agents) to the Senior Collateral Agents, in same day funds, on each Business Day, the entire balance in the Blocked Account to the Concentration Account specified in paragraph (j) of the Blocked Account Agreement (or to such other account as the Senior Collateral Agents may from time to time, or at any time, designate in writing) until you are notified in writing by the Senior Collateral Agents that this Blocked Account Cash Sweep Notice is no longer effective.

Very truly yours,

CITICORP NORTH AMERICA, INC, as Senior
Collateral Agent,

By: _____
Name:
Title:

JPMORGAN CHASE BANK, as Senior Collateral
Agent,

By: _____
Name:
Title:

[FORM OF]

LOCKBOX ACCOUNT AGREEMENT

[Date]

[Mellon Bank, N.A.
Document Control Manager
Three Mellon Bank Center
Room 3119
Pittsburgh, PA 15259]

Ladies and Gentlemen:

Reference is made to (a) account number [] and corresponding lockbox and data automation system maintained with you (the "*Lockbox Account Bank*") by [] (the "*Grantor*") into which funds are deposited from time to time (the "*Lockbox Account*") and (b) the Senior 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 "*Senior Subsidiary Security Agreement*") among the Subsidiary Guarantors (such term and each other capitalized term used but not defined herein having the meaning assigned to such term in the Senior Subsidiary Security Agreement, including the Definitions Annex and Senior Credit Agreement referred to therein) and the Senior Collateral Agent.

The Grantor hereby confirms its irrevocable and unconditional instruction to you that, until receipt of a written notice from the Senior Collateral Agents to the contrary, you shall follow exclusively the instructions of the Senior Collateral Agents with respect to the Lockbox Account and that the Lockbox Account shall be under the sole dominion and control of the Senior Collateral Agent. Notwithstanding anything to the contrary or any other agreement relating to the Lockbox Account, the Lockbox Account is and will be maintained for the benefit of the Senior Collateral Agent, will be entitled "*Citicorp North America, Inc. and JPMorgan Chase Bank, as Senior Collateral Agents under the Senior Subsidiary Agreement dated as of June 27, 2001 and amended and restated as of May 28, 2003 Account*" and will be subject to written instructions only from an authorized officer of each Senior Collateral Agent.

The Grantor also hereby notifies you that the Senior Collateral Agents shall be irrevocably entitled to exercise any and all rights in respect of, or in connection with, the Lockbox Account, including, without limitation, the right to specify when payments are to be made out of, or in connection with, the Lockbox Account. The Senior Collateral Agents hereby instruct you, until you receive notice from the Senior Collateral Agents changing this instruction, to transfer, in same day funds, on each Business Day, all funds, if any on deposit in, or otherwise to the credit of, the Lockbox Account to the Account

listed below, *provided* that funds on deposit that are subject to collection may be transmitted properly upon collection.

BA Number: _____
[name and address of Grantor's bank]

Account Name: _____
Concentration Account

Account Number: _____
Reference: _____
Attn: _____

[or to such other account as the Senior Collateral Agents and the Grantor may designate in writing.]

All expenses for the maintenance and provision of services in conjunction with the Lockbox Account held in the name of the Grantor are the responsibility of the Grantor. In the event that the Grantor does not pay all service fees due to the Lockbox Account Bank within thirty (30) days after the due date, the Lockbox Account Bank is authorized to charge the Lockbox Account for such fees. In the event the Lockbox Account Bank is unable to obtain sufficient funds from such charges to cover such fees the Grantor shall indemnify the Lockbox Account Bank for all then-due fees on the Lockbox Account that have not been paid.

The Grantor and the Senior Collateral Agents agree that the Lockbox Account Bank may debit the Lockbox Account for any items (including, but not limited to, checks, drafts, Automatic Clearinghouse (ACH) credits or wire transfers or other electronic transfers or credits) deposited or credited to the Lockbox Account which may be returned or otherwise not collected and, subject to the preceding paragraph, for all charges, fees, commissions and expenses incurred by the Lockbox Account Bank in providing services or otherwise in connection herewith. The Lockbox Account Bank may charge the Lockbox Account as permitted herein at such times as are in accordance with the Lockbox Account Bank's customary practice for the chargeback of returned items and expenses. In the event the Lockbox Account Bank is unable to obtain sufficient funds for such charges to cover returned items, or reversed or returned credits, or any other items not collected and any other charges, expenses, or commissions incurred by the Lockbox Account Bank in providing the services (referred to as a "cost" or "costs"), the Grantor shall indemnify the Lockbox Account Bank for all amounts related to the above described costs incurred by the Lockbox Account Bank. The Senior Collateral Agents agree that if the Grantor has not reimbursed the Lockbox Account Bank for the amounts described in this paragraph and the Lockbox Account Bank has transferred funds to the Senior Collateral Agents, then the Senior Collateral Agents agree to reimburse the Lockbox Account Bank (for any returned items described in this paragraph but not for charges, fees or commissions incurred therewith) within ten business days after demand by the Lockbox Account Bank.

Notwithstanding any other provision of this Agreement, unless the Lockbox Account Bank is grossly negligent or engages in wilful misconduct in performance or non-performance in connection with this Agreement and the Lockbox Account, the Grantor agrees to indemnify and hold the Lockbox Account Bank harmless from any claims, damages, losses or expenses incurred by any party in connection herewith; in the event the Lockbox Account Bank breaches the standard of care set forth herein, the Grantor and the Senior Collateral Agents each expressly agrees that the Lockbox Account Bank's liability shall be limited to damages directly caused by such breach and in no event shall the Lockbox Account Bank be liable for any incidental, indirect, punitive or consequential damages or attorney's fees whatsoever.

Notwithstanding any other provision of this Agreement, the Lockbox Account Bank shall not be liable for any failure, inability to perform, or delay in performance hereunder, if such failure, inability, or delay is due to an act of God, war, civil commotion, governmental action, fire, explosion, strikes, other industrial disturbance, equipment malfunction, action, non-action or delayed action on the part of the Grantor or the Senior Collateral Agents or of any other entity or any other causes that are beyond the Lockbox Account Bank's reasonable control.

This Agreement may not be modified or terminated by the Grantor unless, in the case of a modification, the prior written consent of the Senior Collateral Agents and the Lockbox Account Bank is obtained and, in the case of termination, the prior written consent of the Senior Collateral Agents is obtained. The Lockbox Account Bank may terminate this Agreement upon forty-five (45) days' prior written notice to the Grantor and the Senior Collateral Agents. The Senior Collateral Agents may terminate this Agreement at any time. The Grantor's obligations under this Agreement to indemnify, hold harmless and pay amounts owed (and the Grantor's obligation to reimburse the Lockbox Account Bank for any returned items) shall survive the termination of this Agreement.

[This Agreement shall be governed by the laws of the State of New York.]

The terms and conditions of the services, attached as Exhibit A, is made part of this Agreement with respect to matters not explicitly covered in this Agreement. To the extent there is a conflict between this Agreement and the terms and conditions of services, this agreement shall take precedence.

This Agreement shall become effective immediately upon its execution by all parties hereto. Any notice permitted or required hereunder shall be in writing and shall be deemed to have been duly given if sent by Personal delivery, express or first class mail, or facsimile addressed, in the case of notice to the Lockbox Account Bank, to:

[MELLON BANK, N.A.]

By: _____

Name:

Title:

CITICORP NORTH AMERICA, INC., as
Senior Collateral Agent,

By: _____

Name:

Title:

JPMORGAN CHASE BANK, as Senior
Collateral Agent,

By: _____

Name:

Title:

GOVERNMENT LOCKBOX ACCOUNT AGREEMENT

[Date]

[Mellon Bank, N.A.
Document Control Manager
Three Mellon Bank Center
Room 3119
Pittsburgh, PA 15259]

Ladies and Gentlemen:

Reference is made to (a) account no. [] and corresponding lockbox and data automation system maintained with you (the "*Government Lockbox Account Bank*") by [] (the "*Grantor*") into which funds are deposited from time to time (the "*Government Lockbox*") and (b) the Senior 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 "*Senior Subsidiary Security Agreement*"), among the Subsidiary Guarantors (such term and each other capitalized term used and not otherwise defined herein having the meaning assigned to such term in the Senior Subsidiary Security Agreement including the Definitions Annex and Senior Credit Agreement referred to therein) and the Senior Collateral Agents.

The Grantor hereby provides the following revocable instruction with respect to the Government Lockbox Account (the "*Standing Revocable Instruction*"): the Government Lockbox Account Bank shall transfer from the Government Lockbox Account daily, via a zero balance service as described in the terms and conditions of the services, attached as Exhibit A, all available funds held in the Government Lockbox Account to account no. [] at Mellon Bank, N.A. in the name of the Grantor for Citicorp North America, Inc. and JPMorgan Chase Bank, as Senior Collateral Agents (which account is under the sole dominion and control of the Senior Collateral Agents). This Standing Revocable Instruction is revocable by the Grantor at any time and for any reason by providing written instructions to the Government Lockbox Account Bank, signed by the undersigned (which writing may be by facsimile and upon which you may conclusively rely), whereupon the Government Lockbox Account Bank shall follow, without further inquiry, such contrary written instruction and not the Standing Revocable Instruction.

The Grantor also hereby notifies the Government Lockbox Account Bank that, as collateral security for the Senior Obligations, the undersigned Subsidiary Guarantors granted to the Grantor and the Grantor hereby assigns to the Senior Collateral Agents a continuing security interest in (i) the Government Lockbox Account, (ii) all contract rights and privileges in respect to the Government Lockbox Account, (iii) all cash,

checks, money orders and other items of value on deposit in the Government Lockbox Account and (iv) all proceeds of the foregoing.

All expenses for the maintenance and provision of services in conjunction with the Government Lockbox Account held in the name of the Grantor are the responsibility of the Grantor. In the event that the Grantor does not pay all service fees due to the Government Lockbox Account Bank within thirty (30) days after the due date, the Government Lockbox Account Bank is authorized to charge the Government Lockbox Account for such fees. In the event the Government Lockbox Account Bank is unable to obtain sufficient funds from such charges to cover such fees the Grantor shall indemnify the Government Lockbox Account Bank for all then-due fees on the Government Lockbox Account that have not been paid.

The Grantor and the Senior Collateral Agents agree that the Government Lockbox Account Bank may debit the Government Lockbox Account for any items (including, but not limited to, checks, drafts, Automatic Clearinghouse (ACH) credits or wire transfers or other electronic transfers or credits) deposited or credited to the Government Lockbox Account which may be returned or otherwise not collected and, subject to the preceding paragraph, for all charges, fees, commissions and expenses incurred by the Government Lockbox Account Bank in providing services or otherwise in connection herewith. The Government Lockbox Account Bank may charge the Government Lockbox Account as permitted herein at such times as are in accordance with the Government Lockbox Account Bank's customary practice for the chargeback of returned items and expenses. In the event the Government Lockbox Account Bank is unable to obtain sufficient funds for such charges to cover returned items, or reversed or returned credits, or any other items not collected and any other charges, expenses, or commissions incurred by the Government Lockbox Account Bank in providing the services (referred to as a "cost" or "costs") the Grantor shall indemnify the Government Lockbox Account Bank for all amounts related to the above described costs incurred by the Government Lockbox Account Bank. The Senior Collateral Agents agree that if the Grantor has not reimbursed the Government Lockbox Account Bank for the amounts described in this paragraph and the Government Lockbox Account Bank has transferred funds to the Senior Collateral Agents, then the Senior Collateral Agents agree to reimburse the Government Lockbox Account Bank (for any returned items described in this paragraph but not for charges, fees or commissions incurred therewith) within ten business days after demand by the Government Lockbox Account Bank.

Notwithstanding any other provision of this Government Lockbox Account Agreement, unless the Government Lockbox Account Bank is grossly negligent or engages in wilful misconduct in performance or non-performance in connection with this Agreement and the Government Lockbox Account, the Grantor agrees to indemnify and hold the Government Lockbox Account Bank harmless from any claims, damages, losses or expenses incurred by any party in connection herewith; in the event the Government Lockbox Account Bank breaches the standard of care set forth herein, the Grantor and the Senior Collateral Agents each expressly agrees that the Government Lockbox Account Bank's liability shall be limited to damages directly caused by such breach and in no

event shall the Government Lockbox Account Bank be liable for any incidental, indirect, punitive or consequential damages or attorney's fees whatsoever.

Notwithstanding any other provision of this Government Lockbox Account Agreement, the Government Lockbox Account Bank shall not be liable for any failure, inability to perform, or delay in performance hereunder, if such failure, inability, or delay is due to an act of God, war, civil commotion, governmental action, fire, explosion, strikes, other industrial disturbance, equipment malfunction, action, non-action or delayed action on the part of the Grantor or the Senior Collateral Agents or of any other entity or any other causes that are beyond the Government Lockbox Account Bank's reasonable control.

This Government Lockbox Account Agreement may not be modified or terminated by the Grantor unless, in the case of a modification, the prior written consent of the Senior Collateral Agents and the Government Lockbox Account Bank is obtained and, in the case of termination, the prior written consent of the Senior Collateral Agents is obtained. The Government Lockbox Account Bank may terminate this Agreement upon forty-five (45) days' prior written notice to the Grantor and the Senior Collateral Agents. The Senior Collateral Agents may terminate this Agreement at any time. The Grantor's obligations under this Agreement to indemnify, hold harmless and pay amounts owed (and the Senior Collateral Agents' obligation to reimburse the Government Lockbox Account Bank for any returned items) shall survive the termination of this Agreement.

This Agreement shall be governed by the laws of the State of New York.

The terms and conditions of the services, attached as Exhibit A, is made part of this Agreement with respect to matters not explicitly covered in this Agreement. To the extent there is a conflict between this Agreement and the terms and conditions of services, this agreement shall take precedence.

This Agreement shall become effective immediately upon its execution by all parties hereto. Any notice permitted or required hereunder shall be in writing and shall be deemed to have been duly given if sent by Personal delivery, express or first class mail, or facsimile addressed, in the case of notice to the Government Lockbox Account Bank, to:

[Mellon Bank, N.A.
Document Control Manager
Three Mellon Bank Center
Room 3119
Pittsburgh, PA 15259
Phone: (412) 234-4172
Fax: (412) 236-7419]

Please agree to the terms of, and acknowledge receipt of, this notice (including, without limitation, the notice of, and consent to, the security interest referred to in the foregoing paragraph) by signing in the space provided below.

Very truly yours,

[NAME OF SUBSIDIARY GUARANTOR]

By: _____
Name:
Title:

By: _____, on behalf of
each of the above listed companies
Name:

By: _____, on behalf of
each of the above listed companies
Name:

Agreed and acknowledged:
[MELLON BANK, N.A.]

By: _____
Name:
Title:

CITICORP NORTH AMERICA, INC., as Senior Collateral Agent,

By: _____
Name:
Title:

JPMORGAN CHASE BANK, as Senior Collateral Agent,

By: _____
Name:
Title:

[FORM OF]
CONCENTRATION ACCOUNT AGREEMENT

[Date]

[Concentration Account Bank]
[address]

Ladies and Gentlemen:

Reference is made to (a) account no. [] maintained with you (the "*Concentration Account Bank*") by [] (the "*Grantor*") into which funds are deposited from time to time (the "*Concentration Account*") and (b) the Senior 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 "*Senior Subsidiary Security Agreement*"), among the Subsidiary Guarantors (such term and each other capitalized term used but not defined herein having the meaning assigned to such term in the Senior Subsidiary Security Agreement, including the Definitions Annex and Senior Credit Agreement referred to therein) and the Senior Collateral Agents.

Pursuant to the Senior Subsidiary Security Agreement, the Grantor has granted to the Senior Collateral Agents, for the benefit of the Senior Secured Parties, a perfected security interest in certain property of the Grantor, including the Concentration Account.

The Grantor hereby transfers to the Senior Collateral Agents exclusive ownership and control of, and all of its right, title and interest in and to, the Concentration Account and all funds and other property on deposit therein. By executing this Concentration Account Agreement, the Concentration Account Bank acknowledges that the Senior Collateral Agents now have exclusive ownership and control of the Concentration Account, that all funds in the Concentration Account shall be transferred to the Senior Collateral Agents as provided herein, that the Concentration Account is being maintained by the Concentration Account Bank for the benefit of the Senior Collateral Agents and that all amounts and other property therein are held by the Concentration Account Bank as custodian for the Senior Collateral Agents.

Except as provided in paragraphs (e), (f) and (j) below, the Concentration Account shall not be subject to deduction, setoff, banker's lien, counterclaim, defense, recoupment or any other right in favor of any Person or entity other than the Senior Collateral Agents. By executing this Concentration Account Agreement, the Concentration Account Bank also acknowledges that, as of the date hereof, the Concentration Account Bank has received no notice of any other pledge or assignment of

the Concentration Account and the Concentration Account Bank agrees with the Senior Collateral Agents as follows:

(a) Notwithstanding anything to the contrary or any other agreement relating to the Concentration Account, the Concentration Account is and will be maintained for the benefit of the Senior Collateral Agents, will be entitled "*Citicorp North America, Inc. and JPMorgan Chase Bank as Senior Collateral Agents under the Senior Subsidiary Security Agreement dated as of June 27, 2001 and amended and restated as of May 28, 2003 Account*" and will be subject to written instructions only from authorized officers of the Senior Collateral Agents (except as expressly provided otherwise herein).

(b) The Concentration Account Bank agrees to give the Senior Collateral Agents prompt notice if the Concentration Account shall become subject to any writ, judgment, warrant of attachment, execution or similar process.

(c) [A post office box (the "*Lockbox*") has been rented in the name of the Grantor at the [post office and the address to be used for such Lockbox is:

[Insert address]

The Concentration Account Bank's authorized representatives will have access to the Lockbox under the authority given by the Grantor to the post office and will make regular pick-ups from the Lockbox timed to gain maximum benefit of early presentation and availability of funds. The Concentration Account Bank will endorse process all checks received in the Lockbox and deposit such checks (to the extent eligible) in the Concentration Account in accordance with the procedures set forth below .]

(d) The Concentration Account Bank will follow its usual operating procedures for the handling of any [checks received from the Lockbox] or other remittance received in the Concentration Account that contains restrictive endorsements, irregularities (such as a variance between the written and numerical amounts), undated or postdated items, missing signatures, incorrect payees and the like.

(e) The Concentration Account Bank will endorse and process all eligible checks and other remittance items not covered by paragraph (d) and deposit such checks and remittance items in the Concentration Account.

(f) The Concentration Account Bank will mail all checks returned unpaid because of uncollected or insufficient funds under appropriate advice to the Grantor (with a copy of the notification of return to the Senior Collateral Agents). The Concentration Account Bank may charge the Concentration Account for the amounts of any returned check that has been previously credited to the Concentration Account. To the extent insufficient funds remain in the Concentration Account to cover any such returned check, the Grantor shall

indemnify the Concentration Account Bank for the uncollected amount of such returned check upon your demand.

(g) The Concentration Account Bank will maintain a record of all checks and other remittance items received in the Concentration Account on a daily basis and, in addition to providing the Grantor with photostatic copies thereof, vouchers, enclosures and the like of such checks and remittance items, furnish to the Senior Collateral Agents a monthly statement setting forth the amounts deposited in and withdrawn from the Concentration Account and shall furnish such other information relating to the Concentration Account at such times as shall be reasonably requested by the Senior Collateral Agents to: Citicorp North America, Inc., as Senior Collateral Agent, 388 Greenwich Street, New York, New York 10013, Attention: [], and JPMorgan Chase Bank, as Senior Collateral Agent, 270 Park Avenue, New York, New York 10017, Attention: [], with a copy to the Grantor.

(h) Prior to the delivery of a written notice from the Senior Collateral Agent in the form of Exhibit A hereto (the "*Concentration Account Cash Sweep Notice*"), the Grantor is free to withdraw funds from the Concentration Account in such amounts and with such frequency as the Grantor may from time to time determine, without notice to or consent from the Senior Collateral Agents.

(i) From and after delivery to the Concentration Account Bank of a Concentration Account Cash Sweep Notice and until the Concentration Account Bank is notified in writing by the Senior Collateral Agents that the Concentration Account Cash Sweep Notice is no longer in effect (a "*Concentration Account Cash Sweep Period*"), the Grantor will have no control over the use of, or any right to withdraw any amount from, to draw upon, or to otherwise exercise any power with respect to the Concentration Account.

(j) During a Concentration Account Cash Sweep Period, the Concentration Account Bank shall transfer, in same day funds, on each Business Day, all funds, if any on deposit in, or otherwise to the credit of, the Concentration Account to the account listed below (the "*Citibank Concentration Account*") or to such other account as the Senior Collateral Agents may from time to time designate in writing, *provided* that funds on deposit that are subject to collection may be transmitted promptly upon collection to:

ABA Number: _____
[Citicorp North America, Inc.
388 Greenwich Street
New York, NY 10013]
Account Name: Citibank Concentration Account
Account Number: _____
Reference: _____
Attn: _____

(k) All customary service charges and fees with respect to the Concentration Account shall be debited to the Concentration Account. In the event insufficient funds remain in the Concentration Account to cover such customary service charges and fees, the Grantor shall pay and indemnify the Concentration Account Bank for the amounts of such customary service charges and fees. Neither the Senior Collateral Agents nor the Senior Secured Parties shall have any liability for the payment of any fees or charges in respect of the Concentration Account.

This letter agreement shall be binding upon and shall inure to the benefit of the Concentration Account Bank, the Grantor, the Senior Collateral Agents, the Senior Secured Parties referred to in the Senior Subsidiary Security Agreement and their respective successors, transferees and assigns of any of the foregoing. This letter agreement may not be modified or terminated except upon the mutual consent of the Senior Collateral Agents, the Grantor and the Concentration Account Bank. The Concentration Account Bank may terminate the letter agreement only upon 45 days' prior written notice to the Grantor and the Senior Collateral Agents. The Senior Collateral Agents may terminate this letter agreement at any time. So long as any Senior Obligations remain outstanding and the Commitments are still outstanding, upon such termination the Concentration Account Bank shall close the Concentration Account and transfer all funds in the Concentration Account to the Senior Collateral Agents at the Citibank Concentration Account or as otherwise directed by the Senior Collateral Agents. After any such termination, the Concentration Account Bank shall nonetheless remain obligated promptly to transfer to the Concentration Account, or as the Senior Collateral Agents may otherwise direct, all funds and other property received in respect of the Concentration Account.

This letter agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this letter agreement by telecopier shall be effective as delivery of a manually executed counterpart of this letter agreement.

This letter agreement supersedes all prior agreements, oral or written, with respect to the subject matter hereof and may not be amended, modified or supplemented except by a writing signed by the Senior Collateral Agents, the Grantor and the Concentration Account Bank.

This letter agreement shall be governed by, and construed in accordance with, the law of the State of New York.

Upon acceptance of this letter agreement, it will be the valid and binding obligation of the Grantor, the Senior Collateral Agents, and the Concentration Account Bank, in accordance with its terms.

Very truly yours,

[]

By: _____

Name:

Title:

CITICORP NORTH AMERICA, INC, as Senior Collateral Agent,

By: _____

Name:

Title:

JPMORGAN CHASE BANK, as Senior Collateral Agent,

By: _____

Name:

Title:

Acknowledged and agreed to as of the date first above written:

[]

By: _____

Name:

Title:

CONCENTRATION ACCOUNT CASH SWEEP NOTICE

[Concentration Account Bank]
[Address]

Re: Account No. [] (the "*Concentration Account*")

Ladies and Gentlemen:

Reference is made to the Concentration Account and that certain Concentration Account Agreement dated June 27, 2001 and amended and restated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, the "*Concentration Account Agreement*") among the Concentration Account Bank, the Grantor and the Senior Collateral Agents. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Concentration Account Agreement.

The Senior Collateral Agents hereby notify you that, in accordance with certain provisions of the Senior Subsidiary Security Agreement, from and after the date of this notice, you are hereby directed to transfer (by wire transfer or other method of transfer mutually acceptable to you and the Senior Collateral Agents) to the Senior Collateral Agents, in same day funds, on each Business Day, the entire balance in the Concentration Account to the Citibank Concentration Account specified in paragraph (j) of the Concentration Account Agreement (or to such other account as the Senior Collateral Agents may from time to time, or at any time, designate in writing) until you are notified in writing by the Senior Collateral Agents that this Concentration Account Cash Sweep Notice is no longer effective.

Very truly yours,

CITICORP NORTH AMERICA, INC, as Senior
Collateral Agent,

By: _____

Name:

Title:

JPMORGAN CHASE BANK, as Senior Collateral
Agent,

By: _____
Name:
Title: