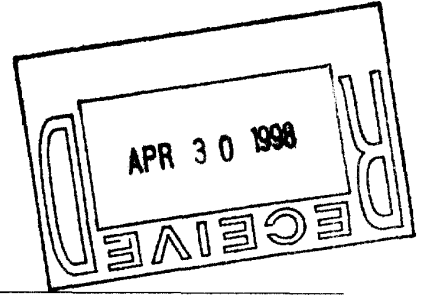


05-12-1998



100707274

ET



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

1. Name of conveying party:	2. Name and address of receiving party:
Diamond Brands Incorporated 1800 Cloquet Avenue Cloquet, MN 55720-2141	Diamond Brands Operating Corp. 1800 Cloquet Avenue Cloquet, MN 55720-2141

3. Nature of conveyance:  
Assignment and Assumption Agreement

Execution Date: April 21, 1998

*MAD 4.30.98*

4. Patent registration and application numbers:

4072473 (Filed 2/07/78)  
D296016 (Filed 5/31/88)  
D294649 (Filed 3/08/88)

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

Geoffrey Spolyar, Esq.  
O'Melveny & Myers LLP  
400 South Hope Street  
Los Angeles, California 90071

6. Total number of applications and  
registrations  
involved:

3

7. Total fee:

\$120.00 *E*

8. Deposit Account Number:

N/A

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.

*CHRIS JACK*  
Name of Person Signing

*[Signature]*  
Signature

*4/29/98*  
Date

TOTAL NUMBER OF PAGES COMPRISING COVER SHEET: 3

05/11/1998 SSMITH 00000151 4072473  
01 FC:581 120.00 OP

LAL-800712

PATENT  
REEL: 9146 FRAME: 0901

MASTER BILL OF SALE  
AND  
ASSIGNMENT AND ASSUMPTION AGREEMENT

This Master Bill of Sale and Assignment and Assumption Agreement ("Master Agreement") dated April 21, 1998 is delivered from Diamond Brands Incorporated, a Minnesota corporation ("Holdings"), to Diamond Brands Operating Corp., a Delaware corporation (the "Corporation").

KNOW ALL BY THESE PRESENTS that, for good and valuable consideration, Holdings does hereby sell, transfer, convey, assign, and deliver to the Corporation all right, title, and interest in, to, and under all of the properties, business and assets of Holdings of every kind and description, real, personal, or mixed, tangible and intangible, wherever located (except those assets of Holdings which are specifically excluded from this sale as set forth below) and all liabilities and obligations of Holdings as they exist on the date hereof (collectively, the "Transferred Assets and Liabilities"). The Corporation hereby assumes and agrees to discharge or perform in accordance with their terms, all of the liabilities and obligations of Holdings as they exist on the date hereof.

Nothing contained in this Master Agreement shall constitute an assignment or an agreement to assign any provision, commitment, or other right or claim under any agreements constituting part of the Transferred Assets and Liabilities, or any benefit arising thereunder, if an assignment or attempted assignment thereof, without the consent of a third party, would constitute a breach thereof or in any way affect the rights of Holdings and the Corporation thereunder. If any consent to assignment is not obtained, Holdings will cooperate with the Corporation in any arrangement necessary or desirable to provide the Corporation all of the benefits under such provision, commitment or other right or claim, or any benefit arising thereunder, including enforcement, at the cost and for the benefit of the Corporation, of all rights of Holdings against a third party thereto arising out of the breach or cancellation thereof by such third party or otherwise.


All of the terms and provisions of this Master Agreement shall inure to the benefit of and be binding upon Holdings and the Corporation and their respective successors and assigns. Holdings hereby covenants and agrees with the Corporation that it will duly execute and deliver all such instruments of sale, transfer, assignment and conveyance and all such notices, releases and other documents as the Corporation may reasonably request to more fully sell, transfer, assign and convey to, and vest in the Corporation, all of the Transferred Assets and Liabilities.

Holdings hereby irrevocably constitutes and appoints the Corporation, its successors and assigns, the true and lawful attorneys of Holdings with full power of substitution, in the name of Holdings or otherwise, and on behalf and for the benefit of the Corporation, its successors and assigns, to demand and receive from time to time any and all property of Holdings hereby conveyed, transferred, assigned and delivered or intended so to be; to give receipts, releases and acquittances for or in respect of the same or any part thereof; to institute and prosecute in the name of Holdings or otherwise any and all proceedings at law, in equity or otherwise, which the Corporation, its successors and assigns, may deem proper to collect, assert or enforce any claim, title, right, debt or account hereby transferred and assigned or intended so to be; and to defend and compromise any and all actions, suits or proceedings in respect

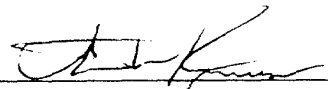
of any of the properties hereby assigned and transferred or intended so to be, that the Corporation, its successors or assigns, shall deem desirable. Holdings hereby declares that the foregoing powers are coupled with an interest and shall be irrevocable in any manner or for any reason.

Notwithstanding the foregoing, the Transferred Assets and Liabilities shall exclude the following assets of Holdings: the corporate charter, qualifications to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, blank stock certificates, and other documents relating to the organization, maintenance, and existence of Holdings as a corporation among Seaver Kent-TPG Partners L.P. and Seaver Kent I Parallel, L.P., Holdings and the shareholders of Holdings listed on Exhibit A thereto.

DIAMOND BRANDS INCORPORATED

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

DIAMOND BRANDS OPERATING CORP.

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