

PATENT ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Grant of Security Interest in US Patents (3rd Lien)
CONVEYING PARTY DATA	
Name	Execution Date
North Atlantic Operating Company, Inc.	07/28/2011
RECEIVING PARTY DATA	
Name:	U.S. Bank National Association, as third lien notes collateral agent
Street Address:	60 Livingston Avenue
Internal Address:	EP-MN-WS3C
City:	St. Paul
State/Country:	MINNESOTA
Postal Code:	55107-2292
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	D494315
CORRESPONDENCE DATA	
Fax Number:	(212)354-8113
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	2128198200
Email:	fcutajar@whitecase.com
Correspondent Name:	White & Case LLP
Address Line 1:	1155 Avenue of the Americas
Address Line 2:	Patents & Trademarks
Address Line 4:	New York, NEW YORK 10036
ATTORNEY DOCKET NUMBER:	1155735-0012
NAME OF SUBMITTER:	Frances B. Cutajar
Total Attachments: 5 source=NAOCPatentAgreement3rdLienUSBNA#page1.tif source=NAOCPatentAgreement3rdLienUSBNA#page2.tif source=NAOCPatentAgreement3rdLienUSBNA#page3.tif source=NAOCPatentAgreement3rdLienUSBNA#page4.tif source=NAOCPatentAgreement3rdLienUSBNA#page5.tif	

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PATENT
REEL: 026758 FRAME: 0711

GRANT OF SECURITY INTEREST
IN UNITED STATES PATENTS

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, North Atlantic Operating Company, Inc., a Delaware corporation (the "Grantor") with principal offices at 5201 Interchange Way, Louisville, KY 40229, hereby grants to U.S. BANK NATIONAL ASSOCIATION, at 60 Livingston Avenue, EP-MN-WS3C, St. Paul, MN, 55107-2292, as Third Lien Notes Collateral Agent under the Third Lien Notes Security Agreement (the "Grantee"), a continuing security interest in (i) all of the Grantor's rights, title and interest in, to and under the United States patents (the "Patents") set forth on Schedule A attached hereto, in each case together with (ii) all Proceeds (as such term is defined in the Third Lien Notes Security Agreement referred to below) and products of the Patents, and (iii) all causes of action arising prior to or after the date hereof for infringement of any of the Patents or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Third Lien Notes Obligations of the Grantor, as such term is defined in the Third Lien Notes Security Agreement among the Grantor, the other assignors from time to time party thereto and the Grantee, dated as of July 28, 2011 (as amended, modified, restated and/or supplemented from time to time, the "Third Lien Notes Security Agreement"). Upon the occurrence of the Termination Date (as defined in the Third Lien Notes Security Agreement), the Grantee shall execute, acknowledge, and deliver to the Grantor an instrument in writing releasing the security interest in the Patents acquired under this Grant.

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Third Lien Notes Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Third Lien Notes Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant are deemed to conflict with the Third Lien Notes Security Agreement, the provisions of the Third Lien Notes Security Agreement shall govern.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the
28th day of July, 2011.

NORTH ATLANTIC OPERATING COMPANY,
INC., Grantor

By 

Name: Brian Harris

Title: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION,

as Third Lien Notes Collateral Agent, as Grantee

By: Donald T. Hurrelbrink

Name: Donald T. Hurrelbrink

Title: Vice President

SCHEDULE A

Company	Country	Patent	Application or Patent No.	Filing Date	Issue Date	Assignees
North Atlantic Operating Company, Inc.	United States	Cigarette Making Machine	D494,315	9/23/2003	8/10/2004	Assigned from Bruce V. Cartier to North Atlantic Operating Company, Inc. 8/25/2004, recorded at 14542/0253