

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Release of Security Interest in Trademarks		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
JP Morgan Chase Bank, NA	FORMERLY Bank One, NA	06/14/2005	National Banking Association: UNITED STATES
RECEIVING PARTY DATA			
Name:	North Atlantic Operating Company, Inc.		
Street Address:	257 Park Avenue South		
Internal Address:	7th Floor		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10010		
Entity Type:	COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	75824284	ZIG-ZAG	
CORRESPONDENCE DATA			
Fax Number:	(212)593-5933		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(212) 610-2388		
Email:	barbara.bauer@srz.com		
Correspondent Name:	Daniel Angel, Esq. (026033-0106)		
Address Line 1:	Schulte Roth & Zabel LLP		
Address Line 2:	919 Third Avenue		
Address Line 4:	New York, NEW YORK 10022		
NAME OF SUBMITTER:	DAniel Angel (026033-0106)		
Signature:	/beb for da/		
Date:	07/07/2005		

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Total Attachments: 6

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RELEASE OF SECURITY INTEREST IN TRADEMARKS

This **RELEASE OF SECURITY INTEREST IN TRADEMARKS** (the "Release") is made and effective as of the date executed below and is granted by JP MORGAN CHASE BANK, NA, a national banking association ("Releasor"), in favor of NORTH ATLANTIC OPERATING COMPANY, INC., a Delaware corporation ("Releasee").

WHEREAS, pursuant to that certain Amended and Restated Loan Agreement, dated as of February 17, 2004, as amended, replaced, superseded or otherwise modified from time to time (the "Loan Agreement") by and among Releasee, JP Morgan Chase Bank, NA, as agent, and the Lenders described therein, Lenders agreed to make loans and other financial accommodations to Releasee;

WHEREAS, Releasee and Releasor entered into that certain Amended and Restated Security Agreement dated as of February 17, 2004, as amended, replaced, superseded or otherwise modified from time to time (the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Releasee executed that certain Amended and Restated Collateral Assignment of Security Interest in United States Trademarks dated as of February 17, 2004, as amended, replaced, superseded or otherwise modified from time to time (the "Assignment of Security Interest") in favor of Releasor, pursuant to which Releasee granted to Releasor a lien upon and security interest in, among other things, Releasee's right, title and interest in and to the following property of Releasee, whether then owned or thereafter acquired to secure the payment and performance of the Obligations (as defined in the Credit Agreement) (collectively, the "Trademark Collateral");

- (a) all trademarks, trademark registrations and trade names and all trademark applications that have been filed based upon use or based upon intent to use, provided that a statement of use or amendment to allege use has been filed as of the date of any Event of Default, including, without limitation, each trademark and trademark application listed on Schedule A hereto, and (i) all renewals thereof; (ii) all income, royalties, damages and payments then or thereafter due or payable with respect thereto, including without limitation, damages and payments for past or future infringements or dilution thereof or injury to the associated goodwill; (iii) the right to sue for past, present and future infringements or dilution thereof or injury to the associated goodwill; and (iv) all rights corresponding thereto throughout the world;
- (b) the goodwill of the Releasee's business connected with and symbolized by each trademark comprised in the Trademark Collateral; and
- (c) all proceeds and products of the foregoing;

WHEREAS, the Assignment of Security Interest was recorded at the United States Patent and Trademark Office at Reel 002916/Frame 0773 on February 19, 2004;

WHEREAS, Releasee has paid all of its outstanding indebtedness to Releasor;

WHEREAS, Releasee has requested that Releasor release and discharge fully its security interest in and to the Trademark Collateral conveyed to Releasor pursuant to the Security Agreement, the Assignment of Security Interest and/or any other agreement (the "Security Interest"); and

WHEREAS, Releasor is willing to release and discharge fully the Security Interest.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Releasor, on behalf of itself, its successors, legal representatives and assigns, hereby releases and discharges fully the Security Interest in and to the Trademark Collateral, and all other right, title and interest in and to the Trademark Collateral conveyed to Releasor (if any) pursuant to the Security Agreement, the Assignment of Security Interest and/or any other agreement, and Releasor hereby reassigns any and all such right, title and interest that it may have in the Trademark Collateral (if any) to Releasee. Releasor further agrees to execute and deliver to Releasee any and all further documents or instruments and do any and all further acts which Releasee (or Releasee's agents or designees) reasonably request in order to confirm this Release and Releasee's right, title and interest in and to the Trademark Collateral.

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IN WITNESS WHEREOF, Releasor has caused this Release to be duly executed by its officer thereunto duly authorized, as of the 14 day of June 2005.

RELEASOR

By: JP MORGAN CHASE BANK, NA



Name: H. Joseph Brenner

Title: Senior Vice President

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF KENTUCKY

SS.:

COUNTY OF JEFFERSON

On this 14 day of JUNE 2005, before me, the undersigned, personally appeared H. JOSEPH BRENNER, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


[NOTARY SEAL] 1-5-07

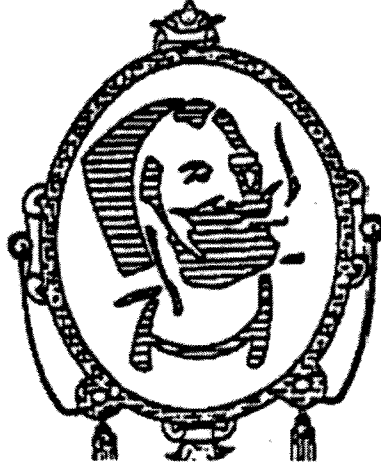
SCHEDULE A

Schedule of Trademarks

North Atlantic Operating Company, Inc.

Trademark	Current Owner	Registration No. and Date Issued
ZIG-ZAG and Design	North Atlantic Operating Co. Inc.	1,775,416 June 8, 1993
ZIG-ZAG and Design	North Atlantic Trading Company, Inc.	1,512,985 November 15, 1988
ZIG-ZAG	North Atlantic Trading Company, Inc.	1,472,580 January 12, 1988
ZIG-ZAG and Design	United States Tobacco Company	1,133,291 April 15, 1980
ZIG-ZAG GOLD STANDARD	North Atlantic Trading Company, Inc.	2,122,646 December 23, 1997
ZIG-ZAG (Stylized Letters)	North Atlantic Operating Company, Inc.	75/824,284
ZIG-ZAG and Design	North Atlantic Operating Company, Inc.	75/824,282
ZIG-ZAG	North Atlantic Operating Co. Inc.	75/255,066
ZIG-ZAG and Design	North Atlantic Operating Co. Inc.	2,512,921 November 27, 2001
MISCELLANEOUS DESIGN	North Atlantic Operating Company, Inc.	75/824,285
NORTH ATLANTIC TRADING COMPANY	North Atlantic Operating Company, Inc.	76/115,214
NORTH ATLANTIC OPERATING COMPANY, INC. and Design	North Atlantic Operating Company, Inc.	78/092,299
NORTH ATLANTIC OPERATING COMPANY, INC. and Design	North Atlantic Operating Company, Inc.	78/092,298
NORTH ATLANTIC OPERATING COMPANY	North Atlantic Operating Company, Inc.	78/091,719
NORTH ATLANTIC OPERATING COMPANY	North Atlantic Operating Company, Inc.	76/115,213
HOMETOWN	North Atlantic Operating Company, Inc.	78/091,716
H HOMETOWN and Design	North Atlantic Operating Company, Inc.	78/092,794

DESIGN



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RECORDED: 07/07/2005

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