

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Cellu Tissue - Long Island, LLC		06/03/2009	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	The Bank of New York Mellon Trust Company, N.A., as Collateral Agent
Street Address:	222 Berkeley Street, 2nd Floor
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02116
Entity Type:	National Bank: UNITED STATES

PROPERTY NUMBERS Total: 13

Property Type	Number	Word Mark
Registration Number:	1701102	SILKY TOUCH
Registration Number:	2228482	SILKY TOUCH
Registration Number:	2362847	PLAZA
Registration Number:	2366823	BIG T
Registration Number:	2513429	SNEEZERS
Registration Number:	2672038	KENSINGTON
Registration Number:	2955522	COMPARE
Registration Number:	3197197	PERFORMANCE
Registration Number:	3267261	BIG T
Registration Number:	3364219	SUPER FOIL
Registration Number:	3364245	SUPER WRAP
Serial Number:	77330670	TREE-FREE MADE FROM 100% RECYCLED PAPER
Serial Number:	77312427	KACHOOS

OP \$340.00 1701102

CORRESPONDENCE DATA

Fax Number: (212)455-2502
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: (212) 455-7976
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Correspondent Name: Mindy M. Lok, Esq.
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ATTORNEY DOCKET NUMBER:	509355/1302
NAME OF SUBMITTER:	Mindy M. Lok
Signature:	/ml/
Date:	06/03/2009

Total Attachments: 7
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GRANT OF
SECURITY INTEREST IN TRADEMARK RIGHTS

This GRANT OF SECURITY INTEREST IN TRADEMARK RIGHTS (“Agreement”), effective as of June 3, 2009 is made by Cellu Tissue - Long Island, LLC, a Delaware limited liability company, located at 555 N. Research Place, Central Islip, New York 11722 (the “Obligor”), in favor of The Bank of New York Mellon Trust Company, N.A., located at 222 Berkeley Street, 2nd Floor, Boston, MA 02116, as Collateral Agent under the Security Agreement, as defined below (the “Collateral Agent”), for the holders of the notes (the “Holders”) issued pursuant to the Indenture, dated as of June 3, 2009 (as amended, supplemented or otherwise modified from time to time, the “Indenture”), among Cellu Tissue Holdings, Inc., (the “Company”), the subsidiary guarantors parties thereto (including the Obligor) (the “Subsidiary Guarantors”), and The Bank of New York Mellon Trust Company, N.A., as trustee.

W I T N E S S E T H:

WHEREAS, pursuant to the Indenture, the Company has issued to the Holders its 11½% Senior Secured Notes due 2014, and may issue from time to time additional notes in connection with the provisions of the Indenture (as the same may be amended, restated, replaced, supplemented, substituted or otherwise modified from time to time, collectively, the “Notes”);

WHEREAS, in connection with the Indenture, the Obligor and certain other subsidiaries of the Company have executed and delivered a Note Security Agreement, dated as of June 3, 2009, in favor of the Collateral Agent (together with all amendments and modifications, if any, from time to time thereafter made thereto, the “Security Agreement”);

WHEREAS, pursuant to the Security Agreement, the Obligor has pledged and granted to the Collateral Agent for the benefit of the Collateral Agent and the Holders a continuing security interest in all Intellectual Property, including the Trademarks; and

WHEREAS, the Obligor has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Holders to purchase the Notes, the Obligor agrees, for the benefit of the Collateral Agent and the Holders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. The Obligor hereby pledges and grants a continuing security interest in, and a right of setoff against, and effective upon demand made upon the occurrence and during the continuance of an Event of Default, agrees to assign, transfer and convey all right, title and interest in the Trademarks (including, without limitation, those items listed on Schedule A hereto), to the Collateral Agent, for the benefit of the Collateral Agent and the Secured Parties, as collateral security for the prompt and complete payment, performance and observance when due (whether at the stated maturity, at redemption, by acceleration or otherwise) of the Obligations.

SECTION 3. Purpose. This Agreement has been executed and delivered by the Obligor for the purpose of recording the grant of security interest herein with the United States

Patent and Trademark Office. The security interest granted hereby has been granted to the Collateral Agent on behalf of the Holders in connection with the Security Agreement and is expressly subject to the terms and conditions thereof. The Security Agreement (and all rights and remedies of the Collateral Agent on behalf of itself and of the Holders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Acknowledgment. The Obligor does hereby further acknowledge and affirm that the rights and remedies of the Collateral Agent on behalf of the Holders with respect to the security interest in the Trademarks granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the terms of the Security Agreement, the terms of the Security Agreement shall govern.


SECTION 5. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

CELLU TISSUE – LONG ISLAND, LLC
as Obligor

By: Cellu Tissue Corporation – Natural
Dam, a Delaware corporation,
individually and as its member

By: 
Name: *David J. Morris*
Title: *CFO*

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.
as Collateral Agent

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

CELLU TISSUE – LONG ISLAND, LLC
as Obligor

By: Cellu Tissue Corporation – Natural
Dam, a Delaware corporation,
individually and as its member

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.
as Collateral Agent

By: 
Name: VANETA BERNARD
Title: VICE PRESIDENT

SCHEDULE A

U.S. Trademark Registrations and Applications

<u>Trademark</u>	<u>Registration or Serial Number</u>
SILKY TOUCH	1,701,102
SILKY TOUCH	2,228,482
PLAZA	2,362,847
BIG T	2,366,823
SNEEZERS	2,513,429
KENSINGTON	2,672,038
COMPARE	2,955,522
PERFORMANCE	3,197,197
BIG T	3,267,261
SUPER FOIL	3,364,219
SUPER WRAP	3,364,245
TREE-FREE MADE FROM 100% RECYCLED PAPER	77/330,670
KACHOOS	77/312,427