

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Trademark Security and Pledge Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Liggett Group LLC		08/16/2007	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	U.S. Bank National Association
Street Address:	60 Livingston Avenue
City:	St. Paul
State/Country:	MINNESOTA
Postal Code:	55107
Entity Type:	National Banking Organization:

PROPERTY NUMBERS Total: 76

Property Type	Number	Word Mark
Registration Number:	0978016	BALANCE
Registration Number:	3024191	BECAUSE YOU'RE A WOMAN
Registration Number:	1821601	BRONSON
Registration Number:	2010445	CANYON
Registration Number:	1576705	
Registration Number:	1576706	
Registration Number:	1576707	
Registration Number:	0743290	DEVON
Registration Number:	0739917	DORADO
Registration Number:	0863406	DORSET
Registration Number:	0652970	DUKE
Registration Number:	0652971	DUKE OF DURHAM
Registration Number:	1029542	EPIC
Registration Number:	0872454	EVE

OP \$1915.00 0978016

Registration Number:	1550482	EVE
Registration Number:	0734059	FM
Registration Number:	0897238	FRONTIER
Registration Number:	1084223	GENERATION
Registration Number:	1233860	GOLD LEAF
Registration Number:	1564954	GOLD LEAF
Registration Number:	1453454	GRAND PRIX
Registration Number:	2730207	
Registration Number:	2722518	KING OF LOW PRICE
Registration Number:	1863305	K 100'S KINGSPORT 20 CLASS A CIGARETTES
Registration Number:	2815517	
Registration Number:	0745060	LIGET
Registration Number:	2023349	LIGGETT GROUP
Registration Number:	2961769	LIGGETT SELECT
Registration Number:	3259428	LOWEST PRICE FIGHTER
Registration Number:	0741833	LYRIC
Registration Number:	3108068	M
Registration Number:	1900071	MONTEGO
Registration Number:	0658448	OASIS
Registration Number:	0657653	OASIS WITH MENTHOL MIST O
Registration Number:	0664863	OASIS
Registration Number:	0739918	PARKWAY
Registration Number:	0751937	PELHAM
Registration Number:	2693292	PREMIUM TASTE THAT RULES
Registration Number:	1273822	PYRAMID
Registration Number:	1804692	
Registration Number:	2569345	PYRAMID
Registration Number:	1327319	Q
Registration Number:	1344930	Q QUALITY BLEND
Registration Number:	1462175	Q QUALITY BLEND TRADEMARK
Registration Number:	1434164	
Registration Number:	0897240	QUOTA
Registration Number:	1865400	RENO
Registration Number:	1101686	RESPONSE
Registration Number:	1802889	TASTE OF AMERICA

Registration Number:	2754308	TASTE SHINES THROUGH
Registration Number:	0133272	VIRGINIA BRIGHTS
Serial Number:	78586445	212
Serial Number:	78586436	919
Serial Number:	78559653	APEX
Serial Number:	78570662	BEN'S BEST
Serial Number:	78842980	CALYPSO
Serial Number:	78586456	CANNON
Serial Number:	78559677	CHASSIS
Serial Number:	78559754	DRAFT
Serial Number:	78623173	DUKE'S
Serial Number:	78559758	DUSTERS
Serial Number:	78559768	FLAGSTAFF
Serial Number:	76679888	GL LIGGETT & MYERS GL GOLD LEAF
Serial Number:	78692955	LOWEST LEGAL PRICE FIGHTER
Serial Number:	76599950	LUXURY FOR LESS
Serial Number:	78560166	RUMBLERS
Serial Number:	78842913	SAPPHIRE
Serial Number:	78560180	SANDSTONE
Serial Number:	78560192	STAGHORN
Serial Number:	78599495	STAGHORN MADE IN AMERICA
Serial Number:	78561858	STARFIRE
Serial Number:	78561880	TRACERS
Serial Number:	78561907	TWENTY-20
Serial Number:	78561897	TURN 3
Serial Number:	78561940	VENTURO
Serial Number:	78791295	WORLD CUP

CORRESPONDENCE DATA

Fax Number: (714)755-8290

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 714-540-1235

Email: ipdocket@lw.com

Correspondent Name: Latham & Watkins LLP

Address Line 1: 650 Town Center Drive, Suite 2000

Address Line 4: Costa Mesa, CALIFORNIA 92626

ATTORNEY DOCKET NUMBER:	038507-0069
NAME OF SUBMITTER:	Anna T Kwan
Signature:	/Anna T Kwan/
Date:	08/16/2007

Total Attachments: 14

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TRADEMARK SECURITY AND PLEDGE AGREEMENT

This TRADEMARK SECURITY AND PLEDGE AGREEMENT, dated as of August 16, 2007 (as may be amended, restated, supplemented or otherwise modified from time to time, this "Agreement"), is made by Liggett Group LLC, a Delaware limited liability company (the "Grantor") in favor of U.S. Bank National Association, as collateral agent (in such capacity, the "Collateral Agent") for the Noteholders (as defined in the Security Agreement referred to below).

WHEREAS, the Grantor has guaranteed the Notes issued under the Indenture, dated as of August 16, 2007 (as amended, supplemented, or otherwise modified from time to time, the "Indenture") among Vector Group Ltd. (the "Issuer"), the Grantor and certain of the Issuer's other direct and indirect subsidiaries and the Collateral Agent, in its capacity as trustee thereunder.

WHEREAS, it is a condition precedent to the obligations of the Collateral Agent under the Indenture that the Grantor shall have executed and delivered that certain Security Agreement, dated as of August 16, 2007, in favor of the Collateral Agent (as amended, supplemented, replaced or otherwise modified from time to time, the "Security Agreement").

WHEREAS, under the terms of the Security Agreement, the Grantor has granted a security interest in certain Property, including, without limitation, certain Intellectual Property of the Grantor to the Collateral Agent for the ratable benefit of the Noteholders, and has agreed as a condition thereof to execute this Agreement for recording with the United States Patent and Trademark Office and other applicable Governmental Authorities.

WHEREAS, this Agreement is supplemental to the provisions contained in the Security Agreement and, in the event of an inconsistency among them, the Security Agreement shall control over this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

§ 1
DEFINITIONS.

1.1. Terms Defined in the Security Agreement. All capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings assigned to them in the Security Agreement.

1.2. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Assignment of Marks" has the meaning set forth in Section 2.2 herein.

“PTO” means the United States Patent and Trademark Office.

“Trademark Collateral” has the meaning set forth in Section 2.1 herein.

1.3 Rules of Construction. Unless otherwise provided herein, the rules of construction set forth in Section 1.2 of the Security Agreement shall be applicable to this Agreement.

§ 2

GRANT OF SECURITY INTEREST.

2.1. Security Interest. As collateral security for the payment and performance in full of all of the Secured Liabilities, each Grantor hereby pledges and grants to the Collateral Agent, for the benefit of the Collateral Agent and the ratable benefit of the Noteholders, a continuing security interest in and lien on all of such Grantor’s rights, title and interests in all Trademarks, Trademark Licenses, Trade Secrets and Trade Secret Licenses, including the Trademarks, Trademark Licenses and Trade Secret Licenses referred to on Schedule A hereto (as such schedule may be amended or supplemented from time to time), in each case whether now or hereafter existing or arising or in which such Grantor now has or hereafter owns, acquires or develops an interest and wherever located (collectively, the “Trademark Collateral”).

2.2. Assignment of Trademarks upon Default. Each Grantor acknowledges that the Collateral Agent has the right, pursuant to the power of attorney granted the Collateral Agent hereunder and under the Security Agreement, upon the occurrence and during the continuance of an Event of Default, to execute on behalf of such Grantor an assignment of Trademarks that constitute Trademark Collateral in substantially the form of Annex 1 hereto (each an “Assignment of Trademarks”) for the sole purpose of effecting the Collateral Agent’s exercise of its remedies under Section 8 of the Security Agreement. In furtherance of the foregoing, the Grantor hereby authorizes the Collateral Agent to complete, execute and record with the PTO an Assignment of Trademarks on behalf of such Grantor upon the occurrence and during the continuance of an Event of Default for the sole purpose of effecting the Collateral Agent’s exercise of its remedies under Section 8 of the Security Agreement.

2.3. Conditional Assignment. In addition to, and not by way of limitation of, the grant and pledge of the Trademark Collateral provided in Section 2.1, each Grantor grants, assigns, transfers, conveys and sets over to the Collateral Agent, for the benefit of the Noteholders, such Grantor’s entire right, title and interest in and to the Trademark Collateral; *provided*, that such grant, assignment, transfer and conveyance shall be and become of force and effect only (a) in connection with the Collateral Agent’s exercise of its rights and remedies in strict accordance with the terms of the Security Agreement, and (b) upon or after the occurrence and during the continuance of an Event of Default and (c) either (i) upon the written demand of the Collateral Agent at any time during such continuance or (ii) immediately and automatically (without notice or action of any kind

by the Collateral Agent) upon an Event of Default for which acceleration of the payment of the Notes is automatic under the Indenture or upon the sale or other disposition of or foreclosure upon the Collateral pursuant to the Security Agreement and applicable law (including the transfer or other disposition of the Collateral by the Grantor to the Collateral Agent or its nominee in lieu of foreclosure).

2.4. Supplemental to Security Agreement. Pursuant to the Security Agreement each Grantor has granted to the Collateral Agent, for the benefit of the Noteholders, a continuing security interest in and lien on the Collateral (including the Trademark Collateral). The Security Agreement, and all rights and interests of the Collateral Agent in and to the Collateral (including the Trademark Collateral) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Agreement, the grant, assignment, transfer and conveyance of the Trademark Collateral hereunder, or the recordation of this Agreement (or any other document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Collateral Agent in the Collateral (including the Trademark Collateral) pursuant to the Security Agreement, the attachment and perfection of such security interest under the UCC (including the security interest in the Trademark Collateral), or any present or future rights and interests of the Collateral Agent in and to the Collateral under or in connection with the Security Agreement or the UCC. Any and all rights and interests of the Collateral Agent in and to the Trademark Collateral (and any and all obligations of any Grantor with respect to the Trademark Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Collateral Agent (and the obligations of any Grantor) in, to or with respect to the Collateral (including the Trademark Collateral) provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

§ 3

AFTER-ACQUIRED TRADEMARKS, ETC.

3.1. After-acquired Trademarks. If, after the execution of the Agreement and before the end of the Security Period, any Grantor shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Licenses, Trade Secrets or Trade Secret Licenses or become entitled to the benefit of any Trademarks, Trademark Licenses, Trade Secrets or Trade Secret Licenses, the provisions of this Agreement shall automatically apply thereto and such Grantor shall promptly provide to the Collateral Agent notice thereof in writing and execute and deliver to the Collateral Agent such documents or instruments as the Collateral Agent may reasonably request further to implement, preserve or evidence the Collateral Agent's interest therein.

3.2. Amendment to Schedule. The Grantor authorizes the Collateral Agent to modify this Agreement and the Assignments of Trademarks, without the necessity of such Grantor's further approval or signature, by amending Schedule A hereto and the Annex to each Assignment of Trademarks to include any future or other Trademarks, Trademark Licenses, Trade Secrets or Trade Secret Licenses that become part of the Trademark Collateral under Section 2 or Section 3.1.

§ 4

GOVERNING LAW; CONSENT TO JURISDICTION.

This Agreement, the relationship between the parties hereunder and any claim or dispute (whether sounding in contract, tort, statute or otherwise) relating to this Agreement or that relationship shall be governed by and construed in accordance with law of the State of New York including section 5-1401 of the New York General Obligations Law but excluding any other conflict of law rules that would lead to the application of the law of another jurisdiction. If the law of a jurisdiction other than New York is, under section 1-105(2) of the UCC, mandatorily applicable to the perfection, priority or enforcement of any security interest granted under this Agreement in respect of any Trademark Collateral, that other law shall apply solely to the matters of perfection, priority or enforcement to which it is mandatorily applicable.

§ 5

MISCELLANEOUS.

5.1.1 Headings. The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon the Grantor and its respective successors and assigns, and shall inure to the benefit of the Collateral Agent, the Noteholders and their respective successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Grantor acknowledges receipt of a copy of this Agreement.

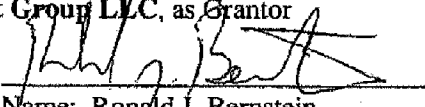
5.1.2 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

[Signatures begin on next page]

IN WITNESS WHEREOF, the Grantor has caused this Trademark Security and Pledge Agreement to be executed and delivered by its duly authorized officer as of the day and year first above written.

Liggett Group LLC, as Grantor


By:


Name: Ronald J. Bernstein

Title: *Manager, President and Chief Executive Officer*

(Signature Page to Trademark Security and Pledge Agreements - Liggett Group LLC)

U.S. Bank National Association, as
Collateral Agent

By: 
Name: Richard Prokosch
Title: Vice President

ANNEX 1
ASSIGNMENT OF TRADEMARKS

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____, having a place of business at _____ (the "Assignor"), has adopted and used and is using the trademarks (the "Trademarks") identified on the Annex hereto, and is the owner of such Patents; and

WHEREAS, [COLLATERAL AGENT], having a place of business at [ADDRESS] (the "Assignee"), is desirous of acquiring the Patents;

WHEREAS, the Assignor and the Assignee have entered into that certain Trademark Security and Pledge Agreement, dated as of [_____] __, 20[____] (as may be amended, Trademark Collateral Agreement"). Capitalized terms used and not defined herein have the meanings given such terms in the Trademark Collateral Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Patents, together with (i) the Trademarks, Trademark Licenses and Trade Secret Licenses identified on the Annex attached hereto and incorporated herein by reference, (ii) the goodwill of the business symbolized by and associated with the Trademarks, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements of or damage or injury to the Trademarks or such associated goodwill.

This Assignment of Trademarks is intended to and shall take effect at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment of Trademarks below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, , on this __ day of _____, 20__.

[_____]

By: _____

Name:

Title:

The foregoing assignment of the Trademarks by the Assignor to the Assignee is hereby accepted as of the __ day of _____, 20__.

[COLLATERAL AGENT]

By: _____

Name:

Title:

COMMONWEALTH OR STATE OF _____)

) ss.

COUNTY OF _____

On this the ___ day of _____, 20__, before me appeared _____, the person who signed this instrument, who acknowledged that (s)he is the _____ of _____, and that being duly authorized (s)he signed such instrument as a free act on behalf of _____.

Notary Public

My commission expires:

[Seal]

Schedule A
to the Trademark Security and Pledge Agreement

Grantors: Liggett Group LLC

United States Trademark Registrations

MARK	REGISTRATION NUMBER / REGISTRATION DATE
BALANCE	978016 2/5/1974
BECAUSE YOU'RE A WOMAN	3,024,191 12/6/2005
BRONSON	1821601 2/15/1994
CANYON	2010445 10/22/1996
CLASS A & Design (Colors Blue & Gold)	1576705 1/9/1990
CLASS A & Design (Red, Gold, & Blue)	1576706 1/9/1990
CLASS A & Design (Colors Green, Gold & Blue)	1576707 1/9/1990
DEVON	743290 1/8/1963
DORADO	739917 10/30/1962
DORSET	863406 1/14/1969
DUKE	652970 10/15/1957

MARK	REGISTRATION NUMBER / REGISTRATION DATE
DUKE OF DURHAM	652971 10/15/1957
EPIC	1029542 1/6/1976
EVE	872454 4/8/1969
EVE & Design	1550482 8/1/1989
FM	734059 7/10/1962
FRONTIER	897238 8/25/1970
GENERATION	1084223 1/31/1978
GOLD LEAF	1233860 4/5/1983
GOLD LEAF & Design	1564954 11/7/1989
GRAND PRIX	1453454 8/18/1987
JADE Holographic Label	2730207 6/24/2003
KING OF LOW PRICE	2722518 6/3/2003
KINGSPORT & Design	1863305 11/15/1994
Liggett Group Inc. design logo	2815517

MARK	REGISTRATION NUMBER / REGISTRATION DATE
(black/white)	2/17/2004
LIGET	745060 1/12/1963
LIGGETT GROUP	2023349 12/17/1996
LIGGETT SELECT	2961769 6/14/2005
LOWEST PRICE FIGHTER	3,259,428 7/03/2007
LYRIC	741833 12/11/1962
M & Design	3,108,068 6/20/2006
MONTEGO	1900071 6/13/1995
OASIS	658448 2/18/1958
OASIS & Design	657653 1/28/1958
OASIS & Design	664863 7/22/1958
PARKWAY	739918 10/30/1962
PELHAM	751937 7/2/1963
PREMIUM TASTE THAT RULES	2693292 3/4/2003

MARK	REGISTRATION NUMBER / REGISTRATION DATE
PYRAMID	1273822 4/10/1984
Pyramid & Design	1804692 11/16/1993
Pyramid & Design	2569345 5/14/2002
Q & Design	1327319 3/26/1985
Q QUALITY BLEND & Design	1344930 6/25/1985
Q QUALITY BLEND & Design Label	1462175 10/20/1987
QUALITY LIGHTS Leaf Design	1434164 3/24/1987
QUOTA	897240 8/25/1970
RENO	1865400 11/29/1994
RESPONSE	1101686 9/5/1978
TASTE OF AMERICA	1802889 11/2/1993
TASTE SHINES THROUGH	2754308 8/19/2003
VIRGINIA BRIGHTS	133272 7/20/1920

United States Trademark Applications

MARK	APPLICATION NUMBER / APPLICATION DATE
212	78586445 3/14/2005
919	78586436 3/14/2005
APEX	78559653 2/3/2005
BEN'S BEST	78570662 2/18/2005
CALYPSO	78842980 3/22/2006
CANNON	78586456 3/14/2005
CHASSIS	78559677 2/3/2005
DRAFT	78559754 2/3/2005
DUKE'S	78623173 5/4/2005
DUSTERS	78559758 2/3/2005
FLAGSTAFF	78559768 2/3/2005
GOLD LEAF PACK DESIGN	76679888 7/25/2007
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LUXURY FOR LESS	76599950 6/30/2004
RUMBLERS	78560166 2/3/2005
SAPPHIRE	78842913 3/22/2006
SANDSTONE	78560180 2/3/2005
STAGHORN	78560192 2/3/2005
STAGHORN Pack Design	78599495 3/31/2005
STARFIRE	78561858 2/7/2005
TRACERS	78561880 2/7/2005

MARK	APPLICATION NUMBER / APPLICATION DATE
TWENTY-20	78561907 2/7/2005
TURN 3	78561897 2/7/2005
VENTURO	78561940 2/7/2005
WORLD CUP	78791295 1/13/2006