As filed with the Securities and Exchange Commission on April 8, 2008

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Vector Group Ltd.

(Exact name of registrant issuer as specified in its charter)

See Table of Registrant Guarantors for information regarding additional Registrants

Delaware	**2111**	**65-0949535**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

100 S.E. Second Street
Miami, Florida 33131
(305) 579-8000
(Address, including zip code, and telephone number, including area code, of registrants' principal executive offices)

Richard J. Lampen
Executive Vice President
Vector Group Ltd.
100 S.E. Second Street
Miami, Florida 33131
(305) 579-8000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:
Stephen E. Older, Esq.
McDermott Will & Emery LLP
340 Madison Avenue
New York, New York 10021
(212) 547-5400

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Security(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
11% Senior Secured Notes due 2015	$165,000,000(2)	100%	$165,000,000	$6,485
Guarantees of 11% Senior Secured Notes due 2015	—	—	—	(3)

(1) Estimated solely for purposes of determining the registration fee pursuant to Section 457(f)(2) under the Securities Act.

(2) Represents the aggregate principal amount of the 11% Senior Secured Notes due 2015 issued by Vector Group Ltd.

(3) Pursuant to Rule 457(n), no additional registration fee is payable with respect to the note guarantees.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF REGISTRANT GUARANTORS

Exact Name of Registrant Guarantor as Specified in its Charter(1)	State of Incorporation or Organization	Primary Standard Industrial Classification Code Number	I.R.S. Employer Identification Number
100 Maple LLC	Delaware	6519	65-0960238
Eve Holdings Inc.	Delaware	6794	56-1703877
Liggett & Myers Holdings Inc.	Delaware	6799	51-0413146
Liggett & Myers Inc.	Delaware	2111	56-1110146
Liggett Group LLC	Delaware	2111	56-1702115
Liggett Vector Brands Inc.	Delaware	8900	74-3040463
V. T. Aviation LLC	Delaware	7350	51-0405537
Vector Research LLC	Delaware	8731	65-1058692
Vector Tobacco Inc.	Virginia	2111	54-1814147
VGR Aviation LLC	Delaware	7350	65-0949535
VGR Holding LLC	Delaware	8741	65-0949536

(1) The address and phone number of each Registrant Guarantor is as follows:

Vector Group Ltd., 100 SE 2nd Street, 32nd Floor, Miami, FL 33131 (305) 579-8000

100 Maple LLC, c/o Liggett Vector Brands Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

Eve Holdings Inc., 1105 N. Market Street; Suite 617, Wilmington, DE 19801 (302) 478-6160

Liggett & Myers Holdings Inc., 100 SE 2nd Street, 32nd Floor, Miami, FL 33131 (305) 579-8000

Liggett & Myers Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

Liggett Group LLC, c/o Liggett Vector Brands Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

Liggett Vector Brands Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

V. T. Aviation LLC, 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

Vector Research LLC, c/o Liggett Vector Brands Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560 (919) 990-3500

Vector Tobacco Inc., c/o Liggett Vector Brands Inc., 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

VGR Aviation LLC, 3800 Paramount Parkway, Suite 250, PO Box 2010, Morrisville, NC 27560, (919) 990-3500

VGR Holding LLC, 100 SE 2nd Street, 32nd Floor, Miami, FL 33131 (305) 579-8000

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 8, 2008

PROSPECTUS

VECTOR GROUP LTD.

Vector Group Ltd.

Exchange Offer for

Up to $165,000,000 Principal Amount Outstanding of 11% Senior Secured Notes due 2015 for a Like Principal Amount of Registered 11% Senior Secured Notes due 2015

We hereby offer, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal (which together constitute the "Exchange Offer"), to exchange up to $165,000,000 principal amount of our registered 11% Senior Secured Notes due 2015 (the "New Notes") and the guarantees thereof for a like principal amount of our outstanding unregistered 11% Senior Secured Notes due 2015 (the "Original Notes" and together with the New Notes, the "notes") and the guarantees thereof. Subject to specified conditions, the New Notes will be free of the transfer restrictions that apply to our outstanding unregistered Original Notes that you currently hold, but will otherwise have substantially the same terms of such outstanding Original Notes. The notes will be fully and unconditionally guaranteed on a joint and several basis by all of our 100% owned domestic subsidiaries that are engaged in the conduct of our cigarette businesses. The notes will not be guaranteed by any of our subsidiaries engaged in our real estate businesses conducted through our subsidiary New Valley LLC.

We will exchange any and all Original Notes that are validly tendered and not validly withdrawn prior to 5:00 p.m., New York City time, on , 2008, unless we extend it.

We have not applied, and do not intend to apply, for listing of the New Notes on any national securities exchange or automated quotation system.

Each broker-dealer that receives New Notes for its own account pursuant to this Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. The letter of transmittal accompanying this prospectus states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Notes received in exchange for outstanding Original Notes where such outstanding Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration of this Exchange Offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

See " Risk Factors" beginning on page 6 to read about important factors you should consider in connection with this Exchange Offer.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated , 2008.

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You should rely only on the information contained or incorporated by reference in this prospectus. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date of this document, or that any information we have incorporated by reference in this prospectus is accurate as of any date other than the date of the document incorporated by reference regardless of the time of delivery of this prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

MARKET DATA

We use market and industry data throughout this prospectus and the documents incorporated by reference herein that we have obtained from market research, publicly available information and industry publications. These sources generally state that the information that they provide has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. The market and industry data is often based on industry surveys and the preparers' experience in the industry. Similarly, although we believe that the surveys and market research that others have performed are reliable, we have not independently verified this information.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and file reports, proxy statements and other information with the SEC. You can read and copy all of this information at the Public Reference Room maintained by the SEC at its principal office at 100 F Street, NE, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a web site that contains reports, proxy statements and other information regarding issuers, like us, that file such material electronically with the SEC. The address of this web site is: http://www.sec.gov. Our common stock is listed on the New York Stock Exchange under the symbol "VGR."

In addition, we make available on our web site at http://www.vectorgroupltd.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K (and any amendments to those reports) filed pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as practicable after they have been electronically filed with the SEC. **Unless otherwise specified, information contained on our web site,**

available by hyperlink from our web site or on the SEC's web site, is not incorporated into the registration statement of which this prospectus forms a part.

INCORPORATION BY REFERENCE

We are incorporating by reference in this prospectus certain information that we file with the SEC, which means that we are disclosing important information to you in those documents. The information incorporated by reference is an important part of this prospectus, and the information that we subsequently file with the SEC will automatically update and supersede information in this prospectus and in our other filings with the SEC. We incorporate by reference the documents listed below, which we have already filed with the SEC, and any future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act, prior to the termination of the offering under this prospectus. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed below or filed in the future, that are not deemed "filed" with the SEC, including any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K.

- Annual Report on Form 10-K for the year ended December 31, 2007, filed on February 29, 2008; and
- Current Reports on Form 8-K/A (filed April 8, 2008), amending Form 8-K, which was filed on April 7, 2008.

Any statement contained in this prospectus, or in a document all or a portion of which is incorporated by reference in this prospectus, will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus modifies or supersedes the statement. Any such statement or document so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address and telephone number:

Vector Group Ltd.
100 S.E. Second Street
Miami, Florida 33131
Attn: Investor Relations
Telephone: (305) 579-8000

FORWARD-LOOKING STATEMENTS

In addition to historical information, this prospectus contains "forward-looking statements" within the meaning of the federal securities law. Forward-looking statements include information relating to our intent, belief or current expectations, primarily with respect to, but not limited to:

- economic outlook,
- capital expenditures,
- cost reduction,
- new legislation,
- cash flows,
- operating performance,
- litigation,
- taxation,
- impairment charges and cost savings associated with restructurings of our tobacco operations, and
- related industry developments (including trends affecting our business, financial condition and results of operations).

We identify forward-looking statements in this prospectus by using words or phrases such as “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may be”, “objective”, “plan”, “seek”, “predict”, “project” and “will be” and similar words or phrases or their negatives.

The forward-looking information involves important risks and uncertainties that could cause our actual results, performance or achievements to differ materially from our anticipated results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, without limitation, the following:

- general economic and market conditions and any changes therein, including due to acts of war and terrorism,
- governmental regulations and policies, including proposed United States Food & Drug Administration regulation, proposed increases in federal and state excise taxes and legislation creating smoke-free environments,
- effects of industry competition,
- impact of business combinations, including acquisitions and divestitures, both internally for us and externally, in the tobacco industry,
- impact of restructurings on our tobacco business and our ability to achieve any increases in profitability estimated to occur as a result of these restructurings,
- impact of new legislation on our and our competitor’s payment obligations, results of operations and product costs; e.g., the impact of recent federal legislation eliminating the federal tobacco quota system,
- uncertainty related to litigation and potential additional payment obligations for us under the Master Settlement Agreement and other settlement agreements with the states,
- uncertainty related to product liability litigation and the costs associated with defending increased numbers of cases, and
- risks and uncertainty inherent in our new product development initiatives.

Further information on risks and uncertainties specific to our business include the risk factors discussed below under “Risk Factors” and elsewhere in this prospectus and in “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2007 Annual Report on Form 10-K (see also “Incorporation by Reference” above).

Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, there is a risk that these expectations will not be attained and that any deviations will be material. The forward-looking statements speak only as of the date they are made.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. Because it is a summary, it does not contain all of the information that is important to you, and it is qualified in its entirety by the more detailed information and historical financial statements (including the notes to those financial statements) that are included elsewhere herein or that are incorporated by reference in this prospectus. You should read the entire prospectus carefully, including the "Risk Factors" section, the financial statements and the notes to those statements and the documents we have incorporated by reference. As used in this prospectus, the terms "Vector Group", "we", "our" and "us" and similar terms refer to Vector Group Ltd. and all of our consolidated subsidiaries, including VGR Holding LLC ("VGR Holding"), Liggett Group LLC ("Liggett Group" or "Liggett"), Vector Tobacco Inc. ("Vector Tobacco") and New Valley LLC ("New Valley"), except with respect to the section entitled "Description of Notes" where it is clear that these terms mean only Vector Group Ltd.

Business

Our Company

We are a holding company and are engaged principally in:

- the manufacture and sale of cigarettes in the United States through our subsidiary Liggett Group,
- the development and marketing of the low nicotine and nicotine-free QUEST cigarette products and the development of reduced risk cigarette products through our subsidiary Vector Tobacco, and
- the real estate business through our subsidiary, New Valley, which is seeking to acquire additional operating companies and real estate properties. New Valley owns 50% of Douglas Elliman Realty, LLC, which operates the largest residential brokerage company in the New York metropolitan area.

Our principal executive offices are located at 100 S.E. Second Street, Miami, Florida 33131. Our telephone number is (305) 579-8000. Information contained on our web site or that can be accessed through our web site is not incorporated by reference in this prospectus. You should not consider information contained on our web site or that can be accessed through our web site to be part of this prospectus.

Summary of the Terms of the Exchange Offer

Background	On August 16, 2007, we completed a private placement of $165,000,000 aggregate principal amount of the Original Notes. In connection with that private placement, we entered into a registration rights agreement in which we agreed to, among other things, complete an exchange offer.
The Exchange Offer	We are offering to exchange our New Notes which have been registered under the Securities Act for a like principal amount of our outstanding, unregistered Original Notes. Original Notes may only be tendered in an amount equal to $1,000 in principal amount or in integral multiples of $1,000 in excess thereof. See "The Exchange Offer — Terms of the Exchange."
Resale of New Notes	Based upon the position of the staff of the SEC as described in previous no-action letters, we believe that New Notes issued pursuant to the Exchange Offer in exchange for Original Notes may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

	• you are acquiring the New Notes in the ordinary course of your business; • you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in a distribution of the New Notes; and • you are not our "affiliate" as defined under Rule 405 of the Securities Act. We do not intend to apply for listing of the New Notes on any securities exchange or to seek approval for quotation through an automated quotation system. Accordingly, there can be no assurance that an active market will develop upon completion of the Exchange Offer or, if developed, that such market will be sustained or as to the liquidity of any market. Each broker-dealer that receives New Notes for its own account in exchange for Original Notes, where such Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of New Notes during the 180 days after the expiration of this Exchange Offer. See "Plan of Distribution."
Consequences If You Do Not Exchange Your Original Notes	Original Notes that are not tendered in the Exchange Offer or are not accepted for exchange will continue to bear legends restricting their transfer. You will not be able to offer or sell such Original Notes unless: • you are able to rely on an exemption from the requirements of the Securities Act; or • the Original Notes are registered under the Securities Act. After the Exchange Offer is closed, we will no longer have an obligation to register the Original Notes, except under some limited circumstances. See "Risk Factors — If you fail to exchange your Original Notes, they will continue to be restricted securities and may become less liquid."
Expiration Date	The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2008, unless we extend the Exchange Offer. See "The Exchange Offer — Expiration Date; Extensions; Amendments."
Issuance of New Notes	We will issue New Notes in exchange for Original Notes tendered and accepted in the Exchange Offer promptly following the Expiration Date. See "The Exchange Offer — Terms of the Exchange."
Certain Conditions to the Exchange Offer	The Exchange Offer is subject to certain customary conditions, which we may amend or waive. See "The Exchange Offer — Conditions to the Exchange Offer."
Special Procedures for Beneficial Holders	If you beneficially own Original Notes which are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender in the Exchange Offer, you should contact such registered holder promptly and instruct such person to

	tender on your behalf. If you wish to tender in the Exchange Offer on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your Original Notes, either arrange to have the Original Notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take a considerable time. See "The Exchange Offer — Procedures for Tendering."
Withdrawal Rights	You may withdraw your tender of Original Notes at any time before the Exchange Offer expires. See "The Exchange Offer — Withdrawal of Tenders."
Accounting Treatment	We will not recognize any gain or loss for accounting purposes upon the completion of the Exchange Offer. See "The Exchange Offer — Accounting Treatment."
Federal Income Tax Consequences	The exchange pursuant to the Exchange Offer generally will not be a taxable event for U.S. Federal income tax purposes. See "Material United States Federal Income Tax Considerations."
Use of Proceeds	We will not receive any proceeds from the issuance of New Notes pursuant to the Exchange Offer.
Exchange Agent	U.S. Bank National Association, N.A. is serving as exchange agent in connection with the Exchange Offer.

Summary of the Terms of the New Notes

Other than the restrictions on transfer and registration rights, the New Notes will have the same financial terms and covenants as the Original Notes, which are as follows:

Issuer	Vector Group Ltd.
Securities Offered	$165,000,000 aggregate principal amount of 11% Senior Secured Notes due 2015.
Maturity Date	August 15, 2015.
Interest Rate	The New Notes will bear interest at the rate of 11% per annum.
Interest	Interest will be payable semi-annually in arrears on February 15 and August 15 of each year. Interest will accrue from the most recent date to which interest on the Original Notes has been paid.
Ranking	The New Notes: • will be our general obligations; • will be pari passu in right of payment with all of our existing and future senior indebtedness; and • will be senior in right of payment to all of our future subordinated indebtedness, if any.
Guarantees	The New Notes will be fully and unconditionally guaranteed on a joint and several basis on the issue date by all of our wholly-owned domestic subsidiaries other than New Valley and its subsidiaries. Each guarantee of the New Notes: • will be a general obligation of the guarantor;

	• will be pari passu in right of payment with all other senior indebtedness of the guarantor, including the Liggett guarantors' indebtedness under the Liggett secured revolving credit facility; and • will be senior in right of payment to all future subordinated indebtedness of the guarantor, if any.
Security Interest	The New Notes will not be secured by any of our assets. Only Liggett Group, 100 Maple LLC, Vector Tobacco, and VGR Holding will provide security for their guarantees of the New Notes. Each guarantee of the New Notes by Liggett Group and 100 Maple LLC: • will be secured on a second priority basis, equally and ratably with all obligations of a Liggett guarantor under future parity lien debt, by liens on certain assets of a Liggett guarantor, subject in priority to the liens securing first priority debt under the Liggett secured revolving credit facility and permitted prior liens; and • will be effectively junior, to the extent of the value of assets securing a Liggett guarantor's first priority debt obligations under the Liggett secured revolving credit facility, which will be secured on a first priority basis by the same assets of that Liggett guarantor that secure the New Notes and by certain other assets of that Liggett guarantor that do not secure the notes. The guarantee of the New Notes by Vector Tobacco will be secured on a first priority basis, equally and ratably with all of its obligations under future parity lien debt, by liens on certain assets, subject in priority to permitted prior liens. The guarantee of VGR Holding will be secured by a first priority pledge of the capital stock of each of Liggett Group and Vector Tobacco. See "Description of Notes — Security" for additional information.
Intercreditor Agreement	Pursuant to an intercreditor agreement, the liens securing the guarantees of the Liggett guarantors will be second in priority to the liens that secure obligations under the Liggett secured revolving credit facility up to a maximum capped amount as described under "Description of Notes — Intercreditor Agreement." Pursuant to the intercreditor agreement, the second-priority liens securing the note guarantees may not be enforced for a "standstill" period of up to 180 days when any obligations secured by the first-priority liens are outstanding.
Optional Redemption	Prior to August 15, 2011, we may redeem some or all of the New Notes at a redemption price equal to 100% of the principal amount plus a make-whole premium, plus accrued and unpaid interest and liquidated damages, if any, to the redemption date. See "Description of Notes — Optional Redemption."

	On or after August 15, 2011, we may redeem all or a part of the New Notes at the redemption prices set forth under "Description of Notes — Optional Redemption." At any time prior to August 15, 2010, we may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of the New Notes with the net proceeds of certain equity offerings at 111% of the aggregate principal amount thereof, plus accrued and unpaid interest and liquidated damages, if any, to the redemption date. See "Description of Notes — Optional Redemption."
Mandatory Offers to Repurchase	If we sell certain assets and do not apply the proceeds as required or we experience specific kinds of changes of control, we must offer to repurchase the New Notes at the prices listed in the section entitled "Description of Notes."
Certain Covenants	The indenture governing the New Notes contains certain covenants that, among other things, limit our guarantors' ability to: • pay dividends, redeem or repurchase capital stock or subordinated indebtedness or make other restricted payments; • incur additional indebtedness or issue certain preferred stock; • create or incur liens; • incur dividend or other payment restrictions; • consummate a merger, consolidation or sale of all or substantially all of our assets; • enter into certain transactions with affiliates; and • transfer or sell assets, including the equity interests of our guarantors, or use asset sale proceeds. These covenants will be subject to a number of important exceptions and qualifications. See "Description of Notes."
No Public Market; PORTAL Trading	The New Notes are a new issue of securities and will not be listed on any securities exchange or included in any automated quotation system. We intend to apply for the New Notes to be eligible for trading on PORTAL by qualified institutional buyers. Although Jefferies & Company, the initial purchaser in the private offering of the Original Notes, has informed us that they currently intend to make a market in the New Notes, they are not obligated to do so, and any such market may be discontinued by the initial purchaser in its discretion at any time without notice. See "Plan of Distribution."

Risk Factors

You should consider carefully the information set forth in the section entitled "Risk Factors" and all other information described or referred to in this prospectus before investing in the notes.

RISK FACTORS

Before you decide to participate in this Exchange Offer, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the following risk factors, as well as those incorporated by reference in this prospectus from our most recent annual report on Form 10-K under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other filings we may make from time to time with the SEC.

Risks Related to the Notes and the Exchange Offer

If you fail to exchange your Original Notes, they will continue to be restricted securities and may become less liquid.

Original Notes which you do not tender or we do not accept will, following the Exchange Offer, continue to be restricted securities, and you may not offer to sell them except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities law. We will issue New Notes in exchange for the Original Notes pursuant to the Exchange Offer only following the satisfaction of the procedures and conditions set forth in "The Exchange Offer — Procedures for Tendering." These procedures and conditions include timely receipt by the exchange agent of such Original Notes (or a confirmation of book-entry transfer) and of a properly completed and duly executed letter of transmittal (or an agent's message from The Depository Trust Company).

Because we anticipate that most holders of Original Notes will elect to exchange their Original Notes, we expect that the liquidity of the market for any Original Notes remaining after the completion of the Exchange Offer will be substantially limited. Any Original Notes tendered and exchanged in the Exchange Offer will reduce the aggregate principal amount of the Original Notes outstanding. Following the Exchange Offer, if you do not tender your Original Notes you generally will not have any further registration rights, and your Original Notes will continue to be subject to certain transfer restrictions. Accordingly, the liquidity of the market for the Original Notes could be adversely affected.

Our high level of debt may adversely affect our ability to satisfy our obligations under the notes offered hereby.

We cannot assure you that we will be able to meet our debt service obligations. A default in our debt obligations, including a breach of any restrictive covenant imposed by the terms of our indebtedness, could result in the acceleration of the notes offered hereby or other indebtedness. In such a situation, it is unlikely that we would be able to fulfill our obligations under the notes offered hereby or other indebtedness or that we would otherwise be able to repay the accelerated indebtedness or make other required payments. Even in the absence of an acceleration of our indebtedness, a default under the terms of our indebtedness could have an adverse impact on our ability to satisfy our debt service obligations and on the trading price of the notes offered hereby.

Our high level of indebtedness could have important consequences to you. For example, it could:

- make it more difficult for us to satisfy our other obligations with respect to the notes, including our repurchase obligation upon the occurrence of specified change of control events;
- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to obtain additional financing;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, reducing the amount of our cash flows available for other general corporate purposes;
- require us to sell other securities or to sell some or all of our assets, possibly on unfavorable terms, to meet payment obligations;
- restrict us from making strategic acquisitions, investing in new capital assets or taking advantage of business opportunities;

- limit our flexibility in planning for, or reacting to, changes in our business and industry; and
- place us at a competitive disadvantage compared to competitors that have less debt.

Vector Group, the issuer of the notes, is a holding company, and its ability to make any required payment on the notes is dependent on the operations of, and the distribution of funds from, its subsidiaries.

Vector Group, the issuer of the notes, is a holding company, and depends on dividends and other distributions from its subsidiaries to generate the funds necessary to meet its obligations, including its required obligations under the notes. Each of our subsidiaries is a legally distinct entity, and while certain of our domestic subsidiaries have guaranteed the notes, such guarantees are subject to risks. See "— Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of notes to return payments received from guarantors." The ability of our subsidiaries to pay dividends and make distributions to Vector Group are subject to, among other things, (i) the terms of Liggett's secured revolving credit facility with Wachovia Bank, N.A. ("Wachovia"), certain terms of which, including terms relating to Liggett's ability to distribute funds to Vector Group, Wachovia has the unilateral discretion to modify, if acting in good faith, (ii) any other debt instruments of our subsidiaries then in effect, and (iii) applicable law. If distributions from our subsidiaries to us were eliminated, delayed, reduced or otherwise impaired, our ability to make payments on the notes would be substantially impaired.

A significant portion of the collateral securing the note guarantees is subject to first-priority liens and your right to receive payments on the notes pursuant to such note guarantees are subordinated to the obligations secured by first priority liens, including the Liggett Credit Agreement, to the extent of the value of the assets securing that indebtedness.

The collateral securing the guarantees of Liggett Group and 100 Maple (which we refer to as the "Liggett Guarantors") is subject to a first-priority claim to secure the Liggett Guarantors' indebtedness under the senior secured revolving credit facility with Wachovia (which we refer to as the "Liggett Credit Agreement"), which must be paid in full up to a principal amount of loans of $65.0 million, plus $5.0 million of hedging obligations, $5.0 million of cash management obligations and interest, costs, fees and indemnity obligations (the "Maximum Priority ABL Debt"), before the collateral can be used to fulfill any payment obligations pursuant to their guarantee of the notes. Indebtedness under the Liggett Credit Agreement is secured by a first-priority lien on substantially all of the tangible and intangible assets of the Liggett Guarantors, with certain exceptions, while the note guarantees by the Liggett Guarantors are secured by second priority liens on some but not all of those same assets. The value of those excluded assets could be significant, and the notes effectively rank junior to indebtedness secured by liens on, and to the extent of, those excluded assets. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against such guarantors, those assets that are pledged as collateral securing both the first-priority claims and the guarantee of the notes must first be used to pay the first-priority claims in full up to the Maximum Priority ABL Debt before making any payments on the notes pursuant to the note guarantees. See "Description of Notes — Intercreditor Agreement" for a detailed description of the components of Maximum Priority ABL Debt.

Such guarantors have entered into an intercreditor agreement with Wachovia and the collateral agent on behalf of the note holders that limits the rights of the collateral agent and the note holders to exercise remedies under the indenture. Under the intercreditor agreement, for a period of up to 180 days following notice from the collateral agent for the notes or the note holders to Wachovia of an event of default under the indenture and that demand for repayment of the notes has been made, the trustee and collateral agent under the indenture and the note holders may not exercise certain remedies under the indenture and may not proceed against any collateral securing the notes until the expiration of such standstill period. The lender under the Liggett Credit Agreement is permitted to complete foreclosure and enforce judgments if it commences such actions during the 180-day time period. If the note holders are prohibited from exercising remedies, the value of the collateral to the note holders could be impaired. Because of the restrictions placed on the collateral agent's enforcement of its security interests by the intercreditor agreement, there may be significant delays in any enforcement of the collateral agent's security interests, and after Wachovia has enforced its claims, the holders of the notes may be left with undersecured obligations, given the amount of shared collateral.

None of the guarantees are secured by all of the assets of any guarantor that is providing security for its guarantee, and the value of the collateral securing such note guarantees may not be sufficient to pay all amounts owed under the notes if an event of default occurs.

As of the date of their issuance, only the guarantees of the notes of the Liggett Guarantors, Vector Tobacco and VGR Holding LLC are secured and certain of those guarantees are secured only by a second priority lien on certain assets of such guarantors. None of the guarantees are secured by all of the assets of any guarantor providing security for its guarantee, and the collateral securing such guarantees omits significant categories of collateral typically found in "all assets" financings. For more information regarding the collateral for the note guarantees, see "Description of Notes — Security." No appraisals of any of the collateral for the note guarantees have been prepared in connection with this offering. The value of the collateral at any time will depend on market and other economic conditions, including the availability of suitable buyers for the collateral. By its nature, some or all of the collateral may be illiquid and may have no readily ascertainable market value. Some of the collateral may have no significant independent value apart from the other pledged assets. The value of the assets pledged as collateral for the note guarantees could be impaired in the future as a result of changing economic conditions, competition or other future trends or uncertainties.

Additionally, the lender under the Liggett Credit Agreement has rights and remedies with respect to the collateral that, if exercised, could adversely affect the value of the collateral. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the collateral may not be sufficient to pay all or any of our obligations under the notes.

Accordingly, there may not be sufficient collateral to pay any or all of the amounts due on the notes. With respect to any claim for the difference between the amount, if any, realized by the holders of the notes from the sale of the collateral securing the notes and the obligations under the notes, holders of the notes will participate ratably with all our other unsecured unsubordinated indebtedness and other obligations, including trade payables.

To service our indebtedness, including the notes, we will require a significant amount of cash. The ability to generate cash depends on many factors beyond our control.

Our ability to repay or to refinance our obligations with respect to our indebtedness, including the notes, and to fund planned capital expenditures will depend on our future financial and operating performance. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other factors that are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to pay our indebtedness, including the notes, or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness, including the notes, at or before maturity. We cannot assure you that we will be able to refinance any of our indebtedness, including the notes, on commercially reasonable terms or at all.

Despite our substantial level of indebtedness, we may still incur significantly more debt, which could exacerbate any or all of the risks described above.

We may be able to incur substantial additional indebtedness in the future. Although the indenture governing the notes and the Liggett Credit Agreement will limit our ability and the ability of our subsidiaries to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. In addition, the indenture governing the notes and the Liggett Credit Agreement will not prevent us from incurring obligations that do not constitute indebtedness. See the section entitled "Description of Notes." To the extent that we incur additional indebtedness or such other obligations, the risks associated with our substantial leverage described above, including our possible inability to service our debt, would increase.

The notes contain restrictive covenants that limit our operating flexibility. Such covenants may be less protective than those typically found in covenant packages for non-investment grade debt securities.

The notes contain covenants that, among other things, restrict our ability to take specific actions, even if we believe them to be in our best interest, including restrictions on our ability to:

- incur or guarantee additional indebtedness or issue preferred stock;
- pay dividends or distributions on, or redeem or repurchase, capital stock;
- create liens with respect to our assets;
- make investments, loans or advances;
- prepay subordinated indebtedness;
- enter into transactions with affiliates; and
- merge, consolidate, reorganize or sell our assets.

In addition, the Liggett Credit Agreement requires us to meet specified financial ratios. These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of the indenture governing the notes and the Liggett Credit Agreement may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events beyond our control. The breach of any of these covenants, including those contain in Liggett's credit facility and the indenture governing the notes, could result in a default under our indebtedness, which could cause those and other obligations to become due and payable. If any of our indebtedness is accelerated, we may not be able to repay it.

Although the notes contain restrictive covenants, these covenants are less protective than is customary for non-investment grade debt securities and are subject to a number of important exceptions and qualifications. In particular, there are no restrictions on our ability to pay certain dividends or make other restricted payments or enter into transactions with affiliates if our Consolidated EBITDA (as defined under "Description of Notes") is $50.0 million or more for the four quarters prior to such transaction. See "Description of Notes" for a more detailed description of these covenants and the exceptions to these covenants.

The notes and note guarantees will be structurally subordinated to creditors, including trade creditors, of our subsidiaries that are not guarantors of the notes.

The notes will not be guaranteed by New Valley or its subsidiaries and certain of our existing and future other subsidiaries. As a result, claims of creditors of non-guarantor subsidiaries, including trade creditors, secured creditors and creditors holding debt and guarantees issued by those non-guarantor subsidiaries will have priority with respect to the assets and earnings of those non-guarantor subsidiaries over the claims of our creditors and the creditors of our guarantors, including holders of the notes. There are no covenant restrictions in the indenture on any existing or future non-guarantor subsidiaries and they may incur debt and take other actions that guarantors will be prohibited from taking.

We currently have and are permitted to create unrestricted subsidiaries, which will not be subject to any of the covenants in the indenture, and we may not be able to rely on the cash flow or assets of those unrestricted subsidiaries to pay our indebtedness.

Unrestricted subsidiaries, including the New Valley subsidiaries and others existing on the date of the indenture and those we are permitted to create pursuant to the terms of the indenture, will not be subject to the covenants under the indenture, and their assets will not be available as security for the notes. Unrestricted subsidiaries may enter into financing arrangements that limit their ability to make loans or other payments to fund payments in respect of the notes. Accordingly, we may not be able to rely on the cash flow or assets of unrestricted subsidiaries to pay any of our indebtedness, including the notes. The indenture contains very limited provisions that would prohibit the creation of unrestricted subsidiaries and only subsidiaries that are obligors under the Liggett credit agreement or that are engaged in our cigarette business are required to

become guarantors. Only subsidiaries that are guarantors are subject to the restrictive covenants in the indenture as provided in the indenture.

Holders of notes will not control decisions regarding collateral.

The holders of first priority claims against the collateral will control substantially all matters related to the collateral. The holders of first priority claims may foreclose on or take other actions with respect to such shared collateral with which holders of the notes may disagree or that may be contrary to the interests of holders of the notes. To the extent such shared collateral is released from securing first priority claims to satisfy such claims, the liens securing the notes will also automatically be released without any further action by the trustee, collateral agent or the holders of the notes. There is no requirement that the holders of first priority claims foreclose or otherwise take any action with respect to excluded collateral before releasing or otherwise taking action with respect to the collateral shared with the notes. See "Description of Notes — Security."

Rights of holders of notes in the collateral may be adversely affected by bankruptcy proceedings.

The right of the collateral agent for the notes to repossess and dispose of the collateral securing the notes upon acceleration is likely to be significantly impaired by federal bankruptcy law if bankruptcy proceedings are commenced by or against us prior to or possibly even after the collateral agent has repossessed and disposed of the collateral. Under the United States Bankruptcy Code, a secured creditor, such as the collateral agent for the notes, is prohibited from repossessing its collateral from a debtor in a bankruptcy case, or from disposing of collateral repossessed from a debtor, without court approval. Moreover, bankruptcy law permits the debtor to continue to retain and use collateral, and the proceeds, products, rents, or profits of the collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is provided "adequate protection." The meaning of the term "adequate protection" may vary according to circumstances, but it is intended in general to protect the value of the secured creditor's interest in the collateral and may include cash payments or the granting of additional security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the automatic stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. In view of the broad discretionary powers of a bankruptcy court, it is impossible to predict how long payments under the notes could be delayed following commencement of a bankruptcy case, whether or when the collateral agent might be permitted to repossess or dispose of the collateral, or whether or to what extent holders of the notes would be compensated for any delay in payment or loss of value of the collateral through the requirements of "adequate protection." Furthermore, in the event the bankruptcy court determines that all amounts due on or under the notes exceed the value of the collateral, the holders of the notes would have "undersecured claims" for the difference. Federal bankruptcy laws generally do not permit the payment or accrual of post-petition interest, costs, and attorneys' fees for "undersecured claims" during a debtor's bankruptcy case.

Rights of holders of notes in the collateral may be adversely affected by the failure to perfect liens on certain collateral acquired in the future.

The liens securing the notes cover certain assets which may be acquired in the future. Applicable law requires that certain property and rights acquired after the grant of a general security interest or lien can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that the trustee or the collateral agent will monitor, or that we will inform the trustee or the collateral agent of, the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the lien on such after acquired collateral. The collateral agent for the notes has no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interests therein. Such failure may result in the loss of the practical benefits of the lien thereon or of the priority of the lien securing the notes.

Our ability to purchase the notes with cash at your option and our ability to satisfy our obligations upon a change of control or an event of default may be limited.

Holders of notes may require us to purchase all or a portion of their notes for cash upon the occurrence of specific circumstances involving the events described under "Description of Notes — Repurchase at the Option of Holders — Change of Control" and "Description of Notes — Events of Default and Remedies." We cannot assure you that, if required, we would have sufficient cash or other financial resources at that time or would be able to arrange sufficient financing necessary to pay the purchase price for all notes tendered by holders thereof. In addition, our ability to repurchase notes in the event of a change of control or an event of default may be prohibited or limited by law, by regulatory authorities, by the other agreements related to our indebtedness and by indebtedness and agreements that we or our subsidiaries may enter into from time to time, which may replace, supplement or amend our existing or future indebtedness. Our failure to repurchase tendered notes would constitute an event of default under the indenture.

In addition, the required repurchase of the notes and the events that constitute a change of control under the indenture may also be events of default under other indebtedness. These events may permit the lenders under the other indebtedness to accelerate the indebtedness outstanding thereunder. If we are required to repurchase the notes, we would probably require third party financing. We cannot be sure that we would be able to obtain third party financing on acceptable terms, or at all. If other indebtedness is not paid, the lenders thereunder may seek to enforce security interests in the collateral consisting of first priority collateral that secures such indebtedness, thereby limiting our ability to raise cash to purchase the notes, and reducing the practical benefit of the offer to purchase provisions to the holders of the notes.

Some significant corporate transactions may not constitute a change of control, in which case we would not be obligated to offer to repurchase the notes.

Upon the occurrence of a change of control, which includes specified change of control events, we will be required to offer to repurchase all outstanding notes. See "Description of Notes — Repurchase at the Option of Holders — Change of Control." The change of control provisions, however, will not require us to offer to repurchase the notes in the event of some significant corporate transactions. For example, various transactions, such as leveraged recapitalizations, refinancings, restructurings or acquisitions initiated by us, would not constitute a change of control because they do not involve a change in voting power or beneficial ownership of the type described in the definition of change of control. Accordingly, note holders may not have the right to require us to repurchase their notes in the event of a significant transaction that could increase the amount of our indebtedness, adversely affect our capital structure or any credit ratings or otherwise adversely affect the holders of notes.

In addition, a change of control includes a sale of all or substantially all of our properties and assets. Although there is limited law interpreting the phrase "substantially all," there is no precise established definition of the phrase under the laws of New York, which govern the indenture and the notes. Accordingly, your ability to require us to repurchase notes as a result of a sale of less than all of our properties and assets may be uncertain.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of notes to return payments received from guarantors.

The notes will be guaranteed by our wholly-owned domestic subsidiaries (other than New Valley and its subsidiaries). Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

- received less than reasonably equivalent value or fair consideration for the incurrence of the guarantee;
- was insolvent or rendered insolvent by reason of the incurrence of the guarantee;

- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they became absolute and mature; or
- it could not pay its debts as they become due.

The court might also void such guarantee, without regard to the above factors, if it found that the subsidiary entered into its guarantee with actual or deemed intent to hinder, delay, or defraud its creditors.

A court would likely find that a subsidiary did not receive reasonably equivalent value or fair consideration for its guarantee unless it benefited directly or indirectly from the issuance of the notes. If a court avoided such guarantee, holders of the notes would no longer have a claim against such subsidiary or the benefit of the assets of such subsidiary constituting collateral that purportedly secured such guarantee. In addition, the court might direct holders of the notes to repay any amounts already received from such subsidiary. If the court were to avoid any guarantee, we cannot assure you that funds would be available to pay the notes from any other subsidiary or from any other source.

The indenture states that the liability of each subsidiary on its guarantee is limited to the maximum amount that the subsidiary can incur without risk that the guarantee will be subject to avoidance as a fraudulent conveyance. This limitation may not protect the guarantees from a fraudulent conveyance claim or, if it does, the guarantees may not be in amounts sufficient, if necessary, to pay obligations under the notes when due.

Our notes may not be rated or may receive a lower rating than investors anticipate, which could cause a decline in the trading volume and market price of the notes.

We do not intend to seek a rating on the notes, and we believe it is unlikely the notes will be rated. If, however, one or more rating agencies rates the notes and assigns a rating lower than the rating expected by investors, or reduces any rating in the future, the trading volume and market price of the notes may be adversely affected.

We cannot assure you that an active trading market will develop for the New Notes.

The New Notes are a new issue of securities for which there is currently no trading market. We do not intend to apply for listing of the New Notes on any securities exchange or to seek approval for quotation through any automated quotation system. Accordingly, there can be no assurance that an active trading market will develop upon completion of the Exchange Offer or, if it develops, that such market will be sustained. In addition, the liquidity of the trading market in the New Notes, if it develops, and the market price quoted for the New Notes may be adversely affected by changes in the overall market for high yield securities and by changes in our financial performance or prospects or in the financial performance or prospects of companies in the industries in which we conduct business. If an active market does not develop or is not maintained, the market price of the New Notes may decline and you may not be able to resell the New Notes.

USE OF PROCEEDS

The Exchange Offer is intended to satisfy our obligations under the registration rights agreement entered into in connection with the issuance of the Original Notes. We will not receive any cash proceeds from the issuance of the New Notes in the Exchange Offer. In consideration for issuing the New Notes as contemplated by this prospectus, we will receive the Original Notes in like principal amount. The Original Notes surrendered and exchanged for the New Notes will be retired and canceled and cannot be reissued. Accordingly, the issuance of the New Notes will not result in any increase in our indebtedness.

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

	Year Ended December 31,					
	2003	2004	2005	2006	2007	
					Actual	Pro Forma
Ratio of Earnings to Fixed Charges(1)	—	1.02x	3.84x	2.70x	3.26x	2.71x

(1) For purposes of computing the ratio of earnings to fixed charges, earnings include pre-tax income (loss) from continuing operations and fixed charges (excluding capitalized interest) and amortization of capitalized interest. Earnings are also adjusted to exclude equity in profit or loss of unconsolidated affiliates. Fixed charges consist of interest expense, capitalized interest (including amounts charged to income and capitalized during the period), a portion of rental expense (deemed by us to be representative of the interest factor of rental payments), amortization of debt issuance costs and amortization of debt discounts. For the year ended December 31, 2003, earnings were insufficient to cover fixed charges as evidenced by a less than one-to-one coverage ratio. Additional earnings of approximately $16.4 million were necessary for the year ended December 31, 2003.

THE EXCHANGE OFFER

Purpose of the Exchange Offer

In connection with the sale of the Original Notes, we entered into a registration rights agreement with Jefferies & Company, the initial purchaser, under which we agreed to file, and to use all commercially reasonable efforts to cause to be delivered effective, a registration statement under the Securities Act relating to the Exchange Offer.

We are making the Exchange Offer in reliance on the position of the SEC as set forth in certain no-action letters. However, we have not sought our own no-action letter. Based upon these interpretations by the SEC, we believe that a holder of New Notes, but not a holder who is our “affiliate” within the meaning of Rule 405 of the Securities Act, who exchanges Original Notes for New Notes in the Exchange Offer generally may offer the New Notes for resale, sell the New Notes and otherwise transfer the New Notes without further registration under the Securities Act and without delivery of a prospectus that satisfies the requirements of Section 10 of the Securities Act. This does not apply, however, to a holder who is our “affiliate” within the meaning of Rule 405 of the Securities Act. We also believe that a holder may offer, sell or transfer the New Notes only if the holder acquires the New Notes in the ordinary course of its business and is not participating, does not intend to participate and has no arrangement or understanding with any person to participate in a distribution of the New Notes.

Any holder of the Original Notes using the Exchange Offer to participate in a distribution of New Notes cannot rely on the no-action letters referred to above. Any broker-dealer who holds Original Notes acquired for its own account as a result of market-making activities or other trading activities and who receives New Notes in exchange for such Original Notes pursuant to the Exchange Offer may be a statutory underwriter and must deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes.

Each broker-dealer that receives New Notes for its own account in exchange for Original Notes, where such Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Notes received in exchange for Original Notes where such Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. The letter of transmittal states that by acknowledging and delivering a prospectus, a broker-dealer will not be considered to admit that it is an "underwriter" within the meaning of the Securities Act. We have agreed that for a period of not less than 180 days after the expiration date for the Exchange Offer, we will make this prospectus available to broker-dealers for use in connection with any such resale. See "Plan of Distribution."

Except as described above, this prospectus may not be used for an offer to resell, resale or other transfer of New Notes.

The Exchange Offer is not being made to, nor will we accept tenders for exchange from, holders of Original Notes in any jurisdiction in which the Exchange Offer or the acceptance of it would not be in compliance with the securities or blue sky laws of such jurisdiction.

Terms of the Exchange

Upon the terms and subject to the conditions of the Exchange Offer, we will accept any and all Original Notes validly tendered prior to 5:00 p.m., New York time, on the expiration date for the Exchange Offer. Promptly after the expiration date (unless extended as described in this prospectus), we will issue an aggregate principal amount of up to $165.0 million of New Notes and guarantees related thereto for a like principal amount of outstanding Original Notes and guarantees related thereto tendered and accepted in connection with the Exchange Offer. The New Notes issued in connection with the Exchange Offer will be delivered on the earliest practicable date following the expiration date. Holders may tender some or all of their Original Notes in connection with the Exchange Offer, but only in an amount equal to $1,000 principal amount or in integral multiples of $1,000 in excess thereof. The terms of the New Notes will be identical in all material respects to the terms of the Original Notes, except that the New Notes will have been registered under the Securities Act and will be issued free from any covenant regarding registration, including the payment of Liquidated Damages upon a failure to file or have declared effective an Exchange Offer registration statement or to complete the Exchange Offer by certain dates. The New Notes will evidence the same debt as the Original Notes and will be issued under the same indenture and entitled to the same benefits under that indenture as the Original Notes being exchanged. As of the date of this prospectus, $165.0 million in aggregate principal amount of the Original Notes is outstanding.

In connection with the issuance of the Original Notes, we arranged for the Original Notes purchased by qualified institutional buyers and those sold in reliance on Regulation S under the Securities Act to be issued and transferable in book-entry form through the facilities of The Depository Trust Company ("DTC"), acting as depositary. Except as described under "Description of Notes — Exchanges of Book-Entry Notes for Certificated Notes," New Notes will be issued in the form of a global note registered in the name of DTC or its nominee and each beneficial owner's interest in it will be transferable in book-entry form through DTC. See "Description of Notes — Exchanges of Book-Entry Notes for Certificated Notes."

Holders of Original Notes do not have any appraisal or dissenters' rights in connection with the Exchange Offer. Original Notes which are not tendered for exchange or are tendered but not accepted in connection with the Exchange Offer will remain outstanding and be entitled to the benefits of the indenture under which they were issued, but certain registration and other rights under the registration rights agreement will terminate and holders of the Original Notes will generally not be entitled to any registration rights under the registration rights agreement. See "— Consequences of Failures to Properly Tender Original Notes in the Exchange Offer."

We shall be considered to have accepted validly tendered Original Notes if and when we have given written notice to the exchange agent. The exchange agent will act as agent for the tendering holders for the purposes of receiving the New Notes from us.

If any tendered Original Notes are not accepted for exchange because of an invalid tender, the occurrence of certain other events described in this prospectus or otherwise, we will return the Original Notes, without expense, to the tendering holder promptly after the expiration date for the Exchange Offer.

Holders who tender Original Notes will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes on exchange of Original Notes in connection with the Exchange Offer. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the Exchange Offer. See "— Fees and Expenses."

Expiration Date; Extensions; Amendments

The expiration date for the Exchange Offer is 5:00 p.m., New York City time, on , 2008, unless extended by us in our sole discretion, in which case the term "expiration date" shall mean the latest date and time to which the Exchange Offer is extended.

We reserve the right, in our sole discretion:

- to delay accepting any Original Notes, to extend the Exchange Offer or to terminate the Exchange Offer if, in our reasonable judgment, any of the conditions described below shall not have been satisfied, by giving written notice of the delay, extension or termination to the exchange agent, or
- to amend the terms of the Exchange Offer in any manner.

If we amend the Exchange Offer in a manner that we consider material, we will disclose such amendment by means of a prospectus supplement, and we will extend the Exchange Offer for a period of five to ten business days.

If we determine to extend, amend or terminate the Exchange Offer, we will publicly announce this determination by making a timely release through an appropriate news agency.

Interest on the New Notes

The New Notes will bear interest at the rate of 11% per annum from the most recent date to which interest on the Original Notes has been paid. Interest will be payable semi-annually in arrears on February 15 and August 15 of each year.

Conditions to the Exchange Offer

Notwithstanding any other term of the Exchange Offer, we will not be required to accept for exchange, or to exchange any New Notes for, any Original Notes and may terminate the Exchange Offer as provided in this prospectus before the acceptance of the Original Notes, if prior to the expiration date:

- any action or proceeding is instituted or threatened in any court or by or before any governmental agency relating to the Exchange Offer which, in our reasonable judgment, might materially impair the contemplated benefits of the Exchange Offer to us, or any material adverse development has occurred in any existing action or proceeding relating to us or any of our subsidiaries;
- any change, or any development involving a prospective change, in our business or financial affairs or any of our subsidiaries has occurred which, in our reasonable judgment, might materially impair our ability to proceed with the Exchange Offer or materially impair the contemplated benefits of the Exchange Offer to us;
- any law, statute, rule or regulation is proposed, adopted or enacted which in our reasonable judgment might materially impair our ability to proceed with the Exchange Offer; or
- any governmental approval has not been obtained, which approval we, in our reasonable discretion, consider necessary for the completion of the Exchange Offer as contemplated by this prospectus.

The conditions listed above are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any of these conditions. We may waive these conditions in our reasonable

discretion in whole or in part at any time and from time to time prior to the expiration date. The failure by us at any time to exercise any of the above rights shall not be considered a waiver of such right, and such right shall be considered an ongoing right which may be asserted at any time and from time to time.

If we determine in our reasonable discretion that any of the conditions are not satisfied, we may:

- refuse to accept any Original Notes and return all tendered Original Notes to the tendering holders;
- extend the Exchange Offer and retain all Original Notes tendered before the expiration of the Exchange Offer, subject, however, to the rights of holders to withdraw those Original Notes (See "— Withdrawal of Tenders" below); or
- waive unsatisfied conditions relating to the Exchange Offer and accept all properly tendered Original Notes which have not been withdrawn.

Procedures for Tendering

Unless the tender is being made in book-entry form, to tender in the Exchange Offer, a holder must:

- complete, sign and date the letter of transmittal, or a facsimile of it;
- have the signatures guaranteed if required by the letter of transmittal; and
- mail or otherwise deliver the signed letter of transmittal or the signed facsimile, the Original Notes and any other required documents to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date.

Any financial institution that is a participant in DTC's Book-Entry Transfer Facility system may make book-entry delivery of the Original Notes by causing DTC to transfer the Original Notes into the exchange agent's account. To validly tender Original Notes through DTC, the financial institution that is a participant in DTC will electronically transmit its acceptance through the Automated Tender Offer Program. DTC will then verify the acceptance, execute a book-entry transfer of the tendered Original Notes into the applicable account of the exchange agent at DTC and then send to the exchange agent confirmation of such book-entry transfer. The confirmation of such book-entry transfer will include an agent's message stating that DTC has received an express acknowledgment from the participant in DTC tendering the Original Notes that the participant has received and agrees to be bound by the terms of the letter of transmittal and that we may enforce the terms of the letter of transmittal against the participant. A tender of Original Notes through a book-entry transfer into the exchange agent's account will only be effective if an agent's message or the letter of transmittal (or facsimile) with any required signature guarantees and any other required documents are transmitted to and received or confirmed by the exchange agent at the address set forth below under the caption "— Exchange Agent", prior to 5:00 p.m., New York City time, on the expiration date unless the guaranteed delivery procedures described below under the caption "— Guaranteed Delivery Procedures" are complied with. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

The tender by a holder of Original Notes will constitute an agreement between us and the holder in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of Original Notes and the letter of transmittal and all other required documents to the exchange agent is at the election and risk of the holders. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure delivery to the exchange agent before the expiration date. No letter of transmittal or Original Notes should be sent to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or nominees to effect the tenders for such holders.

Any beneficial owner whose Original Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct such registered holder to tender on behalf of the beneficial owner. If the beneficial owner wishes

to tender on that owner's own behalf, the owner must, prior to completing and executing the letter of transmittal and delivery of such owner's Original Notes, either make appropriate arrangements to register ownership of the Original Notes in the owner's name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signature on a letter of transmittal or a notice of withdrawal must be guaranteed by an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act, unless the Original Notes tendered pursuant thereto are tendered:

- by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or
- for the account of an eligible guarantor institution.

In the event that signatures on a letter or transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantee must be by:

- a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc.;
- a commercial bank or trust company having an office or correspondent in the United States; or
- an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act.

If the letter of transmittal is signed by a person other than the registered holder of any Original Notes, the Original Notes must be endorsed by the registered holder or accompanied by a properly completed bond power, in each case signed or endorsed in blank by the registered holder.

If the letter of transmittal or any Original Notes or bond powers are signed or endorsed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by us, submit evidence satisfactory to us of their authority to act in that capacity with the letter of transmittal.

We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance and withdrawal of tendered Original Notes in our sole discretion. We reserve the absolute right to reject any and all Original Notes not properly tendered or any Original Notes whose acceptance by us would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular Original Notes either before or after the expiration date. Our interpretation of the terms and conditions of the Exchange Offer (including the instructions in the letter of transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Original Notes must be cured within a time period we will determine. Although we intend to request the exchange agent to notify holders of defects or irregularities relating to tenders of Original Notes, neither we, the exchange agent nor any other person will have any duty or incur any liability for failure to give such notification. Tenders of Original Notes will not be considered to have been made until such defects or irregularities have been cured or waived. Any Original Notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, promptly following the expiration date.

In addition, we reserve the right, as set forth above under the caption "— Conditions to the Exchange Offer," to terminate the Exchange Offer.

By tendering, each holder represents to us, among other things, that:

- it has full power and authority to tender, sell, assign and transfer the Original Notes it is tendering and that we will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim when the same are accepted by us;
- the New Notes acquired in connection with the Exchange Offer are being obtained in the ordinary course of business of the person receiving the New Notes;

- at the time of commencement of the Exchange Offer it had no arrangement with any person to participate in a distribution of such New Notes;
- it is not an "affiliate" (as defined in Rule 405 under the Securities Act) of Vector Group; and
- if the holder is a broker-dealer, that it is not engaged in, and does not intend to engage in, a distribution of the New Notes, and that it will receive New Notes for its own account in exchange for Original Notes that were acquired by such broker-dealer as a result of market-making activities or other trading activities and that it will be required to acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. See "Plan of Distribution."

Guaranteed Delivery Procedures

A holder who wishes to tender its Original Notes and:

- whose Original Notes are not immediately available;
- who cannot deliver the holder's Original Notes, the letter of transmittal or any other required documents to the exchange agent prior to the expiration date; or
- who cannot complete the procedures for book-entry transfer before the expiration date;

may effect a tender if:

- the tender is made through an eligible guarantor institution;
- before the expiration date, the exchange agent receives from the eligible guarantor institution:

  (i) a properly completed and duly executed notice of guaranteed delivery by facsimile transmission, mail or hand delivery,

  (ii) the name and address of the holder, and

  (iii) the certificate number(s) of the Original Notes, if any, and the principal amount of Original Notes tendered, stating that the tender is being made and guaranteeing that, within three New York Stock Exchange trading days after the expiration date, (a) the certificate(s) representing the Original Notes (or a confirmation of book-entry transfer) and (b) a letter of transmittal (or facsimile thereof) with respect to such Original Notes, properly completed and duly executed, with any required signature guarantees, and any other documents required by the letter of transmittal or, in lieu thereof, an agent's message from DTC, will be deposited by the eligible guarantor institution with the exchange agent; and
- the exchange agent receives, within three New York Stock Exchange trading days after the expiration date, (i) the certificate(s) representing all tendered Original Notes (or a confirmation of book-entry transfer) and (ii) a letter of transmittal (or facsimile thereof) with respect to such Original Notes, properly completed and duly executed, with any required signature guarantees, and all other documents required by the letter of transmittal or, in lieu thereof, an agent's message from DTC.

Withdrawal of Tenders

Except as otherwise provided herein, tenders of Original Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of Original Notes in connection with the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth herein prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

- specify the name of the person who deposited the Original Notes to be withdrawn;
- identify the Original Notes to be withdrawn (including the certificate number(s), if any, and principal amount of such Original Notes);

- be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such Original Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the trustee register the transfer of such Original Notes into the name of the person withdrawing the tender; and
- specify the name in which any such Original Notes are to be registered, if different from that of the depositor.

If Original Notes have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Original Notes or otherwise comply with DTC's procedures. We will determine all questions as to the validity, form and eligibility (including time of receipt) of such withdrawal notices. Any Original Notes so withdrawn will be considered not to have been validly tendered for purposes of the Exchange Offer, and no New Notes will be issued unless the Original Notes withdrawn are validly re-tendered. Any Original Notes which have been tendered but which are not accepted for exchange or which are withdrawn will be returned to the holder without cost to such holder promptly after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Original Notes may be re-tendered by following one of the procedures described above under "— Procedures for Tendering" at any time prior to the expiration date.

Exchange Agent

U.S. Bank National Association has been appointed as exchange agent in connection with the Exchange Offer. Questions and requests for assistance, as well as requests for additional copies of this prospectus or of the letter of transmittal, should be directed to the exchange agent at its offices at 60 Livingston Avenue, EP-MN-WS3C, St. Paul, Minnesota 55107-2292. The exchange agent's telephone number is (800) 934-6802 and facsimile number is (651) 495-8158.

Fees and Expenses

We will not make any payment to brokers, dealers or others soliciting acceptances of the Exchange Offer. We will pay certain other expenses to be incurred in connection with the Exchange Offer, including the fees and expenses of the exchange agent and certain accounting and legal fees.

Holders who tender their Original Notes for exchange generally will not be obligated to pay transfer taxes. If, however:

- New Notes are to be delivered to, or issued in the name of, any person other than the registered holder of the Original Notes tendered;
- tendered Original Notes are registered in the name of any person other than the person signing the letter of transmittal; or
- a transfer tax is imposed for any reason other than the exchange of Original Notes in connection with the Exchange Offer;

then the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption from them is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to the tendering holder.

Accounting Treatment

The New Notes will be recorded at the same carrying value as the Original Notes as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes upon the completion of the Exchange Offer.

Consequences of Failures to Properly Tender Original Notes in the Exchange Offer

Issuance of the New Notes in exchange for the Original Notes under the Exchange Offer will be made only after timely receipt by the exchange agent of a properly completed and duly executed letter of transmittal (or an agent's message from DTC) and the certificate(s) representing such Original Notes (or confirmation of book-entry transfer), and all other required documents. Therefore, holders of the Original Notes desiring to tender such Original Notes in exchange for New Notes should allow sufficient time to ensure timely delivery. We are under no duty to give notification of defects or irregularities of tenders of Original Notes for exchange. Original Notes that are not tendered or that are tendered but not accepted by us will, following completion of the Exchange Offer, continue to be subject to the existing restrictions upon transfer thereof under the Securities Act, and, upon completion of the Exchange Offer, certain registration rights under the registration rights agreement will terminate.

In the event the Exchange Offer is completed, we generally will not be required to register the remaining Original Notes, subject to limited exceptions. Remaining Original Notes will continue to be subject to the following restrictions on transfer:

- the remaining Original Notes may be resold only if registered pursuant to the Securities Act, if any exemption from registration is available, or if neither such registration nor such exemption is required by law; and
- the remaining Original Notes will bear a legend restricting transfer in the absence of registration or an exemption.

We do not currently anticipate that we will register the remaining Original Notes under the Securities Act. To the extent that Original Notes are tendered and accepted in connection with the Exchange Offer, any trading market for remaining Original Notes could be adversely affected. See "Risk Factors — Risks Related to the Notes and the Exchange Offer — If you fail to exchange your Original Notes, they will continue to be restricted securities and may become less liquid."

DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading "Certain Definitions." In this description, "the Company," "we," "us" and "our" refer only to Vector Group Ltd. and not to any of its subsidiaries.

The Company issued the Original Notes under an indenture dated as of August 16, 2007 among itself, the Guarantors and U.S. Bank National Association, as trustee and Collateral Agent, in a private transaction not subject to the registration requirements of the Securities Act. The New Notes will be issued under the indenture and will be identical in all material respects to the Original Notes, except that the New Notes will have been registered under the Securities Act and will be free of any obligation regarding registration, including the payment of Liquidated Damages upon failure to file or have declared effective an exchange offer registration statement or to consummate an exchange offer by certain dates. Unless specifically stated to the contrary, the following description by reference to the term "notes" applies equally to the New Notes and the Original Notes. The terms of the notes will include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended. The Collateral Documents referred to below under the caption "— Security" define the terms of the documents that secure the notes.

The following description is a summary of the material provisions of the indenture, the Collateral Documents and the Intercreditor Agreement. It does not restate those agreements in their entirety. We urge you to read the indenture, the Collateral Documents and the Intercreditor Agreement because they, and not this description, define your rights as holders of the notes. The indenture, the Collateral Documents and the Intercreditor Agreement are available as set forth below under "— Additional Information." Certain defined terms used in this description but not defined below under "— Certain Definitions" have the meanings assigned to them in the indenture.

The registered holder of a note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

Brief Description of the Notes and the Note Guarantees

The Notes

The notes:

- are general obligations of the Company;
- are *pari passu* in right of payment with all of the Company's existing and future senior Indebtedness;
- are senior in right of payment to all of the Company's future subordinated Indebtedness, if any;
- are not secured by any of the Company's assets; and
- are fully and unconditionally guaranteed by the Guarantors and certain of such guarantees will be secured by certain assets of some of the Guarantors as provided below.

The Note Guarantees

The notes are fully and unconditionally guaranteed on a joint and several basis by all of our wholly-owned domestic subsidiaries other than New Valley and its subsidiaries.

Each guarantee of the notes:

- is a general obligation of the Guarantor;
- is *pari passu* in right of payment with all other senior Indebtedness of that Guarantor, including a Liggett Guarantor's guarantee of Indebtedness under the Liggett Credit Agreement;
- is senior in right of payment to any future subordinated Indebtedness of that Guarantor.

Each guarantee of the notes by a Liggett Guarantor:

- is secured on a second priority basis, equally and ratably with all obligations of a Liggett Guarantor under future Parity Lien Debt, by Liens on certain assets of a Liggett Guarantor, subject in priority to Liens securing the First Priority Debt under the Liggett Credit Agreement and Permitted Prior Liens;
- is effectively junior, to the extent of the value of assets securing a Liggett Guarantor's First Priority Debt obligations under the Liggett Credit Agreement, which are secured on a first priority basis by the same assets of that Liggett Guarantor that secure the notes and by certain other assets of that Liggett Guarantor that do not secure the notes.

The guarantee of the Notes by Vector Tobacco is secured on a first priority basis, equally and ratably with all of its obligations under future Parity Lien Debt, by Liens on certain of its assets, subject in priority to Permitted Prior Liens.

The guarantee of VGR Holding is secured by a first priority pledge of the Capital Stock of each of Liggett Group LLC and Vector Tobacco.

Pursuant to the indenture, the Company is permitted to incur additional notes under the indenture and the Guarantors are permitted to guarantee such additional notes as Parity Lien Debt subject to the covenants described below under "Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock" and "Covenants — Liens."

As a result of the first priority liens securing the obligations of the Liggett Guarantors under the Liggett Credit Agreement, the Note Guarantees by the Liggett Guarantors are effectively subordinated to the Liggett Guarantors' obligations under the Liggett Credit Agreement to the extent of the value of the collateral securing their first priority lien obligations under the Liggett Credit Agreement as provided in the Intercreditor Agreement.

As of the date of the indenture, all of the Company's Subsidiaries that are not Guarantors are Unrestricted Subsidiaries, including the New Valley Subsidiaries. Unrestricted Subsidiaries are not subject to the restrictive covenants in the indenture described below.

In the event of a bankruptcy, liquidation or reorganization of any of the Unrestricted Subsidiaries, the Unrestricted Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company. At December 31, 2007, the Company's investment in non-consolidated real estate businesses of the Unrestricted Subsidiaries (which reflects the real estate business of the New Valley Subsidiaries) was $35.7 million. For the year ended December 31, 2007, the Company recognized equity income from non-consolidated real estate businesses of the Unrestricted Subsidiaries of $16.2 million.

Principal, Maturity and Interest

The Company issued $165.0 million in aggregate principal amount of Original Notes on August 16, 2007. The Company may issue additional notes under the indenture from time to time. Any issuance of additional notes is subject to all of the covenants in the indenture, including the covenant described below under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock." The notes and any additional notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Company will issue notes in denominations of $1,000 and integral multiples of $1,000. The notes will mature on August 15, 2015.

Interest on the New Notes accrues at the rate of 11% per annum from the most recent date to which interest on the Original Notes has been paid. Interest on overdue principal and interest and Liquidated Damages, if any, will accrue at a rate that is 1% higher than the then applicable interest rate on the New Notes. The Company will make each interest payment to the holders of record on the immediately preceding February 1 and August 1. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a holder of notes has given wire transfer instructions to the Company, the Company will pay all principal, interest, premium and Liquidated Damages, if any, on that holder's notes in accordance with those instructions. All other payments on the notes will be made at the office or agency of the paying agent and registrar within the City and State of New York unless the Company elects to make interest payments by check mailed to the noteholders at their address set forth in the register of holders.

Paying Agent and Registrar for the Notes

The Company has appointed U.S. Bank National Associates, the trustee under the indenture, as paying agent and registrar for the notes. The Company may change the paying agent or registrar without prior notice to the holders of the notes, and the Company or any of its Subsidiaries may act as paying agent or registrar.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the provisions of the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. The Company will not be required to transfer or exchange any note selected for redemption. Also, the Company will not be required to transfer or exchange any note (1) for a period of 15 days before a selection of notes to be redeemed or (2) between a record date and the next succeeding interest payment date.

Note Guarantees

The notes are fully and unconditionally guaranteed by each of the Guarantors. These Note Guarantees are joint and several obligations of the Guarantors. As a result of the first priority liens securing the obligations of the Liggett Guarantors under the Liggett Credit Agreement as provided in the Intercreditor Agreement, the Note Guarantees by the Liggett Guarantors are effectively subordinated to the Liggett Guarantors' obligations under the Liggett Credit Agreement to the extent of the value of the assets securing the first priority lien obligations under the Liggett Credit Agreement.

The obligations of each Guarantor under its Note Guarantee are limited as necessary to prevent that Note Guarantee from constituting a fraudulent conveyance under applicable law. See "Risk Factors — Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of notes to return payments received from guarantors."

A Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person other than the Company or any Guarantor, unless:

(1) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(2) either:

(a) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger assumes all the obligations of that Guarantor under the indenture, its Note Guarantee, the Collateral Documents and the registration rights agreement pursuant to a supplemental indenture and appropriate Collateral Documents satisfactory to the trustee; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the indenture.

The Note Guarantee of a Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Guarantor, if the sale or other disposition does not violate the "Asset Sale" provisions of the indenture;

(2) in connection with any sale or other disposition of all of the Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Guarantor, if the sale or other disposition does not violate the "Asset Sale" provisions of the indenture; or

(3) upon legal defeasance or satisfaction and discharge of the indenture as provided below under the captions "— Legal Defeasance and Covenant Defeasance" and "— Satisfaction and Discharge."

See "— Repurchase at the Option of Holders — Asset Sales."

None of the New Valley Subsidiaries guarantee the notes. As a result, the notes are effectively subordinated to all existing and future liabilities of the New Valley Subsidiaries. At December 31, 2007, the Company's investment in non-consolidated real estate businesses of the Unrestricted Subsidiaries (which reflects the real estate businesses of the Unrestricted Subsidiaries) was $35.7 million. For the year ended December 31, 2007, the Company recognized equity income from non-consolidated real estate businesses of the Unrestricted Subsidiaries of $16.2 million.

Security

The notes are not secured by any assets of the Company.

Only the Liggett Guarantors, Vector Tobacco and VGR Holding provide certain security for their Note Guarantees. The obligations of the Liggett Guarantors under their Note Guarantees and the performance of all

other obligations of the Liggett Guarantors under the indenture are secured equally and ratably by second priority Liens on the Collateral of the Liggett Guarantors granted to the Collateral Agent for the benefit of the holders of the Parity Lien Obligations. These Liens are junior in priority to the Liens securing the first priority lien obligations of the Liggett Guarantors under the Liggett Credit Agreement to the extent of the Liens on the assets securing First Priority Debt. The obligations of Vector Tobacco under its Note Guarantee are secured equally and ratably by first priority Liens on the Collateral of Vector Tobacco granted to the Collateral Agent for the benefit of the holders of the Parity Lien Obligations. The obligations of VGR Holding under its Note Guarantee are secured equally and ratably by first priority liens on the Pledged Securities. Security Interests securing the Note Guarantees are subject in priority to Permitted Prior Liens.

The Collateral securing the applicable Note Guarantees does not include the following:

- real property, other than the Mebane Facility and any real property that has a fair market value in excess of $5.0 million;
- equipment subject to purchase money or other financing;
- investment property or securities, including securities of affiliates, other than the Pledged Securities;
- cash and deposit accounts;
- foreign intellectual property and all intent-to-use trademark applications;
- aircraft, aircraft engines and motor vehicles;
- leasehold interests in real property;
- chattel paper;
- instruments; and
- documents,

as such terms are defined under the UCC, collectively referred to as the "Excluded Assets."

The Liens on collateral of the Liggett Guarantors securing the obligations of the Liggett Guarantors under the Liggett Credit Agreement include assets that are not included in the Collateral securing the Note Guarantees, including deposit accounts, chattel paper, instruments, documents and investment property. The value of this excluded collateral could be significant, and the notes effectively rank junior to indebtedness secured by liens on, and to the extent of, this collateral. Cash deposited in bank accounts of the Liggett Guarantors is automatically applied to the repayment of outstanding revolving borrowings under the Liggett Credit Agreement.

Intercreditor Agreement

On the date of the indenture, the Liggett Guarantors entered into the Intercreditor Agreement with the lender under the Liggett Credit Agreement, the Collateral Agent and the trustee. The Intercreditor Agreement sets forth the terms of the relationship between the holders of First Priority Liens and the holders of Parity Liens.

Certain terms used under this caption "— Intercreditor Agreement" have the meanings set forth below under "— Certain Definitions used in the Intercreditor Agreement." Capitalized terms used under this caption but not defined below have the meanings set forth in the Intercreditor Agreement.

First Priority Liens; Note Guarantees Effectively Subordinated to First Priority Liens

The obligations under the Liggett Credit Agreement are secured by a Lien on the ABL Collateral. Under the Intercreditor Agreement, this Lien, to the extent it secures Maximum Priority ABL Debt, is senior in right, priority, operation, effect and in all other respects to any Lien thereon that secures the Note Guarantees of the Liggett Guarantors. Such Lien is referred to herein as the First Priority Lien. Obligations under the indenture that are secured by a Lien on the ABL Collateral, and that are evidenced by certain of the Note Guarantees,

are effectively subordinated to obligations secured by the First Priority Lien to the extent of the value of the ABL Collateral.

Relative Priorities

The Intercreditor Agreement provides that notwithstanding the date, manner or order of grant, attachment or perfection of any Liens granted to the ABL Lender or the ABL Secured Parties or the Collateral Agent or the Noteholder Secured Parties and notwithstanding any provision of the UCC, or any applicable law or any provisions of the ABL Documents or the Noteholder Documents or any other circumstance whatsoever:

The Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, agreed that: (1) any Lien on the ABL Collateral securing the First Priority Debt now or hereafter held by or for the benefit or on behalf of any ABL Secured Party or any agent or trustee therefor shall be senior in right, priority, operation, effect and in all other respects to any Lien on the ABL Collateral securing the Noteholder Debt now or hereafter held by or for the benefit or on behalf of any Noteholder Secured Party or any agent or trustee therefor; and (2) any Lien on the ABL Collateral securing any of the Noteholder Debt now or hereafter held by or for the benefit or on behalf of any Noteholder Secured Party or any agent or trustee therefor regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the ABL Collateral securing any First Priority Debt.

The ABL Lender, for itself and on behalf of the other ABL Secured Parties, agreed that: (1) any Lien on the ABL Collateral securing the Noteholder Debt now or hereafter held by or for the benefit or on behalf of any Noteholder Secured Party or any agent or trustee therefor shall be senior in right, priority, operation, effect and in all other respects to any Lien on the ABL Collateral securing the principal amount of Excess ABL Debt now or hereafter held by or for the benefit or on behalf of any ABL Secured Party or any agent or trustee therefor; and (2) any Lien on the ABL Collateral securing any Excess ABL Debt now or hereafter held by or for the benefit or on behalf of any ABL Secured Party or any agent or trustee therefor regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the ABL Collateral securing any Noteholder Debt.

Prohibition on Contesting Liens

The Intercreditor Agreement also provides that each of the ABL Lender, for itself and on behalf of the other ABL Secured Parties, and the Collateral Agent, for itself and on behalf of the noteholders, agreed that they will not, and will waive any right to, contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the priority, perfection, validity or enforceability of a Lien held by or for the benefit or on behalf of any ABL Secured Party in any ABL Collateral or by or on behalf of any Noteholder Secured Party in any ABL Collateral; *provided* that nothing in the Intercreditor Agreement will be construed to prevent or impair the rights of any ABL Secured Party or Noteholder Secured Party to enforce the Intercreditor Agreement, including, without limitation the priority of Liens described above under "— Relative Priorities."

Additional Collateral

None of the ABL Loan Parties may grant any additional Liens on any assets to secure the Noteholder Debt unless it has granted, or substantially concurrently therewith shall grant, a lien on such asset to secure the ABL Debt or grant any additional Liens on any assets to secure the ABL Debt unless it has granted, or substantially concurrently therewith shall grant, a Lien on such asset to secure the Noteholder Debt, all of which Liens shall be subject to the terms of the Intercreditor Agreement. Further, the parties hereto agree that, after the Discharge of Priority Debt and so long as the Discharge of Priority Noteholder Debt has not occurred, none of the ABL Loan Parties shall grant any additional Liens on any asset to secure any Excess ABL Debt unless it has granted, or substantially concurrently therewith shall grant, a Lien on such asset to secure the Noteholder Debt.

Exercise of Rights and Remedies; Standstill

In addition, the Intercreditor Agreement provides that, until the Discharge of Priority Debt, the Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, agrees that it (i) will not enforce rights or exercise remedies (including any right of setoff) with respect to the ABL Collateral (including the enforcement of any right under any lockbox agreement, account control agreement, landlord waiver or bailee's letter or any similar agreement or arrangement to which the Collateral Agent or any other Noteholder Secured Party is a party), or to commence or seek to commence any action or proceeding with respect to such rights or remedies (including any foreclosure action or proceeding or any Insolvency or Liquidation Proceeding); *provided*, *however*, that (A) the Collateral Agent and the Noteholder Secured Parties may take Permitted Actions, and (B) the Collateral Agent may exercise any or all of such rights or remedies after a period of 180 days has elapsed since the date on which any ABL Secured Party has commenced a Lien Enforcement Action and prior to or at the time of such exercise, the Collateral Agent shall have (1) declared the existence of an Event of Default, (2) demanded the repayment of all the principal amount of the Noteholder Debt and (3) notified the ABL Lender of such declaration of an Event of Default and demand (the "Standstill Period"); *provided*, *further*, *that*, notwithstanding the expiration of the Standstill Period or anything herein to the contrary, in no event shall the Collateral Agent or any other Noteholder Secured Party enforce or exercise any rights or remedies with respect to any ABL Collateral, or commence or petition for any such action or proceeding (including any foreclosure action or proceeding or any Insolvency or Liquidation Proceeding), at any time during which the ABL Lender or any other ABL Secured Party shall have commenced and shall be pursuing diligently a Lien Enforcement Action.

Release of Liens

The Intercreditor Agreement also provides that:

(a) prior to Discharge of Priority Debt, if (i) in connection with any disposition of any ABL Collateral (A) permitted under the terms of the ABL Documents (whether or not an event of default or equivalent event thereunder, and as defined therein, has occurred and is continuing) or (B) consented to or approved by ABL Lender, but in the case of (A) or (B) only if permitted under the terms of the Noteholder Documents or (ii) in connection with the exercise of the ABL Lender's remedies in respect of the ABL Collateral (provided that after giving effect to the release and application of proceeds, ABL Debt (other than Excess ABL Debt) secured by the first priority Liens on the remaining ABL Collateral remains outstanding), the ABL Lender, for itself or on behalf of any of the other ABL Secured Parties, releases any of its Liens on any part of the ABL Collateral, then effective upon the consummation of such sale, lease, license, exchange, transfer or other disposition:

(1) the Liens, if any, of the Collateral Agent, for itself or for the benefit of the Noteholder Secured Parties, on such ABL Collateral shall be automatically, unconditionally and simultaneously released to the same extent as the release of ABL Lender's Liens,

(2) the Collateral Agent, for itself or on behalf of the Noteholder Secured Parties, shall promptly upon the request of ABL Lender execute and deliver such release documents and confirmations of the authorization to file UCC amendments and terminations provided for herein, in each case as ABL Lender may require in connection with such sale or other disposition by ABL Lender, ABL Lender's agents or any Liggett Guarantor with the consent of ABL Lender to evidence and effectuate such termination and release; *provided*, *that*, any such release or UCC amendment or termination by Collateral Agent shall not extend to or otherwise affect any of the rights, if any, of Collateral Agent and Noteholder Secured Parties to the proceeds from any such sale or other disposition of ABL Collateral, and

(3) the Collateral Agent, for itself or on behalf of the other Noteholder Secured Parties, shall be deemed to have authorized ABL Lender to file UCC amendments and terminations covering the ABL Collateral so sold or otherwise disposed of as to UCC financing statements between any Liggett Guarantor and Collateral Agent or any other Noteholder Secured Party to evidence such release and termination.

(b) after Discharge of Priority Debt but prior to Discharge of Priority Noteholder Debt, if (i) in connection with any sale, lease, license, exchange, transfer or other disposition of any ABL Collateral (A) permitted under the terms of the Noteholder Documents (whether or not an event of default or equivalent event thereunder, and as defined therein, has occurred and is continuing) or (B) consented to or approved by Noteholder Secured Parties, but in the case of (A) and (B), only if permitted under the terms of the ABL Documents, or (ii) in connection with the exercise of the Collateral Agent's or any Noteholder Secured Party's remedies in respect of the ABL Collateral (provided that after giving effect to the release and application of proceeds, Noteholder Debt secured by the Liens on the remaining ABL Collateral remain outstanding), the Collateral Agent, for itself or on behalf of any of the other Noteholder Secured Parties, releases any of its Liens on any part of the ABL Collateral, then effective upon the consummation of such sale, lease, license, exchange, transfer or other disposition:

(1) the Liens, if any, of the ABL Lender, for itself or for the benefit of the ABL Secured Parties, on such ABL Collateral shall be automatically, unconditionally and simultaneously released to the same extent as the release of the Collateral Agent's Liens,

(2) the ABL Lender, for itself or on behalf of the ABL Secured Parties, shall promptly upon the request of the Collateral Agent execute and deliver such release documents and confirmations of the authorization to file UCC amendments and terminations provided for herein, in each case as the Collateral Agent may require in connection with such sale or other disposition by the Collateral Agent or any Noteholder Secured Party, or any of their agents or any Liggett Guarantor with the consent of Noteholder Secured Parties to evidence and effectuate such termination and release; *provided*, *that*, any such release or UCC amendment or termination by ABL Lender shall not extend to or otherwise affect any of the rights, if any, of ABL Lender and ABL Secured Parties to the proceeds from any such sale or other disposition of ABL Collateral, and

(3) the ABL Lender, for itself or on behalf of the other ABL Secured Parties, shall be deemed to have authorized the Collateral Agent to file UCC amendments and terminations covering the ABL Collateral so sold or otherwise disposed of as to UCC financing statements between any Liggett Guarantor and ABL Lender or any other ABL Secured Party to evidence such release and termination.

(c) the Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, irrevocably constituted and appointed the ABL Lender and any officer or agent of the ABL Lender, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Collateral Agent or such holder, from time to time in the ABL Lender's discretion for the purpose of releasing Liens in accordance with provision (a) of "— Release of Liens" above, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of provision (a) of "— Release of Liens" above, including any termination statements, endorsements or other instruments of transfer or release. The ABL Lender, for itself and on behalf of the other ABL Secured Parties, irrevocably constituted and appointed the Collateral Agent and any officer or agent of any holder of notes, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the ABL Lender or any ABL Secured Party, from time to time in the Collateral Agent's discretion, for the purpose of carrying out the terms of provision (b) of "— Release of Liens" above, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of provision (b) of "— Release of Liens" above, including any termination statements, endorsements or other instruments of transfer or release.

Application of Proceeds

The Intercreditor Agreement also provided that so long as the Discharge of ABL Debt has not occurred, the ABL Collateral or proceeds thereof received in connection with the sale or other disposition of, or

collection on, such ABL Collateral upon the exercise of remedies, shall be applied in the following order of priority:

first, to the First Priority Debt (including for cash collateral as required under the ABL Documents), and in such order as specified in the relevant ABL Documents until the Discharge of Priority Debt has occurred;

second, to the Noteholder Debt in such order as specified in the relevant Noteholder Documents until the Discharge of Priority Noteholder Debt has occurred; and third, to the Excess ABL Debt until the Discharge of ABL Debt has occurred.

Turnover

The Intercreditor Agreement also provided that so long as the Discharge of Priority Debt has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against any Liggett Guarantor, the Collateral Agent agrees, for itself and on behalf of the other Noteholder Secured Parties, that any ABL Collateral or proceeds from the enforcement of remedies with respect to the ABL Collateral (including any right of set-off) with respect to the ABL Collateral, and including in connection with any insurance policy claim or any condemnation award (or deed in lieu of condemnation) with respect to ABL Collateral, shall be segregated and held in trust and promptly transferred or paid over to the ABL Lender for the benefit of the ABL Secured Parties in the same form as received, with any necessary endorsements or assignments or as a court of competent jurisdiction may otherwise direct. After the Discharge of Priority Debt has occurred but before the Discharge of Priority Noteholder Debt has occurred, whether or not any Insolvency or liquidation proceeding has been commenced by or against any Liggett Guarantor, the ABL Lender has agreed, for itself and on behalf of the other ABL Secured Parties, that any ABL Collateral or proceeds from the enforcement of remedies with respect to the ABL Collateral or payment with respect thereto received by the ABL Lender or any other ABL Secured Party (including any right of set-off) with respect to the ABL Collateral, and including in connection with any insurance policy claim or any condemnation award (or deed in lieu of condemnation) with respect to ABL Collateral, shall be segregated and held in trust and promptly transferred or paid over to the Collateral Agent for the benefit of the Noteholder Secured Parties in the same form as received, with any necessary endorsements or assignments or as a court of competent jurisdiction may otherwise direct. The ABL Lender or the Collateral Agent, as applicable, is authorized to make any such endorsements or assignments as agent for the other. This authorization is coupled with an interest and is irrevocable.

Insolvency or Liquidation proceedings

The Intercreditor Agreement is applicable both before and after the institution of any Insolvency or Liquidation Proceeding involving any Liggett Guarantor, including, without limitation, the filing of any petition by or against any Liggett Guarantor under the Bankruptcy Code or under any other Bankruptcy Law and all converted or subsequent cases in respect thereof, and all references in "— Insolvency or Liquidation Proceedings" to any Liggett Guarantor shall be deemed to apply to the trustee for any such Liggett Guarantor or such Liggett Guarantor as debtor-in-possession. The relative rights of the ABL Secured Parties and the Noteholder Secured Parties in or to any distributions from or in respect of any ABL Collateral or proceeds of ABL Collateral shall continue after the institution of any Insolvency or Liquidation Proceeding involving any Liggett Guarantor, including, without limitation, the filing of any petition by or against any Liggett Guarantor under the Bankruptcy Code or under any other Bankruptcy Law and all converted cases and subsequent cases, on the same basis as prior to the date of such institution, subject to (i) any court order approving the financing of, or use of cash collateral by, any Liggett Guarantor as debtor-in-possession, or (ii) any other court order affecting the rights and interests of the parties hereto, in either case so long as such court order is not in conflict with the Intercreditor Agreement. The Intercreditor Agreement constitutes a "Subordination Agreement" for the purposes of Section 510(a) of the Bankruptcy Code and will be enforceable in any Insolvency or Liquidation Proceeding in accordance with its terms.

Bankruptcy Financing

The Intercreditor Agreement also provides that if any Liggett Guarantor becomes subject to any Insolvency or Liquidation Proceeding, until the Discharge of Priority Debt has occurred, the Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, agrees that:

(i) each Noteholder Secured Party will raise no objection to, nor support any other Person objecting to, and will be deemed to have consented to, the use of any ABL Collateral constituting cash collateral under Section 363 of the Bankruptcy Code, or any comparable provision of any other Bankruptcy Law or any post-petition financing, provided by any ABL Secured Party or any Qualified Financier under Section 364 of the Bankruptcy Code, or any comparable provision of any other Bankruptcy Law (a "DIP Financing"), will not request or accept adequate protection or any other relief in connection with the use of such cash collateral or such DIP Financing except as set forth below and will subordinate (and will be deemed hereunder to have subordinated) the Liens granted to Noteholder Secured Parties to such DIP Financing on the same terms as such Liens are subordinated to the Liens granted to ABL Lender hereunder (and such subordination will not alter in any manner the terms of the Intercreditor Agreement), to any adequate protection provided to the ABL Secured Parties and to any "carve out" agreed to by the ABL Lender; *provided that*:

(a) the ABL Lender does not oppose or object to such use of cash collateral or DIP Financing,

(b) the aggregate principal amount of such DIP Financing, together with the ABL Debt as of such date, does not exceed the principal component of Maximum Priority ABL Debt, and the DIP Financing is treated as ABL Debt hereunder,

(c) the Liens granted to the ABL Secured Parties or Qualified Financier in connection with such DIP Financing are subject to the Intercreditor Agreement and considered to be Liens of ABL Lender for purposes hereof,

(d) the Collateral Agent retains a Lien on the ABL Collateral (including proceeds thereof) with the same priority as existed prior to such Insolvency or liquidation proceeding (except to the extent of any "carve out" agreed to by the ABL Lender),

(e) the Collateral Agent receives replacement Liens on all assets, including post-petition assets, of any Liggett Guarantor in which any of the ABL Lender obtains a replacement Lien, or which secure the DIP Financing, with the same priority relative to the Liens of ABL Lender as existed prior to such Insolvency or liquidation proceeding, and

(f) the Noteholder Secured Parties may oppose or object to such use of cash collateral or DIP Financing on the same bases as an unsecured creditor, so long as such opposition or objection is not based on the Noteholder Secured Parties' status as secured creditors.

(ii) no Noteholder Secured Party shall, directly or indirectly, provide, or seek to provide, DIP Financing secured by Liens equal or senior in priority to the Liens on the ABL Collateral of ABL Lender, without the prior written consent of ABL Lender.

Relief from the Automatic Stay. The Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, agreed that, so long as the Discharge of Priority Debt has not occurred, no Noteholder Secured Party shall, without the prior written consent of the ABL Lender, seek or request relief from or modification of the automatic stay or any other stay in any Insolvency or liquidation proceeding in respect of any part of the ABL Collateral, any proceeds thereof or any Lien securing any of the Noteholder Debt. Notwithstanding anything to the contrary set forth in the Intercreditor Agreement, no Liggett Guarantor will waive or shall be deemed to have waived any rights under Section 362 of the Bankruptcy Code.

Adequate Protection. The Collateral Agent, on behalf of itself and the other Noteholder Secured Parties, agreed that none of them shall object, contest, or support any other Person objecting to or contesting, (i) any request by the ABL Lender or any of the other ABL Secured Parties for adequate protection of the First Priority Debt or any adequate protection provided to the ABL Lender or other ABL Secured Parties with

respect to the First Priority Debt or (ii) any objection by the ABL Lender or any of the other ABL Secured Parties to any motion, relief, action or proceeding based on a claim of a lack of adequate protection for the First Priority Debt or (iii) the payment of interest, fees, expenses or other amounts to the ABL Lender or any other ABL Secured Party with respect to the First Priority Debt under Section 506(b) or 506(c) of the Bankruptcy Code or otherwise.

The Collateral Agent, on behalf of itself and the other Noteholder Secured Parties, agreed that none of them shall seek or accept adequate protection with respect to the Noteholder Debt secured by Liens on the ABL Collateral without the prior written consent of the ABL Lender; *except*, *that*, the Collateral Agent, for itself or on behalf of the other Noteholder Secured Parties, or the Noteholder Secured Parties shall be permitted (i) to obtain adequate protection in the form of the benefit of additional or replacement Liens on the ABL Collateral (including proceeds thereof arising after the commencement of any Insolvency or Liquidation Proceeding), or additional or replacement ABL Collateral to secure the Noteholder Debt, in connection with any DIP Financing or use of cash collateral as provided for in "— Bankruptcy Financing" above, or in connection with any such adequate protection obtained by ABL Lender and the other ABL Secured Parties, as long as in each case, the ABL Lender is also granted such additional or replacement Liens or additional or replacement ABL Collateral and such Liens of Collateral Agent or any other Noteholder Secured Party are subordinated to the Liens securing the ABL Debt to the same extent as the Liens of Collateral Agent and the other Noteholder Secured Parties on the ABL Collateral are subordinated to the Liens of ABL Lender and the other ABL Secured Parties hereunder and (ii) to obtain adequate protection in the form of reports, notices, inspection rights and similar forms of adequate protection to the extent granted to the ABL Lender.

Reorganization Securities. If, in any Insolvency or Liquidation Proceeding, debt obligations of any reorganized Liggett Guarantor secured by Liens upon any property of such reorganized Liggett Guarantor are distributed, pursuant to a plan of reorganization, on account of both the ABL Debt and the Noteholder Debt, then, to the extent the debt obligations distributed on account of the ABL Debt and on account of the Noteholder Debt are secured by Liens upon the same assets or property, the provisions of the Intercreditor Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

Separate Classes. The ABL Lender, the ABL Loan Parties and the Collateral Agent irrevocably acknowledged and agreed that (i) the claims and interests of the ABL Secured Parties and the Noteholder Secured Parties will not be "substantially similar" within the meaning of Section 1122 of the Bankruptcy Code, or any comparable provision of any other Bankruptcy Law, (ii) the grants of the Liens to secure the ABL Debt and the grants of the Liens to secure the Noteholder Debt will constitute two separate and distinct grants of Liens, (iii) the ABL Secured Parties' rights in the ABL Collateral will be fundamentally different from the Noteholder Secured Parties' rights in the ABL Collateral and (iv) as a result of the foregoing, among other things, the ABL Debt and the Noteholder Debt shall be separately classified in any plan of reorganization proposed or adopted in any Insolvency or Liquidation Proceeding.

Asset Dispositions. Until the Discharge of Priority Debt has occurred, the Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, agreed that, in the event of any Insolvency or Liquidation Proceeding, the Noteholder Secured Parties will not object or oppose (or support any Person in objecting or opposing) a motion to any sale, lease, license, exchange, transfer or other disposition of any ABL Collateral free and clear of the Liens of Collateral Agent and the other Noteholder Secured Parties or other claims under Section 363 of the Bankruptcy Code, or any comparable provision of any Bankruptcy Law and shall be deemed to have consented to any such any sale, lease, license, exchange, transfer or other disposition of any ABL Collateral under Section 363(f) of the Bankruptcy Code that has been consented to by the ABL Lender; provided that the proceeds of such sale, lease, license, exchange, transfer or other disposition of any ABL Collateral to be applied to the ABL Debt or the Noteholder Debt are applied in accordance with "— Application of Proceeds." Nothing herein shall prevent the Collateral Agent or the Noteholder Secured Parties from taking Permitted Actions or action permitted under the Intercreditor Agreement to unsecured creditors.

Preference Issues. If, in any Insolvency or Liquidation Proceeding or otherwise, all or part of any payment with respect to the First Priority Debt previously made shall be rescinded for any reason whatsoever, then the First Priority Debt shall be reinstated to the extent of the amount so rescinded and, if theretofore terminated, the Intercreditor Agreement shall be reinstated in full force and effect and such prior termination shall not diminish, release, discharge, impair or otherwise affect the Lien priorities and the relative rights and obligations of the ABL Secured Parties and the Noteholder Secured Parties provided for herein.

If, in any Insolvency or Liquidation Proceeding or otherwise, all or part of any payment with respect to the Noteholder Debt previously made shall be rescinded for any reason whatsoever and the Discharge of Priority Debt shall, subject to (for the avoidance of doubt) the immediately preceding clause (a), have occurred, then the Noteholder Debt shall be reinstated to the extent of the amount so rescinded and, if theretofore terminated, the Intercreditor Agreement shall be reinstated in full force and effect and such prior termination shall not diminish, release, discharge, impair or otherwise affect the Lien priorities and the relative rights and obligations of the Noteholder Secured Parties and any Person that holds ABL Excess Debt provided for herein solely with respect to any ABL Excess Claims and for the avoidance of doubt, not with respect to any First Priority Debt.

Certain Waivers as to Section 1111(b)(2) of the Bankruptcy Code. The Collateral Agent, for itself and on behalf of the other Noteholder Secured Parties, waived any claim any Noteholder Secured Party may hereafter have against any ABL Secured Party arising out of the election by any ABL Secured Party of the application of Section 1111(b)(2) of the Bankruptcy Code, or any comparable provision of any other Bankruptcy Law. The ABL Lender, for itself and on behalf of the other ABL Secured Parties, will waive any claim any ABL Secured Party may hereafter have against any Noteholder Secured Party arising out of the election by any Noteholder Secured Party of the application of Section 1111(b)(2) of the Bankruptcy Code or any comparable provision of any other Bankruptcy Law.

Postponement of Subrogation. The Collateral Agent agreed that no payment or distribution to any ABL Secured Party pursuant to the provisions of the Intercreditor Agreement shall entitle any Noteholder Secured Party to exercise any rights of subrogation in respect thereof until the Discharge of Priority Debt shall have occurred. Following the Discharge of Priority Debt, the Intercreditor Agreement provides that each the ABL Lender agreed to execute such documents, agreements, and instruments as the Collateral Agent or any Noteholder Secured Party may reasonably request to evidence the transfer by subrogation to any the Collateral Agent, for the benefit of the Noteholder Secured Parties, of an interest in the First Priority Debt resulting from payments or distributions to such ABL Secured Party by such Person, so long as all reasonable costs and expenses (including all reasonable legal fees and disbursements) incurred in connection therewith by such ABL Secured Party are paid by such Person upon request for payment thereof. Noteholder Secured Parties waived any and all rights to have any ABL Collateral or any part thereof granted to or held by ABL Lender marshaled upon any foreclosure or other disposition of such ABL Collateral by ABL Lender or any Liggett Guarantor with the consent of ABL Lender and ABL Secured Parties waived any and all rights to have any ABL Collateral or any part thereof granted to or held by Collateral Agent or any other Noteholder Secured Party marshaled upon any foreclosure or other disposition of such ABL Collateral by Collateral Agent or any Noteholder Secured Party or any Liggett Guarantor with the consent of Noteholder Secured Parties, in each case subject to the other terms of the Intercreditor Agreement.

Purchase Option

Exercise of Option. The Intercreditor Agreement also provides that on or after the occurrence and during the continuance of an ABL Event of Default and either the acceleration of all of the ABL Debt or the receipt by Collateral Agent of written notice from ABL Lender of its intention to commence a Lien Enforcement Action as provided in "— Purchase Option — Notice from ABL Lender Prior to Lien Enforcement Action" below, the Noteholder Secured Parties shall have the option at any time within ninety (90) days of such acceleration or written notice, upon five (5) business days' prior written notice by Collateral Agent to ABL Lender, to purchase all (but not less than all) of the ABL Debt from the ABL Secured Parties. Such notice from Collateral Agent to ABL Lender shall be irrevocable.

Purchase and Sale. On the date specified by Collateral Agent in the notice referred to in "— Purchase Option — Exercise of Option" above (which shall not be less than five (5) business days, nor more than twenty (20) days, after the receipt by ABL Lender of the notice from Collateral Agent of its election to exercise such option), ABL Secured Parties shall, subject to any required approval of any court or other regulatory or governmental authority then in effect (the time to obtain any such approval shall extend the proposed date of sale and purchase), if any, sell to Noteholder Secured Parties, and Noteholder Secured Parties shall purchase from ABL Secured Parties, all of the ABL Debt. Notwithstanding anything to the contrary contained herein, in connection with any such purchase and sale, ABL Secured Parties shall retain all rights under the ABL Documents to be indemnified or held harmless by the ABL Loan Parties in accordance with the terms thereof.

*Payment of Purchase Price. U*pon the date of such purchase and sale, Noteholder Secured Parties shall (i) pay to ABL Lender for the account of the ABL Secured Parties as the purchase price therefor the full amount of all of the ABL Debt then outstanding and unpaid (including principal, interest, fees and expenses, including reasonable attorneys' fees and legal expenses), (ii) furnish cash collateral to ABL Lender in such amounts as ABL Lender determines is reasonably necessary to secure ABL Secured Parties in connection with any issued and outstanding letters of credit issued under the ABL Documents (but not in any event in an amount greater than one hundred five (105%) percent of the aggregate undrawn face amount of such letters of credit) (ABL Lender agreed to refund this cash collateral to the Noteholder Secured Parties to the extent any letter of credit expires or is terminated or any amount is reimbursed from other sources), and (iii) agree to reimburse ABL Secured Parties for any loss, cost, damage or expense (including reasonable attorneys' fees and legal expenses) in connection with any commissions, fees, costs or expenses related to any issued and outstanding letters of credit as described above and any checks or other payments provisionally credited to the ABL Debt, and/or as to which ABL Secured Parties have not yet received final payment.

Such purchase price and cash collateral shall be remitted by wire transfer in federal funds to such bank account of ABL Lender as ABL Lender may designate in writing to Collateral Agent for such purpose. Interest shall be calculated to but excluding the business day on which such purchase and sale shall occur if the amounts so paid by Noteholder Secured Parties to the bank account designated by ABL Lender are received in such bank account prior to 12:00 noon, New York City time and interest shall be calculated to and including such business day if the amounts so paid by Noteholder Secured Parties to the bank account designated by ABL Lender are received in such bank account later than 12:00 noon, New York City time.

Representations Upon Purchase and Sale. Such purchase shall be expressly made without representation or warranty of any kind by ABL Secured Parties as to the ABL Debt, the ABL Collateral or otherwise and without recourse to ABL Secured Parties, except that each ABL Secured Party shall represent and warrant, severally, as to it: (i) the amount of the ABL Debt being purchased from it are as reflected in the books and records of such ABL Secured Party (but without representation or warranty as to the collectibility, validity or enforceability thereof), (ii) that such ABL Secured Party owns the ABL Debt being sold by it free and clear of any liens or encumbrances and (iii) such ABL Secured Party has the right to assign the ABL Debt being sold by it and the assignment is duly authorized. Upon the purchase by Noteholder Secured Parties of the ABL Debt, Noteholder Secured Parties agree to indemnify and hold ABL Secured Parties harmless from and against all loss, cost, damage or expense (including reasonable attorneys' fees and legal expenses) suffered or incurred by ABL Secured Parties arising from or in any way relating to acts or omissions of Collateral Agent or any of the other Noteholder Secured Parties after the purchase. Subject to the foregoing, ABL Secured Parties shall execute and deliver such instruments of transfer and other documents as shall be necessary or desirable to fully vest title to the ABL Debt in the Noteholder Secured Parties (or their designee) and to effectively transfer all Liens securing the ABL Debt to the Noteholder Secured Parties (or their designee).

Notice from ABL Lender Prior to Lien Enforcement Action. ABL Lender agreed that it will give Collateral Agent ten (10) business days prior written notice of its intention to commence a Lien Enforcement Action. In the event that during such ten (10) business day period, Collateral Agent shall send to ABL Lender the irrevocable notice of the intention of the Noteholder Secured Parties to exercise the purchase option given by ABL Secured Parties to Noteholder Secured Parties under "— Purchase Option," ABL Secured Parties shall not commence any foreclosure or other action to sell or otherwise realize upon the ABL Collateral, provided,

that, the purchase and sale with respect to the ABL Debt provided for herein shall have closed within thirty (30) business days thereafter and ABL Secured Parties shall have received final payment in full of the ABL Debt as provided for herein within such thirty (30) business day period.

Certain Definitions used in the Intercreditor Agreement

"ABL Documents" shall mean, collectively, the Liggett Credit Agreement and all agreements, documents and instruments at any time executed and/or delivered by any Liggett Guarantor to, with or in favor of any ABL Secured Party in connection therewith, as all of the foregoing now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated, refinanced, replaced or restructured (in whole or in part and including any agreements with, to or in favor of any other lender or group of lenders that at any time refinances, replaces or succeeds to all or any portion of the ABL Debt) in accordance with the terms of the Intercreditor Agreement.

"ABL Debt" shall mean all "Obligations" as such term is defined in the Liggett Credit Agreement, including, without limitation, obligations, liabilities and indebtedness of every kind, nature and description owing by any Liggett Guarantor to any ABL Secured Party, including principal, interest, charges, fees, premiums, indemnities and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, arising under any of the ABL Documents, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the ABL Documents or after the commencement of any case with respect to any Liggett Guarantor under the Bankruptcy Code or any other Insolvency or Liquidation Proceeding (and including, without limitation, any principal, interest, fees, costs, expenses and other amounts, which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case or similar proceeding), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured.

"ABL Event of Default" shall mean any "Event of Default" as defined in the Liggett Credit Agreement.

"ABL Lender" shall mean, collectively, Wachovia Bank, National Association and any other lender or group of lenders that at any time refinances, replaces or succeeds to all or any portion of the ABL Debt or is otherwise party to the ABL Documents as a lender in accordance with the terms of the Intercreditor Agreement.

"ABL Loan Parties" shall mean, collectively, (i) Liggett Group LLC, (ii) 100 Maple LLC and (iii) their respective successors and permitted assigns.

"ABL Secured Parties" shall mean, collectively, (i) the ABL Lender, (ii) the issuing bank or banks of letters of credit or similar instruments under the Liggett Credit Agreement, (iii) each other person to whom any of the ABL Debt (including ABL Debt constituting Bank Product Obligations) is owed and (iv) the successors, replacements and assigns of each of the foregoing; sometimes being referred to herein individually as a "ABL Secured Party".

"Bank Product Obligations" shall mean Cash Management Obligations and Hedging Obligations.

"Cash Management Obligations" shall mean, with respect to any Liggett Guarantor, the obligations of such Liggett Guarantor in connection with (i) credit cards or (ii) cash management or related services, including (1) the automated clearinghouse transfer of funds or overdrafts or (2) controlled disbursement services.

"DIP Financing" shall have the meaning set forth in "— Bankruptcy Financing."

"Discharge of ABL Debt" shall mean (i) the termination or expiration of the commitments of ABL Lender and the financing arrangements provided by ABL Lender to the ABL Loan Parties under the ABL Documents, (ii) except to the extent otherwise provided in "— Application of Proceeds" and "— Turnover," the payment in full in cash of the ABL Debt (other than (1) the ABL Debt described in clause (c) of this definition, (2) contingent indemnification obligations as to which no claim has been made and (3) obligations under agreements with ABL Secured Parties which continue notwithstanding the termination of the

commitments and repayment of the ABL Debt described herein), and (ii) payment in full in cash of cash collateral, or at ABL Lender's option, the delivery to ABL Lender of a letter of credit payable to ABL Lender, in either case as required under the terms of the Liggett Credit Agreement, in respect of letters of credit issued under the ABL Documents and Bank Product Obligations.

"Discharge of Priority Noteholder Debt" shall mean, except to the extent otherwise provided in "— Application of Proceeds" and "— Turnover," the final payment in full in cash of the Noteholder Debt.

"Discharge of Priority Debt" shall mean, except to the extent otherwise provided in "— Application of Proceeds" and "— Turnover," the final payment in full in cash of the First Priority Debt (other than as described in the definition of Discharge of ABL Debt).

"Excess ABL Debt" means ABL Debt which does not constitute First Priority Debt.

"First Priority Debt" means ABL Debt to the extent it constitutes Maximum Priority ABL Debt.

"Insolvency or Liquidation Proceeding" shall mean (i) any voluntary or involuntary case or proceeding under any Bankruptcy Law with respect to any Liggett Guarantor, (ii) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding with respect to any Liggett Guarantor or with respect to any of their respective assets, (iii) any proceeding seeking the appointment of any trustee, receiver, liquidator, custodian or other insolvency official with similar powers with respect to such Person or any or all of its assets or properties, (iv) any liquidation, dissolution, reorganization or winding up of any Liggett Guarantor whether voluntary or involuntary and whether or not involving insolvency or bankruptcy or (v) any assignment for the benefit of creditors or any other marshalling of assets and liabilities of any Liggett Guarantor.

"Lien Enforcement Action" shall mean (i) any action by any ABL Secured Party or Noteholder Secured Party to foreclose on the Lien of such Person in all or a material portion of the ABL Collateral or exercise any right of repossession, levy, attachment, setoff or liquidation against all or a material portion of the ABL Collateral, (ii) any action by any ABL Secured Party or Noteholder Secured Party to take possession of, sell or otherwise realize (judicially or non judicially) upon all or a material portion of the ABL Collateral (including, without limitation, by setoff), (iii) any action by any ABL Secured Party or Noteholder Secured Party to facilitate the possession of, sale of or realization upon all or a material portion of the ABL Collateral including the solicitation of bids from third parties to conduct the liquidation of all or any material portion of the ABL Collateral, the engagement or retention of sales brokers, marketing agents, investment bankers, accountants, auctioneers or other third parties for the purpose of valuing, marketing, promoting or selling all or any material portion of the ABL Collateral, (iv) the commencement by any ABL Secured Party or Noteholder Secured Party of any legal proceedings against or with respect to all or a material portion of the ABL Collateral to facilitate the actions described in (a) through (c) above, or (v) any action to seek or request relief from or modification of the automatic stay or any other stay in any Insolvency or Liquidation Proceeding in respect of all or a material portion of the ABL Collateral, or any proceeds thereof. For the purposes hereof, (1) the notification of account debtors to make payments to ABL Lender shall constitute a Lien Enforcement Action if and only if such action is coupled with an action to take possession of all or a material portion of the ABL Collateral or the commencement of any legal proceedings or actions against or with respect to the ABL Loan Parties of all or a material portion of the ABL Collateral, and (2) a material portion of the ABL Collateral shall mean ABL Collateral having a value in excess of $10,000,000.

"Maximum Priority ABL Debt" shall mean, as of any date of determination, (i) principal of the ABL Debt (including undrawn amounts under any letters of credit issued under the ABL Documents) up to $65,000,000 in the aggregate at any one time outstanding, plus (ii) any interest on such amount (and including, without limitation, any interest which would accrue and become due but for the commencement of Insolvency or Liquidation Proceeding, whether or not such amounts are allowed or allowable in whole or in part in such case or similar proceeding), plus (iii) the Maximum Priority Cash Management Obligations, plus (iv) the Maximum Priority Hedging Obligations, plus (v) any fees, costs, expenses and indemnities payable under any of the ABL Documents (and including, without limitation, any fees, costs, expenses and indemnities which would accrue and become due but for the commencement of Insolvency or Liquidation Proceeding, whether or

not such amounts are allowed or allowable in whole or in part in such case or similar proceeding) minus (vi) the amount of all permanent reductions in the commitments under the ABL Documents and minus (vii) the amount of all permanent repayments of ABL Debt to the extent such repayments result in a reduction of the commitments under the ABL Documents.

"Maximum Priority Cash Management Obligations" shall mean, as of any date of determination, the amount of the ABL Debt constituting Cash Management Obligations outstanding on such date, up to $5,000,000 in the aggregate at any one time outstanding.

"Maximum Priority Hedging Obligations" shall mean, as of any date of determination, the amount of the ABL Debt constituting Hedging Obligations outstanding on such date, up to $5,000,000 in the aggregate at any one time outstanding.

"Noteholder Debt" shall mean all Obligations, including, without limitation, obligations, liabilities and indebtedness of every kind, nature and description owing by the Company or any of the Guarantors to any Noteholder Secured Party, including principal, interest, charges, fees, premiums, indemnities and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, arising under any of the Noteholder Documents, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Noteholder Documents or after the commencement of any case with respect to the Company or any Guarantors under the Bankruptcy Code or any other Insolvency or Liquidation Proceeding (and including, without limitation, any principal, interest, fees, costs, expenses and other amounts, which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case or similar proceeding), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured.

"Noteholder Secured Parties" shall mean, collectively, (i) the trustee, solely in its capacity as trustee under the indenture and the other Noteholder Documents, (ii) each holder of any note or notes, solely in its capacity as such holder, and each other person to whom any of the Noteholder Debt is transferred or owed, solely in its capacity as such, (iii) the Collateral Agent, and (iv) the successors, replacements and assigns of each of the foregoing; sometimes being referred to in "— Intercreditor Agreement " individually as a "Noteholder Secured Party."

"Permitted Actions" shall mean any of the following: (i) in any Insolvency or Liquidation Proceeding, filing a proof of claim or statement of interest with respect to the Noteholder Debt or Excess ABL Debt, as the case may be; (ii) taking any action to preserve or protect the validity, enforceability, perfection or priority of the Liens securing the Noteholder Debt or the Excess ABL Debt, as the case may be, provided that no such action is, or could reasonably be expected to be, (1) as to any action by any Noteholder Secured Party, adverse to the Liens securing the First Priority Debt or the rights of the ABL Lender or any other ABL Secured Party to exercise remedies in respect thereof to the extent not expressly prohibited by this Agreement, (2) as to any action by any ABL Secured Party, adverse to the Liens securing the Noteholder Debt or the rights of the Collateral Agent or any other Noteholder Secured Party to exercise remedies in respect thereof to the extent not expressly prohibited by the Intercreditor Agreement, or (3) otherwise inconsistent with the terms of the Intercreditor Agreement, including the automatic release of Liens provided in "— Release of Liens"; (iii) filing any responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Noteholder Secured Parties or the claims of the ABL Secured Parties with respect to Excess ABL Debt, including any claims secured by the ABL Collateral or otherwise making any agreements or filing any motions pertaining to the Noteholder Debt or Excess ABL Debt, in each case, to the extent not inconsistent with the terms of the Intercreditor Agreement; (iv) exercising rights and remedies as unsecured creditors, as further provided in the Intercreditor Agreement; and (v) the enforcement by the Collateral Agent and the Noteholder Secured Parties of any of their rights and exercise any of their remedies with respect to the ABL Collateral after the termination of the Standstill Period (as defined in "— Exercise of Rights and Remedies; Standstill")

or the enforcement by the ABL Lender or the ABL Secured Parties of any of their rights and exercise of any of their remedies with respect to the ABL Collateral after Discharge of Priority Noteholder Debt.

"Qualified Financier" shall mean (i) a commercial bank organized under the laws of the United States, or any state thereof, and having total assets in excess of $500,000,000, (ii) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development or a political subdivision of any such country and which has total assets in excess of $500,000,000; provided that such bank is acting through a branch or agency located in the United States, and (iii) a commercial finance company, insurance company or other financial institution that is engaged in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business and having total assets in excess of $500,000,000

"Uniform Commercial Code" or "UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

Collateral Documents

The Guarantors and the Collateral Agent entered into Collateral Documents granting in favor of the Collateral Agent for the benefit of the holders of the notes Liens on the Collateral securing the Note Guarantees.

Whether prior to or after the First Priority Debt has been paid in full, assets included in the Collateral may be released from the Liens securing the Note Guarantees under any one or more of the following circumstances:

(1) as to any Collateral that is sold, transferred or otherwise disposed of by such Guarantor to a Person that is not (either before or after such sale, transfer or disposition) the Company or a Guarantor in a transaction or other circumstance that complies with the provisions of the indenture described below under "Certain Covenants — Asset Sales" and is permitted by the Noteholder Documents and the ABL Documents (as defined above under "— Intercreditor Agreement"); provided that such Liens will not be released if such sale or disposition is subject to the covenant described below under the caption "Certain Covenants — Merger, Consolidation or Sale of Assets";

(2) if any Guarantor is released from its Note Guarantee, that Guarantor's assets will also be released from the Liens securing the Note Guarantee;

(3) with the consent of the holders of the requisite percentage of notes in accordance with the provisions of the indenture described below under "— Amendment, Supplement and Waiver"; or

(4) if required in connection with certain foreclosure actions by the ABL Lender in respect of First Priority Debt in accordance with the terms of the Intercreditor Agreement.

The Liens on all Collateral that secure the Note Guarantees also may be released:

(1) upon a Legal Defeasance or Covenant Defeasance of the notes as described below under "— Legal Defeasance and Covenant Defeasance";

(2) upon satisfaction and discharge of the indenture described below under "— Satisfaction and Discharge"; or

(3) upon payment in full and discharge of all notes outstanding under the indenture and all Obligations that are outstanding, due and payable under the indenture at the time the notes are paid in full and discharged.

Optional Redemption

At any time prior to August 15, 2011, the Company may redeem all or a part of the notes upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Liquidated Damages,

if any, to, the applicable redemption date, subject to the rights of holders of notes on the relevant record date to receive interest on the relevant interest payment date.

At any time prior to August 15, 2010, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of notes issued under the indenture at a redemption price of 111% of the principal amount, plus accrued and unpaid interest and Liquidated Damages, if any, to the redemption date, with the net cash proceeds of a sale of common Equity Interests (other than Disqualified Stock) of the Company; provided that:

(1) at least 65% of the aggregate principal amount of notes originally issued under the indenture (excluding notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such sale of Equity Interests.

Except pursuant to the preceding paragraphs, the notes will not be redeemable at the Company's option prior to August 15, 2011.

On or after August 15, 2011, the Company may redeem all or a part of the notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Liquidated Damages, if any, on the notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on August 15 of the years indicated below, subject to the rights of holders of notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2011	105.500%
2012	103.667%
2013	101.833%
2014 and thereafter	100.000%

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the notes or portions thereof called for redemption on the applicable redemption date.

Mandatory Redemption; Open Market Purchases

The Company is not required to make mandatory redemption or sinking fund payments with respect to the notes. The Company may at any time and from time to time purchase notes in the open market or otherwise provided any such purchase does not otherwise violate the provisions of the indenture.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each holder of notes will have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple of $1,000) of that holder's notes pursuant to a Change of Control Offer on the terms set forth in the indenture. In the Change of Control Offer, the Company will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest and Liquidated Damages, if any, on the notes repurchased to the date of purchase, subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Company will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the indenture and described in such notice. The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a

result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the indenture by virtue of such compliance.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and

(3) deliver or cause to be delivered to the trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being purchased by the Company.

The paying agent will promptly mail to each holder of notes properly tendered the Change of Control Payment for such notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Company to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the indenture are applicable. Except as described above with respect to a Change of Control, the indenture does not contain provisions that permit the holders of the notes to require that the Company repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to a Change of Control Offer made by the Company and purchases all notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the indenture as described above under the caption "— Optional Redemption," unless and until there is a default in payment of the applicable redemption price. A Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of the Change of Control Offer. Notes repurchased pursuant to a Change of Control Offer will be retired and cancelled.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Company and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require the Company to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Company by increasing the capital required to effectuate such transactions.

Asset Sales

Except as set forth in the second paragraph below, neither the Company nor any Guarantor will consummate an Asset Sale unless:

(1) The Company or the Guarantor, as the case may be, receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Guarantor is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any Guarantor (other than contingent liabilities and liabilities that are by their terms subordinated to the notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Guarantor from further liability;

(b) any securities, notes or other obligations received by the Company or any such Guarantor from such transferee that are, subject to ordinary settlement periods, converted by the Company or such Guarantor into cash within 90 days of such Asset Sale, to the extent of the cash received in that conversion; and

(c) any stock or assets of the kind referred to in clauses (2) or (4) of the next paragraph of this covenant.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, other than a Sale of Collateral, the Company (or the applicable Guarantor, as the case may be) may apply such Net Proceeds at its option:

(1) to repay Indebtedness and other Obligations under the Liggett Credit Agreement and correspondingly reduce commitments with respect thereto;

(2) to acquire all or substantially all of the assets of, or any Capital Stock of, another business, if, after giving effect to any such acquisition of Capital Stock, the business is or becomes a Guarantor;

(3) to make a capital expenditure; or

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in the conduct of the Company's or any Guarantor's business.

Notwithstanding the above, the Company may consummate any Asset Sale with respect to assets other than Equity Interests in, or assets of, any Guarantor without complying with the provisions of this covenant.

With respect to an Asset Sale that constitutes a Sale of Collateral, within 365 days after the receipt of any Net Proceeds from an Asset Sale that constitutes a Sale of Collateral, the Guarantor that owned those assets, as the case may be, may apply those Net Proceeds to purchase other long-term assets that would constitute Collateral or to repay First Priority Debt and, if such First Priority Debt is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto.

Pending the final application of any Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds $10.0 million, within five days thereof, the Company will make an Asset Sale Offer to all holders of Parity Lien Debt and all holders of other Indebtedness that is pari passu with the notes containing provisions similar to those set forth in the indenture with respect to offers to purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of Parity Lien Debt and such other pari passu Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to percentages corresponding to the applicable optional redemption price in effect on the repurchase date, and for periods prior to August 15, 2011, the first optional redemption price of the principal amount plus accrued and unpaid interest and Liquidated Damages, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the indenture. If the aggregate principal amount of Parity Lien Debt and other pari passu Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the trustee will select the Parity Lien Debt and other pari passu Indebtedness to be purchased on a pro rata basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the indenture by virtue of such compliance.

The Liggett Credit Agreement and the agreements governing the Company's other Indebtedness contain, and future agreements may contain, prohibitions of certain events, including events that would constitute a Change of Control or an Asset Sale. The exercise by the holders of notes of their right to require the Company to repurchase the notes upon a Change of Control or an Asset Sale could cause a default under these other agreements, even if the Change of Control or Asset Sale itself does not, due to the financial effect of such repurchases on the Company. In the event a Change of Control or Asset Sale occurs at a time when the Company is unable to the purchase notes due to such conditions or financial effects, the Company could attempt to refinance the borrowings that contain such conditions or cause or contribute to such financial effects or obtain a waiver or consent with respect to such conditions. If the Company does not obtain such a waiver or consent or repay those borrowings, the Company will remain prohibited from purchasing notes. In that case, the Company's failure to purchase tendered notes would constitute an Event of Default under the indenture which could, in turn, constitute a default under the other Indebtedness. Finally, the Company's ability to pay cash to the holders of notes upon a repurchase may be limited by the Company's then existing financial resources. See "Risk Factors — Risks Relating to the Notes — Our ability to purchase the notes with cash at your option and our ability to satisfy our obligations upon a change of control or an event of default may be limited."

Selection and Notice

If less than all of the notes are to be redeemed at any time, the trustee will select notes for redemption on a pro rata basis unless otherwise required by law or applicable stock exchange requirements.

No notes of $1,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the notes or a satisfaction and discharge of the indenture. Notices of redemption may not be conditional.

If any note is to be redeemed in part only, the notice of redemption that relates to that note will state the portion of the principal amount of that note that is to be redeemed. A new note in principal amount equal to the unredeemed portion of the original note will be issued in the name of the holder of notes upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on notes or portions of notes called for redemption.

Certain Covenants

Restricted Payments

Neither the Company nor any Guarantor will, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or such Guarantor's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any Guarantor) or to the direct or indirect holders of the Company's or any such Guarantor's Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company and other than dividends or any other payments or distributions payable to the Company or a Guarantor);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Company or any Guarantor that is contractually subordinated to the notes or to any Note Guarantee (excluding any intercompany Indebtedness between or among the Company and any of the Guarantors), except a payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment

(all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as "Restricted Payments"),

unless at the time of such Restricted Payment, the Company's Consolidated EBITDA for the most recently ended four full fiscal quarters for which internal financial statements are available is no less than $50.0 million, provided that the Company shall not be permitted to make any distribution or dividend of any Equity Interests in, or non-cash assets of, any Guarantor.

The preceding provisions will not prohibit:

(1) the payment of any dividend or other distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or other distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or other distribution or redemption payment would have complied with the provisions of the indenture;

(2) so long as no Default has occurred and is continuing or would be caused thereby, the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Company;

(3) so long as no Default has occurred and is continuing or would be caused thereby, the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Company or any Guarantor that is contractually subordinated to the notes or to any Note Guarantee with the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Guarantor to the holders of its Equity Interests on a pro rata basis;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options, warrants or other convertible or exchangeable securities to the extent such Equity Interests represent a portion of the exercise price of those stock options, warrants or other convertible or exchangeable securities;

(6) so long as no Default has occurred and is continuing or would be caused thereby, the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Company or any Guarantor issued on or after the date of the indenture in accordance with the Leverage Ratio and Secured Leverage Ratio tests described below under the caption "— Incurrence of Indebtedness and Issuance of Preferred Stock"; and

(7) the distribution of the Equity Interests of Eve to the Company in order to contribute such Equity Interests to Vector Tobacco, provided that Eve shall remain a Guarantor.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Guarantor, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Company whose resolution with respect thereto will be delivered to the trustee. The Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of national standing if the Fair Market Value exceeds $10.0 million.

Incurrence of Indebtedness and Issuance of Preferred Stock

Neither the Company nor any Guarantor will, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and none of the Guarantors will issue any shares of preferred stock; provided, however, that the Company may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Guarantors may incur Indebtedness (including Acquired Debt) or issue preferred stock, if the Leverage Ratio and the Secured Leverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or preferred stock is issued, as the case may be, would have been no greater than 3.0 to 1.0 in respect of the Leverage Ratio and 1.5 to 1.0 in respect of the Secured Leverage Ratio, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or preferred stock had been issued, as the case may be, at the beginning of such four quarter period.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the incurrence by the Company and any of the Guarantors of additional Indebtedness and letters of credit under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and the Guarantors thereunder) not to exceed $60.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied by the Company or any of the Guarantors since the date of the indenture to repay any term Indebtedness under a Credit Facility or to repay any revolving credit Indebtedness under a Credit Facility and effect a corresponding commitment reduction thereunder pursuant to the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales;"

(2) the incurrence by the Company and the Guarantors of the Existing Indebtedness;

(3) the incurrence by the Company and the Guarantors of Indebtedness represented by the notes and the related Note Guarantees to be issued on the date of the indenture and the exchange notes and the related Note Guarantees to be issued pursuant to the registration rights agreement;

(4) the incurrence by the Company or any of the Guarantors of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the indenture to be incurred under the first paragraph of this covenant or clauses (2), (3) and (4) of this paragraph;

(5) the incurrence by the Company or any of the Guarantors of intercompany Indebtedness between or among the Company and any of the Guarantors; provided, however, that:

(i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Guarantor,

will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Guarantor, as the case may be, that was not permitted by this clause (5);

(6) the issuance by any of the Guarantors to the Company or to any of the Guarantors of shares of preferred stock; provided, however, that:

(a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Company or a Guarantor; and

(b) any sale or other transfer of any such preferred stock to a Person that is not either the Company or a Guarantor,

will be deemed, in each case, to constitute an issuance of such preferred stock by such Guarantor that was not permitted by this clause (6);

(7) the guarantee by the Company or any of the Guarantors of Indebtedness of the Company or a Guarantor that was permitted to be incurred by another provision of this covenant; provided that if the Indebtedness being guaranteed is subordinated to or pari passu with the notes, then the Guarantee shall be subordinated or pari passu, as applicable, to the same extent as the Indebtedness guaranteed;

(8) the incurrence by the Company or any of the Guarantors of Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance and surety bonds, appeal or other similar bonds in the ordinary course of business, and in any such case any reimbursement obligations in connection therewith;

(9) the incurrence by the Company or any of the Guarantors of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five business days;

(10) the incurrence by the Company or any of the Guarantors of Indebtedness represented by Capital Lease Obligations, purchase money obligations or other obligations, in each case incurred for the purpose of financing all or any part of the purchase price, cost or value of any equipment used in the business of the Company or any of the Guarantors, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (10), not to exceed $10.0 million at any time outstanding;

(11) the incurrence by the Company or any of the Guarantors of Hedging Obligations;

(12) indebtedness of the Company or any of the Guarantors to the extent the net proceeds thereof are promptly deposited to defease or satisfy and discharge all outstanding notes in full as described below under "— Legal Defeasance and Covenant Defeasance" and "— Satisfaction and Discharge";

(13) obligations of the Company and any of the Guarantors arising from agreements of the Company or a Guarantor providing for indemnification, adjustment of purchase price or similar obligations, in each case incurred or assumed in connection with the disposition of any business, assets or a Subsidiary of the Company in accordance with the terms of the Indenture, other than Guarantees by the Company or any Guarantor of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary of the Company for the purpose of financing such acquisition; provided, however, that the maximum aggregate liability in respect of all such obligations shall not exceed the gross proceeds, including the fair market value as determined in good faith by the Board of Directors of the Company of non-cash proceeds (the fair market value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received by the Company and the Guarantors in connection with such disposition; or

(14) obligations of the Company and any of the Guarantors arising from the entering into, maintaining or disposing of, Core Investments, including, without limitation, purchasing of any Core Investment on margin, any capital call obligations, make-well arrangements, hedging obligations of any nature or any obligations regarding a short position in any of such Core Investments.

The Company will not incur, and will not permit any Guarantor to incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Company or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the notes and the applicable Note Guarantee on substantially identical terms; provided, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

For purposes of determining compliance with this "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (13) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company will be permitted to classify such item of Indebtedness on

the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant. Indebtedness under Credit Facilities outstanding on the date on which notes are first issued and authenticated under the indenture will initially be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt. Indebtedness permitted by this covenant need not be permitted by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Company or any Guarantor may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the Fair Market Value of such assets at the date of determination; and

(b) the amount of the Indebtedness of the other Person.

Liens

Neither the Company nor any Guarantor will, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except Permitted Liens.

Dividend and Other Payment Restrictions Affecting Subsidiaries

Neither the Company nor any Guarantor will, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Guarantor to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any Guarantor, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Company or any Guarantor;

(2) make loans or advances to the Company or any of the Guarantors; or

(3) sell, lease or transfer any of its properties or assets to the Company or any Guarantor.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness and Credit Facilities as in effect on the date of the indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; provided that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of the indenture;

(2) the indenture, the notes, the Note Guarantees and the Collateral Documents;

(3) applicable law, rule, regulation or order;

(4) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of the Guarantors as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the indenture to be incurred;

(5) customary non-assignment provisions in contracts, leases and licenses entered into in the ordinary course of business or that restrict the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract;

(6) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;

(7) any agreement for the sale or other disposition of a Guarantor that restricts distributions by that Guarantor pending the sale or other disposition;

(8) Permitted Refinancing Indebtedness; provided that the encumbrances and restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced as determined in good faith by the Board of Directors of the Company;

(9) Liens permitted to be incurred under the provisions of the covenant described above under the caption "— Liens" that limit the right of the debtor to dispose of the assets subject to such Liens;

(10) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements entered into with the approval of the Company's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements;

(11) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(12) provisions limiting the disposition or distribution of assets in joint venture agreements entered into (i) in the ordinary course of business or (ii) with the approval of the Company's or the Guarantor's Board of Directors or chief financial officer, which limitation or prohibition is applicable only to the assets that are the subject of such agreements;

(13) net worth provisions in leases and other agreements entered into by the Company or any Guarantor in the ordinary course of business; or

(14) agreements governing Indebtedness permitted to be incurred pursuant to the covenant described under "— Incurrence of Indebtedness and Issuance of Preferred Stock"; provided, that the Board of Directors of the Company determines in good faith (such determination to be evidenced by a resolution of the Board of Directors) that such encumbrances and restrictions are not materially more restrictive, taken as a whole, than those in agreements in the Liggett Credit Agreement (as in effect on the date of the indenture) and would not reasonably be expected to impair the ability of the Company to make payments of interest and scheduled payments of principal on the notes, in each case as and when due, or to impair any Guarantor's ability to honor its Note Guarantee.

Merger, Consolidation or Sale of Assets

The Company will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving corporation); or (2) sell, assign, transfer, convey or otherwise

dispose of all or substantially all of the properties or assets of the Company and the Guarantors taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Company is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made is (i) a corporation organized or existing under the laws of the United States, any state of the United States or the District of Columbia or (ii) a limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia that has a wholly-owned Subsidiary that is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia, which corporation becomes a co-issuer of the notes pursuant to a supplemental indenture duly and validly executed by the trustee;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Company) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Company under the notes, the indenture, the registration rights agreement and the Collateral Documents pursuant to agreements reasonably satisfactory to the trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Leverage Ratio and Secured Leverage Ratio tests set forth in the first paragraph of the covenant described above under the caption "— Incurrence of Indebtedness and Issuance of Preferred Stock."

In addition, the Company will not, directly or indirectly, lease all or substantially all of the properties and assets of it and the Guarantors taken as a whole, in one or more related transactions, to any other Person.

This "Merger, Consolidation or Sale of Assets" covenant will not apply to:

(1) a merger of the Company with an Affiliate solely for the purpose of reincorporating the Company in another jurisdiction; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Company and any of the Guarantors that are not any of the Liggett Guarantors.

Notwithstanding the foregoing, the Company shall not consolidate or merge with or into any of the Liggett Guarantors, nor sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and the Guarantors taken as a whole, in one or more transactions, to any of the Liggett Guarantors.

Transactions with Affiliates

Except as set forth in the last paragraph of this covenant below, neither the Company nor any Guarantor will make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an "Affiliate Transaction"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Guarantor than those that would have been obtained in a comparable transaction by the Company or such Guarantor with an unrelated Person; and

(2) the Company delivers to the trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $3.0 million, a resolution of the Board of Directors of the Company set forth in an officers' certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members, if any, of the Board of Directors of the Company; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, an opinion as to the fairness to the Company or such Guarantor of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any consulting or employment agreement or arrangement, employee benefit plan, officer indemnification agreement or any similar arrangement entered into by the Company or any of the Guarantors and payments pursuant thereto;

(2) transactions between or among the Company and/or the Guarantors;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Guarantor, an Equity Interest in, or controls, such Person;

(4) payment of reasonable directors' fees (including the issuance of restricted stock) to directors of the Company and other reasonable compensation, benefits and indemnities paid or provided by the Company to the directors of the Company in their capacities as directors;

(5) any sale, grant, award or issuance of Equity Interests (other than Disqualified Stock) of the Company, including the exercise of options and warrants, to Affiliates, officers, directors or employees of the Company;

(6) Restricted Payments that do not violate the provisions of the indenture described above under the caption "— Restricted Payments";

(7) loans or advances to employees in the ordinary course of business not to exceed $1.0 million in the aggregate at any one time outstanding;

(8) Permitted Investments; and

(9) Accelerated Note Conversions.

If on the date of any Affiliate Transaction (other than an Affiliate Transaction between any of the Liggett Guarantors and any Affiliate of the Company other than the Company or another Guarantor) the Company's Consolidated EBITDA for the most recently ended four full fiscal quarters for which internal financial statements are available is no less than $50.0 million, the provisions of this covenant shall not apply to the consummation of such Affiliate Transaction.

Additional Note Guarantees

If the Company or any of the Guarantors acquires or creates another Domestic Subsidiary after the date of the indenture (i) engaged directly or indirectly in the cigarette businesses or (ii) that is or becomes a borrower, obligor or guarantor under the Liggett Credit Agreement, then that newly acquired or created Domestic Subsidiary will become a Guarantor and execute a supplemental indenture and, in the case of (ii), Collateral Documents consistent with those entered into by the Liggett Guarantors and deliver an opinion of counsel satisfactory to the trustee within 10 business days of the date on which it was acquired or created.

Unrestricted Subsidiaries

In no event may the business operated by Liggett Group on the date of the indenture be transferred to or held by an Unrestricted Subsidiary.

Limitation on Sale and Leaseback Transactions

Neither the Company nor any Guarantor will enter into any sale and leaseback transaction; provided that the Company or a Guarantor may enter into a sale and leaseback transaction if:

(1) the Company or that Guarantor, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction under the Leverage Ratio and Secured Leverage Ratio tests in the first paragraph of the covenant described above under the caption "— Incurrence of Indebtedness and Issuance of Preferred Stock" and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described above under the caption "— Liens;"

(2) the gross cash proceeds of that sale and leaseback transaction are at least equal to the Fair Market Value, as determined in good faith by the Board of Directors of the Company and set forth in an officers' certificate delivered to the trustee, of the property that is the subject of that sale and leaseback transaction; and

(3) the transfer of assets in that sale and leaseback transaction is permitted by, and the Company applies the proceeds of such transaction in compliance with, the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales."

Payments for Consent

Neither the Company nor any Guarantor will, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the indenture, the Collateral Documents or the notes unless such consideration is offered to be paid and is paid to all holders of the notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Reports

Whether or not required by the rules and regulations of the SEC, so long as any notes are outstanding, the Company will furnish to the holders of notes or cause the trustee to furnish to the holders of notes, within the time periods specified in the SEC's rules and regulations:

(1) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if the Company were required to file such reports; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports.

All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 10-K will include a report on the Company's consolidated financial statements by the Company's certified independent accountants. In addition, the Company will file a copy of each of the reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the rules and regulations applicable to such reports (unless the SEC will not accept such a filing) and will post the reports on its website within those time periods.

If, at any time, the Company is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, the Company will nevertheless continue filing the reports specified in the preceding paragraphs of this covenant with the SEC within the time periods specified above unless the SEC will not accept such a filing. The Company will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept the Company's filings for any

reason, the Company will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if the Company were required to file those reports with the SEC.

To the extent required by the SEC, the quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Company and the Guarantors separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

In addition, the Company and the Guarantors agree that, for so long as any notes remain outstanding, if at any time they are not required to file with the SEC the reports required by the preceding paragraphs, they will furnish to the holders of notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default and Remedies

Each of the following is an "Event of Default":

(1) default for 30 days in the payment when due of interest on, or Liquidated Damages, if any, with respect to, the notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the notes, or default in the payment when due of a Change of Control Payment;

(3) failure by the Company or any of the Guarantors for 30 days after notice to the Company by the trustee or the holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class to comply with the provisions described under the captions "— Repurchase at the Option of Holders — Asset Sales," "— Certain Covenants — Restricted Payments" and "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock;"

(4) failure by the Company or any of the Guarantors for 60 days after notice to the Company by the trustee or the holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class to comply with any of the other agreements in the indenture or the Collateral Documents;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of the Guarantors (or the payment of which is guaranteed by the Company or any of the Guarantors), whether such Indebtedness or Guarantee now exists, or is created after the date of the indenture, if that default:

(a) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default"); or

(b) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $10 million or more and such acceleration is not annulled within 30 days thereof or such payment default continues for 30 days;

(6) failure by the Company or any of the Guarantors to pay final non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $10 million (net of any amounts as to which a reputable and solvent third party insurer has accepted full coverage), which judgments are not paid, discharged, bonded or stayed for a period of 60 days;

(7) breach by the Company or any of the Guarantors of any material representation or warranty or agreement in the Collateral Documents, and such failure shall continue for a period of 60 days after written notice to the Company by the trustee, the Collateral Agent or the holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class;

(8) the repudiation by the Company or any of the Guarantors of any of its obligations under the Collateral Documents or the unenforceability of the Collateral Documents against the Company or any of the Guarantors for any reason;

(9) except as permitted by the indenture, any Note Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee; and

(10) certain events of bankruptcy or insolvency described in the indenture with respect to the Company or any of the Guarantors that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Company, any Guarantor of the Company that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary, all outstanding notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding notes may declare all the notes to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding notes may direct the trustee in its exercise of any trust or power. The trustee may withhold from holders of the notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium or Liquidated Damages, if any.

Subject to the provisions of the indenture relating to the duties of the trustee, in case an Event of Default occurs and is continuing, the trustee will be under no obligation to exercise any of the rights or powers under the indenture at the request or direction of any holders of notes unless such holders have offered to the trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest or Liquidated Damages, if any, when due, no holder of a note may pursue any remedy with respect to the indenture or the notes unless:

(1) such holder has previously given the trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding notes have requested the trustee to pursue the remedy;

(3) such holders have offered the trustee reasonable security or indemnity against any loss, liability or expense;

(4) the trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding notes have not given the trustee a direction inconsistent with such request within such 60-day period.

The holders of a majority in aggregate principal amount of the then outstanding notes by notice to the trustee may, on behalf of the holders of all of the notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the indenture except a continuing Default or Event of Default in the payment of interest or premium or Liquidated Damages, if any, on, or the principal of, the notes.

In the case of any Event of Default occurring by reason of any willful action (or inaction) taken (or not taken) by or on behalf of the Company with the intention of avoiding payment of the premium that the

Company would have had to pay if the Company then had elected to redeem the notes pursuant to the optional redemption provisions of the indenture, an equivalent premium will also become and be immediately due and payable to the extent permitted by law upon the acceleration of the notes. If an Event of Default occurs prior to August 15, 2011, by reason of any willful action (or inaction) taken (or not taken) by or on behalf of the Company with the intention of avoiding the prohibition on redemption of the notes prior to August 15, 2011, then an additional premium specified in the indenture will also become and be immediately due and payable to the extent permitted by law upon the acceleration of the notes.

The Company is required to deliver to the trustee annually a statement regarding compliance with the indenture. Upon becoming aware of any Default or Event of Default, the Company is required to deliver to the trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the notes, the indenture, the Note Guarantees, the Collateral Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Legal Defeasance and Covenant Defeasance

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an officers' certificate, elect to have all of its obligations discharged with respect to the outstanding notes and all obligations of the Guarantors discharged with respect to their Note Guarantees ("Legal Defeasance") except for:

(1) the rights of holders of outstanding notes to receive payments in respect of the principal of, or interest or premium and Liquidated Damages, if any, on, such notes when such payments are due from the trust referred to below;

(2) the Company's obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the trustee, and the Company's and the Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company and the Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers) that are described in the indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "— Events of Default and Remedies" will no longer constitute an Event of Default with respect to the notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the trustee, in trust, for the benefit of the holders of the notes, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium and Liquidated Damages, if any, on, the outstanding notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the

Company must specify whether the notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company must deliver to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that (a) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of the indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company must deliver to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the indenture) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(6) the Company must deliver to the trustee an officers' certificate stating that the deposit was not made by the Company with the intent of preferring the holders of notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(7) the Company must deliver to the trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Collateral Release Mechanisms

The Collateral will be released from the Liens securing the Note Guarantees, as provided under the caption "— Security," upon a Legal Defeasance or Covenant Defeasance in accordance with the provisions described above.

Compliance with Trust Indenture Act

The indenture provides that the Company will comply with the provisions of TIA §314.

To the extent applicable, the Company will cause TIA §313(b), relating to reports, and TIA §314(d), relating to the release of property or securities subject to the Lien of the Collateral Documents, to be complied with. Any certificate or opinion required by TIA §314(d) may be made by an officer of the Company except in cases where TIA §314(d) requires that such certificate or opinion be made by an independent Person, which Person will be an independent engineer, appraiser or other expert selected by or reasonably satisfactory to the trustee. Notwithstanding anything to the contrary in this paragraph, the Company will not be required to comply with all or any portion of TIA §314(d) if it determines, in good faith based on advice of counsel, that under the terms of TIA §314(d) and/or any interpretation or guidance as to the meaning thereof of the SEC

and its staff, including "no action" letters or exemptive orders, all or any portion of TIA §314(d) is inapplicable to one or a series of released Collateral.

Further Assurances; Insurance

The indenture and the Collateral Documents provide that the Company and each of the Guarantors providing security for their Note Guarantees will do or cause to be done all acts and things that may be reasonably required, or that the Collateral Agent from time to time may reasonably request, to assure and confirm that the Collateral Agent holds, for the benefit of the holders of Parity Lien Obligations, duly created and enforceable and perfected Parity Liens upon the Collateral (including any categories of property or assets that are included as Collateral under the Collateral Documents or otherwise become Collateral after the notes are issued), in each case, as contemplated by, and with the Lien priority required under, the Intercreditor Agreement and the Collateral Documents.

Upon the reasonable request of the Collateral Agent or the trustee at any time and from time to time, the Company and each of the applicable Guarantors will promptly execute, acknowledge and deliver such security documents, instruments, certificates, notices and other documents, and take such other actions as shall be reasonably required, or that the Collateral Agent may reasonably request, to create, perfect, protect, assure or enforce the Liens and benefits intended to be conferred, in each case as contemplated by the Collateral Documents for the benefit of the holders of Parity Lien Obligations, including any real property acquired by Pledgors in the future that has a Fair Market Value in excess of $5.0 million.

The Company and the applicable Guarantors will:

(1) keep their properties adequately insured at all times by financially sound and reputable insurers;

(2) maintain such other insurance, to such extent and against such risks (and with such deductibles, retentions and exclusions), including fire and other risks insured against by extended coverage and coverage for acts of terrorism, as is customary with companies in the same or similar businesses operating in the same or similar locations, including public liability insurance against claims for personal injury or death or property damage occurring upon, in, about or in connection with the use of any properties owned, occupied or controlled by them;

(3) maintain such other insurance as may be required by law;

(4) maintain title insurance on all real property Collateral insuring the Collateral Agent's Parity Lien on that property, subject only to Permitted Prior Liens and other exceptions to title approved by the Collateral Agent; and

(5) maintain such other insurance as may be required by the security documents.

Upon the request of the Collateral Agent, the Company and the Guarantors will furnish to the Collateral Agent full information as to their property and liability insurance carriers. Holders of Parity Lien Obligations, as a class, will be named as additional insureds, with a waiver of subrogation, on all insurance policies of the applicable Guarantors and the Collateral Agent will be named as loss payee, with 30 days' notice of cancellation or material change, on all property and casualty insurance policies of the applicable Guarantors.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, and subject to the Intercreditor Agreement, the indenture, the Collateral Documents, the notes or the Note Guarantees may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes), and any existing Default or Event of Default or compliance with any provision of the indenture, the Collateral Documents or the notes or the Note Guarantees, subject to the Intercreditor Agreement, may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes). None of the indenture, the notes or the Collateral Documents may

be amended, modified or supplemented in any way that would contravene the provisions of the Intercreditor Agreement.

Without the consent of each holder of notes affected, or, in the case of clauses (8) and (9) below only, with the consent of at least 95% in aggregate principal amount of the notes then outstanding, an amendment, supplement or waiver may not (with respect to any notes held by a non-consenting holder):

(1) reduce the principal amount of notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any note or alter the provisions with respect to the redemption of the notes (other than provisions relating to the covenants described above under the caption "— Repurchase at the Option of Holders");

(3) reduce the rate of or change the time for payment of interest, including default interest, on any note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Liquidated Damages, if any, on, the notes (except a rescission of acceleration of the notes by the holders of at least a majority in aggregate principal amount of the then outstanding notes and a waiver of the payment default that resulted from such acceleration);

(5) make any note payable in money other than that stated in the notes;

(6) make any change in the provisions of the indenture relating to waivers of past Defaults or the rights of holders of notes to receive payments of principal of, or interest or premium or Liquidated Damages, if any, on, the notes;

(7) waive a redemption payment with respect to any note (other than a payment required by one of the covenants described above under the caption "— Repurchase at the Option of Holders");

(8) release all or substantially all of the Collateral from the Liens securing the Note Guarantees;

(9) release any Guarantor from any of its obligations under its Guarantee or the indenture if the assets or properties of that Guarantor constitute all or substantially all of the Collateral, except in accordance with the terms of the indenture and the Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of notes, the Company, the Guarantors and the trustee may amend or supplement the indenture, the Collateral Documents, the notes or the Note Guarantees:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated notes in addition to or in place of certificated notes;

(3) to provide for the assumption of the Company's or a Guarantor's obligations to holders of notes and Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of notes or that does not adversely affect the legal rights under the indenture of any such holder;

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of the indenture under the Trust Indenture Act;

(6) to conform the text of the indenture, the Note Guarantees, the Collateral Documents or the notes to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the indenture, the Note Guarantees, the Collateral Documents or the notes;

(7) to provide for the issuance of additional notes in accordance with the limitations set forth in the indenture as of the date of the indenture;

(8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the notes; or

(9) to make, complete or confirm any grant of Collateral permitted or required by the indenture or any of the Collateral Documents or any release of Collateral that becomes effective as set forth in the indenture or any of the Collateral Documents.

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effect as to all notes issued thereunder, when:

(1) either:

(a) all notes that have been authenticated, except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the trustee for cancellation; or

(b) all notes that have not been delivered to the trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the notes not delivered to the trustee for cancellation for principal, premium and Liquidated Damages, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(3) the Company or any Guarantor has paid or caused to be paid all sums payable by it under the indenture; and

(4) the Company has delivered irrevocable instructions to the trustee under the indenture to apply the deposited money toward the payment of the notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an officers' certificate and an opinion of counsel to the trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

The Collateral will be released from the Liens securing Note Guarantees in accordance with the provisions set forth above under the caption "— Collateral Documents."

Concerning the Trustee

If the trustee becomes a creditor of the Company or any Guarantor, the indenture limits the right of the trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (if the indenture has been qualified under the Trust Indenture Act) or resign.

The holders of a majority in aggregate principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. The indenture provides that in case an Event of Default occurs and is continuing, the trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless such holder has offered to the trustee security and indemnity satisfactory to it against any loss, liability or expense.

Additional Information

Anyone who receives this prospectus may obtain a copy of the indenture, the registration rights agreement, the Intercreditor Agreement and the Collateral Documents without charge by writing to Vector Group Ltd., 100 S.E. Second Street, 32nd floor, Miami, Florida 33131, Attention: Investor Relations.

Book-Entry, Delivery and Form

The New Notes will be represented by a note in registered, global form without interest coupons (collectively, the "Global Notes" and each individually, a "Global Note"). The Global Notes will be deposited upon issuance with the trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for notes in certificated form except in the limited circumstances described below. See "— Exchange of Book-Entry Notes for Certificated Notes."

Depository Procedures

The following description of the operations and procedures of DTC is provided solely as a matter of convenience. These operations and procedures are solely within the control of DTC and are subject to change by DTC from time to time. The Company does not take any responsibility for these operations and procedures and urges investors to contact DTC or its participants directly to discuss these matters.

Upon the issuance of the Global Notes, DTC will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such Global Notes to the accounts with DTC ("participants") or persons who hold interests through participants. Ownership or beneficial interests in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interest of persons other than participants).

As long as DTC, or its nominee, is the registered holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner and holder of the notes represented by such Global Note for all purposes under the indenture and the notes. Except in the limited circumstances described below under "— Exchanges of Book-Entry Notes for Certificated Notes," owners of beneficial interests in a Global Note will not be entitled to have portions of such Global Note registered in their names, will not receive or be entitled to receive physical delivery of notes in definitive form and will not be considered the owners or holders of the Global Note (or any notes presented thereby) under the indenture or the notes. In addition, no beneficial owner of an interest in a Global Note will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to those under the indenture referred to herein). In the event that owners of beneficial interests in a Global Note become entitled to receive notes in definitive form, such notes will be issued only in registered form in denominations of U.S. $1,000 and integral multiples of $1,000 in excess thereof.

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons may be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of

indirect participants and certain banks, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take action in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Payments of the principal of and interest on Global Notes will be made to DTC or its nominee as the registered owner thereof. None of the Company, the guarantors, the trustee or any of their respective agents will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Beneficial interests in the Global Notes will trade in DTC's Same-Day Funds Settlement System, and secondary market trading activity in such interests will therefore settle in immediately available funds. The Company expects that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note representing any Notes held by it or its nominee, will immediately credit participants' accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of such Notes as shown on the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in such Global Notes held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in "street name." Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds.

DTC has advised us that it will take any action permitted to be taken by a holder of notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account with DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such participant or participants has or have given such direction. However, if there is an Event of Default (as defined below) under the notes, DTC reserves the right to exchange the Global Notes for legended notes in certificated form, and to distribute such notes to its participants.

DTC has advised us as follows: DTC is

- a limited purpose trust company organized under the laws of the State of New York,
- a "banking organization" within the meaning of New York Banking law,
- a member of the Federal Reserve System,
- a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended, and
- a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. DTC is partially owned by some of these participants or their representatives. Indirect access to the DTC system is available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly ("indirect participants").

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of beneficial ownership interests in the Global Notes among participants of DTC, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, the trustee or any of their respective agents will have any responsibility for the performance by DTC, its participants or indirect participants of their respective obligations under the rules and procedures governing its operations, including maintaining, supervising or reviewing the records relating to, or payments made on account of, beneficial ownership interests in Global Notes.

Exchanges of Global Notes for Certificated Notes

A beneficial interest in a Global Note may not be exchanged for a Note in certificated form unless the transferor of such beneficial interest delivers to the registrar either (i) a written order from a participant or an indirect participant, given to DTC in accordance with its customary procedures, directing DTC to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and instructions regarding the participant account to be credited with such increase or (ii) a written order from a participant or an indirect participant, given to DTC in accordance with its customary procedures, directing DTC to cause to be issued a certificated note in an amount equal to the beneficial interest to be transferred or exchanged and instructions given by DTC to the registrar regarding the person in whose name such certificated note shall be registered to effect such transfer or exchange. In all cases, certificated notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names and issued in denominations as the holder of such beneficial interest shall instruct the registrar through instructions from the DTC and the participant or indirect participant.

The Company will make payments in respect of the notes represented by the Global Notes (including principal, premium, if any, interest and Liquidated Damages, if any) by wire transfer of immediately available funds to the accounts specified by the holder of Global Notes. The Company will make all payments of principal, interest and premium and Liquidated Damages, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by the holders of the Certificated Notes or, if no such account is specified, by mailing a check to each such holder's registered address. The notes represented by the Global Notes are expected to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. The Company expects that secondary trading in any Certificated Notes will also be settled in immediately available funds.

Certain Definitions

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"100 Maple LLC" means 100 Maple LLC, a Delaware limited liability company.

"ABL Lender" has the meaning set forth in the Intercreditor Agreement.

"Accelerated Note Conversion" means the conversion in advance of the scheduled conversion by their terms of any convertible debt securities issued by the Company that are held by Affiliates of the Company, in exchange for the payment by the Company to such Affiliates of accrued interest and additional Equity Interests in the Company (other than Disqualified Stock).

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Guarantor of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Guarantor of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Applicable Premium" means with respect to any note on any redemption date, as determined by the Company, the greater of:

(1) 1.0% of the principal amount of the note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the note at August 15, 2011 (such redemption price being set forth in the table appearing above under the caption "— Optional Redemption") plus (ii) all required interest payments due on the note through August 15, 2011 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

(b) the principal amount of the note.

"Asset Sale" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and the Guarantors taken as a whole will be governed by the provisions of the indenture described above under the caption "— Repurchase at the Option of Holders — Change of Control" and/or the provisions described above under the caption "— Certain Covenants — Merger, Consolidation or Sale of Assets" and not by the provisions of the Asset Sale covenant; and

(2) the issuance or sale of Equity Interests in any of the Guarantors.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $3.0 million;

(2) a transfer of assets between or among the Company and the Guarantors;

(3) an issuance of Equity Interests by a Guarantor to the Company or to another Guarantor;

(4) the sale, lease, sublease, license, sublicense, conveyance or other disposition of products, services, inventory, or accounts receivable and related assets (including participations therein) in the ordinary course of business, including leases with respect to facilities that are temporarily not in use or pending their disposition, and any sale or other disposition of damaged, worn-out or obsolete assets in the ordinary course of business or any other property that is uneconomic or no longer useful to the conduct of the business of the Company or the Guarantors;

(5) the sale or other disposition of cash or Cash Equivalents or Investments that are Permitted Investments;

(6) a Restricted Payment that does not violate the covenant described above under the caption "— Certain Covenants — Restricted Payments" or a Permitted Investment.

(7) the licensing of intellectual property to third Persons on customary terms as determined in good faith by the Board of Directors of the Company;

(8) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, any exchange of like property (excluding any boot thereon) for use in the business of the Company or its Subsidiaries;

(9) transfers of property subject to casualty or condemnation proceedings; and

(10) the granting of Permitted Liens.

"Asset Sale Offer" has the meaning assigned to that term in the indenture governing the notes.

"Attributable Debt" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended

or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; provided, however, that if such sale and leaseback transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation."

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cash Equivalents" means:

(1) United States dollars and, solely for purposes of the definition of "Permitted Investments," any national currency of any other country in which the Company or its Guarantors do business;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (provided that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic commercial bank or commercial banking

institution that is a member of the Federal Reserve System having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above or (7) below entered into with any financial institution meeting the qualifications specified in clause (3) above or (7) below;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition;

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition; and

(7) marketable general obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one year of the date of acquisition and at the time of acquisition having one of the two highest ratings obtainable from S&P or Moody's.

"Change of Control" means the occurrence of any of the following:

(1) any sale, transfer, lease, conveyance or other disposition (in one transaction or a series of related transactions) of all or substantially all of the Company's property or assets to any person or group of related persons (other than to any of the Company's wholly-owned subsidiaries) as defined as Sections 13(d) and 14(d) of the Exchange Act, including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act, other than any sale, transfer, lease, conveyance or other disposition in which (x) persons who, directly or indirectly, are beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of the Company's voting stock immediately prior to such transaction, beneficially own, directly or indirectly, immediately after such transaction at least a majority of the total voting power of the outstanding voting stock of the corporation or entity purchasing such properties or assets in such sale, lease, conveyance or other disposition and (y) persons who, directly or indirectly, are beneficial owners of the Company's voting stock immediately prior to such transaction, beneficially own, directly or indirectly, immediately after such transaction shares of common stock of the corporation or entity purchasing such properties or assets in such sale, lease, conveyance or other disposition in a proportion that does not, on the whole, materially differ from such ownership immediately prior to the transaction;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) if any "person" or "group" (as these terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act) (other than Bennett S. LeBow or his immediate family, any beneficiary of the estate of Bennett S. LeBow or his immediate family or any trust or partnership controlled by any of the foregoing (the "LeBow Persons")) is or shall become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 50% of the aggregate ordinary voting power represented by the Company's issued and outstanding stock;

(4) if at any time Bennett S. LeBow and/or any LeBow Person is or shall become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) either individually or collectively, directly or indirectly, of 65% of the aggregate ordinary voting power represented by the Company's issued and outstanding voting stock; or

(5) the Company consolidates with, or merges with or into, another person or any person consolidates with, or merges with or into, the Company, other than any consolidation or merger in which (x) persons who, directly or indirectly, are beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of the Company's voting stock immediately prior to such transaction, beneficially own, directly or indirectly, immediately after such transaction at least a majority of the voting power of the outstanding voting stock of the continuing or surviving corporation or entity and (y) persons who, directly or indirectly, are beneficial owners of the Company's voting stock immediately prior to such transaction beneficially own, directly or indirectly, immediately after such transaction shares of common stock of the

continuing or surviving corporation or entity in a proportion that does not, on the whole, materially differ from such ownership immediately prior to the transaction.

"Change of Control Offer" has the meaning assigned to that term in the indenture governing the notes.

"Collateral" means the Pledged Securities and the properties and assets at any time owned or acquired by any of the Pledgors as provided in the Collateral Documents and the indenture other than the Excluded Assets and except:

(1) any properties and assets in which the Collateral Agent is required to release its Liens pursuant to the provisions described above under the caption "— Intercreditor Agreement — Release of Liens"; and

(2) any properties and assets that no longer secure the Note Guarantees or any Obligations in respect thereof pursuant to the provisions described above under the caption "— Collateral Documents,"

provided that, if such Liens are required to be released as a result of the sale, transfer or other disposition of any properties or assets of any of the Guarantors, such assets or properties will cease to be excluded from the Collateral if any of the Guarantors thereafter acquires or reacquires such assets or properties.

"Collateral Agent" means U.S. Bank National Association, in its capacity as collateral agent under the indenture, the Intercreditor Agreement and the Collateral Documents, together with its successors in such capacity.

"Collateral Documents" means all security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements or other grants or transfers for security executed and delivered by any Guarantor creating (or purporting to create) a Parity Lien upon Collateral in favor of the Collateral Agent, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time.

"Consolidated EBITDA" means for any period the Consolidated Net Income of the Company for such period, after giving pro forma effect to any Investment or acquisition or disposition of a business permitted under the Indenture as if such acquisition or disposition occurred on the first day of the relevant period, in accordance with Regulation S-X, plus, without duplication:

(1) provision for taxes based on income or profits or capital, including, without limitation, state, city and county income, franchise and similar taxes, foreign withholding taxes and foreign unreimbursed value added taxes of the Company and the Guarantors for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus

(2) the Fixed Charges of the Company and the Guarantors (including amortization of deferred financing fees and changes in fair value of derivatives embedded within convertible debt) for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; plus

(3) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of the Company and the Guarantors for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; plus

(4) any other non-cash charges (including impairment charges, write-offs of assets and the impact of purchase accounting but excluding any such charge that represents an accrual or reserve for a cash expenditure for a future period), to the extent that such non-cash charges were deducted in computing such Consolidated Net Income; plus

(5) any one-time, non-recurring expenses or charges related to any Equity Offering, Permitted Investment, acquisition, recapitalization or incurrence of Indebtedness permitted to be incurred under the indenture (including a refinancing thereof), whether or not consummated, in each case to the extent such expenses or charges were deducted in computing Consolidated Net Income; minus

(6) non-cash items increasing such Consolidated Net Income for such period, other than (a) the accrual of revenue in the ordinary course of business and (b) reversals of prior accruals or reserves for non-cash items previously excluded from the definition of Consolidated EBITDA pursuant to clause (3) above,

in each case, on a consolidated basis and determined in accordance with GAAP.

"Consolidated Net Income" means for any period the aggregate of the Net Income of the Company and the Guarantors for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

(1) the Net Income (but not loss) of any Person that is not a Guarantor or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the Company or a Guarantor;

(2) the Net Income of any Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Guarantor of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement or instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Guarantor or its stockholders (except to the extent of the amount of dividends or similar distributions paid in cash to the Company or a Guarantor during such period);

(3) the cumulative effect of a change in accounting principles will be excluded;

(4) any restructuring charge or reserve to the extent that such expenses or charges were deducted in computing such Consolidated Net Income, including any restructuring costs incurred in connection with acquisitions after the date of issuance of the notes and costs related to the closure and/or consolidation of facilities or work force reduction and severance and relocation costs incurred in connection therewith, will be excluded;

(5) any unrealized gains and losses due solely to fluctuations in currency values, the value of Investment Securities or the value of Long Term Investments, and the related tax effects according to GAAP will be excluded;

(6) non-cash compensation recorded from grants of stock appreciation or similar rights, stock options, restricted stock or other rights will be excluded;

(7) after-tax gains and losses attributable to discontinued operations will be excluded;

(8) the after-tax effect of extraordinary, non-recurring or unusual gains or losses (less all fees and expenses relating thereto) or expenses, severance costs and curtailments or modifications or terminations to pension and post-retirement benefit plans will be excluded;

(9) any impairment charge or asset write-off, in each case pursuant to GAAP and the amortization of intangibles arising pursuant to GAAP will be excluded; and

(10) any deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness will be excluded.

"Core Investments" means investments, whether as a long or short position, in equity, debt or derivative securities, including, without limitation, puts, options, warrants or calls, of any Person, including hedge funds, private equity funds or other investment entities, in the ordinary course of the Company's or any Guarantor's business, but excluding any investment in (i) any Unrestricted Subsidiary of the Company, or (ii) any joint venture to which the Company, any Guarantor or any Unrestricted Subsidiary is a party.

"Credit Agreement Agent" means, at any time, the Person serving at such time as the "Agent" or "Administrative Agent" under the Liggett Credit Agreement or any other representative then most recently designated in accordance with the applicable provisions of the Liggett Credit Agreement, together with its successors in such capacity.

"Credit Facilities" means, one or more debt facilities (including, without limitation, the Liggett Credit Agreement) or commercial paper facilities, in each case, with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "— Certain Covenants — Restricted Payments." The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the indenture will be the maximum amount that the Company and the Guarantors may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Domestic Subsidiary" means any Subsidiary of the Company that was formed under the laws of the United States or any state of the United States or the District of Columbia or that guarantees or otherwise provides direct credit support for any Indebtedness of the Company.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means any public or private sale of common stock or Preferred Stock of the Company (excluding Disqualified Stock) or contribution to the capital of the Company, other than:

(1) public offerings with respect to any such Person's common stock registered on Form S-8; and

(2) issuances to the Company or any Subsidiary of the Company.

"Eve" means Eve Holdings Inc., a Delaware corporation.

"Existing Indebtedness" means Indebtedness of the Company and the Guarantors (other than Indebtedness under the Liggett Credit Agreement) in existence on the date of the indenture, until such amounts are repaid.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Company (unless otherwise provided in the indenture).

"First Priority Debt" has the meaning set forth in the Intercreditor Agreement as in effect on the date of the indenture.

"First Priority Lien" means a Lien to the extent it secures First Priority Debt.

"Fixed Charges" means, with respect to the Company and the Guarantors for any period, the sum, without duplication, of:

(1) the consolidated interest expense of the Company and the Guarantors for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs, beneficial conversion features, derivatives embedded within convertible debt and original issue discount, non-cash interest

payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; plus

(2) the consolidated interest expense of the Company and the Guarantors that was capitalized during such period; plus

(3) any interest on Indebtedness of another Person that is guaranteed by the Company or any of the Guarantors or secured by a Lien on assets of the Company or any of the Guarantors, whether or not such Guarantee or Lien is called upon; plus

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of the Company or any of the Guarantors, other than dividends on Equity Interests payable solely in Equity Interests of the Company (other than Disqualified Stock) or to the Company or a Guarantor, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the date of the indenture.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"Guarantors" means each of:

(1) the Liggett Guarantors;

(2) the Domestic Subsidiaries of the Company on the date of the indenture, other than the New Valley Subsidiaries; and

(3) any other Subsidiary of the Company that executes a Note Guarantee in accordance with the provisions of the indenture,

and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the indenture.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed, except any such balance that constitutes an accrued expense or trade payable arising in the ordinary course of business and not overdue by more than 90 days; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

"Intercreditor Agreement" means that certain Intercreditor and Lien Subordination Agreement by and among Wachovia Bank National Association, as ABL Lender, U.S. Bank National Association, as Collateral Agent, Liggett Group LLC, as Borrower, and 100 Maple LLC, as Loan Party, dated of even date with the indenture.

"Investments" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. Except as otherwise provided in the indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"Investment Securities" means investment securities classified as such under GAAP.

"Leverage Ratio" means the ratio of (i) the sum of (A) the aggregate outstanding amount of Indebtedness of the Company and the Guarantors as of the last day of the most recently ended fiscal quarter for which financial statements are internally available as of the date of calculation on a combined consolidated basis in accordance with GAAP, less cash, cash equivalents, the Fair Market Value of Investment Securities and the Fair Market Value of Long Term Investments of the Company and the Guarantors, plus (B) the aggregate outstanding amount of Indebtedness incurred in connection with margining of Core Investments (to the extent not included in Indebtedness under clause (i)(A) above), plus (C) the aggregate liquidation preference of all outstanding Disqualified Stock of the Company as of the last day of such fiscal quarter to (ii) the aggregate Consolidated EBITDA of the Company for the last four full fiscal quarters for which financial statements are internally available ending on or prior to the date of determination. Notwithstanding the foregoing, to the extent that Douglas Elliman Realty LLC, or any successor thereto, is classified on the Company's or any Guarantor's balance sheet as a Long Term Investment, then the book value, rather than the Fair Market Value, of such Long Term Investment will be used for purposes of the foregoing calculation.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"Liggett Credit Agreement" means that certain Amended and Restated Loan and Security Agreement, dated as of April 14, 2004, as amended, by and between Wachovia Bank, National Association, successor by merger to Congress Financial Corporation, Liggett Group LLC, as successor to Liggett Group, Inc., and 100 Maple LLC providing for revolving credit borrowings and term loans, including any related notes, Guarantees, collateral documents, instruments and agreements executed in connection therewith, and, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

"Liggett Group LLC" means Liggett Group LLC, a Delaware limited liability company.

"Liggett Guarantors" means each of Liggett Group LLC, and 100 Maple LLC.

"Liggett Vector Brands" means Liggett Vector Brands Inc., a Delaware corporation.

"Liquidated Damages" means all liquidated damages then owing pursuant to the registration rights agreement.

"Long Term Investments" means long term investments classified as such under GAAP.

"Mebane Facility" means that certain real property located in Mebane, North Carolina and owned by 100 Maple LLC.

"Moody's" means Moody's Investors Service, Inc.

"Net Income" means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with all fees and expenses related thereto and any related provision for taxes on such gain or loss, realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities or Investments by such Person or any of the Guarantors or the extinguishment of any Indebtedness of such Person or any of the Guarantors; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of the Guarantors in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Indebtedness, other than Indebtedness under a Credit Facility, secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"New Valley Subsidiaries" means New Valley LLC, a Delaware limited liability company, and its Subsidiaries.

"Note Guarantee" means the Guarantee by each Guarantor of the Company's obligations under the indenture and the notes, executed pursuant to the provisions of the indenture.

"Obligations" means any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including, to the extent legally permitted, all interest accrued thereon after the commencement of any insolvency or liquidation proceeding at the rate, including any applicable post-default rate, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses and other liabilities payable under the documentation governing any Indebtedness.

"Parity Lien" means a Lien granted under a Collateral Document to the Collateral Agent, at any time, upon any property of any Guarantor providing security to secure Parity Lien Obligations.

"Parity Lien Debt" means:

(1) the notes issued on the date of the indenture (including any related exchange notes); and

(2) any other Indebtedness of the Company pursuant to additional notes issued and permitted to be incurred under the indenture.

"Parity Lien Obligations" means Parity Lien Debt and all other Obligations in respect thereof.

"Permitted Investments" means:

(1) any Investment in the Company or in a Guarantor;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Guarantor in a Person, if as a result of such Investment:

(a) such Person becomes a Guarantor; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Guarantor;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales;"

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any Guarantor, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) loans or advances to employees made in the ordinary course of business of the Company or any Guarantor in an aggregate principal amount not to exceed $1.0 million at any one time outstanding;

(8) repurchases of the notes;

(9) any Investment by the Company or any Guarantor in Core Investments;

(10) Investments represented by Hedging Obligations;

(11) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment in the ordinary course of business or consistent with past practice;

(12) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (12) that are at the time outstanding, not to exceed $10.0 million.

"Permitted Liens" means:

(1) Liens in favor of the ABL Lender securing First Priority Debt;

(2) Liens held by the Collateral Agent equally and ratably securing the notes to be issued on the date of the indenture and all future Parity Lien Debt and other Parity Lien Obligations;

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Guarantor; provided that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Guarantor;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Guarantor; provided that such Liens were in existence prior to, and not incurred in contemplation of, such acquisition;

(6) Liens to secure the performance of statutory obligations (including obligations under worker's compensation, unemployment insurance or similar legislation), surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business, as well as obligations under the trade contracts and leases (exclusive of obligations for the payment of borrowed money) and cash deposits in connection with acquisitions otherwise permitted under the indenture;

(7) Liens existing on the date of the indenture;

(8) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(9) Liens imposed by law, such as carriers', warehousemen's, landlords' and mechanics' Liens, in each case, incurred in the ordinary course of business;

(10) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(11) Liens created for the benefit of (or to secure) the notes (or the Note Guarantees);

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under the indenture; provided, however, that:

(a) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by clause (10) of the second paragraph of the covenant entitled "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock" covering only the assets acquired with or financed by such Indebtedness;

(14) Liens arising by reason of any judgment, decree or order not giving rise to an Event of Default so long as such Lien is adequately bonded and any appropriate legal proceedings which may have been duly initiated for the review of such judgment shall not have been finally terminated or the period within such proceedings may be initiated shall not have expired; and

(15) Liens to secure obligations permitted by clause (14) of the second paragraph of the covenant entitled "— Certain Covenants — Incurrence of Indebtedness and Issuance of Preferred Stock," provided that such liens do not comprise any of the Collateral.

"Permitted Prior Liens" means:

(1) Liens described in clause (1) of the definition of "Permitted Liens;"

(2) Liens described in clauses (4), (5) (7) or (13) of the definition of "Permitted Liens;" and

(3) Permitted Liens that arise by operation of law and are not voluntarily granted, to the extent entitled by law to priority over the Liens created by the Collateral Documents.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any Guarantor issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Company or any Guarantor (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the notes, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the notes on terms at least as favorable to the holders of notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is incurred either by the Company or by the Guarantor who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"Pledged Securities" means all of the Capital Stock of each of Liggett Group LLC and Vector Tobacco.

"Pledgor" means each of the Liggett Guarantors and Vector Tobacco and any successor thereto who is required to assume their obligations under the indenture or the Collateral Documents.

"Restricted Investment" means an Investment other than a Permitted Investment.

"S&P" means Standard & Poor's Ratings Group.

"Sale of Collateral" means any Asset Sale involving a sale or other disposition of Collateral.

"Secured Indebtedness" means all Indebtedness of the Company and the Guarantors that is secured by Liens on any of their assets, including, but not limited to, Indebtedness pursuant to the Liggett Credit Agreement.

"Secured Leverage Ratio" means the ratio calculated in accordance with the definition herein of "Leverage Ratio" except that "Secured Indebtedness" shall be substituted for all occurrences of "Indebtedness" in such definition.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of the indenture.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the indenture, and will not include any

contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to August 15, 2011; provided, however, that if the period from the redemption date to August 15, 2011 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Unrestricted Subsidiary" means any Subsidiary of the Company other than any Subsidiary that is a Guarantor and other than any Subsidiary owning or operating the business currently operated by Liggett Group LLC.

"Vector Tobacco" means Vector Tobacco Inc., a Virginia corporation.

"VGR Holding" means VGR Holding LLC, a Delaware limited liability company.

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of material United States federal income tax consequences relevant to the exchange of Original Notes for New Notes and the ownership and disposition of the New Notes by the beneficial owners thereof, or the holders. This discussion is limited to the tax consequences to the holders of New Notes who acquire the New Notes in exchange for Original Notes that were acquired at the issue price within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended, or the Code, and does not address the tax consequences to holders who acquire their New Notes in exchange for subsequently purchased Original Notes or to subsequent purchasers of New Notes. This summary does not purport to be a complete analysis of all of the potential United States federal income tax consequences relating to the exchange of New Notes for the Original Notes and the ownership and disposition of the New Notes, nor does this summary describe any federal estate tax consequences. There can be no assurance that the Internal

Revenue Service, or the IRS, will take a similar view of the tax consequences described herein. Furthermore, this discussion does not address all aspects of taxation that might be relevant to particular holders in light of their individual circumstances. For instance, this discussion does not address the alternative minimum tax provisions of the Code or special rules applicable to certain categories of holders (including dealers in securities or foreign currencies, insurance companies, real estate investment trusts, regulated investment companies, financial institutions, tax-exempt entities, holders whose functional currency is not the United States dollar and, except, to the extent discussed below, foreign holders (as defined below)) or to holders who hold the New Notes as part of a hedge, conversion or constructive sale transaction or other risk reduction transaction.

This discussion is based on the provisions of the Code, the Treasury Regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as in effect as of the date hereof and all of which are subject to change (possibly with retroactive effect). The discussion below assumes that holders hold the New Notes as capital assets within the meaning of Section 1221 of the Code.

If a partnership, or an entity treated as a partnership for United States federal income tax purposes, holds any New Notes, the tax treatment of such entity and each partner will generally depend on the status of the partner and the activities of the partnership. Partnerships and their partners should consult their tax advisors regarding the tax consequences of owning New Notes.

EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT SUCH INVESTOR'S TAX ADVISOR AS TO THE SPECIFIC TAX CONSEQUENCES OF AN ACQUISITION OF NEW NOTES IN LIGHT OF SUCH INVESTOR'S PARTICULAR TAX SITUATION, INCLUDING THE APPLICATION AND EFFECT OF THE CODE, AS WELL AS STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX LAWS.

Treatment of the New Notes as Indebtedness

We intend to take the position that, under current law and interpretations thereof, the New Notes will be classified for United States federal income tax purposes as indebtedness. No assurance can be given, however, that the IRS will not challenge such position or, if challenged, that such a challenge will not be successful. If the IRS were to assert successfully that the New Notes should be treated as equity for United States federal income tax purposes, the tax treatment of the New Notes would be different than the treatment described below. The remainder of this discussion assumes that the New Notes will be classified as indebtedness for United States federal income tax purposes.

Tax Consequences to United States Holders

The following summary is a general description of material United States federal income tax consequences applicable to a "United States holder." For the purpose of this discussion, "United States holder" means a holder of a New Note, which holder is for United States federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation for United States federal income tax purposes, created or organized in or under the laws of the United States or of any political subdivision thereof (including the District of Columbia), (iii) an estate, the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust, if (A) the administration of the trust is subject to the primary supervision of a court within the United States and one or more United States persons has the authority to control all substantial decisions of the trust, or (B) it was in existence on August 20, 1996, and has a valid election in place to be a United States person.

Payments of Interest

Interest paid on a New Note will generally be taxable to a United States holder as ordinary interest income at the time the interest accrues or is received in accordance with the United States holder's method of accounting for United States federal income tax purposes.

Sale, Exchange, Redemption or Retirement of the Notes: General

In general, upon the sale, exchange, redemption or retirement of a New Note, a United States holder will recognize capital gain or loss equal to the difference between the amount realized on such sale, exchange, redemption or retirement (not including any amount attributable to accrued but unpaid interest that the United States holder has not already included in gross income) and such holder's adjusted tax basis in the New Note. To the extent attributable to accrued but unpaid interest that the United States holder has not already included in gross income, the amount recognized by the United States holder will be treated as a payment of interest. See "— Payments of Interest" above.

The excess of net long-term capital gains over net short-term capital losses is subject to tax at a lower rate for noncorporate taxpayers. Noncorporate taxpayers are generally subject to a maximum tax rate of 15% (for all taxable years ending on or before December 31, 2010) on capital gain realized on the disposition of a capital asset (including a New Note) held for more than one year. The distinction between capital gain or loss and ordinary income or loss is also relevant for purposes of, among other things, limitations on the deductibility of capital losses.

Exchange Offer

The exchange of a New Note for an Original Note pursuant to the exchange offer will not be taxable to the exchanging holder for United States federal income tax purposes. As a result, an exchanging holder:

- will not recognize any gain or loss on the exchange;
- will have a holding period for the New Note that includes the holding period for the Original Note exchanged therefor;
- will have an adjusted tax basis in the New Note equal to its adjusted tax basis in the Original Note exchanged therefor; and
- will experience tax consequences upon a subsequent sale, exchange, redemption or retirement of a New Note as described above.

The exchange offer is not expected to result in any material United States federal income tax consequences to a nonexchanging holder.

Tax Consequences to Foreign Holders

The following summary is a general description of material United States federal income tax consequences to a "foreign holder." A "foreign holder" means, for purposes of this discussion, a holder (other than a partnership, or other entity treated as a partnership for United States federal income tax purposes) that is not a United States holder. Special rules may apply to certain foreign holders such as "controlled foreign corporations," "passive foreign investment companies" and certain United States individuals that are expatriates and such foreign holders should consult their tax advisors.

Payments of Interest

Assuming that a foreign holder's interest income on a New Note is not effectively connected with the conduct by such holder of a trade or business in the United States, payments of interest on such New Note by us or any paying agent to a foreign holder will not be subject to United States federal income tax or withholding tax, *provided* that:

- such holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- such holder is not, for United States federal income tax purposes, a controlled foreign corporation related, directly or indirectly, to us through stock ownership;

- such holder is not a bank receiving interest "on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business" within the meaning of Section 881(c)(3)(A) of the Code; and
- the certification requirements under Code Section 871(h) or 881(c) and Treasury Regulations thereunder (summarized below) are met.

Payments of interest on a New Note that do not satisfy all of the foregoing requirements are generally subject to United States federal income tax and withholding tax at a flat rate of 30% (or a lower applicable treaty rate, provided certain certification requirements are met).

Except to the extent otherwise provided under an applicable tax treaty, a foreign holder generally will be subject to United States federal income tax in the same manner as a United States holder with respect to interest that is effectively connected with a United States trade or business conducted by the foreign holder. Effectively connected interest income received by a corporate foreign holder may also, under certain circumstances be subject to an additional "branch profits tax" at a 30% rate, or, if applicable, a lower treaty rate. Such effectively connected interest income will not be subject to withholding tax if the foreign holder delivers an IRS Form W-8ECI to the payor.

Repayment of Principal and Realized Gain

In general, a foreign holder of a New Note will not be subject to United States federal withholding tax on the receipt of payments of principal on the New Note, and a foreign holder will not be subject to United States federal income tax on any gain realized on the sale, exchange, redemption, retirement or other disposition of such New Note, or receipt of principal, unless:

- such foreign holder is a nonresident alien individual who is present in the United States for 183 or more days in the taxable year of disposition and certain other conditions are met;
- the foreign holder is required to pay tax pursuant to the provisions of United States tax law applicable to certain United States expatriates; or
- the gain is effectively connected with the conduct of a United States trade or business of or, if a tax treaty applies, is attributable to a United States permanent establishment of, the foreign holder.

Under Code Sections 871(h) and 881(c) and the underlying Treasury Regulations, in order to obtain the exemption from withholding tax described in "— Interest" and "— Repayment of Principal and Realized Gain" above, either (i) the holder of a New Note must provide its name and address, and certify, under penalties of perjury, to us or the paying agent, as the case may be, that such holder is a foreign holder or (ii) the holder holds the New Notes through certain intermediaries and such holder satisfies the certification requirements of applicable Treasury Regulations. Special certification rules apply to holders that are pass-through entities for United States federal income tax purposes. In general, a certificate described in this paragraph is effective only with respect to payments of interest made to the certifying foreign holder after issuance of the certificate in the calendar year of its issuance and the two immediately succeeding calendar years. Under Treasury Regulations, the foregoing certification may be provided by the holder of a New Note on IRS Form W-8BEN, W-8IMY or W-8EXP, as applicable.

Federal withholding tax is not an additional tax. Rather, any amounts withheld from a payment to a holder are generally allowed as a credit against the affected foreign holder's United States federal income tax liability.

Backup Withholding and Information Reporting

Under current United States federal income tax law, backup withholding at specified rates (currently 28%) and information reporting requirements apply to certain payments of principal and interest made to, and to the proceeds of sale before maturity by, certain holders.

In the case of a noncorporate United States holder, information reporting requirements will apply to payments of principal or interest made by us or any paying agent thereof on a New Note. The payor will be required to withhold backup withholding tax if:

- a holder fails to furnish its Taxpayer Identification Number, or TIN (which, for an individual, is his Social Security number) to the payor in the manner required;
- a holder furnishes an incorrect TIN and the payor is so notified by the IRS;
- the payor is notified by the IRS that such holder has failed to properly report payments of interest or dividends; or
- under certain circumstances, a holder fails to certify, under penalties of perjury, that it has furnished a correct TIN, is a United States person, and has not been notified by the IRS that it is subject to backup withholding for failure to report interest or dividend payments.

Backup withholding and information reporting does not apply with respect to payments made to certain exempt recipients, including entities treated as corporations for United States federal income tax purposes. United States holders should consult their tax advisors regarding their qualification for exemption from backup withholding and information reporting, and the procedure for obtaining such an exemption if applicable.

In the case of a foreign holder, under currently applicable Treasury Regulations, backup withholding and information reporting will not apply to payments of principal or interest made by us or any paying agent thereof on a New Note (absent actual knowledge or reason to know that the holder is actually a United States holder) if such holder has provided the required certification under penalties of perjury that it is not a United States holder or has otherwise established an exemption. If such holder provides the required certification, such holder may nevertheless be subject to withholding of United States federal income tax as described above under "— Tax Consequences to Foreign Holders." The rules regarding withholding, backup withholding and information reporting for foreign holders are complex, may vary depending on a foreign holder's particular situation and are subject to change. In addition, special rules apply to certain types of foreign holders, including partnerships, trusts and other entities treated as pass-through entities for United States federal income tax purposes. Accordingly, foreign holders should consult their tax advisors regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption if applicable.

Backup withholding is not an additional tax. Any amounts withheld from a payment to a holder under the backup withholding rules will be allowed as a credit against such holder's United States federal income tax liability and may entitle such holder to a refund, *provided* that certain required information is furnished to the IRS.

PLAN OF DISTRIBUTION

Each broker-dealer that receives New Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes during the 180 days after the expiration date. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Notes received in exchange for Original Notes where such Original Notes were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of not less than 180 days after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

We will not receive any proceeds from any sale of New Notes by broker-dealers. New Notes received by broker-dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the New Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or

concessions from any such broker-dealer and/or the purchasers of any such New Notes. Any broker-dealer that resells New Notes that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such New Notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit from any such resale of New Notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the expiration date, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all of our expenses incident to the Exchange Offer (and the reasonable fees and disbursements in an amount not to exceed $10,000 of one counsel for the holders of the Original Notes). We will indemnify the holders of the Original Notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

VALIDITY OF THE NEW NOTES

The validity of the New Notes will be passed upon for us by McDermott Will & Emery LLP, New York, New York.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to Vector Group Ltd.'s Current Report on Form 8-K/A dated April 4, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Vector Tobacco Inc. and Liggett Group LLC incorporated in this Prospectus by reference to the Current Report on Form 8-K/A of Vector Group Ltd. dated April 4, 2008 have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

VECTOR GROUP LTD.

Exchange Offer for
Up to $165,000,000 Principal Amount Outstanding of
11% Senior Secured Notes due 2015
for
a Like Principal Amount of
Registered 11% Senior Secured Notes due 2015

PROSPECTUS

, 2008

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. ***Indemnification of Directors and Officers.***

Delaware Registrants

Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides, in relevant part, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. Under Section 145(b) of the DGCL, such eligibility for indemnification may be further subject to the adjudication of the Delaware Court of Chancery or the court in which such action or suit was brought.

Section 102(b)(7) of the DGCL provides that a corporation may in its certificate of incorporation eliminate or limit the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability: (i) for any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the DGCL (pertaining to certain prohibited acts including unlawful payment of dividends or unlawful purchase or redemption of the corporation's capital stock); or (iv) for any transaction from which the director derived an improper personal benefit. The certificates of incorporation of each of Vector Group, Liggett Vector Brands, Inc., Eve Holding Inc. , Liggett & Myers Holdings Inc. eliminate such personal liability of their directors under such terms. The bylaws of Liggett & Myers Inc. provide that the corporation may indemnify any person to the extent provided under the DGCL.

Vector Group Ltd. and the other Delaware registrants also maintain liability insurance for the benefit of their directors and officers.

Section 18-108 of the Delaware Limited Liability Company Act provides that, subject to such standards and restrictions, if any, as are set forth in its limited liability company agreement, a limited liability company may, and shall have the power to, indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever.

The limited liability company agreements of the Delaware limited liability company registrants provide that each may indemnify its members, directors and officers and any other designated person on an after-tax basis for any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax or cost or expense of any nature (including attorneys' fees and disbursements) to the fullest extent provided or allowed by the laws of Delaware; provided, however, that no indemnity shall be payable against any liability incurred by such person by reason of (i) fraud, willful violation of law, gross negligence or such person's material breach of the limited partnership agreement or such person's bad faith or (ii) the receipt by such person from the company of a personal benefit to which such person is or was not legally entitled. The Limited Liability Company Agreements of Liggett Group LLC, VGR Holding LLC, VGR Aviation LLC, Vector Research LLC, and V.T. Aviation LLC provide for the indemnification of any manager and delegates of the managers, to the fullest extent authorized by the Delaware Limited Liability Company Act. The Limited Liability Company Agreement of 100 Maple LLC provides for the indemnification of any manager and delegates of the managers, to the fullest extent authorized by the Delaware Limited Liability Company Act, provided that no indemnification shall be made to or on behalf of any manager if a judgment or other final adjudication adverse to such manager establishes that either (a) the manager's acts were committed in bad faith or were the result of active

and deliberate dishonesty and were material to the cause of the action being adjudicated, or (b) the manager personally gained a financial profit or other advantage to which the manager was not legally entitled.

Virginia Registrant

Vector Tobacco Inc. is incorporated under the laws of the State of Virginia. Section 13.1-697 of the Virginia Code provides that a corporation may indemnify an individual made a party to a proceeding because he is or was a director or officer against liability incurred in the proceeding if he conducted himself in good faith and he believed, in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests, in all other cases, that his conduct was at least not opposed to its best interests, and in the case of any criminal proceeding, he had no reasonable cause to believe this conduct was unlawful. Under the Virginia Code a corporation may not indemnify a director in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation, or in connection with any proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him. Indemnification permitted in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding. Unless limited by a corporation's articles of incorporation, the Virginia Code states that a corporation shall indemnify a director or officer who entirely prevails in the defense of any proceeding to which he was a party because he is or was a director or officer of the corporation against reasonable expenses incurred by him in connection with the proceeding. The bylaws of Vector Tobacco Inc. provide that such registrant indemnifies its directors and officers to the maximum extent allowed by Virginia law.

Item 21. ***Exhibits and Financial Statement Schedules. The following exhibits are filed herewith or incorporated herein by reference.***

Exhibit Number	Description of Documents
3.1*	Amended and Restated Certificate of Incorporation of Vector Group Ltd. (formerly known as Brooke Group Ltd.) (incorporated by reference to Exhibit 3.1 in Vector Group's Form 10-Q for the quarter ended September 30, 1999).
3.2*	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group Ltd.'s Form 8-K dated May 24, 2000).
3.3*	Certificate of Amendment to the Certificate of Incorporation of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group's Form 10-Q for the quarter ended June 30, 2007).
3.4*	Amended and Restated Bylaws of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group Ltd.'s Form 8-K dated October 19, 2007).
3.5	Certificate of Formation of 100 Maple LLC.
3.6	Limited Liability Company Operating Agreement of 100 Maple LLC.
3.7	Certificate of Incorporation of Eve Holdings Inc.
3.8	By-laws of Eve Holdings Inc.
3.9	Certificate of Incorporation of Liggett & Myers Holdings Inc.
3.10	By-laws of Liggett & Myers Holdings Inc.
3.11	Certificate of Incorporation of Liggett & Myers Inc.
3.12	By-laws of Liggett & Myers Inc.
3.13	Certificate of Formation of Liggett Group LLC.
3.14	Limited Liability Company Agreement of Liggett Group LLC.
3.15	Certificate of Incorporation of Liggett Vector Brands Inc.
3.16	By-laws of Liggett Vector Brands Inc.
3.17	Certificate of Formation of V.T. Aviation LLC.
3.18	Limited Liability Company Agreement of V.T. Aviation LLC.
3.19	Certificate of Formation of Vector Research LLC.

Exhibit Number	Description of Documents
3.20	Limited Liability Company Agreement of Vector Research LLC.
3.21	Articles of Incorporation of Vector Tobacco Inc.
3.22	By-laws of Vector Tobacco Inc.
3.23	Certificate of Formation of VGR Aviation LLC.
3.24	Limited Liability Company Agreement of VGR Aviation LLC.
3.25	Certificate of Formation of VGR Holding LLC.
3.26	Limited Liability Company Agreement of VGR Holding LLC.
4.1*	Amended and Restated Loan and Security Agreement dated as of April 14, 2004, by and between Wachovia Bank, N.A., as lender, Liggett Group Inc., as borrower, 100 Maple LLC and Epic Holdings Inc. (the "Wachovia Loan Agreement") (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated April 14, 2004).
4.2*	Amendment, dated as of December 13, 2005, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated December 13, 2005).
4.4*	Amendment, dated as of January 31, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated February 2, 2007).
4.5*	Amendment, dated as of August 10, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.6 in Vector Group's Form 8-K dated August 16, 2007).
4.6*	Amendment, dated as of August 16, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.7 in Vector Group's Form 8-K dated August 16, 2007).
4.7*	Intercreditor Agreement, dated as of August 16, 2007, between Wachovia Bank, N.A., as ABL Lender, U.S. Bank National Association, as Collateral Agent, Liggett Group LLC, as Borrower, and 100 Maple LLC, as Loan Party (incorporated by reference to Exhibit 99.1 in Vector Group's Form 8-K dated August 16, 2007).
4.8*	Indenture, dated as of November 18, 2004, between Vector Group and Wells Fargo Bank, N.A., as Trustee, relating to the 5% Variable Interest Senior Convertible Notes due 2011, including the form of Note (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 18, 2004).
4.9*	Indenture, dated as of April 13, 2005, by and between Vector Group and Wells Fargo Bank, N.A., relating to the 5% Variable Interest Senior Convertible Notes due 2011 including the form of Note (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated April 14, 2005).
4.10*	Registration Rights Agreement, dated as of April 13, 2005, by and between Vector Group and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated April 14, 2005).
4.11*	Indenture, dated as of July 12, 2006, by and between Vector Group and Wells Fargo Bank, N.A., relating to the 37/8% Variable Interest Senior Convertible Debentures due 2026 (the "37/8% Debentures"), including the form of the 37/8% Debenture (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated July 11, 2006).
4.12*	Registration Rights Agreement, dated as of July 12, 2006, by and between Vector Group and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated July 11, 2006).
4.13*	Indenture, dated as of August 16, 2007, between Vector Group, the subsidiary guarantors named therein and U.S. Bank National Association, as Trustee, relating to the 11% Senior Secured Notes due 2015, including the form of Note (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated August 16, 2007).
4.14*	Pledge Agreement, dated as of August 16, 2007, between VGR Holding LLC, as Grantor, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated August 16, 2007).
4.15*	Security Agreement, dated as of August 16, 2007, between Vector Tobacco Inc., as Grantor, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.3 in Vector Group's Form 8-K dated August 16, 2007).

Exhibit Number	Description of Documents
4.16*	Security Agreement, dated as of August 16, 2007, between Liggett Group LLC and 100 Maple LLC, as Grantors, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.4 in Vector Group's Form 8-K dated August 16, 2007).
4.17*	Registration Rights Agreement, dated as of August 16, 2007, between Vector Group, the subsidiary guarantors named therein and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.5 in Vector Group's Form 8-K dated August 16, 2007).
5.1	Opinion of McDermott Will & Emery LLP.
10.2*	Services Agreement, dated as of February 26, 1991, between Brooke Management Inc. ("BMI") and Liggett (the "Liggett Services Agreement") (incorporated by reference to Exhibit 10.5 in VGR Holding's Registration Statement on Form S-1, No. 33-93576).
10.3*	First Amendment to Liggett Services Agreement, dated as of November 30, 1993, between Liggett and BMI (incorporated by reference to Exhibit 10.6 in VGR Holding's Registration Statement on Form S-1, No. 33-93576).
10.4*	Second Amendment to Liggett Services Agreement, dated as of October 1, 1995, between BMI, Vector Group and Liggett (incorporated by reference to Exhibit 10(c) in Vector Group's Form 10-Q for the quarter ended September 30, 1995).
10.5*	Third Amendment to Liggett Services Agreement, dated as of March 31, 2001, by and between Vector Group and Liggett (incorporated by reference to Exhibit 10.5 in Vector Group's Form 10-K for the year ended December 31, 2003).
10.6*	Corporate Services Agreement, dated January 1, 1992, between VGR Holding and Liggett (incorporated by reference to Exhibit 10.13 in Liggett's Registration Statement on Form S-1, No. 33-47482).
10.7*	Settlement Agreement, dated March 15, 1996, by and among the State of West Virginia, State of Florida, State of Mississippi, Commonwealth of Massachusetts, and State of Louisiana, Brooke Group Holding and Liggett (incorporated by reference to Exhibit 15 in the Schedule 13D filed by Vector Group on March 11, 1996, as amended, with respect to the common stock of RJR Nabisco Holdings Corp.).
10.8*	Addendum to Initial States Settlement Agreement (incorporated by reference to Exhibit 10.43 in Vector Group's Form 10-Q for the quarter ended March 31, 1997).
10.9*	Settlement Agreement, dated March 12, 1998, by and among the States listed in Appendix A thereto, Brooke Group Holding and Liggett (incorporated by reference to Exhibit 10.35 in Vector Group's Form 10-K for the year ended December 31, 1997).
10.10*	Master Settlement Agreement made by the Settling States and Participating Manufacturers signatories thereto (incorporated by reference to Exhibit 10.1 in Philip Morris Companies Inc.'s Form 8-K dated November 25, 1998, Commission File No. 1-8940).
10.11*	General Liggett Replacement Agreement, dated as of November 23, 1998, entered into by each of the Settling States under the Master Settlement Agreement, and Brooke Group Holding and Liggett (incorporated by reference to Exhibit 10.34 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.12*	Stipulation and Agreed Order regarding Stay of Execution Pending Review and Related Matters, dated May 7, 2001, entered into by Philip Morris Incorporated, Lorillard Tobacco Co., Liggett Group Inc. and Brooke Group Holding Inc. and the class counsel in Engel, et. al., v. R.J. Reynolds Tobacco Co., et. al. (incorporated by reference to Exhibit 99.2 in Philip Morris Companies Inc.'s Form 8-K dated May 7, 2001).
10.13*	Letter Agreement, dated November 20, 1998, by and among Philip Morris Incorporated ("PM"), Brooke Group Holding, Liggett & Myers Inc. ("L&M") and Liggett (incorporated by reference to Exhibit 10.1 in Vector Group's Report on Form 8-K dated November 25, 1998).
10.14*	Amended and Restated Formation and Limited Liability Company Agreement of Trademarks LLC, dated as of May 24, 1999, among Brooke Group Holding, L&M, Eve Holdings Inc. ("Eve"), Liggett and PM, including the form of Trademark License Agreement (incorporated by reference to Exhibit 10.4 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).

Exhibit Number	Description of Documents
10.15*	Class A Option Agreement, dated as of January 12, 1999, among Brooke Group Holding, L&M, Eve, Liggett and PM (incorporated by reference to Exhibit 10.61 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.16*	Class B Option Agreement, dated as of January 12, 1999, among Brooke Group Holding, L&M, Eve, Liggett and PM (incorporated by reference to Exhibit 10.62 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.17*	Pledge Agreement, dated as of May 24, 1999, from Eve, as grantor, in favor of Citibank, N.A., as agent (incorporated by reference to Exhibit 10.5 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).
10.18*	Guaranty, dated as of June 10, 1999, from Eve, as guarantor, in favor of Citibank, N.A., as agent (incorporated by reference to Exhibit 10.6 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).
10.19*	Vector Group Ltd. 1998 Long-Term Incentive Plan (incorporated by reference to the Appendix to Vector Group's Proxy Statement dated September 15, 1998).
10.20*	Stock Option Agreement, dated July 20, 1998, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 6 in the Amendment No. 5 to the Schedule 13D filed by Bennett S. LeBow on October 16, 1998 with respect to the common stock of Vector Group).
10.21*	Amended and Restated Employment Agreement ("LeBow Employment Agreement), dated as of September 27, 2005, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated September 27, 2005).
10.22*	Amendment dated January 27, 2006 to LeBow Employment Agreement (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated January 27, 2006).
10.23*	Amended and Restated Employment Agreement dated as of January 27, 2006, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated January 27, 2006).
10.24*	Employment Agreement, dated as of January 27, 2006, between Vector Group and Richard J. Lampen (incorporated by reference to Exhibit 10.3 in Vector Group's Form 8-K dated January 27, 2006).
10.25*	Amended and Restated Employment Agreement, dated as of January 27, 2006, between Vector Group and Marc N. Bell (incorporated by reference to Exhibit 10.4 in Vector Group's Form 8-K dated January 27, 2006).
10.26*	Employment Agreement, dated as of November 11, 2005, between Liggett Group Inc. and Ronald J. Bernstein (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 11, 2005).
10.27*	Employment Agreement, dated as of January 27, 2006, between Vector Group and J. Bryant Kirkland III (incorporated by reference to Exhibit 10.5 in Vector Group's Form 8-K dated January 27, 2006).
10.28*	Vector Group Ltd. Amended and Restated 1999 Long-Term Incentive Plan (incorporated by reference to Appendix A in Vector Group's Proxy Statement dated April 21, 2004).
10.29*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.59 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.30*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Richard J. Lampen (incorporated by reference to Exhibit 10.60 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.31*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Marc N. Bell (incorporated by reference to Exhibit 10.61 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.32*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.63 in Vector Group's Form 10-K for the year ended December 31, 1999).

Exhibit Number	Description of Documents
10.33*	Stock Option Agreement, dated November 4, 1999, between Vector Group and J. Bryant Kirkland III (incorporated by reference to Exhibit 10.34 in Vector Group's Form 10-K for the year ended December 31, 2006).
10.34*	Stock Option Agreement, dated January 22, 2001, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.1 in Vector Group's Form 10-Q for the quarter ended March 31, 2001).
10.35*	Stock Option Agreement, dated January 22, 2001, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.2 in Vector Group's Form 10-Q for the quarter ended March 31, 2001).
10.36*	Restricted Share Award Agreement, dated as of September 27, 2005, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated September 27, 2005).
10.37*	Restricted Share Award Agreement, dated as of November 11, 2005, between Vector Group and Ronald J. Bernstein (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated November 11, 2005).
10.38*	Option Letter Agreement, dated as of November 11, 2005 between Vector Group and Ronald J. Bernstein (incorporated by reference to Exhibit 10.3 in Vector Group's Form 8-K dated November 11, 2005).
10.39*	Restricted Share Award Agreement, dated as of November 16, 2005, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 16, 2005).
10.40*	Vector Group Senior Executive Annual Bonus Plan (incorporated by reference to Exhibit 10.7 in Vector Group's Form 8-K dated January 27, 2006).
10.41*	Vector Group Supplemental Retirement Plan (as amended and restated January 27, 2006) (incorporated by reference to Exhibit 10.6 in Vector Group's Form 8-K dated January 27, 2006).
10.42*	Agreement, dated as of June 7, 2006, between the Company and Frost Gamma Investments Trust, an entity affiliated with Dr. Phillip Frost, relating to the conversion of 6.25% convertible subordinated notes due 2008 (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated June 7, 2006).
10.43*	Agreement, dated as of June 7, 2006, between the Company and Barberry Corp., an entity affiliated with Carl C. Icahn, relating to the conversion of 6.25% convertible subordinated notes due 2008 (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated June 7, 2006).
10.44*	Purchase Agreement, dated as of June 27, 2006, among Vector Group and Jefferies (incorporated by reference to Exhibit 1.1 in Vector Group's Form 8-K dated June 27, 2006).
10.45*	Letter Agreement, dated July 14, 2006, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated July 11, 2006).
10.46*	Notice of Redemption of 6 1/4% Convertible Subordinated Notes due 2008, dated July 14, 2006 (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated July 11, 2006).
10.47*	Closing Agreement on Final Determination Covering Specific Matters between Vector Group and the Commissioner of Internal Revenue of the United States of America dated July 20, 2006 (incorporated by reference to Exhibit 10.3 in Vector Group's Form 10-Q for the quarter ended September 30, 2006).
10.48*	Operating Agreement of Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC) dated December 17, 2002 (incorporated by reference to Exhibit 10.1 in New Valley's Form 8-K dated December 13, 2002).
10.49*	First Amendment to Operating Agreement of Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC), dated as of March 14, 2003 (incorporated by reference to Exhibit 10.1 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.50*	Second Amendment to Operating Agreement of Douglas Elliman Realty, LLC, dated as of May 19, 2003 (incorporated by reference to Exhibit 10.1 in New Valley's Form 10-Q for the quarter ended June 30, 2003).

Exhibit Number	Description of Documents
10.51*	Note and Equity Purchase Agreement, dated as of March 14, 2003 (the "Note and Equity Purchase Agreement"), by and between Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC), New Valley Real Estate Corporation and The Prudential Real Estate Financial Services of America, Inc., including form of 12% Subordinated Note due March 14, 2013 (incorporated by reference to Exhibit 10.2 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.52*	Amendment to the Note and Equity Purchase Agreement, dated as of April 14, 2003 (incorporated by reference to Exhibit 10.3 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.53*	Stipulation for Entry of Judgment dated March 14, 2007 between New Valley Corporation and the United States of America (incorporated by reference to Exhibit 10.2 in Vector Group's Form 10-Q for the quarter ended March 31, 2007).
10.54*	Purchase Agreement, dated as of August 8, 2007, between Vector Group Ltd., the subsidiary guarantors named therein and Jefferies & Company, Inc. (incorporated by reference to Exhibit 1.1 in Vector Group's Form 8-K dated August 8, 2007).
12.1	Statement of Computation of Ratio of Earnings to Fixed Charges.
21.1*	Subsidiaries of the Company (incorporated by reference to Exhibit 21 in Vector Group's Form 10-K for the year ended December 31, 2007).
23.1	Consent of McDermott Will & Emery LLP (included in Exhibit 5.1).
23.2	Consent of PricewaterhouseCoopers LLP.
23.3	Consent of PricewaterhouseCoopers LLP.
23.4	Consent of PricewaterhouseCoopers LLP.
24.1	Power of Attorney (included on signature page hereto).
25.1	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association under the Indenture.
99.1	Form of Letter of Transmittal.
99.2	Form of Notice of Guaranteed Delivery.
99.3	Form of Notice of Withdrawal of Tender.
99.4	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
99.5	Form of Letter to Clients.
99.6	Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

* Incorporated by reference

Item 22. ***Undertakings.***

The undersigned registrant hereby undertakes:

(1) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining liability under the Securities Act of 1933 to any purchaser:

(i) each prospectus filed pursuant to Rule 424(b) as part of the registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Miami, State of Florida, on April 8, 2008.

VECTOR GROUP LTD.

By: /s/ J. Bryant Kirkland III
J. Bryant Kirkland III
Vice President, Treasurer, and Chief Financial Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Richard J. Lampen, Marc N. Bell, and J. Bryant Kirkland III his or her true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Howard M. Lorber **Howard M. Lorber**	President and Chief Executive Officer	April 8, 2008
/s/ J. Bryant Kirkland III **J. Bryant Kirkland III**	Vice President, Treasurer, and Chief Financial Officer and Officer (Principal Financial Officer and Principal Accounting Officer)	April 8, 2008
/s/ Henry C. Beinstein **Henry C. Beinstein**	Director	April 8, 2008
/s/ Ronald J. Bernstein **Ronald J. Bernstein**	Director	April 8, 2008
/s/ Robert J. Eide **Robert J. Eide**	Director	April 8, 2008
/s/ Bennett S. LeBow **Bennett S. LeBow**	Director	April 8, 2008
/s/ Howard M. Lorber **Howard M. Lorber**	Director	April 8, 2008
/s/ Jeffrey S. Podell **Jeffrey S. Podell**	Director	April 8, 2008
/s/ Jean E. Sharpe **Jean E. Sharpe**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

100 Maple LLC

By: /s/ RONALD J. BERNSTEIN
Ronald J. Bernstein
Manager

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Ronald J. Bernstein his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RONALD J. BERNSTEIN **Ronald J. Bernstein**	Manager (Principal Executive Officer)	April 8, 2008
/s/ CHARLES M. KINGAN **Charles M. Kingan**	Manager (Principal Financial and Accounting Officer)	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Miami, State of Florida, on April 8, 2008.

Eve Holdings Inc.

By: /s/ RICHARD J. LAMPEN
Richard J. Lampen
President

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Richard J. Lampen his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RICHARD J. LAMPEN **Richard J. Lampen**	President (Principal Executive Officer)	April 8, 2008
/s/ J. BRYANT KIRKLAND III **J. Bryant Kirkland III**	Treasurer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ RICHARD J. LAMPEN **Richard J. Lampen**	Director	April 8, 2008
/s/ MARC N. BELL **Marc N. Bell**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Miami, State of Florida, on April 8, 2008.

Liggett & Myers Holdings Inc.

By: /s/ RICHARD J. LAMPEN
Richard J. Lampen
President

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Richard J. Lampen his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RICHARD J. LAMPEN **Richard J. Lampen**	President (Principal Executive Officer)	April 8, 2008
/s/ J. BRYANT KIRKLAND III **J. Bryant Kirkland III**	Treasurer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ RICHARD J. LAMPEN **Richard J. Lampen**	Director	April 8, 2008
/s/ J. BRYANT KIRKLAND III **J. Bryant Kirkland III**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

Liggett & Myers Inc.

By: /s/ Ronald J. Bernstein
Ronald J. Bernstein
President

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Ronald J. Bernstein his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Ronald J. Bernstein **Ronald J. Bernstein**	President (Principal Executive Officer)	April 8, 2008
/s/ Charles M. Kingan, Jr. **Charles M. Kingan, Jr.**	Vice President, Treasurer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ Ronald J. Bernstein **Ronald J. Bernstein**	Director	April 8, 2008
/s/ Charles M. Kingan, Jr. **Charles M. Kingan, Jr.**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

Liggett Group LLC

By: /s/ Ronald J. Bernstein
Ronald J. Bernstein
Manager, President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Ronald J. Bernstein his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Ronald J. Bernstein **Ronald J. Bernstein**	Manager, President and Chief Executive Officer (Principal Executive Officer)	April 8, 2008
/s/ Charles M. Kingan, Jr. **Charles M. Kingan, Jr.**	Vice President, Finance (Principal Financial and Accounting Officer)	April 8, 2008
/s/ Ronald J. Bernstein **Ronald J. Bernstein**	Manager	April 8, 2008
/s/ Charles M. Kingan, Jr. **Charles M. Kingan, Jr.**	Manager	April 8, 2008
/s/ Gregory A. Sulin **Gregory A. Sulin**	Manager	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

Liggett Vector Brands Inc.

By: /s/ RONALD J. BERNSTEIN
Ronald J. Bernstein
President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Ronald J. Bernstein his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RONALD J. BERNSTEIN **Ronald J. Bernstein**	President and Chief Executive Officer (Principal Executive Officer)	April 8, 2008
/s/ FRANCIS G. WALL **Francis G. Wall**	Vice President, Finance, Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ RONALD J. BERNSTEIN **Ronald J. Bernstein**	Director	April 8, 2008
/s/ FRANCIS G. WALL **Francis G. Wall**	Director	April 8, 2008
/s/ CHARLES M. KINGAN, JR. **Charles M. Kingan, Jr.**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

V.T. Aviation LLC

By: /s/ Francis G. Wall
Francis G. Wall
Vice President of Finance, Treasurer and
Chief Financial Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Francis G. Wall his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Francis G. Wall **Francis G. Wall**	Vice President of Finance, Treasurer and Chief Financial Officer (Principal Executive Officer, Principal Financial and Accounting Officer)	April 8, 2008
/s/ Marc N. Bell **VECTOR RESEARCH LLC** **As Sole Member and Manager** **By: Marc N. Bell** **Senior Vice President, General Counsel** **Secretary and Manager**	Sole Member and Manager	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of New York, State of New York, on April 8, 2008.

Vector Research LLC

By: /s/ ANTHONY P. ALBINO
Dr. Anthony P. Albino
President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Francis G. Wall his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ ANTHONY P. ALBINO **Anthony P. Albino**	President and Chief Executive Officer (Principal Executive Officer)	April 8, 2008
/s/ FRANCIS G. WALL **Francis G. Wall**	Vice President, Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ MARC N. BELL **Marc N. Bell**	Senior Vice President, General Counsel, Secretary and Manager	April 8, 2008
/s/ HOWARD M. LORBER **Howard M. Lorber**	Manager	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of New York, State of New York, on April 8, 2008.

Vector Tobacco Inc.

By: /s/ Howard M. Lorber
Howard M. Lorber
President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Howard M. Lorber his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Howard M. Lorber **Howard M. Lorber**	(President and Chief Executive Officer, Principal Executive Officer)	April 8, 2008
/s/ Francis G. Wall **Francis G. Wall**	Vice President of Finance, Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer)	April 8, 2008
/s/ Marc N. Bell **Marc N. Bell**	Senior Vice President, General Counsel and Secretary	April 8, 2008
/s/ Howard M. Lorber **Howard M. Lorber**	Director	April 8, 2008
/s/ Marc N. Bell **Marc N. Bell**	Director	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Morrisville, State of North Carolina, on April 8, 2008.

VGR Aviation LLC

By: /s/ Francis G. Wall
Francis G. Wall
Vice President of Finance, Chief Financial Officer and Treasurer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Francis G. Wall his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Francis G. Wall **Francis G. Wall**	Vice President of Finance, Chief Financial Officer and Treasurer (Principal Executive Officer, Principal Financial and Accounting Officer)	April 8, 2008
/s/ J. Bryant Kirkland III **VECTOR GROUP LTD.** **As Sole Member and Manager** **By: J. Bryant Kirkland III** **Vice President, Chief Financial Officer** **and Treasurer**	Sole Member and Manager	April 8, 2008

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, in the City of Miami, State of Florida, on April 8, 2008.

VGR Holding LLC

By: /s/ RICHARD J. LAMPEN
Richard J. Lampen
Manager

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Richard J. Lampen his true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement and any additional registration statement pursuant to Rule 462(b) under the Securities Act of 1933 and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RICHARD J. LAMPEN **Richard J. Lampen**	Manager (Principal Executive Officer, Principal Financial and Accounting Officer)	April 8, 2008
/s/ MARC N. BELL **Marc N. Bell**	Manager	April 8, 2008

EXHIBIT INDEX

Exhibit Number	Description of Documents
3.1*	Amended and Restated Certificate of Incorporation of Vector Group Ltd. (formerly known as Brooke Group Ltd.) (incorporated by reference to Exhibit 3.1 in Vector Group's Form 10-Q for the quarter ended September 30, 1999).
3.2*	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group Ltd.'s Form 8-K dated May 24, 2000).
3.3*	Certificate of Amendment to the Certificate of Incorporation of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group's Form 10-Q for the quarter ended June 30, 2007).
3.4*	Amended and Restated Bylaws of Vector Group (incorporated by reference to Exhibit 3.1 in Vector Group Ltd.'s Form 8-K dated October 19, 2007).
3.5	Certificate of Formation of 100 Maple LLC.
3.6	Limited Liability Company Operating Agreement of 100 Maple LLC.
3.7	Certificate of Incorporation of Eve Holdings Inc.
3.8	By-laws of Eve Holdings Inc.
3.9	Certificate of Incorporation of Liggett & Myers Holdings Inc.
3.10	By-laws of Liggett & Myers Holdings Inc.
3.11	Certificate of Incorporation of Liggett & Myers Inc.
3.12	By-laws of Liggett & Myers Inc.
3.13	Certificate of Formation of Liggett Group LLC.
3.14	Limited Liability Company Agreement of Liggett Group LLC.
3.15	Certificate of Incorporation of Liggett Vector Brands Inc.
3.16	By-laws of Liggett Vector Brands Inc.
3.17	Certificate of Formation of V.T. Aviation LLC.
3.18	Limited Liability Company Agreement of V.T. Aviation LLC.
3.19	Certificate of Formation of Vector Research LLC.
3.20	Limited Liability Company Agreement of Vector Research LLC.
3.21	Articles of Incorporation of Vector Tobacco Inc.
3.22	By-laws of Vector Tobacco Inc.
3.23	Certificate of Formation of VGR Aviation LLC.
3.24	Limited Liability Company Agreement of VGR Aviation LLC.
3.25	Certificate of Formation of VGR Holding LLC.
3.26	Limited Liability Company Agreement of VGR Holding LLC.
4.1*	Amended and Restated Loan and Security Agreement dated as of April 14, 2004, by and between Wachovia Bank, N.A., as lender, Liggett Group Inc., as borrower, 100 Maple LLC and Epic Holdings Inc. (the "Wachovia Loan Agreement") (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated April 14, 2004).
4.2*	Amendment, dated as of December 13, 2005, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated December 13, 2005).
4.4*	Amendment, dated as of January 31, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated February 2, 2007).
4.5*	Amendment, dated as of August 10, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.6 in Vector Group's Form 8-K dated August 16, 2007).
4.6*	Amendment, dated as of August 16, 2007, to the Wachovia Loan Agreement (incorporated by reference to Exhibit 4.7 in Vector Group's Form 8-K dated August 16, 2007).

Exhibit Number	Description of Documents
4.7*	Intercreditor Agreement, dated as of August 16, 2007, between Wachovia Bank, N.A., as ABL Lender, U.S. Bank National Association, as Collateral Agent, Liggett Group LLC, as Borrower, and 100 Maple LLC, as Loan Party (incorporated by reference to Exhibit 99.1 in Vector Group's Form 8-K dated August 16, 2007).
4.8*	Indenture, dated as of November 18, 2004, between Vector Group and Wells Fargo Bank, N.A., as Trustee, relating to the 5% Variable Interest Senior Convertible Notes due 2011, including the form of Note (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 18, 2004).
4.9*	Indenture, dated as of April 13, 2005, by and between Vector Group and Wells Fargo Bank, N.A., relating to the 5% Variable Interest Senior Convertible Notes due 2011 including the form of Note (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated April 14, 2005).
4.10*	Registration Rights Agreement, dated as of April 13, 2005, by and between Vector Group and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated April 14, 2005).
4.11*	Indenture, dated as of July 12, 2006, by and between Vector Group and Wells Fargo Bank, N.A., relating to the 37/8% Variable Interest Senior Convertible Debentures due 2026 (the "37/8% Debentures"), including the form of the 37/8% Debenture (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated July 11, 2006).
4.12*	Registration Rights Agreement, dated as of July 12, 2006, by and between Vector Group and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated July 11, 2006).
4.13*	Indenture, dated as of August 16, 2007, between Vector Group, the subsidiary guarantors named therein and U.S. Bank National Association, as Trustee, relating to the 11% Senior Secured Notes due 2015, including the form of Note (incorporated by reference to Exhibit 4.1 in Vector Group's Form 8-K dated August 16, 2007).
4.14*	Pledge Agreement, dated as of August 16, 2007, between VGR Holding LLC, as Grantor, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.2 in Vector Group's Form 8-K dated August 16, 2007).
4.15*	Security Agreement, dated as of August 16, 2007, between Vector Tobacco Inc., as Grantor, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.3 in Vector Group's Form 8-K dated August 16, 2007).
4.16*	Security Agreement, dated as of August 16, 2007, between Liggett Group LLC and 100 Maple LLC, as Grantors, and U.S. Bank National Association, as Collateral Agent (incorporated by reference to Exhibit 4.4 in Vector Group's Form 8-K dated August 16, 2007).
4.17*	Registration Rights Agreement, dated as of August 16, 2007, between Vector Group, the subsidiary guarantors named therein and Jefferies & Company, Inc. (incorporated by reference to Exhibit 4.5 in Vector Group's Form 8-K dated August 16, 2007).
5.1	Opinion of McDermott Will & Emery LLP.
10.2*	Services Agreement, dated as of February 26, 1991, between Brooke Management Inc. ("BMI") and Liggett (the "Liggett Services Agreement") (incorporated by reference to Exhibit 10.5 in VGR Holding's Registration Statement on Form S-1, No. 33-93576).
10.3*	First Amendment to Liggett Services Agreement, dated as of November 30, 1993, between Liggett and BMI (incorporated by reference to Exhibit 10.6 in VGR Holding's Registration Statement on Form S-1, No. 33-93576).
10.4*	Second Amendment to Liggett Services Agreement, dated as of October 1, 1995, between BMI, Vector Group and Liggett (incorporated by reference to Exhibit 10(c) in Vector Group's Form 10-Q for the quarter ended September 30, 1995).
10.5*	Third Amendment to Liggett Services Agreement, dated as of March 31, 2001, by and between Vector Group and Liggett (incorporated by reference to Exhibit 10.5 in Vector Group's Form 10-K for the year ended December 31, 2003).

Exhibit Number	Description of Documents
10.6*	Corporate Services Agreement, dated January 1, 1992, between VGR Holding and Liggett (incorporated by reference to Exhibit 10.13 in Liggett's Registration Statement on Form S-1, No. 33-47482).
10.7*	Settlement Agreement, dated March 15, 1996, by and among the State of West Virginia, State of Florida, State of Mississippi, Commonwealth of Massachusetts, and State of Louisiana, Brooke Group Holding and Liggett (incorporated by reference to Exhibit 15 in the Schedule 13D filed by Vector Group on March 11, 1996, as amended, with respect to the common stock of RJR Nabisco Holdings Corp.).
10.8*	Addendum to Initial States Settlement Agreement (incorporated by reference to Exhibit 10.43 in Vector Group's Form 10-Q for the quarter ended March 31, 1997).
10.9*	Settlement Agreement, dated March 12, 1998, by and among the States listed in Appendix A thereto, Brooke Group Holding and Liggett (incorporated by reference to Exhibit 10.35 in Vector Group's Form 10-K for the year ended December 31, 1997).
10.10*	Master Settlement Agreement made by the Settling States and Participating Manufacturers signatories thereto (incorporated by reference to Exhibit 10.1 in Philip Morris Companies Inc.'s Form 8-K dated November 25, 1998, Commission File No. 1-8940).
10.11*	General Liggett Replacement Agreement, dated as of November 23, 1998, entered into by each of the Settling States under the Master Settlement Agreement, and Brooke Group Holding and Liggett (incorporated by reference to Exhibit 10.34 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.12*	Stipulation and Agreed Order regarding Stay of Execution Pending Review and Related Matters, dated May 7, 2001, entered into by Philip Morris Incorporated, Lorillard Tobacco Co., Liggett Group Inc. and Brooke Group Holding Inc. and the class counsel in Engel, et. al., v. R.J. Reynolds Tobacco Co., et. al. (incorporated by reference to Exhibit 99.2 in Philip Morris Companies Inc.'s Form 8-K dated May 7, 2001).
10.13*	Letter Agreement, dated November 20, 1998, by and among Philip Morris Incorporated ("PM"), Brooke Group Holding, Liggett & Myers Inc. ("L&M") and Liggett (incorporated by reference to Exhibit 10.1 in Vector Group's Report on Form 8-K dated November 25, 1998).
10.14*	Amended and Restated Formation and Limited Liability Company Agreement of Trademarks LLC, dated as of May 24, 1999, among Brooke Group Holding, L&M, Eve Holdings Inc. ("Eve"), Liggett and PM, including the form of Trademark License Agreement (incorporated by reference to Exhibit 10.4 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).
10.15*	Class A Option Agreement, dated as of January 12, 1999, among Brooke Group Holding, L&M, Eve, Liggett and PM (incorporated by reference to Exhibit 10.61 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.16*	Class B Option Agreement, dated as of January 12, 1999, among Brooke Group Holding, L&M, Eve, Liggett and PM (incorporated by reference to Exhibit 10.62 in Vector Group's Form 10-K for the year ended December 31, 1998).
10.17*	Pledge Agreement, dated as of May 24, 1999, from Eve, as grantor, in favor of Citibank, N.A., as agent (incorporated by reference to Exhibit 10.5 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).
10.18*	Guaranty, dated as of June 10, 1999, from Eve, as guarantor, in favor of Citibank, N.A., as agent (incorporated by reference to Exhibit 10.6 in Vector Group's Form 10-Q for the quarter ended June 30, 1999).
10.19*	Vector Group Ltd. 1998 Long-Term Incentive Plan (incorporated by reference to the Appendix to Vector Group's Proxy Statement dated September 15, 1998).
10.20*	Stock Option Agreement, dated July 20, 1998, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 6 in the Amendment No. 5 to the Schedule 13D filed by Bennett S. LeBow on October 16, 1998 with respect to the common stock of Vector Group).

Exhibit Number	Description of Documents
10.21*	Amended and Restated Employment Agreement ("LeBow Employment Agreement), dated as of September 27, 2005, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated September 27, 2005).
10.22*	Amendment dated January 27, 2006 to LeBow Employment Agreement (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated January 27, 2006).
10.23*	Amended and Restated Employment Agreement dated as of January 27, 2006, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated January 27, 2006).
10.24*	Employment Agreement, dated as of January 27, 2006, between Vector Group and Richard J. Lampen (incorporated by reference to Exhibit 10.3 in Vector Group's Form 8-K dated January 27, 2006).
10.25*	Amended and Restated Employment Agreement, dated as of January 27, 2006, between Vector Group and Marc N. Bell (incorporated by reference to Exhibit 10.4 in Vector Group's Form 8-K dated January 27, 2006).
10.26*	Employment Agreement, dated as of November 11, 2005, between Liggett Group Inc. and Ronald J. Bernstein (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 11, 2005).
10.27*	Employment Agreement, dated as of January 27, 2006, between Vector Group and J. Bryant Kirkland III (incorporated by reference to Exhibit 10.5 in Vector Group's Form 8-K dated January 27, 2006).
10.28*	Vector Group Ltd. Amended and Restated 1999 Long-Term Incentive Plan (incorporated by reference to Appendix A in Vector Group's Proxy Statement dated April 21, 2004).
10.29*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.59 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.30*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Richard J. Lampen (incorporated by reference to Exhibit 10.60 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.31*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Marc N. Bell (incorporated by reference to Exhibit 10.61 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.32*	Stock Option Agreement, dated November 4, 1999, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.63 in Vector Group's Form 10-K for the year ended December 31, 1999).
10.33*	Stock Option Agreement, dated November 4, 1999, between Vector Group and J. Bryant Kirkland III (incorporated by reference to Exhibit 10.34 in Vector Group's Form 10-K for the year ended December 31, 2006).
10.34*	Stock Option Agreement, dated January 22, 2001, between Vector Group and Bennett S. LeBow (incorporated by reference to Exhibit 10.1 in Vector Group's Form 10-Q for the quarter ended March 31, 2001).
10.35*	Stock Option Agreement, dated January 22, 2001, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.2 in Vector Group's Form 10-Q for the quarter ended March 31, 2001).
10.36*	Restricted Share Award Agreement, dated as of September 27, 2005, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated September 27, 2005).
10.37*	Restricted Share Award Agreement, dated as of November 11, 2005, between Vector Group and Ronald J. Bernstein (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated November 11, 2005).

Exhibit Number	Description of Documents
10.38*	Option Letter Agreement, dated as of November 11, 2005 between Vector Group and Ronald J. Bernstein (incorporated by reference to Exhibit 10.3 in Vector Group's Form 8-K dated November 11, 2005).
10.39*	Restricted Share Award Agreement, dated as of November 16, 2005, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated November 16, 2005).
10.40*	Vector Group Senior Executive Annual Bonus Plan (incorporated by reference to Exhibit 10.7 in Vector Group's Form 8-K dated January 27, 2006).
10.41*	Vector Group Supplemental Retirement Plan (as amended and restated January 27, 2006) (incorporated by reference to Exhibit 10.6 in Vector Group's Form 8-K dated January 27, 2006).
10.42*	Agreement, dated as of June 7, 2006, between the Company and Frost Gamma Investments Trust, an entity affiliated with Dr. Phillip Frost, relating to the conversion of 6.25% convertible subordinated notes due 2008 (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated June 7, 2006).
10.43*	Agreement, dated as of June 7, 2006, between the Company and Barberry Corp., an entity affiliated with Carl C. Icahn, relating to the conversion of 6.25% convertible subordinated notes due 2008 (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated June 7, 2006).
10.44*	Purchase Agreement, dated as of June 27, 2006, among Vector Group and Jefferies (incorporated by reference to Exhibit 1.1 in Vector Group's Form 8-K dated June 27, 2006).
10.45*	Letter Agreement, dated July 14, 2006, between Vector Group and Howard M. Lorber (incorporated by reference to Exhibit 10.1 in Vector Group's Form 8-K dated July 11, 2006).
10.46*	Notice of Redemption of 6 1/4% Convertible Subordinated Notes due 2008, dated July 14, 2006 (incorporated by reference to Exhibit 10.2 in Vector Group's Form 8-K dated July 11, 2006).
10.47*	Closing Agreement on Final Determination Covering Specific Matters between Vector Group and the Commissioner of Internal Revenue of the United States of America dated July 20, 2006 (incorporated by reference to Exhibit 10.3 in Vector Group's Form 10-Q for the quarter ended September 30, 2006).
10.48*	Operating Agreement of Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC) dated December 17, 2002 (incorporated by reference to Exhibit 10.1 in New Valley's Form 8-K dated December 13, 2002).
10.49*	First Amendment to Operating Agreement of Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC), dated as of March 14, 2003 (incorporated by reference to Exhibit 10.1 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.50*	Second Amendment to Operating Agreement of Douglas Elliman Realty, LLC, dated as of May 19, 2003 (incorporated by reference to Exhibit 10.1 in New Valley's Form 10-Q for the quarter ended June 30, 2003).
10.51*	Note and Equity Purchase Agreement, dated as of March 14, 2003 (the "Note and Equity Purchase Agreement"), by and between Douglas Elliman Realty, LLC (formerly known as Montauk Battery Realty LLC), New Valley Real Estate Corporation and The Prudential Real Estate Financial Services of America, Inc., including form of 12% Subordinated Note due March 14, 2013 (incorporated by reference to Exhibit 10.2 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.52*	Amendment to the Note and Equity Purchase Agreement, dated as of April 14, 2003 (incorporated by reference to Exhibit 10.3 in New Valley's Form 10-Q for the quarter ended March 31, 2003).
10.53*	Stipulation for Entry of Judgment dated March 14, 2007 between New Valley Corporation and the United States of America (incorporated by reference to Exhibit 10.2 in Vector Group's Form 10-Q for the quarter ended March 31, 2007).
10.54*	Purchase Agreement, dated as of August 8, 2007, between Vector Group Ltd., the subsidiary guarantors named therein and Jefferies & Company, Inc. (incorporated by reference to Exhibit 1.1 in Vector Group's Form 8-K dated August 8, 2007).
12.1	Statement of Computation of Ratio of Earnings to Fixed Charges.

Exhibit Number	Description of Documents
21.1*	Subsidiaries of the Company (incorporated by reference to Exhibit 21 in Vector Group's Form 10-K for the year ended December 31, 2007).
23.1	Consent of McDermott Will & Emery LLP (included in Exhibit 5.1).
23.2	Consent of PricewaterhouseCoopers LLP.
23.3	Consent of PricewaterhouseCoopers LLP.
23.4	Consent of PricewaterhouseCoopers LLP.
24.1	Power of Attorney (included on signature page hereto).
25.1	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association under the Indenture.
99.1	Form of Letter of Transmittal.
99.2	Form of Notice of Guaranteed Delivery.
99.3	Form of Notice of Withdrawal of Tender.
99.4	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
99.5	Form of Letter to Clients.
99.6	Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

* Incorporated by reference

Exhibit 3.5

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 05/03/1999
991173579 — 3037646

CERTIFICATE OF FORMATION

OF

100 MAPLE LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company (hereinafter called the "company"), under the provisions and subject to the requirements of the Delaware Limited Liability Company Act, hereby certifies that:

1. The name of the limited liability company is 100 MAPLE LLC.

2. The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are National Registered Agents, Inc., 9 East Loockerman Street, Dover, Delaware 19901.

Executed on May 3, 1999.

/s/ Regina Clerkin
Regina Clerkin, Authorized Person

Exhibit 3.6

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

100 MAPLE LLC

May 3, 1999

Prepared by:

Fischbein•Badillo•Wagner•Harding
909 Third Avenue
New York, New York 10022

(212) 826-2000

Table of Contents

Limited Liability Company Operating Agreement

of

100 Maple LLC

AGREEMENT, made as of May 3, 1999, by Liggett Group Inc. All capitalized terms used herein and not defined in the text hereof shall have the respective meanings set forth in **Exhibit A** attached hereto.

Statement of Facts

On May 3, 1999, the Company was formed pursuant to the Act by the filing of the Certificate on behalf of the Member with the Secretary of State. The Member now desires to set forth its understandings with respect to, *inter alia*, the governance, management and operation of the Company.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Member hereby agrees as follows:

Article I
The Company

1.1 ***Ratification of Certificate; Other Acts.*** The Member hereby ratifies the execution and filing of the Certificate, as a result of which the Company was formed as a limited liability company pursuant to the provisions of the Act. The Member and/or the Managers, as the case may be, shall execute and file for record any other document(s), and take such other action(s), and may be required in connection with the formation, operation, or dissolution of the Company (including, without limitation, the qualification of the Company as a foreign limited liability company in any jurisdiction in which the Company shall conduct business).

1.2 ***The Member.*** The Member's name and address is Liggett Group Inc., 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131.

1.3 ***Purpose.*** The purpose and business of the Company shall be to:

(a) acquire, own and lease the Premises to the Member pursuant to a net lease agreement, and

(b) do all other things that shall be:

(i) necessary or desirable in connection with the foregoing;

(ii) otherwise contemplated in this Agreement; or

(iii) otherwise permitted to be done by limited liability companies under the Act,

all upon, and subject in all respects to, the terms, provisions, covenants, conditions, requirements and limitations set forth in this Agreement.

1.4 ***Principal Office.*** The principal office of the Company shall be located at 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131, or at such other address as the Member shall determine in writing. The Company may have such additional offices as the Member deems advisable.

1.5 ***Title to Company Property.*** Legal title to the Company Property shall be taken, and at all times held, in the name of the Company.

Article II
Contributions by the Member

2.1 ***Capital of the Company.*** As its Capital Contribution, the Member has paid to the Company the amount of $100.00.

2.2 ***Additional Capital Contributions.*** The Member shall not have any responsibility to make any additional Capital Contribution to the Company. No creditor of the Company shall have any right to require any Capital Contribution to the Company by the Member.

2.3 ***Limitation on Withdrawal of Capital.*** Except as expressly provided in this Agreement, the Member shall not have the right to withdraw or receive any return on the Member's Capital Contribution, or any claim to any Company capital, prior to the termination of the Company pursuant to Article VIII.

Article III
Profits and Losses; Distributions

3.1 ***Allocations of Profits and Losses.*** For each fiscal year of the Company, all Profits, Losses, deductions, credits and/or allowances (as the case may be) shall be allocated to the Member.

3.2 ***Distribution of Net Cash flow.*** Within twenty (20) days subsequent to the end of each calendar quarter, or such other period as shall be determined by the Managers, as well as at such other times as the Member shall determine in its sole discretion, the Net Cash Flow shall be distributed to the Member. Subject to the provisions of Section 3.3 below and the Act, at the time when the Member becomes entitled to receive a distribution, the Member shall have the status of, and shall be entitled to all of the remedies available to, a creditor of the Company with respect to such distribution.

3.3 ***Limitations on Distributions.*** The Company shall not make a distribution to the Member to the extent that, at the time of the distribution and after giving effect to the distribution, all liabilities of the Company, other than liabilities to the Member on account of its Capital Account and liabilities for which recourse of the Company's creditors is limited to specified Company Property, exceed the fair market value of the assets of the Company (for purposes of which computation, the fair market value of any Company Property that is subject to

a liability which the recourse of the Company's creditors is limited shall be included in the assets of the Company only to the extent that the fair market value of such Company Property exceeds such liability). If the Member receives a distribution in violation of this Section 3.3, and knew at the time of distribution that the distribution violated this Section 3.3, the Member shall be liable to the Company for the amount of the distribution. If the Member receives a distribution in violation of this Section 3.3, and did not know at the time of the distribution that the distribution violated this Section 3.3, the Member shall not be liable to the Company for the amount of the distribution. If the Member receives a wrongful distribution from the Company, it shall have no liability under this Section 3.3, or under other applicable law, for the amount of the distribution after the expiration of three (3) years from the date of the distribution, unless an action to recover the distribution from the Member is commenced prior to the expiration of such three (3) year period and an adjudication of liability against the Member is made in such action.

Article IV
Management

4.1 ***Designation of the Managers***. The initial Managers of the Company shall be Samuel M. Veasey and Bennett Borko, each of whom shall continue to serve as a Manager unless and until his removal as a Manager pursuant to Section 4.6 hereof. The Member shall have the right to appoint one or more additional or replacement Managers, each of which additional or replacement Manager shall continue to serve as a Manager until such Person's resignation or removal pursuant to Section 4.6. Unless otherwise required by the Act or any other applicable law, there is no requirement that a Person be the Member of the Company in order to serve as a Manager thereof.

4.2 ***Management Authority of the Managers***. Management decisions of the Company shall be made by the Managers, who shall be responsible for the conduct of the business of the Company subject to the provisions of this Agreement and the Act. It is understood and agreed that each Manager shall have all of the rights, powers, duties and obligations of a manager as provided in the Act, and as otherwise provided by law, and that any action taken by a Manager, not otherwise in violation of the Act or this Agreement, shall constitute the act of, and shall serve to bind, the Company. All deeds, bills of sale, mortgages, leases, contracts of sale, bonds, notes, documents, agreements, instruments, or writings purporting to bind the Company and signed by any Manager shall bind the Company and be effective for all uses and purposes. No Person shall be required to inquire into the authority of any Manager to sign any document or instrument.

4.3 ***Officers of the Company***. The Member may elect from time to time one or more officers of the Company, including without limitation a President, a Vice-President, a Treasurer and a Secretary, and such other officers as the Member may determine to be appropriate. Officers need not be Members. Officers shall hold office at the pleasure of the Member, and may be removed at any time with or without cause. The initial officer of the Company shall its Secretary, Marc Bell.

4.4 ***Actions Requiring the Prior Written Approval of the Member***. Notwithstanding anything to the contrary set forth in this Agreement, the prior written approval of the Member is required prior to taking or authorizing any of the following actions:

(a) the admission of a Person as a Member, except as otherwise provided in Section 7.1;

(b) the incurrence of indebtedness by the Company other than in the ordinary course of its business;

(c) the removal of one or more Managers pursuant to Section 4.6;

(d) the sale, exchange, lease, mortgage, pledge, or other transfer of all or substantially all of the Company Property;

(e) the merger or consolidation of the Company with or into another limited liability company or corporation; or

(f) any other action designated, from time to time, by the Member in writing to all of the Managers.

4.5 ***Compensation of the Managers***. Unless otherwise specifically determined in writing by the Member in its sole discretion, the Managers shall not be entitled to any compensation in connection with the management services that they render to the Company. Notwithstanding the foregoing, any reasonable expenses incurred by the Managers in connection with the operation or affairs of the Company shall be reimbursed by the Company as appropriate.

4.6 ***Removal of a Manager***. The Member shall have the right to remove any Manager, whether with or without cause, by written notice given to such Manager.

4.7 ***Duties of Managers.*** Each Manager shall perform his, her, or its duties as a Manager in good faith and with that degree of care that an ordinarily prudent Person in like position would use under similar circumstances. In performing such duties, each Manager shall be entitled to rely on information, opinions, reports, or statements (including, without limitation, financial statements and other financial data) in each case prepared by:

(a) one or more agents or employees of the Company;

(b) counsel, public accountants, or other Persons as to matters that the Manager believes to be within such Person's professional or expert competence; or

(c) any other Manager,

so long as, in so relying, such Manager shall be acting in good faith and with the degree of care specified above. However, a Manager shall not be considered to be acting in good faith in so relying if such Manager has knowledge of the matter in question that would cause such reliance to be unwarranted.

4.8 ***Interested Managers***. No contract or other transaction between the Company and a Manager, or between the Company and any other Person in which a Manager is a manager, officer, or director, or has a substantial financial interest, shall be either void or voidable if the material facts as to such Manager's interest in such contract or other transaction,

and as to any such common managership, officership, directorship, or financial interest, are disclosed in good faith or known to the Member, and such contract or other transaction is approved in writing by the Member. If such good faith disclosure of the material facts as to the Manager's interest in such contract or other transaction, and as to any such common managership, officership, directorship, or financial interest, is made to the Member, or such material facts were known to the Member, such contract or other transaction may not be avoided by the Company for the reasons set forth above. If there was no such disclosure or knowledge, the Company may avoid such contract or other transaction.

4.9 ***Limitation on Liability.*** No Manager shall be liable, responsible, or accountable in damages or otherwise to the Company or to the Member for any action taken, or any failure to act, on behalf of the Company within the scope of authority conferred on such Manager under this Agreement or the Act, unless there shall be a judgment or other final adjudication adverse to such Manager establishing that either:

(a) such Manager's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law;

(b) such Manager personally gained in fact a financial profit or other advantage to which such Manager was not legally entitled; or

(c) with respect to a distribution described in Section 3.2 above, such Manager's acts were not performed in accordance with Section 4.7 above.

4.10 ***Indemnification by Company.*** The Company shall indemnify each Manager for all claims, costs, expenses, losses, liabilities and damages paid or incurred by such Manager in connection with the business of the Company (or paid or incurred while such Manager was serving, at the request of the Company, as a director, officer, employee or agent of a corporation, partnership, trust or other enterprise), to the fullest extent provided or permitted by the laws of the State of Delaware, provided, however, that no indemnification may be made to, or on behalf of, any Manager if a judgment or other final adjudication adverse to such Manager establishes that either:

(a) such Manager's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated; or

(b) such Manager personally gained in fact a financial profit or other advantage to which such Manager was not legally entitled.

4.11 ***Other Ventures.*** Any Manager or the Member may engage, directly or indirectly, in any other business venture or ventures of any nature or description (including, without limitation, the real estate business in all of its aspects, which shall include, without limitation, the brokerage, ownership, construction, operation, management, financing, syndication and development of real estate (whether or not competitive with, related to, or in any manner connected with the business of the Company) and interests therein or contracts for the purchase or sale thereof, independently or with others, and neither the Company nor any other Manager or the Member shall have any rights in or to any such business ventures or the income or profits derived therefrom.

Article V
Meetings

5.1 ***No Meetings Required.*** There is no requirement hereunder that any annual or other periodic meeting of the Company be held.

Article VI
Bank Accounts; Books and Records; Fiscal Year; Tax Matters

6.1 ***Bank Accounts.*** The funds of the Company shall be deposited in such bank account or accounts as the Managers determine are required for such purpose, and the Managers shall arrange for the appropriate conduct of such accounts (including, without limitation, the designation of one or more signatories therefor, which signatories need not be Managers or the Member).

6.2 ***Books and Records.*** There shall be kept and maintained full and accurate books with respect to the business of the Company at the Company's principal office, showing all receipts and expenditures, assets and liabilities, Profits, Losses and distributions, and all other records reasonably necessary or appropriate for recording the Company's business affairs. The books of the Company shall be kept in accordance with the method of accounting determined by the Managers and shall show at all times each and every item of income and expense. The Member shall have the right, at all reasonable times, to audit, examine or make copies of, or extracts from, the books of the Company. Such right may be exercised through any agent, employee, attorney, or accountant designated by the Member.

6.3 ***Financial Statements.*** The Managers shall, within five (5) days of their receipt or preparation (as the case may be) thereof, forward to the Member a photocopy of the annual financial statement of the Company, as well as of any other monthly, quarterly, or other periodic statement or report prepared in connection with the Company or its business. Such financial statements shall be unaudited, unless audited financial statements (annual or otherwise) shall be required by the Member, by the Company's creditors, or otherwise in connection with the business of the Company. If audited financial statements are required, the Managers shall select the Company's accountants, subject to the prior written consent of the Member.

6.4 ***Fiscal Year.*** The fiscal year of the Company shall be the calendar year, or such other year as shall be determined by the Managers.

6.5 ***Tax Matters Manager.*** The Managers shall, from time to time, designate a Manager as the Tax Matters Manager of the Company. The Tax Matters Manager shall, within five (5) days of receipt thereof, forward to each Manager and to the Member a photocopy of any notices relating to the Company received from the Internal Revenue Service. Any accountants or lawyers to be retained by the Company in connection with any Internal Revenue Service audit or notice shall be selected by the Tax Matters Manager. In addition to the rights and responsibilities of the Tax Matters Manager pursuant to this Section 6.5 and the other applicable provisions of this Agreement, the Tax Matters Manager shall have the status, as well as all of the rights and responsibilities, of the "Tax Matters Partner" appointed for the Company pursuant to Code Section 6231.

6.6 ***Tax Returns.*** In addition to the requirements of Section 6.3 hereof, tax returns of the Company shall be prepared by, or by the Company's accountants under the supervision of, the Tax Matters Manager no later than sixty (60) days after the close of each tax year thereof. A copy of each such tax return shall be delivered to the Member promptly after the same is prepared.

Article VII
Transfers

7.1 ***Transfers.*** The Member may sell, assign, transfer, mortgage, hypothecate, or otherwise encumber, or permit or suffer any encumbrance of, all or any part of the Member's interest in the Company at any time, and from time to time, as the Member shall determine in its sole discretion.

Article VIII
Term, Dissolution and Termination

8.1 ***Term.*** The Company shall be in effect until May 31, 2049, unless sooner dissolved and liquidated in accordance with the provisions hereof. All provisions of this Agreement relating to dissolution and liquidation shall be cumulative; that is, the exercise or use of one of the provisions hereof shall not preclude the exercise or use of any other provisions.

8.2 ***Dissolution.*** The Company shall be dissolved and terminated if the Member shall be voluntarily or involuntarily dissolved under the statutes of its state of incorporation or organization, unless the successor(s) to the Member unanimously elect, within ninety (90) days after the occurrence of such event, to continue the Company and the Company's business. In the event of a dissolution of the Member as described above, if the Member's successor(s) unanimously elect to continue the Company, then:

(a) the Company shall not be dissolved and terminated;

(b) the Company and its business shall be continued under and pursuant to this Agreement; and

(c) the Person as to which an event described above shall have occurred shall cease to be the Member, and the successor(s) to such Person, or the designee of such successor(s), shall hold such former Member's interest with the same rights as such former Member possessed before the event.

In no event shall a "Bankruptcy" (as such term is defined in the Act) of the Member result in the automatic dissolution or termination of the Company.

8.3 ***Dissolution At End Of Term, Upon Sale, By Law, By Vote.*** The Company shall also dissolve upon the occurrence of any of the following events:

(a) unless the Member elects in writing to continue the Company:

(i) the expiration of the term of the Company;

(i) the expiration of the term of the Company;

(ii) the sale or other disposition of all or substantially all of the Company Property and the collection of all the proceeds therefrom (except that, if the Company receives purchase money paper in connection therewith, the Company shall continue until such purchase money paper is paid in full or otherwise disposed of);

(iii) the occurrence of any other event that would cause the Company to be dissolved under the Act; or

(b) the written election of the Member.

8.4 ***Procedures Upon Dissolution.*** Upon dissolution of the Company, the Company shall be terminated, and the Managers shall liquidate the assets of the Company as promptly as possible, but in an orderly and businesslike manner so as to avoid undue sacrifice. The proceeds of liquidation shall be applied and distributed in the following order of priority:

(a) first, to the payment of the debts and liabilities of the Company (other than any loans or advances made by the Member to the Company) and the expenses of liquidation;

(b) second, to the creation of any reserves that the Managers determine, with the prior written consent of the Member, to be reasonably necessary for the payment of any contingent or unforeseen liabilities or obligations of the Company or the Member (to the extent the Company is liable therefor) arising out of or in connection with the business and operation of the Company;

(c) third, to the payment of any loans or advances made by the Member to the Company; and

(d) thereafter, to the Member, ***provided, however,*** that in no event shall the distribution under this subsection (d) to the Member exceed the positive balance in the Member's Capital Account, after giving effect to all of the allocations under Section 3.1 to the Member of all Profits, Losses, deductions and credits, so that liquidation proceeds are distributed in accordance with the Member's positive Capital Account balance within the meaning of Treasury Regulation Section 1.704-1 (b)(2)(ii)(b).

A reasonable time shall be allowed for the orderly liquidation of the Company Property and the discharge of the Company's liabilities, ***provided, however,*** that the proceeds of such liquidation shall be distributed according to the priorities hereinabove set forth, not later than the later to occur of:

(i) the end of the Company's fiscal year in which such liquidation occurs; or

(ii) ninety (90) days after the date of the event that causes such liquidation.

During the period beginning with the dissolution of the Company and ending with its liquidation and termination pursuant to this Section 8.4, the business affairs of the Company shall continue to be conducted by the Managers. During such period, the business and affairs of the Company shall be conducted so as to preserve the assets of the Company and, to the extent feasible under the circumstances, maintain the status that existed immediately prior to such termination.

8.5 ***Negative Capital Accounts*****.** The Member shall be unconditionally required to pay to the Company any deficit in the Member's Capital Account upon a liquidation of the Company (determined after taking into account all Capital Account adjustments for the Company's fiscal year in which liquidation occurs) not later than the later to occur of:

(a) the end of the Company's fiscal year in which such liquidation occurs; or

(b) ninety (90) days after the date of the event that causes such liquidation.

This Section 8.5 is intended to comply with the deficit restoration requirement of Treasury Regulation Section 1.704-1(b)(2)(ii)(b) and shall be interpreted consistently therewith.

Article IX
Miscellaneous

9.1 ***Approvals*****.** All approvals or consents permitted or required to be given by the Member under this Agreement may be given or withheld by the Member in its sole discretion.

9.2 ***Binding Agreement*****.** Subject to the restrictions on transfers and encumbrances set forth herein, if any, this Agreement shall inure to the benefit of, and be binding upon, the undersigned Member and its heirs, executors, legal representatives, successors and assigns. Whenever in this instrument a reference to any party or the Member is made, such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of such party or the Member.

9.3 ***Effect of Consent or Waiver*****.** No consent or waiver, express or implied, by the Member to or of any breach or default by any Manager in the performance by such Manager's of his, her, or its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default by such Manager in the performance by such Manager's of the same or any other obligations of such Manager hereunder. Failure on the part of the Member to object to, or complain of, any act or failure to act of any of the Managers, or to declare any of the Managers in default, irrespective of how long such failure continues, shall not constitute a waiver by the Member of his, her, or its rights hereunder.

9.4 ***Enforceability*****.** If any provision of this Agreement, or the application thereof to any Person or circumstances, shall be held to be invalid or unenforceable to any extent, the remainder of this Agreement, and the application of such provisions to other Persons or circumstances, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

subject matter addressed herein, and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not herein contained.

9.6 ***Amendment*****.** Except as otherwise set forth below, this Agreement and the Certificate may be modified, amended, restated, or revoked only by the written agreement or written consent of the Member.

9.7 ***Governing Law*****.** This Agreement is made and shall be construed under, and in accordance with, the laws of the State of Delaware.

9.8 ***References*****.** References herein to the singular shall include the plural and to the plural shall include the singular, and references to one gender shall include the others, except where the same shall not be appropriate.

9.9 ***Titles and Captions*****.** Titles or captions contained in this Agreement are for convenience only and shall not be deemed a part of the content of this Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first set forth above.

LIGGETT GROUP INC.

By: /s/ Samuel M. Veasey
Name: Samuel M. Veasey
Title: Vice President

EXHIBIT A

Defined Terms

*"**Act**"* means the Delaware Limited Liability Company Act, as amended from time to time.

"Agreement" means this Limited Liability Company Operating Agreement and all amendments thereto.

"Capital Account" means, with respect to the Member, the separate "book" account for the Member established under this Agreement and maintained in all events in the manner provided under, and in accordance with, Treasury Regulation Section 1.704-1(b)(2)(iv), as amended, and in accordance with the other provisions of Treasury Regulation Section 1.704-1(b) that must be complied with in order for the Capital Accounts to be determined and maintained in accordance with the provisions of Treasury Regulation Section 1.704-l(b)(2)(iv).

"Capital Contributions" means the sum of:

(a) the amount of cash; plus

(b) the aggregate fair market value of all assets (less the amount of indebtedness, if any, of the Member that is assumed by the Company and/or the amount of indebtedness, if any, to which such assets are subject, as of the date of contribution, without regard to the provisions of Code Section 7701 (g)), as determined by the Tax Matters Manager in such Manager's Reasonable Discretion,

contributed by the Member to the capital of the Company, including, without limitation, any amounts paid by the Member in respect of any claims, liabilities, or obligations of or against the Company or pursuant to any guaranty of any Company indebtedness or obligations by the Member.

"Certificate" means the Certificate of Formation of the Company dated May 3, 1999, and filed on May 3,1999, with the Secretary of State, as the same may be amended from time to time.

"Code " means the Internal Revenue Code of 1986, as amended (or any corresponding provision of succeeding law.)

"Company" means the limited liability company known as 100 Maple LLC, as said Company may from time to time be constituted.

"Company Property" means the Premises and all other real and personal property assets acquired by the Company and any improvements thereto, and shall include both tangible and intangible assets.

"Managers" means Samuel M. Veasey and Bennett Borko and any other Person (whether or not the Member) who becomes a successor or additional Manager of the Company pursuant to the terms of Section 4.1 hereof, and who is a Manager at the time of reference thereto, in such Person's capacity as a Manager of the Company.

"Member" means Liggett Group Inc. and any other Person who becomes the successor Member in the Company pursuant to the terms hereof, and who is the Member at the time of reference thereto, in such Person's capacity as the Member in the Company.

"Net Cash Flow" means, with respect to a particular fiscal year, all net Profits and Losses of the Company, determined in accordance with generally accepted accounting principles, for such fiscal year, and shall be determined by adjusting such net Profits and Losses as follows:

(a) depreciation of buildings, improvements and personal property assets of the Company shall not be considered a deduction;

(b) amortization cost, capitalized interest, start-up expense, or other capital- type item shall not be considered a deduction;

(c) amortization or other payment of the principal of any loan or indebtedness shall be considered as a deduction;

(d) a reasonable reserve, as determined by the Managers subject to the written consent of the Member, shall be deducted to provide for. working capital needs, funds for capital improvements or replacements and for any other contingencies of the Company (interest on which reserves shall be credited to the reserve account);

(e) any amount paid by the Company in accordance with the terms of this Agreement for the acquisition of Company Property or for capital improvements and/or replacements shall be considered as a deduction, except to the extent that the same are funded through reserves previously set aside by the Company for such purposes (as defined in subsection (d) above) and that are approved by the Managers in accordance with the terms of this Agreement;

(f) Net Cash Flow shall also be deemed to include any other funds and receipts of the Company (including, .without limitation, refinancing and loan proceeds and Capital Contributions of the Member, plus amounts previously set aside as reserves by the Managers, when and to the extent that such reserves are determined by the Managers, subject to the prior written consent of the Member, to be no longer reasonably necessary for the purpose for which such funds were set aside), determined by the Managers subject to the prior written
consent of the Member, to be available for distribution as Net Cash Flow; and

(g) cash receipts, refinancing proceeds, loan proceeds, disbursements and operating expenses will not be artificially or improperly accelerated or delayed to reflect in a period other than that to which they properly relate.

"Person" means any individual, partnership, firm, limited liability company, corporation, trust, estate, or other entity.

"Premises" means that, certain plot, piece, or parcel of land described on ***Exhibit B*** attached hereto and by this reference made a part hereof, together with all improvements located thereon and all appurtenances to any or all of the foregoing.

"Profits" and ***"Losses"*** means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(2) shall be included in taxable income or loss), with the following adjustments:

(a) any income of the Company that is exempt from Federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be added to such taxable income or loss; and

(b) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits and Losses pursuant to this definition, shall be subtracted from such taxable income or loss.

"Reasonable Discretion" means discretion executed in a reasonable, diligent and good-faith manner by a Manager in accordance with the best interests of the Company, such Manager's fiduciary duties to the Member and the terms and conditions of this Agreement.

"Secretary of State" shall mean the Secretary of State of the State of Delaware.

"Tax Matters Manager" means the Manager who, at the time in question, has been designated as the Tax Matters Manager of the Company pursuant to the terms of Section 6.5 hereof.

EXHIBIT B

Description of the Premises

[TO BE INSERTED]

EXHIBIT A

File Number:G040247

Situated in the State of North Carolina, County of Alamance, Township of Melville, City of Mebane, with property bounds recorded in Deed Book 935, Page 579 at the Alanance County Register of Deeds, further bounded and described as follows:

Beginning at a 3/4 inch existing iron placement on the southern margin of State Road 1962 (also known as South Third Street) corner with lot 2 of the plot titled “Schwan’s Sales Enterprises, Inc.” as recorded in Plot Book 42, Page 144 of the Alamance County Register of Deeds;

Thence along the southern margin of State Road 1962 clockwise on an are of curve with a radius of 1846.00 feet. South 88” 22” 29” East a Chord distance of 458.23 feet (formerly a record distance of 450.21 feet) and an arc distance of 459.42 feet to a 1 inch solid existing iron placement on the southern margin of the State Road 1962 Right of Ways;

Thence along the southern margin of State Road 1962, North 84” 03” 39” East a distance of 509.88 feet to a New Iron Placement on the margin of the State Road 1962 Right of Way;

Thence along the southern margin of State Road 1962, South 79” 28” 56” East a distance of 70.31 feet to a New Iron Placement at the corner of the State Road 1962 Right of Way and Maple Lane Right of Way;

Thence along the western margin of the Maple Lane Right of Way, South 01” 21” 30” West a distance of 1875.28 foot to a 1 inch Existing Iron Placement of the corner of the Maple Lane Right of Way and the Interstate 65 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way, South 70” 05” 31” West distance of 81.84 feet (formerly a record distance of 81.83 feet) to a 1 inch Existing Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way clockwise on on arc of a curve with a radius of 2804.79 feet. South 86” 56” 41” West a chord distance of 31.12 feet and are distance of 3l.12 feet to a New Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way. South 68” 08” 13” West a distance of 42.09 feet (formerly a record distance of 42.10 feet) to a 1 inch Existing Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way, North 88” 56” 11” West a distance of 26.31 feet to a New Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

office: Commonwealth Land Title Company of North Carolina
Charlotte Plaza, 201 South College Street, Suite 1440, Charlotte, NC 704-376-3503/800-432-6462

File ID: *GO4O247* Issued: 03-30-1999 ID: [72140] Printed; 09-16-1999 by HEL

EXHIBIT A (Continued...)

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Thence along the northern margin of the Interstate 65 and 40 Access Road Right of Way, South 86” 53” 22” West a distance of 73.65 feet (formerly a record distance of 73.69 feet) to a 1 inch Existing Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way. North 83” 13” 45” West a distance of 11.06 feet (formerly a record distance of 10.79 feet) to a New Iron Placement on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way counterclockwise on an arc of a curve with a radius of 5919.58 feet. South 88” 24” 32” West a chord distance of 420.27 feet and arc distance of 420.36 feet to a 1 inch Existing Iron Placement corner with property owned by the City of Mebane as recorded in Deed book 697 Page 80 and on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the eastern margin of property owned by the City of Mebane, North 06” 13” 28” West a distance of 56.34 feet (formerly a record distance of 56.20 feet) to a 1 inch Existing Iron Placement corner with property owned by the City of Mebane as recorded in Deed Book 697 Page 80;

Thence along the northern margin of property owned by the City of Mebane, South as 46” 32” west a distance of 59.97 feet to a 3/4 Inch Existing iron Placement corner with property owned by the city of Mebane as recorded in Deed Book 697 Page 60;

Thence along the western margin of property owned by the City of Mebane, South 6” 10” 55” East a distance 56.89 feet (formerly a record distance of 56.67 feet) to a New Iron Placement corner with property owned by the City of Mebone as recorded in Deed Book 697 Page 80 and on the northern margin of the Interstate 85 and 40 Access Road Right of Way;

Thence along the northern margin of the Interstate 85 and 40 Access Road Right of Way counterclockwise on an are of a curve with a radius of 5919.58 feet South 97’ 47” 44” West a chord distance of 41.91 feet and arc distance of 41.91 feet to a 1 inch Existing Iron Placement along the northern margin of the Interstate 85 and 40 Access Road Right of Way, corner with a 60 foot unopened access road;

Thence along the eastern margin of the 50 foot unopened access road. North 07” 44” 33” West a distance of 533.37 feet (formerly a record distance of 533.34 feet) to a 1 inch Existing Iron Placement on the eastern margin of the 50 foot unopened access rood of the beginning) of on unopened cul-de-sac;

Rider

Office: Commonwealth Land Title Company of North Carolina
Charlotte Plaza, 201 South College Street, Suite 1440, Charlotte, NC 704-376-3503/800-432-6462

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EXHIBIT A (Continued...)

File Number: G040247

Thence along the eastern margin of the cul-de-sac clockwise on an arc of a curve with a radius of 25.00 feet, North 13” 56” 42” East a chord distance of 18.26 feet (formerly a record distance of 18.26 feet) and arc distance of 18.68 to a 1 inch Existing Iron Placement on the eastern margin of the 60 foot unopened access road;

Thence along the eastern margin of the cul-de-sac counterclockwise on an arc of a curve with a radius of 50.00 feet. North 31” 45” 16” West a chord distance of 91.85 feet (formerly a record distance of 91.89 feet) and arc distance of 116.46 feet to a 1 Inch Existing Iron Placement on the margin of the cul-de-sac corner with property owned by Daniel J. Johnson and wife Lucinda P. Johnson as recorded In Deed Book 1014, Page 917 of the Alamance County Register of Deeds;

Thence along the eastern margin of property owned by Daniel J. Johnson and wife Lucindo P. Johnson, North 12” 49” 41” West a distance of 588.65 feet (formerly a record distance of 588.44 feet) to a 1 Inch Existing Iron Placement corner with property owned by Daniel J. Johnson and wife Lucinda P. Johnson as recorded in Deed Book 1014, Page 917 of the Alamance County Register of Deeds;

Thence along a northern margin of property owned by Daniel J. Johnson and wife Lucinda P. Johnson, North 88’ 08” 23”’ West a distance of 38.74 feet (formerly a record distance of 36.73 feet) to a 1 inch Plached Existing Iron Placement along the property line of Daniel J. Johnson and wife Lucinda P. Johnson as recorded in Deed Book 1014, Page 917 and corner with Lot 2 of the plot titled Schwan’s Sales Enterprises, Inc. as recorded in Plot Book 42, Page 144 of the Alamance County Register of Deeds;

Thence along the eastern margin of Lot 2 of the plot titled Schwan’s Sales Enterprises, lnc., North 05” 50” 57” East a distance of 723.02 feet (formerly a record distance of 723.08 feet) to the Point of Beginning containing within said bounds 41.83 Acres being the same more or less but subject to all legal highways and easements of records according to a survey performed by Robert K. Brody, Jr., Professional Land Surveyor No. 3859 in June of 1999.

TOGETHER WITH all rights and easements described in the Agreement recorded in Book 441, Page 904, aforesaid county registry.

Rider

Offices: Commonwealth Land Title Company of North Carolina
Charlotte Plaza, 201 South College Street, Suite 1440, Charlotte, NC 704-376-3503/800-432-6462

File ID: *GO4O247* lssued: 03-30-1999 ID: [72140] Printed: 09-16-1999 by HEL

Exhibit 3.7

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 06/15/1990
901665125 — 2233533

CERTIFICATE OF INCORPORATION

OF

Eve Holdings Inc.

1. The name of the corporation is Eve Holdings Inc.
2. The address of its registered office is 103 Springer Building, 3411 Silverside Road, Wilmington, County of New Castle, Delaware 19810. The name of its registered agent at such address is Organization Services, Inc.
3. The nature of the business to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under section 102 of the General Corporation Law of Delaware.
4. The total number of shares of stock which the Corporation shall have authority to issue is one Hundred (100) shares of common stock; each such share shall have one Dollar ($1.00) par value.
5. The name and mailing address of the sole incorporator is as follows:

NAME	ADDRESS
John Hoffman	c/o Kramer, Levin, Nessen, Kamin & Frankel 919 Third Avenue New York, NY 10022

6. The Corporation is to have perpetual existence.
7. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, alter or repeal the by-laws of the corporation.

8. Meetings of stockholders may be held within or without the State of Delaware as the by-laws may provide. The books of the corporation may be kept (subject to any provisions contained in the statutes) outside the State of Delaware at such place or places as may be designated from tine to time by the board of directors or in the by-laws of the corporation. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

9. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereinafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

10. The powers of the sole incorporator shall terminate upon the filing of this Certificate of Incorporation. The names and mailing addresses of the persons to serve as directors until the first annual meeting of stockholders or until their successors are elected and qualified are:

Bennett S. LeBow	c/o LeBow, Weksel & Co., Inc. 65 East 55th Street New York, NY 10022
Jean E. Sharpe	c/o LeBow, Weksel & Co., Inc. 65 East 55th Street New York, NY 10022
Michael Rosenbaum	c/o LeBow, Weksel & Co., Inc. 65 East 55th Street New York, NY 10022

11. A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that the foregoing shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or to its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of the General Corporation Law of the state of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit.

I THE UNDERSIGNED, being the sole incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 15th day of June, 1990.

/s/ John Hoffman
John Hoffman

Exhibit 3.8

BY-LAWS OF

EVE HOLDINGS INC.

(A Delaware Corporation)

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the Corporation within the State of Delaware shall be Organization Services, Inc., 103 Springer Building, 3411 Silverside Road, in the City of Wilmington, County of New Castle, Delaware 19810.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the State of Delaware, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of stockholders, unless otherwise prescribed by statute, may be called at any time by the Board of Directors or the Chairman of the Board, if one shall have been elected, or the President and shall be called by the Secretary upon the request in writing of a stockholder or stockholders holding of record at least 50 percent of the voting power of the issued and outstanding shares of stock of the Corporation entitled to vote at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, place and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days before the date of the

meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

SECTION 5. List of Stockholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least tan days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 6. Quorum, Adjournment. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

SECTION 7. Organization. At each meeting of stockholders, the Chairman of the Board, if one shall have been elected, or, in his absence or if one shall not have been elected, the President shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the

meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Order of Business. The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

SECTION 9. Voting. Except as otherwise provided by statute or the Certificate of Incorporation, each stockholder of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation:

(a) on the date fixed pursuant to the provisions of Section 7 of Article V of these By-Laws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or

(b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting at or prior to the time designated in the order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if there be such proxy, and shall state the number of shares voted.

SECTION 10. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented

at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

SECTION 11. Action by Consent. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, by any provision of statute or of the Certificate of Incorporation or of these By-Laws, the meeting and vote of stockholders may be dispensed with, and the action taken without such meeting and vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Corporation entitled to vote thereon were present and voted.

ARTICLE III

Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

SECTION 2. Number, Qualifications, Election and Term of Office. The number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors or by action of the stockholders of the Corporation. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of stockholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be stockholders. Except as otherwise provided by statute or these By-Laws, the directors shall be elected at the annual meeting of stockholders. Each director shall hold office until his successor shell have been elected and qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these By-Laws.

SECTION 3. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 4. Annual Meeting. The Board of Directors shall meet for the purpose of the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

SECTION 7. Notice of Meetings. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these By-Laws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, cable, telex, telecopier or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and, except as otherwise expressly required by statute or the Certificate of Incorporation or these By-Laws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was

taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 9. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the chairman shall act as secretary of the meeting and keep the minutes thereof.

SECTION 10. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 11. Vacancies. Any vacancy in the Board of Directors, whether arising from death, resignation, removal (with or without cause), an increase in the number of directors or any other cause, may he filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director or by the stockholders at the next annual meeting thereof or at a special meeting thereof. Each director so elected shall hold office until his successor shall have been elected and qualified.

SECTION 12. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the holders of a majority of the voting power of the issued and outstanding capital stock of the Corporation entitled to vote at an election of directors.

SECTION 13. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not be or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include the President, one or more Vice Presidents, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until be shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take affect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one shall have been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the stockholders. He shall advise and counsel with the President, and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 5. The President. The President shall be the chief executive officer of the Corporation. He shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He shall perform all duties incident to the office of President and chief executive officer and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice-President. Each Vice President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice-President, or if there shall be more than one, the Vice-Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice-Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of and be subject to the restrictions placed upon the President in respect of the performance of such duties.

SECTION 7. Treasurer. The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositaries as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. Secretary. The secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(b) see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law;

(c) he custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 9. The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time nay be assigned by the Board of Directors.

SECTION 10. The Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 11. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

SECTION 12. Compensation. The compensation of the officers of the Corporation for their services as such officers shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V

Stock Certificates and Their Transfer

SECTION 1. Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board or the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Facsimile Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 4. Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall

be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

SECTION 5. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 6. Regulations. The Board of Directors may make such additional rules end regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 7. Fixing the Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 8. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI

Indemnification of Directors and Officers

SECTION 1. General. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or Investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges, expenses (including attorneys' fees),

judgments, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with such action, suit or proceeding and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

SECTION 2. Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been, taken or omitted in such capacity, against costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection with the defense or settlement of such action or suit and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such costs, charges and expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. Indemnification in Certain Cases. Notwithstanding the other provisions of this Article VI, to the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise, including without limitation, the dismissal of an action without prejudice, in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be indemnified against all costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection therewith).

SECTION 4. Procedure. Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper is the circumstances because he has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a)

by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding (the "Continuing Directors"), or (b) if such a quorum of disinterested Continuing Directors is not obtainable, or, even if obtainable a quorum of disinterested Continuing Directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

SECTION 5. Advances for Expenses. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Sections 1 and 2 of this Article VI in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay all amounts so advanced in the event that it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified by the Corporation as authorized in this Article VI. Such costs, charges and expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the majority of the Continuing Directors deems appropriate. The majority of the Continuing Directors may, in the manner set forth above, and upon approval of such director, officer, employer, employee or agent of the Corporation, authorize the Corporation's counsel to represent such person, in any action, suit or proceeding, whether or not the Corporation is a party to such action, suit or proceeding.

SECTION 6. Procedure for Indemnification. Any indemnification under Sections 1, *2* and 3, or advance of costs, charges and expenses under Section 5 of this Article VI, shall be made promptly, and in any event within 60 days upon the written request of the director, officer, employee or agent. The right to indemnification or advances as granted by this Article VI shall be enforceable by the director, officer, employee or agent in any court of competent jurisdiction, if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within 60 days. Such person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charge and expenses under Section 5 of this Article VI where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth in Sections 1 or 2 of this Article VI, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article VI, nor the fact that there has been an actual determination by the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

SECTION 7. Other Rights; Continuation of Right to Indemnification. The indemnification and advance of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expanses may be entitled under any law (common or statutory), by-law, agreement, vote of stockholders, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. If the Delaware Corporation Law is hereafter amended to permit the Corporation to indemnify directors and officers to a greater extent than otherwise permitted by this Article VI, the Corporation shall indemnify directors and officers to such greater extent. All rights to indemnification under this Article VI shall be deemed to be a contract between the Corporation and each director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware Corporation Law or any other applicable laws shall not in any way diminish any rights to indemnification of such directors officer, employee or agent or the obligations of the Corporation arising hereunder with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal. For the purposes of this Article VI, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI, with respect to the resulting or surviving corporation, as he would if he had served the resulting or surviving corporation in the same capacity.

SECTION 8. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his statue as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VI; provided, however, that such insurance is available on acceptable terms, which determination shall be made by a vote of a majority of the Continuing Directors.

SECTION 9. Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in

settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE VII

General Provisions

SECTION 1. Dividends. Subject to the provisions of statute and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting, Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

SECTION 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

SECTION 3. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 4. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 5. Checks, Notes, Drafts, Etc., All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or parsons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 6. Execution of Contracts, Deeds, Etc, The Board of Directors may authorise any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

SECTION 7. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board or the President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the

Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board or the President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board or the President may, or may instruct the attorneys or agents appointed to, execute or cause to be executed in the name and on behalf of the Corporation and under its seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII

Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) by action of the stockholders entitled to vote thereon at any annual or special meeting of stockholders or (b) if the Certificate of Incorporation so provides, by action of the Board of Directors at a regular or special meeting thereof. Any by-law made by the Board of Directors may be amended or repealed by action of the stockholders at any annual or special meeting of stockholders.

Exhibit 3.9

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 02:45 PM 04/12/2001
010179381 — 3380264

CERTIFICATE OF INCORPORATION

OF

LIGGETT & MYERS HOLDINGS INC.

The undersigned for the purpose of organizing a corporation under the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies:

FIRST: The name of the corporation is Liggett & Myers Holdings Inc. (the "Corporation").

SECOND: The address of the Corporation's registered office in the State of Delaware is the Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is one hundred (100) shares of common stock, with a par value of one cent ($.01) each.

FIFTH: The name and mailing address of the incorporator is Richard J. Lampen, 100 S. E. Second Street, 32nd Floor, Miami, Florida 33131.

SIXTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good

faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived any improper personal benefit. If the DGCL is amended after the date of the filing of this Certificate to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. No repeal or modification of this Article SIXTH shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such repeal or modification.

SEVENTH: The directors shall have power to make, alter or repeal by-laws, except as may otherwise be provided in the by-laws.

EIGHTH: Elections of directors need not be written ballot, except as may otherwise be provided in the by-laws.

WITNESS my signature this 12th day of April, 2001.

/s/ Richard J. Lampen
Richard J. Lampen
Sole Incorporator

EXHIBIT 3.10

BY-LAWS
OF
LIGGETT & MYERS HOLDINGS INC.
EFFECTIVE APRIL 12, 2001
(A Delaware Corporation)

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the Corporation within the State of Delaware shall be in the City of Wilmington, County of New Castle.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the State of Delaware, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of stockholders, unless otherwise prescribed by statute, may be called at any time by the Board of Directors or the Chairman of the Board, if one shall have been elected, or the President and shall be called by the Secretary upon the request in writing of a stockholder or stockholders holding of record at least 25 percent of the voting power of the issued and outstanding shares of stock of the Corporation entitled to vote at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, place and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days before the date of the meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

SECTION 5. List of Stockholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 6. Quorum, Adjournments. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

SECTION 7. Organization. At each meeting of stockholders, the Chairman of the Board, if one shall have been elected, or, in his absence or if one shall not have been elected, the President shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Order of Business. The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

SECTION 9. Voting. Except as otherwise provided by statute or the Certificate of Incorporation, each stockholder of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation:

(a) on the date fixed pursuant to the provisions of Section 7 of Article V of these By-Laws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or

(b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting prior to the time designated in the order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if by such proxy, and shall state the number of shares voted.

SECTION 10. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of

shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

SECTION 11. Action by Consent. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, by any provision of statute or of the Certificate of Incorporation or of these By-Laws, the meeting and vote of stockholders may be dispensed with, and the action taken without such meeting and vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Corporation entitled to vote thereon were present and voted.

ARTICLE III

Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

SECTION 2. Number, Qualifications, Election and Term of Office. The number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors or by action of the stockholders of the Corporation. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of stockholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be stockholders. Except as otherwise provided by statute or these By-Laws, the directors shall be elected at the annual meeting of stockholders. Each director shall hold office until his successor shall have been elected and qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these By-Laws.

SECTION 3. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 4. Annual Meeting. The Board of Directors shall meet for the purpose of the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

SECTION 7. Notice of Meetings. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these By-Laws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, cable, telex, telecopier or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and, except as otherwise expressly required by statute or the Certificate of Incorporation or these By-Laws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 9. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the Chairman of the Board shall act as secretary of the meeting and keep the minutes thereof.

SECTION 10. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 11. Vacancies. Any vacancy in the Board of Directors, whether arising from death, resignation, removal (with or without cause), an increase in the number of directors or any other cause, may be filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director or by the stockholders at the next annual meeting thereof or at a special meeting thereof. Each director so elected shall hold office until his successor shall have been elected and qualified.

SECTION 12. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the holders of a majority of the voting power of the issued and outstanding capital stock of the Corporation entitled to vote at an election of directors.

SECTION 13. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include the President, one or more Vice-Presidents, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one shall have been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the stockholders. He shall advise and counsel with the President and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 5. The President. The President shall be the chief executive officer of the Corporation. He shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He shall perform all duties incident to the office of President and chief executive officer and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice-President. Each Vice-President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice-President, or if there shall be more than one, the Vice-Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice-Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of and be subject to the restrictions placed upon the President in respect of the performance of such duties.

SECTION 7. Treasurer. The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositories as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. Secretary. The Secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(b) see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law;

(c) be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 9. The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 10. The Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 11. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

SECTION 12. Compensation. The compensation of the officers of the Corporation for their services as such officers, shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V

Stock Certificates and Their Transfer

SECTION 1. Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board or the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Facsimile Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 4. Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

SECTION 5. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 6. Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 7. Fixing the Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 8. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI

Indemnification of Directors and Officers

SECTION 1. General. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges, expenses (including attorneys' fees),

judgments, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with such action, suit or proceeding and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

SECTION 2. Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason or any action alleged to have been taken or omitted in such capacity, against costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection with the defense or settlement of such action or suit and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such costs, charges and expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. Indemnification in Certain Cases. Notwithstanding the other provisions of this Article VI, to the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise, including without limitation, the dismissal of an action without prejudice, in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be indemnified against all costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection therewith.

SECTION 4. Procedure. Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding (the "Continuing Directors"), or (b) if such a quorum of disinterested Continuing Directors is not obtainable, or, even if obtainable a quorum of disinterested Continuing Directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

SECTION 5. Advances for Expenses. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Sections 1 and 2 of this Article VI in defending a civil or criminal action, suit or proceeding shall be paid the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay all amounts so advanced in the event that it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified by the Corporation as authorized in this Article VI. Such costs, charges and expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the majority of the Continuing Directors deems appropriate. The majority of the Continuing Directors may, in the manner set forth above, and upon approval of such director, officer, employer, employee or agent of the Corporation, authorize the Corporation's counsel to represent such person, in any action, suit or proceeding, whether or not the Corporation is a party to such action, suit or proceeding.

SECTION 6. Procedure for Indemnification. Any indemnification under Sections 1, 2 and 3, or advance of costs, charges and expenses under Section 5 of this Article VI, shall be made promptly, and in any event within 60 days upon the written request of the director, officer, employee or agent. The right to indemnification or advances as granted by this Article VI shall be enforceable by the director, officer, employee or agent in any court of competent jurisdiction, if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within 60 days. Such person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charge and expenses under Section 5 of this Article VI where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth in Sections 1 or 2 of this Article VI, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article VI, nor the fact that there has been an actual determination by the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met such applicable standard of conduct.

SECTION 7. Other Rights; Continuation of Right to Indemnification. The indemnification and advancement of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), by-law, agreement, vote of stockholders, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. If the Delaware General Corporation Law is hereafter amended to permit the Corporation to indemnify directors and officers to a greater extent than otherwise permitted by this Article VI, the Corporation shall indemnify directors and officers to such greater extent. All rights to indemnification under this Article VI shall be deemed to be a contract between the Corporation and each director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware General Corporation Law or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware General Corporation Law or any other applicable laws shall not in any way diminish any rights to

indemnification of such director, officer, employee or agent or the obligations of the Corporation arising hereunder with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal. For the purposes of this Article VI, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or as serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI, with respect to the resulting or surviving corporation, as he would if he had served the resulting or surviving corporation in the same capacity.

SECTION 8. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the Provisions of this Article VI; provided, however, that such insurance is available on acceptable terms, which determination shall, be made by a vote of a majority of the Continuing Directors.

SECTION 9. Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE VII

General Provisions

SECTION 1. Dividends. Subject to the provisions of statute and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

SECTION 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

SECTION 3. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 4. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 5. Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 6. Execution of Contracts, Deeds, Etc. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

SECTION 7. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board or the President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board or the President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board or the President may, or may instruct the attorneys or agents appointed, to execute or cause to be executed in the name and on behalf of the Corporation and under its seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII

Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) by action of the stockholders entitled to vote thereon at any annual or special meeting of stockholders or (b) if the Certificate of Incorporation so provides, by action of the Board of Directors at a regular or special meeting thereof. Any by-law made by the Board of Directors may be amended or repealed by action of the stockholders at any annual or special meeting of stockholders.

Exhibit 3.11

CERTIFICATE OF INCORPORATION

OF

LIGGETT & MYERS TOBACCO COMPANY, INC.

CERTIFICATE OF INCORPORATION

OF

LIGGETT & MYERS TOBACCO COMPANY, INC.

I, THE UNDERSIGNED, in order to form a corporation, under and pursuant to the General Corporation Law of the State of Delaware, do hereby certify as follows:

FIRST: The name if the Corporation is

LIGGETT & MYERS TOBACCO COMPANY, INC.

SECOND: The registered office of the Corporation in the State of Delaware is at 100 West Tenth Street, Wilmington, County of New Castle, Delaware, and its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock which the Corporation is authorized to issue is One Thousand (1,000) shares of Common Stock, having a par value of Ten Cents ($.10) per share, all of which shall be of the same class. The holders thereof shall be entitled to one vote at all meetings of stockholders for each share of such standing in his name on the books of the Corporation on the record date fixed for such meeting.

FIFTH: The name and mailing address of the Incorporator, is William L. O'Quinn, c/o Liggett & Myers Incorporated, 4100 Roxboro Road, Durham, North Carolina 27704.

SIXTH: The powers of the incorporator shall terminate upon the filling of this Certificate of Incorporation, and the

names and mailing addresses of persons to serve as directors until the first annual meeting of stockholders or until their successors are elected and qualify are;

Arthur E. Sloat	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
J. Carl Burton	c/o Liggett & Myers Incorporated West Main Street, Durham, N.C. 27702
William D. Currin	c/o Liggett & Myers Incorporated West Main Street, Durham, N.C. 27702
K.V.R. Day, Jr.	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
Joseph H. Greer	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
James G. Huckabee, Jr.	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
Robert L. Kersey	c/o Liggett & Myers Incorporated West Main Street, Durham, N.C. 27702
Donald E. Mott	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
Robert A. Rechholtz	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
Robert B. Seidensticker	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
James C. Turner	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704
David M. Welsh	c/o Liggett & Myers Incorporated 4100 Roxboro Road, Durham, N.C. 27704

SEVENTH: The Board of Directors, without the assent or vote of the Stockholders, shall have the power to make, alter, amend or repeal the By-Laws of the Corporation.

EIGHTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or as hereinafter prescribed by law.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the 1st day of July, 1975.

/s/ William L. O'Quinn

STATE OF NORTH CAROLINA)
) ,SS:
COUNTY OF DURHAM)

BE IT REMEMBERED that on this 1st day of July, 1975 personally came before me, a Notary Public in and for the County and State aforesaid, WILLIAM L. O'QUINN, the person described in and who executed the foregoing Certificate of Incorporation, known to me personally to be such, and he acknowledged the execution of said Certificate to be his act and deed and the facts therein stated are true.

GIVEN under my hand and seal of office the day and year aforesaid.

/s/ Helen B. Brooks

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
LIGGETT & MYERS TOBACCO COMPANY, INC.

(Pursuant to Section 242 of the
General Corporation Law of Delaware)

LIGGETT & MYERS TOBACCO COMPANY, INC., a corporation organized under the laws of the State of Delaware (the "Corporation"), does certify as follows:

1. The Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on July 3, 1975.

2. The Certificate is hereby amended to change the name of the Corporation from "LIGGETT & MYERS TOBACCO COMPANY, INC." to "LIGGETT & MYERS, INC."

3. The holder of all of the outstanding shares of capital stock of the Corporation entitled to vote thereon have approved the above amendment by written action in lieu of a meeting, all in accordance with the provisions of Section 228 of the General Corporation Law of Delaware.

4. The foregoing Amendment to the Certificate was duly adopted in accordance with the applicable provisions of Section 242 and 228.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be executed by its duly authorized officers this 11th day of June, 1990.

LIGGETT & MYERS TOBACCO COMPANY, INC.

By: /s/ David M. Welsh
David M. Welsh
Vice President

A T T E S T:

/s/ Josiah S. Murray, III
Josiah S. Murray, III
Secretary

Exhibit 3.12

BY-LAWS OF

LIGGETT & MYERS TOBACCO COMPANY

(A Delaware Corporation)

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the Corporation within the State of Delaware shall be Corporation Services Company, 1013 Centre Road, in the City of Wilmington, County of New Castle, Delaware 19805.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the State of Delaware, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of stockholders, unless otherwise prescribed by statute, may be called at any time by the Board of Directors or the Chairman of the Board, if one shall have been elected, or the President and shall be called by the Secretary upon the request in writing of a stockholder or stockholders holding of record at least 50 percent of the voting power of the issued and outstanding shares of stock of the Corporation entitled to vote at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, place and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall, be given to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days before the date of the

meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

SECTION 5. List of Stockholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 6. Quorum, Adjournment. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

SECTION 7. Organization. At each meeting of stockholders, the Chairman of the Board, if one shall have been elected, or, in his absence or if one shall not have been elected, the President shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the

meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Order of Business. The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

SECTION 9. Voting. Except as otherwise provided by statute or the Certificate of Incorporation, each stockholder of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation:

(a) on the date fixed pursuant to the provisions of Section 7 of Article V of these By-Laws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or

(b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting at or prior to the time designated in the order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall, govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if there be such proxy, and shall state the number of shares voted.

SECTION 10. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented

at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

SECTION 11. Action by Consent. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, by any provision of statute or of the Certificate of Incorporation or of these By-Laws, the meeting and vote of stockholders may be dispensed with, and the action taken without such meeting and vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Corporation entitled to vote thereon were present and voted.

ARTICLE III

Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

SECTION 2. Number, Qualifications, Election and Term of Office. The number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors or by action of the stockholders of the Corporation. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of stockholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be stockholders. Except as otherwise provided by statute or these By-Laws, the directors shall be elected at the annual meeting of stockholders. Each director shall hold office until his successor shall have been elected and qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these By-Laws.

SECTION 3. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 4. Annual Meeting. The Board of Directors shall meet for the purpose of the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

SECTION 7. Notice of Meetings. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these By-Laws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, cable, telex, telecopier or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and, except as otherwise expressly required by statute or the Certificate of Incorporation or these By-Laws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was

taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 9. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the chairman shall act as secretary of the meeting and keep the minutes thereof.

SECTION 10. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 11. Vacancies. Any vacancy in the Board of Directors, whether arising from death, resignation, removal (with or without cause), an increase in the number of directors or any other cause, may be filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director or by the stockholders at the next annual meeting thereof or at a special meeting thereof. Each director so elected shall hold office until his successor shall have been elected and qualified.

SECTION 12. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the holders of a majority of the voting power of the issued and outstanding capital stock of the Corporation entitled to vote at an election of directors.

SECTION 13. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include the President, one or more Vice Presidents, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one shall have been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the stockholders. He shall advise and counsel with the President, and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 5. The President. The President shall be the chief executive officer of the Corporation. He shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He shall perform all duties incident to the office of President and chief executive officer and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice-President. Each Vice President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice-President, or if there shall be more than one, the Vice-Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice-Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of and be subject to the restrictions placed upon the President in respect of the performance of such duties.

SECTION 7. Treasurer. The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositaries as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. Secretary. The Secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(b) see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law;

(c) be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 9. The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 10. The Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 11. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

SECTION 12. Compensation. The compensation of the officers of the Corporation for their services as such officers shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V

Stock Certificates and Their Transfer

SECTION 1. Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board or the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Facsimile Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 4. Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall

be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

SECTION 5. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 6. Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 7. Fixing the Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 8. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI

Indemnification of Directors and Officers

SECTION 1. General. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges, expenses (including attorneys' fees),

judgments, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with such action, suit or proceeding and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

SECTION *2.* Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection with the defense or settlement of such action or suit and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such costs, charges and expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. Indemnification in Certain Cases. Notwithstanding the other provisions of this Article VI, to the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise, including without limitation, the dismissal of an action without prejudice, in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be indemnified against all costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection therewith).

SECTION 4. Procedure. Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a)

by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding (the "Continuing Directors"), or (b) if such a quorum of disinterested Continuing Directors is not obtainable, or, even if obtainable a quorum of disinterested Continuing Directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

SECTION 5. Advances for Expenses. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Sections 1 and 2 of this Article VI in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay all amounts so advanced in the event that it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified by the Corporation as authorized in this Article VI. Such costs, charges and expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the majority of the Continuing Directors deems appropriate. The majority of the Continuing Directors may, in the manner set forth above, and upon approval of such director, officer, employer, employee or agent of the Corporation, authorize the Corporation's counsel to represent such person, in any action, suit or proceeding, whether or not the Corporation is a party to such action, suit or proceeding.

SECTION 6. Procedure for Indemnification. Any indemnification under Sections 1, 2 and 3, or advance of costs, charges and expenses under Section 5 of this Article VI, shall be made promptly, and in any event within 60 days upon the written request of the director, officer, employee or agent. The right to indemnification or advances as granted by this Article VI shall be enforceable by the director, officer, employee or agent in any court of competent jurisdiction, if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within 60 days. Such person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charge and expenses under Section 5 of this Article VI where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth in Sections 1 or 2 of this Article VI, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article VI, nor the fact that there has been an actual determination by the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

SECTION 7. Other Rights; Continuation of Right to Indemnification. The indemnification and advance of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), by-law, agreement, vote of stockholders, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. If the Delaware Corporation Law is hereafter amended to permit the Corporation to indemnify directors and officers to a greater extent than otherwise permitted by this Article VI, the Corporation shall indemnify directors and officers to such greater extent, All rights to indemnification under this Article VI shall be deemed to be a contract between the Corporation and each director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware Corporation Law or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent or the obligations of the Corporation arising hereunder with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal. For the purposes of this Article VI, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI, with respect to the resulting or surviving corporation, as he would if he had served the resulting or surviving corporation in the same capacity.

SECTION 8. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VI; provided, however, that such insurance is available on acceptable terms, which determination shall be made by a vote of a majority of the Continuing Directors.

SECTION 9. Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in

settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE VII

General Provisions

SECTION 1. Dividends. Subject to the provisions of statute and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in properly or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

SECTION 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

SECTION 3. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 4. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 5. Checks, Notes, Drafts, Etc.. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 6. Execution of Contracts, Deeds, Etc. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

SECTION 7. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board or the President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the

Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board or the President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board or the President may, or may instruct the attorneys or agents appointed to, execute or cause to be executed in the name and on behalf of the Corporation and under its seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII

Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) by action of the stockholders entitled to vote thereon at any annual or special meeting of stockholders or (b) if the Certificate of Incorporation so provides, by action of the Board of Directors at a regular or special meeting thereof. Any by-law made by the Board of Directors may be amended or repealed by action of the stockholders at any annual or special meeting of stockholders.

Exhibit 3.13

State of Delaware
Secretary of State
Division of Corporations
Delivered 12:52 PM 12/13/2005
FILED 12:41 PM 12/13/2005
SRV 051013934 — 2232980 FILE

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF FORMATION

OF

LIGGETT GROUP LLC

1. The name of the limited liability company is **Liggett Group LLC.**

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation on December 13, 2005.

/s/ John R. Long
John R. Long
Authorized Person

Exhibit 3.14

LIMITED LIABILITY COMPANY AGREEMENT

OF

LIGGETT GROUP LLC

A DELAWARE LIMITED LIABILITY COMPANY

This Limited Liability Company Agreement of Liggett Group LLC is made and entered into as of December 13, 2005, by VGR Holding LLC, a Delaware limited liability company, with offices at 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131:

ARTICLE I
Definitions

The following terms used in this Limited Liability Company Agreement shall have the following meanings, unless otherwise expressly provided herein:

1. "Certificate of Conversion" shall mean the Certificate of Conversion of the Corporation as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Formation.

2. "Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Conversion, as the same may be amended from time to time.

3. "Company" shall mean Liggett Group LLC, a limited liability company formed under the laws of the State of Delaware.

4. "Corporation" shall mean Liggett Group Inc.

5. "Delaware Act" shall mean the Delaware Limited Liability Company Act, Title 6 of the Delaware Code, §§ 18-101 to 18-1109, and all amendments thereto.

6. "LLC Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

7. "Manager" shall mean each of Ronald J. Bernstein, Charles M. Kingan, Jr., and Gregory A. Sulin, and any other person or persons succeeding each or any of them in such capacity.

8. "Member" shall mean VGR Holding LLC, a Delaware limited liability company, and any other person or persons admitted as a Member from time to time pursuant to the provisions of this LLC Agreement.

ARTICLE II
Formation of Company and Nature of Business

1. Formation. The Company is the resulting entity from the conversion of the Corporation into the Company pursuant to Section 266 of the Delaware General Corporation Law and Section 18-214 of the Delaware Act. The Certificate of Conversion and the Certificate of Formation were filed with the Delaware Secretary of State on December __, 2005. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this LLC Agreement, the Member agrees that the Company shall be a limited liability company subject to the provisions of the Delaware Act as in effect as of the date hereof and the provisions of this LCC Agreement.

2. Name. The name of the Company is Liggett Group LLC.

3. Registered Office and Registered Agent. The Company's initial registered office shall be at the office of its registered agent at 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801, and the name of its initial registered agent at such address shall be The Corporation Trust Company. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

4. Executive Offices. The address of the Company's principal executive offices shall be 100 Maple Lane, Mebane, North Carolina 27302.

5. Term. The term of the Company commenced on June 11, 1990 and shall continue in perpetuity unless the Company is earlier dissolved in accordance with either the provisions of this LLC Agreement or the Delaware Act.

6. Permitted Business. The business of the Company shall be to engage in any lawful business, purpose, or activity for which limited liability companies may be organized under the Delaware Act except for insurance or banking.

7. Powers. The Company shall possess and may exercise all the powers and privileges granted by the Delaware Act, or by any other law, or by this LLC Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion, or attainment of the business, purposes, or activities of the Company.

ARTICLE III
Members

1. Initial Member. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this Agreement, all of the outstanding stock of the Corporation as issued to the Member shall be converted into the sole limited liability company interest of the Company and the Member shall be admitted to the Company in respect thereto. The name and address of the Member is as follows:

VGR Holding LLC
100 S.E. Second Street, 32nd Floor
Miami, Florida 33131

2. Interest in Company. The percentage share of the Member in the capital of the Company shall initially be 100%. If and when any additional members are admitted to the Company in accordance with this LLC Agreement, the percentage shares of the Members in the capital of the Company shall be adjusted as agreed by the Members.

3. Action by Members. Any action required or permitted to be taken by the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Members, and delivered to the Manager for inclusion in the minutes and for filing with the Company records.

4. Waiver of Notice. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

ARTICLE IV
Rights and Duties of the Managers

1. Management. The business and affairs of the Company shall be managed by the Managers who shall be appointed by the affirmative vote of Members holding a majority of the limited liability company interests of the Company. The initial Managers of the Company shall be:

Ronald J. Bernstein
Charles M. Kingan, Jr.
Gregory A. Sulin

The Managers shall direct, manage and control the business of the Company to the best of their abilities. Except for situations in which the approval of the Members is expressly required by this LLC Agreement or by non-waivable provisions of applicable law, the Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

2. Number, Tenure and Qualifications. The Company shall initially have three managers as set forth above, each of whom shall serve until his respective resignation, removal by the Members, or death. The Members shall have the authority to establish, from time to time, the number, tenure and qualifications of Managers. The Managers need not be residents of the State of Delaware or a Member of the Company.

3. Action by Managers. Any action required or permitted to be taken by the Managers may be taken without a meeting if the action is evidenced by one or more written

consents describing the action taken, signed by all Managers, and included in the minutes of the Company.

4. Waiver of Notice. When any notice is required to be given to any Manager, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

5. Liability for Certain Acts. The Managers shall perform their managerial duties in a manner they reasonably believe to be in the best interests of the Company. The Managers shall not have any liability by reason of being or having been Managers of the Company. The Managers shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member.

6. Indemnity of Managers. To the maximum extent permitted under Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Managers and delegates of the Managers.

7. Appointment of Officers.

a. The Managers may appoint officers of the Company, including, without limitation, a president, a chief executive officer, and one or more vice presidents, and have the power and authority to delegate to one or more such persons any or all of the Managers' rights and powers to manage and control the business and affairs of the Company. Officers need not be Members.

b. Except as modified by the Managers, officers will have such powers and duties generally pertaining to their offices and such powers and duties as conferred by the Managers.

c. Until the Managers agree otherwise, the officers of the Company and their respective titles shall be as follows:

Ronald J. Bernstein	President & Chief Executive Officer
Gregory A. Sulin	Senior Vice President & Chief Operating Officer
Billy T. Turner	Vice President — Operations
Charles M. Kingan, Jr.	Vice President — Finance; Treasurer
John R. Long	Vice President & General Counsel; Secretary
Helen B. Stewart	Assistant Secretary

ARTICLE V
Distributions and Accounting Period

1. Allocations and Distributions. All income, gains, losses, deductions, and credits shall be allocated, and all distributions shall be made, to or among the Members in proportion to each Member's percentage share in the capital of the Company. The Managers shall determine the amount and timing of all distributions.

2. Accounting Period. The Company's accounting period shall be the calendar year.

ARTICLE VI
Transferability and Additional Members

1. Transferability. Without unanimous written consent of the Members, no Member shall have the right to directly or indirectly assign, sell, mortgage, pledge, hypothecate, or otherwise dispose of or encumber, all or any part of its interest in the Company or its share of allocations or distributions under this LLC Agreement.

2. Admission to Membership. Without unanimous written consent of the Members, no additional Members of the Company shall be admitted.

ARTICLE VII
Dissolution

1. Dissolution. The Company shall be dissolved upon the earlier of (a) the election to dissolve the Company by the Members or (b) as otherwise required under the Delaware Act.

2. Distribution of Assets Upon Dissolution. In settling accounts after dissolution, the assets of the Company shall be paid to the Company's creditors and to the Members as required by the Delaware Act and other applicable law.

3. Certificate of Cancellation. When all liabilities and obligations of the Company have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the Company have been distributed to the Members, a certificate of cancellation shall be executed on behalf of the Company by the Members and shall be filed with the Secretary of State of the State of Delaware, and the Members shall execute, acknowledge and file any and all other instruments necessary or appropriate to reflect the dissolution and termination of the Company.

ARTICLE VIII
Miscellaneous Provisions

1. Entire Agreement. This LLC Agreement represents the entire agreement among all the Members of the Company.

2. Application of Delaware Law. This LLC Agreement, and the application or interpretation hereof, shall be governed exclusively by the laws of the State of Delaware, and specifically the Delaware Act.

3. Amendments. This LLC Agreement may not be amended except by the unanimous written consent of the Members.

4. Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

5. Rights of Creditors and Third Parties Under LLC Agreement. This LLC Agreement is entered into for the exclusive benefit of the Members and their successors and assigns. This LLC Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this LLC Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

IN WITNESS WHEREOF, the initial sole Member, VGR Holding LLC, has caused its authorized representative to execute this LLC Agreement as of December 13, 2005.

VGR HOLDING LLC

By: /s/ Richard J. Lampen
Richard J. Lampen
Executive Vice President

Exhibit 3.15

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 10:00 AM 03/13/2002
020165610 — 3498441

CERTIFICATE OF INCORPORATION

OF

LIGGETT VECTOR BRANDS INC.

The undersigned for the purpose of organizing a corporation under the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies:

FIRST: The name of the corporation is Liggett Vector Brands Inc. (the "Corporation").

SECOND: The address of the Corporation's registered office in the State of Delaware is the Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is one hundred (100) shares of common stock, with a par value of one cent ($.01) each.

FIFTH: The name and mailing address of the incorporator is Richard J. Lampen, 100 S. E. Second Street, 32nd Floor, Miami, Florida 33131.

SIXTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good

faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived any improper personal benefit. If the DGCL is amended after the date of the filing of this Certificate to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. No repeal or modification of this Article SIXTH shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such repeal or modification.

SEVENTH: The directors shall have power to make, alter or repeal by-laws, except as may otherwise be provided in the by-laws.

EIGHTH: Elections of directors need not be written ballot, except as may otherwise be provided in the by-laws.

WITNESS my signature this 13th day of March, 2002.

/s/ Richard J. Lampen
Richard J. Lampen
Sole Incorporator

Exhibit 3.16

BY-LAWS OF
LIGGETT VECTOR BRANDS INC.
EFFECTIVE MARCH 13, 2002
(A Delaware Corporation)

ARTICLE I
Offices

SECTION 1. Registered Office. The registered office of the Corporation within the State of Delaware shall be in the City of Wilmington, County of New Castle.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the State of Delaware, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

ARTICLE II
Meetings of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of stockholders, unless otherwise prescribed by statute, may be called at any time by the Board of Directors or the Chairman of the Board, if one shall have been elected, or the President and shall be called by the Secretary upon the request in writing of a stockholder or stockholders holding of record at least 25 percent of the voting power of the issued and outstanding shares of stock of the Corporation entitled to vote at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, place and hour of the meeting, and, in the case of a special meeting, the purpose or purposes, for which the meeting is called, shall be given to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days before the date of the meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his address as it appears on the records of the Corporation.

Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

SECTION 5. List of Stockholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 6. Quorum, Adjournments. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

SECTION 7. Organization. At each meeting of stockholders, the Chairman of the Board, if one shall have been elected, or, in his absence or if one shall not have been elected, the President shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Order of Business. The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

SECTION 9. Voting. Except as otherwise provided by statute or the Certificate of Incorporation, each stockholder of the Corporation shall be entitled at each meeting of

stockholders to one vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation:

(a) on the date fixed pursuant to the provisions of Section 7 of Article V of these By-Laws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting;

(b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him by a proxy signed by such stockholder or his attorney-in-fact, but no proxy shall be voted after three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting prior to the time designated in the order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if by such proxy, and shall state the number of shares voted.

SECTION 10. Inspectors. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

SECTION 11. Action by Consent. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, by any provision of statute or of the Certificate of Incorporation or of these By-Laws, the meeting and vote of stockholders may be dispensed with, and the action taken without such meeting and vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Corporation entitled to vote thereon were present and voted.

ARTICLE III
Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

SECTION 2. Number, Qualifications, Election and Term of Office. The number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors or by action of the stockholders of the Corporation. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of stockholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be stockholders. Except as otherwise provided by statute or these By-Laws, the directors shall be elected at the annual meeting of stockholders. Each director shall hold office until his successor shall have been elected and qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these By-Laws.

SECTION 3. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 4. Annual Meeting. The Board of Directors shall meet for the purpose of the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting

which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

SECTION 7. Notice of Meetings. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these By-Laws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, cable, telex, telecopier or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and, except as otherwise expressly required by statute or the Certificate of Incorporation or these By-Laws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 9. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the Chairman of the Board shall act as secretary of the meeting and keep the minutes thereof.

SECTION 10. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect

at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 11. Vacancies. Any vacancy in the Board of Directors, whether arising from death, resignation, removal (with or without cause), an increase in the number of directors or any other cause, may be filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director or by the stockholders at the next annual meeting thereof or at a special meeting thereof. Each director so elected shall hold office until his successor shall have been elected and qualified.

SECTION 12. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the holders of a majority of the voting power of the issued and outstanding capital stock of the Corporation entitled to vote at an election of directors.

SECTION 13. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Except to the extent restricted by statute or the Certificate of Incorporation, each, such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or

similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV
Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include the President, one or more Vice-Presidents, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one shall have been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the stockholders. He shall advise and counsel with the President and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 5. The President. The President shall be the chief executive officer of the Corporation. He shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He shall perform all duties incident to the office of President and chief executive officer and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice-President. Each Vice-President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice-President, or if there shall be more than one, the Vice-Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice-Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of

and be subject to the restrictions placed upon the President in respect of the performance of such duties.

SECTION 7. Treasurer. The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositories as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. Secretary. The Secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(b) see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law;

(c) be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) in general, perform all duties incident to the office of Secretary and such. other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 9. The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 10. The Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 11. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

SECTION 12. Compensation. The compensation of the officers of the Corporation for their services as such officers, shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V
Stock Certificates and Their Transfer

SECTION 1. Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of the Board or the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more man one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summaarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Facsimile Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 4. Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

SECTION 5. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 6. Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 7. Fixing the Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 8. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VI
Indemnification of Directors and Officers

SECTION 1. General. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with such action, suit or proceeding and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

SECTION 2. Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason or any action alleged to have been taken or omitted in such capacity, against costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection with the defense or settlement of such action or suit and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of

the case, such person is fairly and reasonably entitled to indemnity for such costs, charges and expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. Indemnification in Certain Cases. Notwithstanding the other provisions of this Article VI, to the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise, including without limitation, the dismissal of an action without prejudice, in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue or matter therein, he shall be indemnified against all costs, charges and expenses (including attorneys' fees) actually and reasonably incurred by him or on his behalf in connection therewith.

SECTION 4. Procedure. Any indemnification under Sections 1 and 2 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such Sections 1 and 2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding (the "Continuing Directors"), or (b) if such a quorum of disinterested Continuing Directors is not obtainable, or, even if obtainable a quorum of disinterested Continuing Directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

SECTION 5. Advances for Expenses. Costs, charges and expenses (including attorneys' fees) incurred by a person referred to in Sections 1 and 2 of this Article VI in defending a civil or criminal action, suit or proceeding shall be paid the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay all amounts so advanced in the event that it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified by the Corporation as authorized in this Article VI. Such costs, charges and expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the majority of the Continuing Directors deems appropriate. The majority of the Continuing Directors may, in the manner set forth above, and upon approval of such director, officer, employer, employee or agent of the Corporation, authorize the Corporation's counsel to represent such person, in any action, suit or proceeding, whether or not the Corporation is a party to such action, suit or proceeding.

SECTION 6. Procedure for Indemnification. Any indemnification under Sections 1, 2 and 3, or advance of costs, charges and expenses under Section 5 of this Article VI, shall be made promptly, and in any event within 60 days upon the written request of the director, officer, employee or agent. The right to indemnification or advances as granted by this Article VI shall be enforceable by the director, officer, employee or agent in any court of competent jurisdiction, if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within 60 days. Such person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charge and expenses under Section 5 of this

Article VI where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth in Sections 1 or 2 of this Article VI, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article VI, nor the fact that there has been an actual determination by the Corporation (including its Board of Directors, its independent legal counsel, and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met such applicable standard of conduct.

SECTION 7. Other Rights: Continuation of Right to Indemnification. The indemnification and advancement of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), by-law, agreement, vote of stockholders, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. If the Delaware General Corporation Law is hereafter amended to permit the Corporation to indemnify directors and officers to a greater extent than otherwise permitted by this Article VI, the Corporation shall indemnify directors and officers to such greater extent. All rights to indemnification under this Article VI shall be deemed to be a contract between the Corporation and each director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware General Corporation Law or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of Delaware General Corporation Law or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent or the obligations of the Corporation arising hereunder with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal. For the purposes of this Article VI, references to “the Corporation” include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or as serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI, with respect to the resulting or surviving corporation, as he would if he had served the resulting or surviving corporation in the same capacity.

SECTION 8. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the Provisions of this Article VI; provided, however, that such insurance is available on acceptable terms, which determination shall, be made by a vote of a majority of the Continuing Directors.

SECTION 9. Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE VII
General Provisions

SECTION 1. Dividends. Subject to the provisions of statute and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

SECTION 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

SECTION 3. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 4. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 5. Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated

by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 6. Execution of Contracts, Deeds, Etc. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such, authority may be general or confined to specific instances.

SECTION 7. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board or the President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board or the President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board or the President may, or may instruct the attorneys or agents appointed, to execute or cause to be executed in the name and on behalf of the Corporation and under its seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII
Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) by action of the stockholders entitled to vote thereon at any annual or special meeting of stockholders or (b) if the Certificate of Incorporation so provides, by action of the Board of Directors at a regular or special meeting thereof. Any by-law made by the Board of Directors may be amended or repealed by action of the stockholders at any annual or special meeting of stockholders.

[CORPORATE SEAL]

/s/ Charles M. Kingan, Jr.
Charles M. Kingan, Jr.
Secretary

Exhibit 3.17

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 01:30 PM 12/14/2000
001627783 — 3330118

CERTIFICATE OF FORMATION

OF

V. T. AVIATION LLC

1. The name of the limited liability company is V.T. AVIATION LLC.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of V.T. AVIATION LLC this 14th day of December, 2000.

/s/ Madonna Cuddihy
Madonna Cuddihy, Organizer

(DEL. — LLC 3239 — 3/7/95)

Exhibit 3.18

Limited Liability Company Agreement

of

V.T. AVIATION LLC

A Delaware Limited Liability Company

Vector Research Ltd., a Delaware corporation with offices at 700 West Main Street, Durham, North Carolina 27701, hereby declares as follows:

ARTICLE I
Definitions

1. Definitions. The following terms used in this Limited Liability Company Agreement, unless otherwise expressly provided herein, shall have the following meanings:

2. "Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of the State of Delaware, as the same may be amended from time to time.

3. "Company" shall mean V.T. Aviation LLC, a limited liability company formed under the laws of the State of Delaware.

4. "Delaware Act" shall mean the Delaware Limited Liability Company Act, Title 6, §§ 18-101 to 18-1109, and all amendments thereto.

5. "LLC Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

6. "Manager" shall mean Vector Research Ltd. or any other person or persons that succeed it in such capacity.

7. "Member" shall mean Vector Research Ltd. and any other person(s) admitted as a Member from time to time pursuant to the provisions of this LLC Agreement.

ARTICLE II
Formation of Company and Nature of Business

1. Formation. On December 14, 2000, the Company was formed as a Delaware Limited Liability Company.

2. Name. The name of the Company is V.T. Aviation LLC.

3. Registered Office and Registration Agent. The Company's initial registered office shall be at the office of its registered agent at 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801, and the name of its initial registered agent at such address shall be The Corporation Trust Center. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

4. Executive Offices. The address of the Company's principal executive offices shall be 700 West Main Street, Durham, NC 27701.

5. Term. The term of the Company shall be unlimited, unless the Company is earlier dissolved in accordance with either the provisions of this LLC Agreement or the Delaware Act.

6. Permitted Business. The business of the Company shall be to engage in any lawful business, purpose or activity whatsoever except for insurance or banking.

7. Powers. The Company shall possess and may exercise all the powers and privileges granted by the Delaware Act or by any other law or by this LLC Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Company.

ARTICLE III
Members

1. Initial Member. The name and address of the initial Member is as follows:

Vector Research Ltd.
700 West Main Street
Durham, North Carolina 27701

2. Interest in Company. The percentage share of Vector Research Ltd. in the capital of the Company shall initially be 100%. If and when any additional Members are admitted to the Company in accordance with this LLC Agreement, the Members' percentage shares in the capital of the Company shall be adjusted as agreed by the Members.

3. Action by Members. Any action required or permitted to be taken by the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Members, and delivered to the Manager for inclusion in the minutes and for filing with the Company records.

4. Waiver of Notice. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

ARTICLE IV
Rights and Duties of the Manager

1. Management. The business and affairs of the Company shall be managed by Vector Research Ltd. The Manager shall direct, manage and control the business of the Company to the best of its abilities. Except for situations in which the approval of the Members is expressly required by this LLC Agreement or by non-waivable provisions of applicable law, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

2. Number, Tenure and Qualifications. The Company shall have one manager, and the manager need not be a resident of the State of Delaware or a Member of the Company.

3. Liability for Certain Acts. The Manager shall perform its managerial duties in a manner it reasonably believes to be in the best interests of the Company. The Manager shall not have any liability by reason of being or having been the Manager of the Company. The Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member.

4. Indemnity of the Manager. To the maximum extent permitted under Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Manager and delegates of the Manager.

5. Appointment of Officers. The Manager may appoint officers of the Company, including, without limitation, a chairman, a president, a chief executive officer, and one or more vice presidents, and has the power and authority to delegate to one or more such persons any or all of the Manager's rights and powers to manage and control the business and affairs of the Company.

ARTICLE VI
Distributions and Accounting Period

1. Allocations and Distributions. All income, gains, losses, deductions, and credits shall be allocated, and all distributions shall be made, to or among the Member(s) in proportion to each

Member's percentage share in the capital of the Company. The Manager shall determine the amount and timing of all distributions.

2. Accounting Period. The Company's accounting period shall be the calendar year.

ARTICLE VII
Transferability and Additional Members

1. Transferability. Without unanimous written consent of the Members, no Member shall have the right to directly or indirectly assign, sell, mortgage, pledge, hypothecate, or otherwise dispose of or encumber, all or any part of its interest in the Company or its share of allocations or distributions under this LLC Agreement.

2. Admission to Membership. Without unanimous written consent of the Members, no additional Members of the Company shall be admitted.

ARTICLE VIII
Miscellaneous Provisions

1. Entire Agreement. This LLC Agreement represents the entire agreement among all the Members and the Company.

2. Application of Delaware Law. This LLC Agreement, and the application or interpretation hereof, shall be governed exclusively by the laws of the State of Delaware, and specifically the Delaware Act.

3. Amendments. This LLC Agreement may not be amended except by the unanimous written consent of the Members.

4. Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

5. Rights of Creditors and Third Parties Under LLC Agreement. This LLC Agreement is entered into for the exclusive benefit of its Member(s) and their successors and assigns. This LLC Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this LLC Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

IN WITNESS WHEREOF, the party hereto has caused its authorized representative to execute this Agreement as of this 16th day of January, 2001.

MEMBER:

VECTOR RESEARCH LTD.

By: /s/ Marc N. Bell
Name: Marc N. Bell
Title: Senior Vice President

Exhibit 3.19

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:20 PM 12/28/2006
FILED 10:14 PM 12/28/2006
SRV 061198471 — 3319296 FILE

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF FORMATION

OF

VECTOR RESEARCH LLC

1. The name of the limited liability company is Vector Research LLC.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation on December 27, 2006.

/s/ Marc N. Bell
Marc N. Bell
Authorized Person

Exhibit 3.20

LIMITED LIABILITY COMPANY AGREEMENT

OF

VECTOR RESEARCH LLC

A DELAWARE LIMITED LIABILITY COMPANY

This Limited Liability Company Agreement of Vector Research LLC is made and entered into as of December 27, 2006, by VGR Holding LLC, a Delaware Limited Liability Company, with offices at 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131:

ARTICLE I
Definitions

The following terms used in this Limited Liability Company Agreement shall have the following meanings, unless otherwise expressly provided herein:

1. "Certificate of Conversion" shall mean the Certificate of Conversion of the Corporation as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Formation.

2. "Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Conversion, as the same may be amended from time to time.

3. "Company" shall mean Vector Research LLC, a limited liability company formed under the laws of the State of Delaware.

4. "Corporation" shall mean Vector Research Ltd..

5. "Delaware Act" shall mean the Delaware Limited Liability Company Act, Title 6 of the Delaware Code, §§ 18-101 to 18-1109, and all amendments thereto.

6. "LLC Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

7. "Managers" shall mean Bennett S. LeBow and Marc N. Bell, or any other person or persons succeeding them in such capacity.

8. "Member" shall mean VGR Holding LLC, a Delaware Limited Liability Company, and any other person or persons admitted as a Member from time to time pursuant to the provisions of this LLC Agreement.

ARTICLE II
Formation of Company and Nature of Business

1. Formation. The Company is the resulting entity from the conversion of the Corporation into the Company pursuant to Section 266 of the Delaware General Corporation Law and Section 18-214 of the Delaware Act. The Certificate of Conversion and the Certificate of Formation were filed with the Delaware Secretary of State on December 28, 2006. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this LLC Agreement, the Member agrees that the Company shall be a limited liability company subject to the provisions of the Delaware Act as in effect as of the date hereof and the provisions of this LCC Agreement.

2. Name. The name of the Company is Vector Research LLC.

3. Registered Office and Registered Agent. The Company's initial registered office shall be at the office of its registered agent at 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801, and the name of its initial registered agent at such address shall be The Corporation Trust Company. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

4. Executive Offices. The address of the Company's principal executive offices shall be 3908 Patriot Drive, Durham, North Carolina 27703.

5. Term. The term of the Company commenced on November 22, 2000 and shall continue in perpetuity unless the Company is earlier dissolved in accordance with either the provisions of this LLC Agreement or the Delaware Act.

6. Permitted Business. The business of the Company shall be to engage in any lawful business, purpose, or activity for which limited liability companies may be organized under the Delaware Act except for insurance or banking.

7. Powers. The Company shall possess and may exercise all the powers and privileges granted by the Delaware Act, or by any other law, or by this LLC Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion, or attainment of the business, purposes, or activities of the Company.

ARTICLE III
Members

1. Initial Member. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this Agreement, all of the outstanding stock of the Corporation as issued to the Member shall be converted into the sole limited liability

company interest of the Company and the Member shall be admitted to the Company in respect thereto. The name and address of the Member is as follows:

VGR Holding LLC
100 S.E. Second Street, 32nd Floor
Miami, Florida 33131

2. Interest in Company. The percentage share of the Member in the capital of the Company shall initially be 100%. If and when any additional members are admitted to the Company in accordance with this LLC Agreement, the percentage shares of the Members in the capital of the Company shall be adjusted as agreed by the Members.

3. Action by Members. Any action required or permitted to be taken by the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Members, and delivered to the Manager for inclusion in the minutes and for filing with the Company records.

4. Waiver of Notice. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

ARTICLE IV
Rights and Duties of the Managers

1. Management. The business and affairs of the Company shall be managed by the Managers who shall be appointed by the affirmative vote of Members holding a majority of the limited liability company interests of the Company. The initial Managers of the Company shall be:

Bennett S. LeBow
Marc N. Bell

The Managers shall direct, manage and control the business of the Company to the best of their abilities. Except for situations in which the approval of the Members is expressly required by this LLC Agreement or by non-waivable provisions of applicable law, the Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

2. Number, Tenure and Qualifications. The Company shall initially have two (2) managers as set forth above, who shall serve until their respective resignation, removal by the Members, or death. The Members shall have the authority to establish, from time to time, the number, tenure and qualifications of Managers. The Managers need not be residents of the State of Delaware or a Member of the Company.

3. Action by Managers. Any action required or permitted to be taken by the Managers may be taken without a meeting if the action is evidenced by one or more written

consents describing the action taken, signed by all Managers, and included in the minutes of the Company.

4. Waiver of Notice. When any notice is required to be given to any Manager, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

5. Liability for Certain Acts. The Managers shall perform their managerial duties in a manner they reasonably believe to be in the best interests of the Company. The Managers shall not have any liability by reason of being or having been Managers of the Company. The Managers shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member.

6. Indemnity of Managers. To the maximum extent permitted under Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Managers and delegates of the Managers.

7. Appointment of Officers.

a. The Managers may appoint officers of the Company, including, without limitation, a president, a chief executive officer, and one or more vice presidents, and have the power and authority to delegate to one or more such persons any or all of the Managers' rights and powers to manage and control the business and affairs of the Company. Officers need not be Members.

b. Except as modified by the Managers, officers will have such powers and duties generally pertaining to their offices and such powers and duties as conferred by the Managers.

c. Until the Managers agree otherwise, the officers of the Company and their respective titles shall be as follows:

Dr. Anthony P. Albino	President and Chief Executive Officer
Francis G. Wall	Vice President, Treasurer and Chief Financial Officer
Marc N. Bell	Senior Vice President, General Counsel and Secretary
Victoria Spier Evans	Assistant Secretary

ARTICLE V
Distributions and Accounting Period

1. Allocations and Distributions. All income, gains, losses, deductions, and credits shall be allocated, and all distributions shall be made, to or among the Members in proportion to each Member's percentage share in the capital of the Company. The Managers shall determine the amount and timing of all distributions.

2. Accounting Period. The Company's accounting period shall be the calendar year.

ARTICLE VI
Transferability and Additional Members

1. Transferability. Without unanimous written consent of the Members, no Member shall have the right to directly or indirectly assign, sell, mortgage, pledge, hypothecate, or otherwise dispose of or encumber, all or any part of its interest in the Company or its share of allocations or distributions under this LLC Agreement.

2. Admission to Membership. Without unanimous written consent of the Members, no additional Members of the Company shall be admitted.

ARTICLE VII
Dissolution

1. Dissolution. The Company shall be dissolved upon the earlier of (a) the election to dissolve the Company by the Members or (b) as otherwise required under the Delaware Act.

2. Distribution of Assets Upon Dissolution. In settling accounts after dissolution, the assets of the Company shall be paid to the Company's creditors and to the Members as required by the Delaware Act and other applicable law.

3. Certificate of Cancellation. When all liabilities and obligations of the Company have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the Company have been distributed to the Members, a certificate of cancellation shall be executed on behalf of the Company by the Members and shall be filed with the Secretary of State of the State of Delaware, and the Members shall execute, acknowledge and file any and all other instruments necessary or appropriate to reflect the dissolution and termination of the Company.

ARTICLE VIII
Miscellaneous Provisions

1. Entire Agreement. This LLC Agreement represents the entire agreement among all the Members of the Company.

2. Application of Delaware Law. This LLC Agreement, and the application or interpretation hereof, shall be governed exclusively by the laws of the State of Delaware, and specifically the Delaware Act.

3. Amendments. This LLC Agreement may not be amended except by the unanimous written consent of the Members.

4. Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

5. Rights of Creditors and Third Parties Under LLC Agreement. This LLC Agreement is entered into for the exclusive benefit of the Members and their successors and assigns. This LLC Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this LLC Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

IN WITNESS WHEREOF, the initial sole Member, VGR Holding LLC has caused its authorized representative to execute this LLC Agreement as of December 28, 2006.

VGR HOLDING LLC

By: /s/ Richard J. Lampen
Richard J. Lampen
Manager

Exhibit 3.21

ARTICLES OF MERGER OF

VECTOR TOBACCO INC.
VGR ACQUISITION INC.
THE MEDALLION COMPANY, INC

The undersigned corporation, pursuant to Title 13.1. Chapter 9, Article 12 of the Code of Virginia, hereby execute the following articles of merger and set forth:

ONE

VGR Acquisition Inc. and Vector Tobacco Inc. each a Delaware corporation, will merge into The Medallion Company, Inc. a Virginia corporation, which will be the surviving corporation. In the merger, the outstanding shares of stock of VGR Acquisition Inc. will be converted into an aggregate of 50 shares of common stock of The Medallion Company Inc., and the outstanding shares of stock of Vector Tobacco Inc. will also be converted into an aggregate of 50 shares of common stock of The Medallion Company, Inc. Each share of capital stock of The Medallion Company, Inc. outstanding at the time of the merger will be canceled. The merger is permitted by the law of Delaware, and each Delaware constituent corporation has complied with that law in effecting the merger. The name of the surviving corporation will be changed to Vector Tobacco Inc.

TWO

The plan of merger was adopted by unanimous consent of the shareholders of each Corporation.

The undersigned authorized officer declares that the facts herein stated true as of April 1, 2002.

VECTOR TOBACCO INC.

By /s/ Marc N Bell
Name: Marc N Bell
Title: Senior Vice President

VGR ACQUISITION INC

By: /s/ Richard J Lampen
Name: Richard J Lampen
Title: Executive Vice President

THE MEDALLION COMPANY INC.

By Richard J Lampen
Name: Richard J Lampen
Title: President

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
Clerk of the Commission
P.O. Box 1197, 1220 Bank Street
Richmond, VA 23209

AMENDMENT OF ARTICLES OF INCORPORATION
OF
THE MEDALLION COMPANY, INC.

(1) The name of the Corporation is THE MEDALLION COMPANY, INC.

(2) Article 5 is added to the Articles of Incorporation and shall read as follows:

"5. Shareholders of the corporation shall not have or enjoy pre-emptive rights."

(3) If the amendment provides for an exchange, reclassification, or cancellation of issued shares, or a reduction of the number of authorized shares of any class below the number of issued shares of that class, the following is a statement of the manner in which such reduction shall be effected: n/a

(4) The foregoing Amendment was adopted on June *2,* 1997.

(5) The Amendment was proposed by the Board of Directors and submitted to the Shareholders in accordance with Section 13.1-710(6b).

a) Of the 100 Class A Common shares outstanding, 100 of such shares were entitled to vote on such amendment.

b) 100 shares voted "for" and no shares voted "against" the amendment.

IN WITNESS WHEREOF, the undersigned President declares that the facts herein stated are true as of the 4th day of June 1997.

THE MEDALLION COMPANY, INC.

By: /s/ Wayne Rice
Wayne Rice, President

192614

ARTICLES OF INCORPORATION

OF

THE MEDALLION COMPANY, INC.

The undersigned, pursuant to Chapter 9 of Title 13.1 of the Code of Virginia, states as follows:

1. The name of the corporation is The Medallion Company, Inc.

2. The number (and classes, if any) of shares the corporation is authorized to issue is:

Number of Shares authorized	Class(es)
1,000 ($1.00 per share)	Common

3. A. The corporation's initial registered office address in Virginia, which is the business address of the initial registered agent is:

5511 Staples Mill Road
Richmond, VA 23228

B. The registered office is physically located in the o City or ☑ County of Henrico.

4. A. The name of the corporation's initial registered agent is Edward R. Parker.

B. The initial registered agent is (mark appropriate box):

(1) An individual who is a resident of Virginia and

o an initial director of the corporation

☑ a member of the Virginia State Bar

OR

(2) o a professional corporation or professional limited liability company of attorneys registered under Section 54.1-3902, code of Virginia.

5. Incorporator:

Charles F. Jensen	/s/ Charles F. Jensen
Printed Name	Signature

Exhibit 3.22

BY-LAWS
OF
VECTOR TOBACCO INC.
EFFECTIVE APRIL 1, 2002
(A Virginia Corporation)

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the Corporation within the Commonwealth of Virginia shall be in the City of Glen Allen, County of Henrico.

SECTION 2. Other Offices. The Corporation may also have an office or offices other than said registered office at such place or places, either within or without the Commonwealth of Virginia, as the Board of Directors shall from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Shareholders

SECTION 1. Place of Meetings. All meetings of the shareholders for the election of directors or for any other purpose shall be held at any such place, either within or without the Commonwealth of Virginia, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof.

SECTION 2. Annual Meeting. The annual meeting of shareholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver thereof. At such annual meeting, the shareholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Special Meetings. Special meetings of shareholders, unless otherwise prescribed by statute, may be called at any time by the Board of Directors, the Chairman of the Board, if one shall have been elected, or the President and shall be called by the Secretary upon the request in writing of a shareholder or shareholders holding of record at least 20 percent of the voting power of the issued and outstanding shares of stock of the Corporation entitled to vote at such meeting.

SECTION 4. Notice of Meetings. Except as otherwise expressly required by statute, written notice of each annual and special meeting of shareholders stating the date, place and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each shareholder of record entitled to vote thereat not less than ten nor more than sixty days before the date of the meeting. Business transacted at any special meeting of shareholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the shareholder at his address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or who, either before or after the meeting, shall submit a signed written waiver of notice, in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of shareholders need be specified in any written waiver of notice.

SECTION 5. List of Shareholders. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each shareholder. Such list shall be open to the examination of any shareholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city, town or village where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not specified, at the place where the meeting is to be held. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any shareholder who is present.

SECTION 6. Quorum, Adjournments. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of shareholders, except as otherwise provided by statute or by the Articles of Incorporation. If, however, such quorum shall not be present or represented by proxy at any meeting of shareholders, the shareholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty days, or, if after adjournment a new record date is set, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting.

SECTION 7. Organization. At each meeting of shareholders, the Chairman of the Board, if one shall have been elected, or, in his absence or if one shall not have been elected, the President shall act as chairman of the meeting. The Secretary or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting shall act as secretary of the meeting and keep the minutes thereof.

SECTION 8. Order of Business. The order of business at all meetings of the shareholders shall be as determined by the chairman of the meeting.

SECTION 9. Voting. Except as otherwise provided by statute or the Articles of Incorporation, each shareholder of the Corporation shall be entitled at each meeting of shareholders to one vote for each share of capital stock of the Corporation standing in his name on the record of shareholders of the Corporation on the date fixed pursuant to the provisions of Section 7 of Article V of these By-Laws as the record date for the determination of the shareholders who shall be entitled to notice of and to vote at such meeting. Each shareholder entitled to vote at any meeting of shareholders may authorize another person or persons to act for him by a proxy signed by such shareholder or his attorney-in-fact, but no proxy shall be voted after eleven months from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting prior to the time designated in the order of business for so delivering such proxies. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the shareholder voting, or by his proxy, if by such proxy, and shall state the number of shares voted.

SECTION 10. Inspectors. The Board of Directors may, in advance of any meeting of shareholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all shareholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall

execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be shareholders.

SECTION 11. Action by Consent. Whenever the vote of shareholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, the meeting and vote of shareholders may be dispensed with, and the action taken without such meeting and vote, if a consent in writing, setting forth the action so taken, shall be signed by all the holders of outstanding stock entitled to vote on the action.

ARTICLE III

Board of Directors

SECTION 1. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Articles of Incorporation directed or required to be exercised or done by the shareholders.

SECTION 2. Number, Qualifications, Election and Term of Office. The number of directors may be fixed, from time to time, by the affirmative vote of a majority of the entire Board of Directors or by action of the shareholders of the Corporation. Any decrease in the number of directors shall be effective at the time of the next succeeding annual meeting of shareholders unless there shall be vacancies in the Board of Directors, in which case such decrease may become effective at any time prior to the next succeeding annual meeting to the extent of the number of such vacancies. Directors need not be shareholders. Except as otherwise provided by statute or these By-Laws, the directors shall be elected at the annual meeting of shareholders. Each director shall hold office until his successor shall have been elected and qualified, or until his death, or until he shall have resigned, or have been removed, as hereinafter provided in these By-Laws.

SECTION 3. Place of Meetings. Meetings of the Board of Directors shall be held at such place or places, within or without the Commonwealth of Virginia, as the Board of Directors may from time to time determine or as shall be specified in the notice of any such meeting.

SECTION 4. Annual Meeting. The Board of Directors shall meet for the purpose of the election of officers and the transaction of other business, as soon as practicable after each annual meeting of shareholders, on the same day and at the same place where such annual meeting shall be held. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or without the Commonwealth of Virginia) as shall be specified in a notice thereof given as hereinafter provided in Section 7 of this Article III.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by statute or these By-Laws.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, if one shall have been elected, or by two or more directors of the Corporation or by the President.

SECTION 7. Notice of Meetings. Notice of each special meeting of the Board of Directors (and of each regular meeting for which notice shall be required) shall be given by the Secretary as hereinafter provided in this Section 7, in which notice shall be stated the time and place of the meeting. Except as otherwise required by these By-Laws, such notice need not state the purposes of such meeting. Notice of each such meeting shall be mailed, postage prepaid, to each director, addressed to him at his residence or usual place of business, by first class mail, at least two days before the day on which such meeting is to be held, or shall be sent addressed to him at such place by telegraph, cable, telex, telecopier or other similar means, or be delivered to him personally or be given to him by telephone or other similar means, at least twenty-four hours before the time at which such meeting is to be held. Notice of any such meeting need not be given to any director who shall, either before or after the meeting, submit a signed waiver of notice or who shall attend such meeting, except when he shall attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and, except as otherwise expressly required by statute or the Articles of Incorporation or these By-Laws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 9. Organization. At each meeting of the Board of Directors, the Chairman of the Board, if one shall have been elected, or, in the absence of the Chairman of the Board or if one shall not have been elected, the President (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside

thereat. The Secretary or, in his absence, any person appointed by the Chairman of the Board shall act as secretary of the meeting and keep the minutes thereof.

SECTION 10. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Board of Directors, the Chairman of the Board, the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 11. Vacancies. Any vacancy in the Board of Directors, whether arising from death, resignation, removal (with or without cause), an increase in the number of directors or any other cause, may be filled by the vote of a majority of the directors then in office, though less than a quorum, or by the sole remaining director or by the shareholders at the next annual meeting thereof or at a special meeting thereof. Each director so elected shall hold office until his successor shall have been elected and qualified.

SECTION 12. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the holders of a majority of the voting power of the issued and outstanding capital stock of the Corporation entitled to vote at an election of directors.

SECTION 13. Compensation. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

SECTION 14. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, including an executive committee, each committee to consist of two or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In addition, in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Except to the extent restricted by statute or the Articles of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

SECTION 15. Action by Consent. Unless restricted by the Articles of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or

such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be.

SECTION 16. Telephonic Meeting. Unless restricted by the Articles of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

Officers

SECTION 1. Number and Qualifications. The officers of the Corporation shall be elected by the Board of Directors and shall include the President, one or more Vice Presidents, the Secretary and the Treasurer. If the Board of Directors wishes, it may also elect as an officer of the Corporation a Chairman of the Board and may elect other officers (including one or more Assistant Treasurers and one or more Assistant Secretaries) as may be necessary or desirable for the business of the Corporation. Any two or more offices may be held by the same person, and no officer except the Chairman of the Board need be a director. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned or have been removed, as hereinafter provided in these By-Laws.

SECTION 2. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

SECTION 3. Removal. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

SECTION 4. Chairman of the Board. The Chairman of the Board, if one shall have been elected, shall be a member of the Board, an officer of the Corporation and, if present, shall preside at each meeting of the Board of Directors or the shareholders. He shall advise and counsel with the President and in his absence with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 5. The President. The President shall be the chief executive officer of the Corporation. He shall, in the absence of the Chairman of the Board or if a Chairman of the Board shall not have been elected, preside at each meeting of the Board of Directors or the shareholders. He shall perform all duties incident to the office of President and chief executive

officer and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice President. Each Vice President shall perform all such duties as from time to time may be assigned to him by the Board of Directors or the President. At the request of the President or in his absence or in the event of his inability or refusal to act, the Vice President, or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors (or if there be no such determination, then the Vice Presidents in the order of their election), shall perform the duties of the President, and, when so acting, shall have the powers of and be subject to the restrictions placed upon the President in respect of the performance of such duties.

SECTION 7. Treasurer. The Treasurer shall

(a) have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(c) deposit all moneys and other valuables to the credit of the Corporation in such depositories as may be designated by the Board of Directors or pursuant to its direction;

(d) receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(e) disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefor;

(f) render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(g) in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. Secretary. The Secretary shall

(a) keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the shareholders;

(b) see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law;

(c) be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(d) see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 9. The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 10. The Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 11. Officers' Bonds or Other Security. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

SECTION 12. Compensation. The compensation of the officers of the Corporation for their services as such officers, shall be fixed from time to time by the Board of Directors. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he is also a director of the Corporation.

ARTICLE V

Stock Certificates and Their Transfer

SECTION 1. Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chairman of

the Board or the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restriction of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 13.1-649 of the Virginia Stock Corporation Act, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each shareholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Facsimile Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

SECTION 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 4. Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

SECTION 5. Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

SECTION 6. Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-Laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 7. Fixing the Record Date. In order that the Corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than seventy nor less than ten days before the date of such meeting, nor more than seventy days prior to any other action. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 8. Registered Shareholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Virginia.

ARTICLE VI

Indemnification of Directors and Officers

SECTION 1. General. All officers and directors of the Corporation will be indemnified, and entitled to advances for expenses, to the fullest extent permitted by Article 10 of the Virginia Stock Corporation Act, including Section 13.1-704 thereof. The Corporation shall indemnify and advance expenses to an employee or agent of the Corporation to the same extent as to a director. The liability of officers and directors shall be eliminated to the fullest extent permitted by Section 13.1-692.1 of the Virginia Stock Corporation Act.

SECTION 2. Other Rights; Continuation of Right to Indemnification. The indemnification and advancement of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), by-law, agreement, vote of shareholders, or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. If the Virginia Stock Corporation Act is hereafter amended to permit the Corporation to indemnify directors and officers to a greater extent than otherwise permitted by

this Article VI, the Corporation shall indemnify directors and officers to such greater extent. All rights to indemnification under this Article VI shall be deemed to be a contract between the Corporation and each director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of the Virginia Stock Corporation Act or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent of the Corporation who serves or served in such capacity at any time while this Article VI is in effect. Any repeal or modification of this Article VI or any repeal or modification of relevant provisions of the Virginia Stock Corporation Act or any other applicable laws shall not in any way diminish any rights to indemnification of such director, officer, employee or agent or the obligations of the Corporation arising hereunder with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal. For the purposes of this Article VI, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or as serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VI, with respect to the resulting or surviving corporation, as he would if he had served the resulting or surviving corporation in the same capacity.

SECTION 3. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VI; provided, however, that such insurance is available on acceptable terms, which determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding.

SECTION 4. Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent of the Corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE VII

General Provisions

SECTION 1. Dividends. Subject to the provisions of statute and the Articles of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Articles of Incorporation.

SECTION 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

SECTION 3. Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors.

SECTION 4. Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

SECTION 5. Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

SECTION 6. Execution of Contracts, Deeds, Etc. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

SECTION 7. Voting of Stock in Other Corporations. Unless otherwise provided by resolution of the Board of Directors, the Chairman of the Board, the President or any Vice President, from time to time, may (or may appoint one or more attorneys or agents to) cast the votes which the Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose shares or securities may be held by the Corporation, at meetings of the holders of the shares or other securities of such other corporation. In the event one or more attorneys or agents are appointed, the Chairman of the Board, the President or any Vice President may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent. The Chairman of the Board, the President or any Vice President may, or may

instruct the attorneys or agents appointed, to execute or cause to be executed in the name and on behalf of the Corporation and under its seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the circumstances.

ARTICLE VIII

Amendments

These By-Laws may be amended or repealed or new by-laws adopted (a) by action of the shareholders entitled to vote thereon at any annual or special meeting of shareholders or (b) if the Articles of Incorporation so provides, by action of the Board of Directors at a regular or special meeting thereof. Any by-law made by the Board of Directors may be amended or repealed by action of the shareholders at any annual or special meeting of shareholders.

CORPORATE SEAL

Marc N. Bell
Secretary

Exhibit 3.23

CERTIFICATE OF FORMATION

OF

VGR AVIATION LLC

1. The name of the limited liability company is VGR AVIATION LLC.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of VGR AVIATION LLC this 25th day of September, 2003.

/s/ Richard J. Lampen
Richard J. Lampen, Organizer

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:59 PM 09/25/2003
FILED 05:10 PM 09/25/2003
SRV 030619268 — 3708342 FILE

Exhibit 3.24

LIMITED LIABILITY COMPANY AGREEMENT

OF

VGR AVIATION LLC

A DELAWARE LIMITED LIABILITY COMPANY

Vector Group Ltd., a Delaware corporation with offices at 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131, hereby declares as follows:

ARTICLE I
Definitions

1. Definitions. The following terms used in this Limited Liability Company Agreement, unless otherwise expressly provided herein, shall have the following meanings:

2. "Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of the State of Delaware, as the same may be amended from time to time.

3. "Company" shall mean VGR Aviation LLC, a limited liability company formed under the laws of the State of Delaware.

4. "Delaware Act" shall mean the Delaware Limited Liability Company Act, Title 6, §§ 18-101 to 18-1109, and all amendments thereto.

5. "LLC Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

6. "Manager" shall mean Vector Group Ltd. or any other person or persons that succeed it in such capacity.

7. "Member" shall mean Vector Group Ltd. and any other person(s) admitted as a Member from time to time pursuant to the provisions of this LLC Agreement.

ARTICLE II
Formation of Company and Nature of Business

1. Formation. On September 25, 2003, the Company was formed as a Delaware Limited Liability Company.

2. Name. The name of the Company is VGR Aviation LLC.

3. Registered Office and Registration Agent. The Company's initial registered office shall be at the office of its registered agent at 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801, and the name of its initial registered agent at such address shall be The Corporation Trust Center. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

4. Executive Offices. The address of the Company's principal executive offices shall be 209A Baynard Building, 3411 Silverside Road, Wilmington, Delaware 19810.

5. Term. The term of the Company shall be unlimited, unless the Company is earlier dissolved in accordance with either the provisions of this LLC Agreement or the Delaware Act.

6. Permitted Business. The business of the Company shall be to engage in any lawful business, purpose or activity whatsoever except for insurance or banking.

7. Powers. The Company shall possess and may exercise all the powers and privileges granted by the Delaware Act or by any other law or by this LLC Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Company.

ARTICLE III
Members

1. Initial Member. The name and address of the initial Member is as follows:

Vector Group Ltd.
100 S.E. Second Street, 32nd Floor
Miami, Florida 33131

2. . Interest in Company. The percentage share of Vector Group Ltd. in the capital of the Company shall initially be 100%. If and when any additional Members are admitted to the Company in accordance with this LLC Agreement, the Members' percentage shares in the capital of the Company shall be adjusted as agreed by the Members.

3. Action by Members. Any action required or permitted to be taken by the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Members, and delivered to the Manager for inclusion in the minutes and for filing with the Company records.

4. Waiver of Notice. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

ARTICLE IV
Rights and Duties of the Manager

1. Management. The business and affairs of the Company shall be managed by Vector Group Ltd. The Manager shall direct, manage and control the business of the Company to the best of its abilities. Except for situations in which the approval of the Members is expressly required by this LLC Agreement or by non-waivable provisions of applicable law, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

2. Number, Tenure and Qualifications. The Company shall have one manager, and the manager need not be a resident of the State of Delaware or a Member of the Company.

3. Liability for Certain Acts. The Manager shall perform its managerial duties in a manner it reasonably believes to be in the best interests of the Company. The Manager shall not have any liability by reason of being or having been the Manager of the Company. The Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member.

4. Indemnity of the Manager. To the maximum extent permitted under Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Manager and delegates of the Manager.

5. Appointment of Officers. The Manager may appoint officers of the Company, including, without limitation, a chairman, a president, a chief executive officer, and one or more vice presidents, and has the power and authority to delegate to one or more such persons any or all of the Manager's rights and powers to manage and control the business and affairs of the Company.

ARTICLE VI
Distributions and Accounting Period

1. Allocations and Distributions. All income, gains, losses, deductions, and credits shall be allocated, and all distributions shall be made, to or among the Member(s) in proportion to each

Member's percentage share in the capital of the Company. The Manager shall determine the amount and timing of all distributions.

2. Accounting Period. The Company's accounting period shall be the calendar year.

ARTICLE VII
Transferability and Additional Members

1. Transferability. Without unanimous written consent of the Members, no Member shall have the right to directly or indirectly assign, sell, mortgage, pledge, hypothecate, or otherwise dispose of or encumber, all or any part of its interest in the Company or its share of allocations or distributions under this LLC Agreement.

2. Admission to Membership. Without unanimous written consent of the Members, no additional Members of the Company shall be admitted.

ARTICLE VIII
Miscellaneous Provisions

1. Entire Agreement. This LLC Agreement represents the entire agreement among all the Members and the Company.

2. Application of Delaware Law. This LLC Agreement, and the application or interpretation hereof, shall be governed exclusively by the laws of the State of Delaware, and specifically the Delaware Act.

3. Amendments. This LLC Agreement may not be amended except by the unanimous written consent of the Members.

4. Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

5. Rights of Creditors and Third Parties Under LLC Agreement. This LLC Agreement is entered into for the exclusive benefit of its Member(s) and their successors and assigns. This LLC Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this LLC Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

IN WITNESS WHEREOF, the party hereto has caused its authorized representative to execute this Agreement as of this 25th day of September, 2003.

MEMBER:

VECTOR GROUP LTD.

By: /s/ Richard J. Lampen
Name: Richard J. Lampen
Title: Executive Vice President

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:54 PM 12/07/2005
FILED 01:52 PM 12/07/2005
SRV 050994959 — 3097262 FILE

STATE OF DELAWARE
LIMITED LIABILITY COMPANY
CERTIFICATE OF FORMATION

OF

VGR HOLDING LLC

1. The name of the limited liability company in VGR Holding LLC.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation on December 7, 2005.

By: /s/ Marc N. Bell
Name: Marc N. Bell
Title: Authorized Person

Exhibit 3.26

LIMITED LIABILITY COMPANY AGREEMENT

OF

VGR HOLDING LLC

A DELAWARE LIMITED LIABILITY COMPANY

This Limited Liability Company Agreement of VGR Holding LLC is made and entered into as of December 7, 2005, by Vector Group Ltd., a Delaware corporation, with offices at 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131:

ARTICLE I
Definitions

The following terms used in this Limited Liability Company Agreement shall have the following meanings, unless otherwise expressly provided herein:

1. "Certificate of Conversion" shall mean the Certificate of Conversion of the Corporation as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Formation.

2. "Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of the State of Delaware simultaneously with the filing of the Certificate of Conversion, as the same may be amended from time to time.

3. "Corporation" shall mean VGR Holding Inc.

4. "Company" shall mean VGR Holding LLC, a limited liability company formed under the laws of the State of Delaware.

5. "Delaware Act" shall mean the Delaware Limited Liability Company Act, Title 6 of the Delaware Code, §§ 18-101 to 18-1109, and all amendments thereto.

6. "LLC Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

7. "Managers" shall mean each of Marc N. Bell and Richard J. Lampen, and any other person or persons succeeding each or any of them in such capacity.

8. "Member" shall mean Vector and any other person or persons admitted hereafter as a Member from time to time pursuant to the provisions of this LLC Agreement.

9. "Vector" shall mean Vector Group Ltd., a Delaware corporation.

ARTICLE II
Formation of Company and Nature of Business

1. Formation. The Company is the resulting entity from the conversion of the Corporation into the Company pursuant to Section 266 of the Delaware General Corporation Law and Section 18-214 of the Delaware Act. The Certificate of Conversion and the Certificate of Formation were filed with the Delaware Secretary of State on December 7, 2005. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this LLC Agreement, the Member agrees that the Company shall be a limited liability company subject to the provisions of the Delaware Act as in effect as of the date hereof and the provisions of this LLC Agreement.

2. Name. The name of the Company is VGR Holding LLC.

3. Registered Office and Registered Agent. The Company's initial registered office shall be at the office of its registered agent at 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801, and the name of its initial registered agent at such address shall be The Corporation Trust Company. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

4. Executive Offices. The address of the Company's principal executive offices shall be 100 S.E. Second Street, 32nd Floor, Miami, Florida 33131.

5. Term. The term of the Company commenced on September 15, 1999 and shall continue in perpetuity, unless the Company is earlier dissolved in accordance with either the provisions of this LLC Agreement or the Delaware Act.

6. Permitted Business. The business of the Company shall be to engage in any lawful business, purpose, or activity for which limited liability companies may be organized under the Delaware Act except for insurance or banking.

7. Powers. The Company shall possess and may exercise all the powers and privileges granted by the Delaware Act, or by any other law, or by this LLC Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion, or attainment of the business, purposes, or activities of the Company.

ARTICLE III
Members

1. Initial Member. Simultaneously with the filing of the Certificate of Conversion and the Certificate of Formation and the execution of this Agreement, all of the outstanding stock of the Corporation as issued to Vector shall be converted into the sole limited liability company interest of the Company and Vector shall be admitted to the Company in respect thereto. The name and address of the initial Member is as follows:

Vector Group Ltd.
100 S.E. Second Street, 32nd Floor
Miami, Florida 33131

2. Interest in Company. The percentage share of Vector in the capital of the Company shall initially be 100%. If and when any additional Members are admitted to the Company in accordance with this LLC Agreement, the percentage shares of the Members in the capital of the Company shall be adjusted as agreed by the Members.

3. Action by Members. Any action required or permitted to be taken by the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Members, and delivered to the Managers for inclusion in the minutes and for filing with the Company records.

4. Waiver of Notice. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

ARTICLE IV
Rights and Duties of the Managers

1. Management. The business and affairs of the Company shall be managed by the Managers, who shall be appointed by the affirmative vote of the Members holding a majority of the percentage of shares in the capital of the Company. The initial Managers of the Company shall be Marc N. Bell and Richard J. Lampen.

The Managers shall direct, manage and control the business of the Company to the best of their abilities. Except for situations in which the approval of the Members is expressly required by this LLC Agreement or by non-waivable provisions of applicable law, the Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

2. Number, Tenure and Qualifications. The Company shall initially have two managers as set forth above, each of whom shall serve until his resignation, removal by the Members, or death. The Members shall have the authority to establish, from time to time, the

number, tenure and qualifications of the Managers. The Managers need not be residents of the State of Delaware or a Member of the Company.

3. Action by Managers. Any action required or permitted to be taken by the Managers may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by all Managers, and included in the minutes of the Company.

4. Waiver of Notice. When any notice is required to be given to any Manager, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at or after the time stated therein, shall be equivalent to the giving of the notice.

5. Liability for Certain Acts. The Managers shall perform their managerial duties in a manner they reasonably believe to be in the best interests of the Company. The Managers shall not have any liability by reason of being or having been Managers of the Company. The Managers shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member.

6. Indemnity of Managers. To the maximum extent permitted under Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Managers and delegates of the Managers.

7. Appointment of Officers. The Managers may appoint officers of the Company, including, without limitation, a president, a chief executive officer, and one or more vice presidents, and have the power and authority to delegate to one or more such persons any or all of the Managers' rights and powers to manage and control the business and affairs of the Company. Officers need not be Members. Except as modified by the Managers, officers will have such powers and duties pertaining to their offices and such powers and duties as conferred by the Managers.

ARTICLE V
Distributions and Accounting Period

1. Allocations and Distributions. All income, gains, losses, deductions, and credits shall be allocated, and all distributions shall be made, to or among the Members in proportion to each Member's percentage share in the capital of the Company. The Managers shall determine the amount and timing of all distributions.

2. Accounting Period. The Company's accounting period shall be the calendar year.

ARTICLE VI
Transferability and Additional Members

1. Transferability. Without unanimous written consent of the Members, no Member shall have the right to directly or indirectly assign, sell, mortgage, pledge, hypothecate, or otherwise dispose of or encumber, all or any part of its interest in the Company or its share of allocations or distributions under this LLC Agreement.

2. Admission to Membership. Without unanimous written consent of the Members, no additional Members of the Company shall be admitted.

ARTICLE VII
Dissolution

1. Dissolution. The Company shall be dissolved upon the earlier of (a) the election to dissolve the Company by the Members or (b) as otherwise required under the Delaware Act.

2. Distribution of Assets Upon Dissolution. In settling accounts after dissolution, the assets of the Company shall be paid to the Company's creditors and to the Members as required by the Delaware Act and other applicable law.

3. Certificate of Cancellation. When all liabilities and obligations of the Company have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the Company have been distributed to the Members, a certificate of cancellation shall be executed on behalf of the Company by the Members and shall be filed with the Secretary of State of the State of Delaware, and the Members shall execute, acknowledge and file any and all other instruments necessary or appropriate to reflect the dissolution and termination of the Company.

ARTICLE VIII
Miscellaneous Provisions

1. Entire Agreement. This LLC Agreement represents the entire agreement among all the Members of the Company.

2. Application of Delaware Law. This LLC Agreement, and the application or interpretation hereof, shall be governed exclusively by the laws of the State of Delaware, and specifically the Delaware Act.

3. Amendments. This LLC Agreement may not be amended except by the unanimous written consent of the Members.

4. Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

5. Rights of Creditors and Third Parties Under LLC Agreement. This LLC Agreement is entered into for the exclusive benefit of the Members and their successors and assigns. This LLC Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. No such creditor or third party shall have any rights under this LLC Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

IN WITNESS WHEREOF, the initial sole Member, Vector Group Ltd., has caused its authorized representative to execute this LLC Agreement as of December 7, 2005.

VECTOR GROUP LTD.

By: /s/ Richard J. Lampen
Name: Richard J. Lampen
Title: Executive Vice President

Exhibit 5.1

Letterhead of McDermott Will & Emery LLP

April 8, 2008

Vector Group Ltd.
100 S.E. Second Street, 32nd Floor
Miami, Florida 33131

Re: Registration Statement on Form S-4 Relating to $165,000,000 Aggregate Principal Amount of 11% Senior Secured Notes due 2015

Ladies and Gentlemen:

We have acted as special counsel to Vector Group Ltd., a Delaware corporation (the "Company"), and certain of the Company's subsidiaries that are signatories to the Indenture (together, the "Guarantors"), in connection with the preparation and filing with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), of a Registration Statement on Form S-4 (the "Registration Statement") which includes a form of prospectus (the "Prospectus") relating to the proposed exchange by the Company of $165,000,000 aggregate principal amount of its 11% Senior Secured Notes due 2015, which are to be registered under the Securities Act (the "Exchange Notes"), for a like amount of its outstanding, unregistered 11% Senior Secured Notes due 2015 issued on August 16, 2007 (the "Outstanding Notes"). The Exchange Notes will be guaranteed as to the payment of principal and interest thereon (such guarantees, the "Guarantees" and, collectively, with the Exchange Notes, the "Securities") by the Guarantors. The Securities will be issued pursuant to an indenture, dated as of August 16, 2007 (the "Indenture"), among the Company, the Guarantors and U.S. Bank National Association, as trustee (the "Trustee"), as contemplated by the related Registration Rights Agreement, dated as of August 16, 2007 (the "Registration Rights Agreement"), among the Company, the Guarantors and Jefferies & Company, Inc.

In rendering the opinions set forth herein, we have examined and relied upon originals or copies of the following documents (the "Documents"): (i) the Registration Statement; (ii) the Indenture; (iii) the Registration Rights Agreement; (iv) the form of the Exchange Note; (v) resolutions adopted by the Board of Directors of the Company on August 8, 2007 relating to the authorization and issuance of the Securities and the registration of the Securities with the Commission on the Registration Statement; (vi) resolutions adopted by the board of directors or other governing bodies or entities (as applicable) of each of the Guarantors that is incorporated or formed under the laws of the State of Delaware and identified as such on Schedule I hereto (the "Opinion Guarantors"), each relating to the authorization and issuance of the Securities and the registration of the Securities with the Commission on the Registration Statement, and (vii) the Guarantees.

We have also examined and relied upon the originals or copies, certified or otherwise identified to our satisfaction, of such records of the Company and the Opinion Guarantors and such other documents, certificates and corporate and other records as we have deemed necessary or appropriate as a basis for the opinions set forth herein. In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies, and the authenticity of the originals of such copies. As to any facts material to the opinions expressed herein which we did not independently establish or verify, we have relied upon statements and representations of officers and other representatives of the Company, the Opinion Guarantors and public officials.

We are admitted to the Bar in the State of New York. We express no opinion as to the laws of any jurisdiction other than (i) the laws of the State of New York, (ii) the General Corporation Law of the State of Delaware and (iii) the federal laws of the United States of America.

In rendering our opinions below, we have assumed that: (i) the Trustee is and has been duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and is duly qualified to engage in the activities contemplated by the Indenture; (ii) the Indenture has been duly authorized, executed and delivered by, and constitutes the legal, valid and binding obligation of, the Trustee, enforceable against the Trustee in accordance with its terms; (iii) the Trustee is in compliance, generally and with respect to acting as a trustee under the Indenture, with all applicable laws and regulations; (iv) the Trustee had and has the requisite organizational and legal power and authority to perform its obligations under the Indenture; and (v) the Exchange Notes will be duly authenticated by the Trustee in the manner provided in the Indenture.

The opinions set forth herein are subject in each case to the following qualifications, limitations and exceptions: (i) enforcement may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and by general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law; (ii) we express no opinion as to the effect of any federal or state laws regarding fraudulent conveyances or transfers; and (iii) we express no opinion as to the enforceability of any rights to contribution or indemnification provided for in the Documents which are violative of the public policy underlying any law, rule or regulation (including any federal or state securities law, rule or regulation).

Based upon the foregoing and subject to the limitations, qualifications, exceptions and assumptions set forth herein, we are of the opinion that:

(i) When duly executed by the Company and authenticated by the Trustee in accordance with the Indenture and issued and delivered in exchange for the Outstanding Notes pursuant to the exchange offer described in the Registration Statement, the Exchange Notes will be duly issued and will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms; and

(ii) Upon the due execution, authentication and issuance of the Exchange Notes in accordance with the Indenture and the delivery of the Exchange Notes in exchange for the Outstanding Notes pursuant to the exchange offer described in the Registration Statement, the Guarantees will constitute valid and binding obligations of the Opinion Guarantors, enforceable against the Opinion Guarantors in accordance with their terms.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to our Firm under the caption “Legal Matters” in the Prospectus. In giving this consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

This opinion letter is limited to the matters expressly set forth herein and no opinion is implied or may be inferred beyond the matters expressly so stated. This opinion letter is given as of the date hereof and we do not undertake any liability or responsibility to inform you of any change in circumstances occurring, or additional information becoming available to us, after the date hereof which might alter the opinions contained herein.

Very truly yours,

/s/ McDermott Will & Emery LLP

SCHEDULE I

Opinion Guarantors

Guarantor	Jurisdiction of Organization
100 Maple LLC	Delaware
Eve Holdings Inc.	Delaware
Liggett & Myers Holdings Inc.	Delaware
Liggett & Myers Inc.	Delaware
Liggett Group LLC	Delaware
Liggett Vector Brands Inc.	Delaware
V.T. Aviation LLC	Delaware
Vector Research LLC	Delaware
VGR Aviation LLC	Delaware
VGR Holding LLC	Delaware

Exhibit 12.1

Vector Group Ltd.
Ratio of Earnings to Fixed Charges
(Dollars in Thousands)

	Year ended December 31,					Pro-forma Year ended December 31,
	2003	2004	2005	2006	2007	2007
Earnings as defined:						
Income (loss) from continuing operations before minority interests and income taxes	$ (19,774)	$ 6,627	$ 85,768	$ 68,480	$ 126,603	$ 118,905
Minority interests, as defined	3,375	(3,231)	(3,317)	—	—	—
Minority Interest of fixed charges						
Distributions from non-consolidated real estate businesses	991	5,840	5,935	7,311	9,878	9,878
Amortization of capitalized interest	60	1,132	1	1	1	1
Interest expense, net of minority interests(1)	26,592	24,556	26,730	37,664	51,871	64,346
Loss (income) in equity of non-consolidated real estate businesses	(901)	(9,782)	(7,543)	(9,086)	(16,243)	(16,243)
Rent expense, net of minority interests	3,193	3,221	1,758	1,502	1,309	1,309
Total earnings	$ 13,536	$ 28,363	$ 109,332	$ 105,872	$ 173,419	$ 178,196
Fixed charges as defined:						
Interest expense	$ 26,592	$ 24,556	$ 26,730	$ 37,664	$ 51,871	$ 64,346
Capitalized interest	117	—	—	—	—	—
Rent expense	3,193	3,221	1,758	1,502	1,309	1,309
Total fixed charges	$ 29,902	$ 27,777	$ 28,488	$ 39,166	$ 53,180	$ 65,655
Ratio of earnings to fixed charges (2)	—	1.02	3.84	2.70	3.26	2.71

(1) Interest expense includes changes in the fair value of derivatives embedded within convertible debt.

(2) For the year ended December 31, 2003, earnings were insufficient to cover fixed charges as evidenced by a less than one-to-one coverage ratio. Additional earnings of approximately $16,366 were necessary for the year ended December 31, 2003.

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED
CERTIFIED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated February 29, 2008, except with respect to our opinion on the consolidated financial statements insofar as it relates to the condensed consolidating financial information, as included in Note 22, as to which the date is April 4, 2008, relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in the Current Report on Form 8-K/A dated April 4, 2008. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Miami, Florida
April 4, 2008

Exhibit 23.3

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of Vector Group Ltd. of our report dated February 29, 2008 relating to the financial statements and financial statement schedule of Vector Tobacco Inc. as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007, which appears in the Current Report on Form 8-K/A dated April 4, 2008. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Raleigh, North Carolina
April 4, 2008

Exhibit 23.4

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of Vector Group Ltd. of our report dated February 29, 2008 relating to the financial statements and financial statement schedule of Liggett Group LLC as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007, which appears in the Current Report on Form 8-K/A dated April 4, 2008. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Raleigh, North Carolina
April 4, 2008

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER
THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE
Check if an Application to Determine Eligibility of
a Trustee Pursuant to Section 305(b)(2)

U.S. BANK NATIONAL ASSOCIATION

(Exact name of Trustee as specified in its charter)

31-0841368
I.R.S. Employer Identification No.

800 Nicollet Mall Minneapolis, Minnesota	55402
(Address of principal executive offices)	(Zip Code)

Richard Prokosch
U.S. Bank National Association
60 Livingston Avenue
St. Paul, MN 55107
(651) 495-3918
(Name, address and telephone number of agent for service)

Vector Group LTD.
(Issuer with respect to the Securities)

Delaware	65-0949535
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
100 S.E Second Street Miami, Florida	33131
(Address of Principal Executive Offices)	(Zip Code)

11% Senior Secured Notes Due 2015
(Title of the Indenture Securities)

Exact Name of Registrant Guarantor as Specified in its Charter	Address and Phone Number	State of Incorporation or Organization	I.R.S. Employer Identification Number
100 Maple LLC	c/o Liggett Vector Brands Inc. 3800 Paramount Parkway, Suite 250 PO Box 2010 Morrisville, NC 27560 (919) 990-3500	Delaware	65-0960238
Eve Holdings Inc.	1105 N. Market Street Suite 617 Wilmington, DE 19801 (305) 579-8000	Delaware	56-1703877
Liggett & Myers Holdings Inc.	100 SE 2nd Street 32nd Floor Miami, FL 33131 (305) 579-8000	Delaware	51-0413146
Liggett & Myers Inc.	c/o Liggett Vector Brands Inc. 3800 Paramount Parkway, Suite 250 PO Box 2010 Morrisville, NC 27560 (919) 990-3500	Delaware	56-1110146
Liggett Group LLC	c/o Liggett Vector Brands Inc. 3800 Paramount Parkway, Suite 250 PO Box 2010 Morrisville, NC 27560 (919) 990-3500	Delaware	56-1702115
Liggett Vector Brands Inc.	3800 Paramount Parkway, Suite 250 P.O. Box 2010 Morrisville, NC 27560 (305) 579-8000	Delaware	74-3040463
V.T. Aviation LLC	3800 Paramount Parkway, Suite 250 P.O. Box 2010 Morrisville, NC 27560 (305) 579-8000	Delaware	51-0405537

Exact Name of Registrant Guarantor as Specified in its Charter	Address and Phone Number	State of Incorporation or Organization	I.R.S. Employer Identification Number
Vector Research LLC	c/o Liggett Vector Brands Inc. 3800 Paramount Parkway, Suite 250 PO Box 2010 Morrisville, NC 27560 (919) 990-3500	Delaware	65-1058692
Vector Tobacco Inc.	c/o Liggett Vector Brands Inc. 3800 Paramount Parkway, Suite 250 PO Box 2010 Morrisville, NC 27560 (919) 990-3500	Virginia	54-1814147
VGR Aviation LLC	3800 Paramount Parkway, Suite 250 P.O. Box 2010 Morrisville, NC 27560 (305) 579-8000	Delaware	65-0949535
VGR Holding LLC	100 S.E. Second Street 32nd Floor Miami, Florida 33131 (305) 579-8000	Delaware	65-0949536

FORM T-1

Item 1. **GENERAL INFORMATION.** Furnish the following information as to the Trustee.

a) *Name and address of each examining or supervising authority to which it is subject.*
Comptroller of the Currency
Washington, D.C.

b) *Whether it is authorized to exercise corporate trust powers.*
Yes

Item 2. **AFFILIATIONS WITH OBLIGOR.** *If the obligor is an affiliate of the Trustee, describe each such affiliation.*
None

Items 3-15 *Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.*

Item 16. **LIST OF EXHIBITS:** *List below all exhibits filed as a part of this statement of eligibility and qualification.*

1. A copy of the Articles of Association of the Trustee.*
2. A copy of the certificate of authority of the Trustee to commence business.*
3. A copy of the certificate of authority of the Trustee to exercise corporate trust powers.*
4. A copy of the existing bylaws of the Trustee.**
5. A copy of each Indenture referred to in Item 4. Not applicable.
6. The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6.
7. Report of Condition of the Trustee as of December 31, 2007 published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.

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* Incorporated by reference to Exhibit 25.1 to Amendment No. 2 to registration statement on S-4, Registration Number 333-128217 filed on November 15, 2005.

** Incorporated by reference to Exhibit 25.1 to registration statement on S-4, Registration Number 333-145601 filed on August 21, 2007.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of St. Paul, State of Minnesota on the 24th of March, 2008.

By: /s/ Richard Prokosch
Richard Prokosch
Vice President

By: /s/ Raymond Haverstock
Raymond Haverstock
Vice President

Exhibit 6

CONSENT

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Dated: March 24, 2008

By: /s/ Richard Prokosch
Richard Prokosch
Vice President

By: /s/ Raymond Haverstock
Raymond Haverstock
Vice President

Exhibit 7
U.S. Bank National Association
Statement of Financial Condition
As of 12/31/2007

($000's)

	12/31/2007
Assets	
Cash and Balances Due From Depository Institutions	$ 9,024,655
Securities	39,255,677
Federal Funds	4,047,600
Loans & Lease Financing Receivables	152,471,755
Fixed Assets	2,646,126
Intangible Assets	11,878,619
Other Assets	13,435,071
Total Assets	**$ 232,759,503**
Liabilities	
Deposits	$ 138,532,653
Fed Funds	13,357,453
Treasury Demand Notes	0
Trading Liabilities	441,993
Other Borrowed Money	42,507,172
Acceptances	0
Subordinated Notes and Debentures	7,697,466
Other Liabilities	7,475,923
Total Liabilities	**$ 210,012,660**
Equity	
Minority Interest in Subsidiaries	$ 1,546,263
Common and Preferred Stock	18,200
Surplus	12,057,586
Undivided Profits	9,124,794
Total Equity Capital	**$ 22,746,843**
Total Liabilities and Equity Capital	**$ 232,759,503**

To the best of the undersigned's determination, as of the date hereof, the above financial information is true and correct.

U.S. Bank National Association

By: /s/ Richard Prokosch
Vice President

Date: March 24, 2008

Exhibit 99.1

LETTER OF TRANSMITTAL

Vector Group Ltd.

Offer to Exchange
Up to $165,000,000 Principal Amount Outstanding of
11% Senior Secured Notes due 2015
for
a Like Principal Amount of
11% Senior Secured Notes due 2015
which have been registered under the Securities Act of 1933

Pursuant to the Prospectus, dated , 2008

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M. NEW YORK CITY TIME, ON , 2008, UNLESS EXTENDED (SUCH DATE AND TIME, AS IT MAY BE EXTENDED, THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

EXCHANGE AGENT:
U.S. Bank National Association

By Registered or Certified Mail:	*By Hand or Overnight Courier:*	*By Facsimile:*
U.S. Bank National Association 60 Livingston Avenue St. Paul, MN 55107 Attn: Specialized Finance Dept	U.S. Bank National Association 60 Livingston Avenue St. Paul, MN 55107 Attn: Specialized Finance Dept.	U.S. Bank National Association (651) 495-8158 Attn: Specialized Finance Dept.

For information, call:
(800) 934-6802

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS CONTAINED HEREIN SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

The undersigned acknowledges that he or she has received the prospectus, dated , 2008 (the "Prospectus"), of Vector Group Ltd., a Delaware corporation (the "Company"), and this letter of transmittal (the "Letter"), which together constitute the Company's offer (the "Exchange Offer") to exchange an aggregate principal amount of up to $165,000,000 of registered 11% Senior Secured Notes due 2015 (the "New Notes") of the Company for an equal principal amount of the Company's outstanding 11% Senior Secured Notes due 2015 (the "Original Notes"). Capitalized terms used but not defined herein shall have the same meaning given to them in the Prospectus.

For each Original Note accepted for exchange, the holder of such Original Note will receive a New Note having a principal amount equal to that of the surrendered Original Note. The New Notes will bear interest at a rate of 11% per annum from the most recent date to which interest on the Original Notes has been paid. Interest on the New Notes will be

payable semiannually in arrears on February 15 and August 15 of each year. The New Notes will mature on August 15, 2015. The terms of the New Notes are substantially identical to the terms of the Original Notes, except that the New Notes have been registered under the Securities Act of 1933, as amended (the "Securities Act"), and are free of any obligation regarding registration.

The Company reserves the right, at any time or from time to time, to extend the Exchange Offer at its discretion, in which event the term "Expiration Date" shall mean the latest time and date to which the Exchange Offer is extended. The Company shall publicly announce any extension by making a timely release through an appropriate news agency.

This Letter is to be completed by a holder of Original Notes either if certificates are to be forwarded herewith or if tenders are to be made according to the guaranteed delivery procedures set forth in "The Exchange Offer — Guaranteed Delivery Procedures" section of the Prospectus. Holders of Original Notes whose certificates are not immediately available, or who are unable to deliver their certificates or confirmation of the book-entry tender (a "Book-Entry Confirmation") of their Original Notes into the account maintained by U.S. Bank National Association at The Depository Trust Company (the "Book-Entry Transfer Facility") and all other documents required by this Letter to the Exchange Agent on or prior to the Expiration Date, must tender their Original Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer — Guaranteed Delivery Procedures" section of the Prospectus. See Instruction 1. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent.

The undersigned has completed the appropriate boxes below and signed this Letter to indicate the action the undersigned desires to take with respect to the Exchange Offer.

List below the Original Notes to which this Letter relates. If the space provided below is inadequate, the numbers and principal amount at maturity of Original Notes should be listed on a separate signed schedule affixed hereto.

DESCRIPTION OF ORIGINAL NOTES			
	1	2	3
Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank)	Certificate Number(s)*	Aggregate Principal Amount of Original Notes Represented by Certificate	Principal Amount of Original Notes Tendered**
	Total		

* Need not be completed if Original Notes are being tendered by book-entry transfer.

** Unless otherwise indicated in this column, a holder will be deemed to have tendered ALL of the Original Notes represented by the Original Notes indicated in column 2. See Instruction 2. Original Notes tendered must be in an amount equal to $1,000 in principal amount and integral multiples of $1,000 in excess thereof. See Instruction 1.

o CHECK HERE IF TENDERED ORIGINAL NOTES ARE ENCLOSED HEREWITH.

o CHECK HERE IF TENDERED ORIGINAL NOTES ARE BEING DELIVERED BY BOOK ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution .

Account Number . Transaction Code Number .

o CHECK HERE IF TENDERED ORIGINAL NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s) .

Window Ticket Number (if any) .

Date of Execution of Notice of Guaranteed Delivery .

Name of Institution which guaranteed delivery .

If Being Delivered by Book-Entry Transfer, Complete the Following:

Account Number . Transaction Code Number .

o CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: .

Address: .

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the aggregate principal amount of the Original Notes indicated above. Subject to, and effective upon, the acceptance for exchange of the Original Notes tendered hereby, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Company all right, title and interest in and to such Original Notes as are being tendered hereby.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Original Notes tendered hereby and that the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim when the same are accepted by the Company. The undersigned hereby further represents that it is not an "affiliate", as defined in Rule 405 under the Securities Act, of the Company, that any New Notes to be received by it will be acquired in the ordinary course of business and that at the time of commencement of the Exchange Offer it had no arrangement with any person to participate in a distribution of the New Notes.

In addition, if the undersigned is a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of the New Notes. If the undersigned is a broker-dealer that will receive New Notes for its own account in exchange for Original Notes, it represents that the Original Notes to be exchanged for New Notes were acquired by it as a result of market-making activities or other trading activities and acknowledges that it will deliver a prospectus in connection with any resale of such New Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned also acknowledges that this Exchange Offer is being made by the Company based upon the Company's understanding of an interpretation by the staff of the Securities and Exchange Commission (the "Commission") as set forth in no-action letters issued to third parties, that the New Notes issued in exchange for the Original Notes pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred by holders thereof, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that: (1) such holders are not affiliates of the Company within the meaning of Rule 405 under the Securities Act; (2) such New Notes are acquired in the ordinary course of such holders' business; and (3) such holders are not engaged in, and do not intend to engage in, a distribution of such New Notes and have no arrangement or understanding with any person to participate in the distribution of such New Notes. However, the staff of the Commission has not considered this Exchange Offer in the context of a no-action letter, and there can be no assurance that the staff of the Commission would make a similar determination with respect to the Exchange Offer as in other circumstances. If a holder of Original Notes is an affiliate of the Company, acquires the New Notes other than in the ordinary course of such holder's business or is engaged in or intends to engage in a distribution of the New Notes or has any arrangement or understanding with respect to the distribution of the New Notes to be acquired pursuant to the Exchange Offer, such holder could not rely on the applicable interpretations of the staff of the Commission and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the sale, assignment and transfer of the Original Notes tendered hereby. All authority conferred or agreed to be conferred in this Letter and every obligation of the undersigned hereunder shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. This tender may be withdrawn only in accordance with the procedures set forth in "The Exchange Offer — Withdrawal of Tenders" section of the Prospectus.

Unless otherwise indicated in the box entitled "Special Issuance Instructions" below, please deliver the New Notes in the name of the undersigned or, in the case of a book-entry delivery of Original Notes, please credit the account indicated above maintained at the Book-Entry Transfer Facility. Similarly, unless otherwise indicated under the box entitled "Special Delivery Instructions" below, please send the New Notes to the undersigned at the address shown above in the box entitled "Description of Original Notes."

THE UNDERSIGNED, BY COMPLETING THE BOX ENTITLED "DESCRIPTION OF ORIGINAL NOTES" ABOVE AND SIGNING THIS LETTER, WILL BE DEEMED TO HAVE TENDERED THE ORIGINAL NOTES AS SET FORTH IN SUCH BOX ABOVE.

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if certificates for Original Notes not exchanged and/or New Notes are to be issued in the name of and sent to someone other than the person(s) whose signature(s) appear(s) on this Letter below, or if Original Notes delivered by book-entry transfer which are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above. Issue New Notes and/or Original Notes to:

Name(s) .

(Please Type or Print)

(Please Type or Print)

Address:

(Including Zip Code)
(Complete accompanying Substitute Form W-9)

o Credit unexchanged Original Notes delivered by book entry transfer to the Book Entry Transfer Facility account set forth below.

(Book-Entry Transfer Facility Account Number, if applicable)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if certificates for Original Notes not exchanged and/or New Notes are to be sent to someone other than the person(s) whose signature(s) appear(s) on this Letter below or to such person(s) at an address other than shown in the box entitled, "Description of Original Notes" on this Letter above. Mail New Notes and/or Original Notes to:

Name(s) .

(Please Type or Print)

(Please Type or Print)

Address:

(Including Zip Code)

IMPORTANT: THIS LETTER OR A FACSIMILE HEREOF (TOGETHER WITH THE CERTIFICATES FOR ORIGINAL NOTES) OR A BOOK-ENTRY CONFIRMATION AND ALL OTHER REQUIRED DOCUMENTS OR THE NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO THE EXPIRATION DATE.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL CAREFULLY BEFORE COMPLETING ANY BOX ABOVE.

PLEASE SIGN HERE
(TO BE COMPLETED BY ALL TENDERING HOLDERS)
(Complete accompanying Substitute Form W-9 on reverse side)

X: _____ , 2008

X: _____ , 2008

(Signature(s) of Registered Owner(s)) **(Date)**

Area Code and Telephone Number: .

If a holder is tendering any Original Notes, this Letter must be signed by the registered holder(s) as the name(s) appear(s) on the certificate(s) for the Original Notes or by any person(s) authorized to become registered holder(s) by endorsements and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, please set forth full title. See Instruction 3.

Name(s): .

Title:

(Please Type or Print)

Capacity: _____

Address: _____

(Including Zip Code)

SIGNATURE GUARANTEE
(if Required by Instruction 3)

Signature Guaranteed by an Eligible Institution: .

(Authorized Signature)

_____

(Title)

_____

(Name and Firm)

Dated: , 2008

INSTRUCTIONS

Forming Part of the Terms and Conditions of the Offer to Exchange
Up to $165,000,000 Principal Amount Outstanding of
11% Senior Secured Notes due 2015
for
a Like Principal Amount of
11% Senior Secured Notes due 2015
which have been registered under the Securities Act of 1933

1. Delivery of this Letter and Original Notes; Guaranteed Delivery Procedures.

This Letter or, in lieu thereof, a message from the Book-Entry Transfer Facility stating that the holder has expressly acknowledged receipt of, and agrees to be bound by and held accountable by, this Letter (a "Book-Entry Acknowledgement") is to be completed by or received with respect to holders of Original Notes either if certificates are to be forwarded herewith or if tenders are to be made pursuant to the procedures for delivery by book-entry transfer set forth in "The Exchange Offer — Procedures for Tendering" section of the Prospectus. Certificates for all physically tendered Original Notes (or Book-Entry Confirmation), as well as a properly completed and duly executed letter of transmittal (or facsimile thereof) and any other documents required by this Letter (or, in lieu thereof, a Book-Entry Acknowledgement), must be received by the Exchange Agent at the address set forth herein on or prior to the Expiration Date, or the tendering holder must comply with the guaranteed delivery procedures set forth below. Original Notes tendered hereby must be in an amount equal to $1,000 in principal amount and integral multiples of $1,000 in excess thereof.

Holders of Original Notes whose certificates for Original Notes are not immediately available or who cannot deliver their certificates and all other required documents to the Exchange Agent prior to the Expiration Date, or who cannot complete the procedure for book-entry transfer on a timely basis, may tender their Original Notes pursuant to the guaranteed delivery procedures set forth in "The Exchange Offer — Guaranteed Delivery Procedures" section of the Prospectus. Pursuant to such procedures, (i) such tender must be made through an Eligible Institution (as defined below), (ii) prior to the Expiration Date, the Exchange Agent must receive from such Eligible Institution a properly completed and duly executed notice of guaranteed delivery (or facsimile thereof), substantially in the form provided by the Company (by facsimile transmission, mail or hand delivery), setting forth the name and address of the holder of Original Notes, the certificate number(s) of such Original Notes, if any, and the principal amount of Original Notes tendered, stating that the tender is being made thereby and guaranteeing that within three New York Stock Exchange trading days after the Expiration Date, (a) the certificate or certificates representing the Original Notes to be tendered, or a confirmation of book-entry transfer, as the case may be, and (b) the letter of transmittal (or facsimile thereof) and any other documents required by this Letter or, in lieu thereof, a Book-Entry Acknowledgement, will be deposited by the Eligible Institution (as defined below) with the Exchange Agent, and (iii) (a) certificate or certificates representing all tendered Original Notes, or a confirmation of book-entry transfer, as the case may be, and (b) the properly completed and duly executed letter of transmittal (or facsimile thereof) and all other documents required by this Letter or, in lieu thereof, a Book-Entry Confirmation, are received by the Exchange Agent within three New York Stock Exchange trading days after the Expiration Date.

The method of delivery of this Letter, the Original Notes and all other required documents is at the election and risk of the tendering holders. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the Exchange Agent before the Expiration Date. No letter of transmittal or Original Notes should be sent to the Company. Holders may request their respective brokers, dealers, commercial banks, trust companies or nominees to effect the tenders for such holders.

See "The Exchange Offer" section of the Prospectus.

2. Partial Tenders (not applicable to holders of Original Notes who tender by book-entry transfer); Withdrawals.

If less than all of the Original Notes evidenced by a submitted certificate are to be tendered, the tendering holder(s) should fill in the aggregate principal amount of Original Notes to be tendered in the box above entitled "Description of Original Notes — Principal Amount of Original Notes Tendered." A newly reissued certificate for the Original Notes

submitted but not tendered will be sent to such holder as soon as practicable after the Expiration Date. All of the Original Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise clearly indicated.

If not yet accepted, a tender pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date. To be effective with respect to the tender of Original Notes, a written or facsimile transmission notice of withdrawal must: (i) be received by the Exchange Agent prior to the Expiration Date; (ii) specify the name of the person who deposited the Original Notes to be withdrawn; (iii) identify the Original Notes to be withdrawn (including the certificate number(s), if any, and principal amount of such Original Notes); (iv) be signed by the depositor in the same manner as the original signature on this Letter by which such Original Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the trustee register the transfer of such Original Notes into the name of the person withdrawing the tender; and (v) specify the name in which any such Original Notes are to be registered, if different from that of the depositor. The Exchange Agent will return the properly withdrawn Original Notes promptly following receipt of notice of withdrawal. If Original Notes have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Original Notes or otherwise comply with the Book-Entry Transfer Facility's procedures. All questions as to the validity of notices of withdrawal, including time of receipt, will be determined by the Company, and such determination will be final and binding on all parties.

3. Signatures on this Letter, Bond Powers and Endorsements; Guarantee of Signatures.

If this Letter is signed by the registered holder(s) of the Original Notes tendered hereby, the signature must correspond exactly with the name as written on the face of the certificates without alteration, enlargement or any change whatsoever.

If any tendered Original Notes are owned of record by two or more joint owners, all such owners must sign this Letter.

If any tendered Original Notes are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate copies of this Letter as there are different registrations of certificates.

When this Letter is signed by the registered holder(s) (which term, for the purposes described herein, shall include the Book-Entry Transfer Facility whose name appears on a security listing as the owner of the Original Notes) of the Original Notes specified herein and tendered hereby, no endorsements of certificates or separate bond powers are required. If, however, the New Notes are to be issued to a person other than the registered holder(s), then endorsements of any certificates transmitted hereby or separate bond powers are required. Signatures on such certificates must be guaranteed by an Eligible Institution (as defined below).

If this Letter is signed by a person other than the registered holder(s) of any Original Notes specified therein, such certificate(s) must be endorsed by such registered holder(s) or accompanied by separate written instruments of transfer or endorsed in blank by such registered holder(s) in form satisfactory to the Company and duly executed by the registered holder, in either case signed exactly as such registered holder's or holders' name(s) appear(s) on the Original Notes.

If the Letter or any certificates of Original Notes or separate written instruments of transfer or exchange are signed or endorsed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by the Company, evidence satisfactory to the Company of their authority to so act must be submitted with this Letter.

Signature on a Letter or a notice of withdrawal, as the case may be, must be guaranteed by an Eligible Institution unless the Original Notes tendered pursuant thereto are tendered (i) by a registered holder who has not completed the box entitled "Special Payment Instructions" or "Special Delivery Instructions" on the Letter or (ii) for the account of an Eligible Institution. In the event that signatures on a Letter or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantee must be by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution").

4. Special Issuance and Delivery Instructions.

Tendering holders of Original Notes should indicate in the applicable box the name and address to which New Notes issued pursuant to the Exchange Offer are to be issued or sent, if different from the name or address of the person signing this Letter. In the case of issuance in a different name, the employer identification or social security number of the person named must also be indicated. Holders tendering Original Notes by book-entry transfer may request that Original Notes not exchanged be credited to such account maintained at the Book-Entry Transfer Facility as such holder may designate hereon. If no such instructions are given, such Original Notes not exchanged will be returned to the name and address of the person signing this Letter.

5. Tax Identification Number.

An exchange of Original Notes for New Notes will not be treated as a taxable exchange or other taxable event for U.S. Federal income tax purposes. In particular, no backup withholding or information reporting is required in connection with such an exchange. However, U.S. Federal income tax law generally requires that payments of principal and interest on a note to a holder be subject to backup withholding unless such holder provides the payor with such holder's correct Taxpayer Identification Number ("TIN") on Substitute Form W-9 below or otherwise establishes a basis for exemption. If such holder is an individual, the TIN is his or her social security number. If the payor is not provided with the current TIN or an adequate basis for an exemption, such tendering holder may be subject to a $50 penalty imposed by the Internal Revenue Service. In addition, such holder may be subject to backup withholding in an amount that is currently 28% of all reportable payments of principal and interest.

Certain holders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (the "W-9 Guidelines") for additional instructions.

To prevent backup withholding on reportable payments of principal and interest, each tendering holder of Original Notes must provide its correct TIN by completing the "Substitute Form W-9" set forth below, certifying that the TIN provided is correct (or that such holder is awaiting a TIN) and that (i) the holder is exempt from backup withholding, (ii) the holder has not been notified by the Internal Revenue Service that such holder is subject to a backup withholding as a result of a failure to report all interest or dividends or (iii) the Internal Revenue Service has notified the holder that such holder is no longer subject to backup withholding. If the tendering holder of Original Notes is a nonresident alien or foreign entity not subject to backup withholding, such holder must give the Company a completed Form W-8BEN Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, or other appropriate Form W-8. These forms may be obtained from the Exchange Agent or from the Internal Revenue Service's website, www.irs.gov. If the Original Notes are in more than one name or are not in the name of the actual owner, such holder should consult the W-9 Guidelines for information on which TIN to report. If such holder does not have a TIN, such holder should consult the W-9 Guidelines for instructions on applying for a TIN, check the box in Part 2 of the Substitute Form W-9 and write "applied for" in lieu of its TIN. Note: checking this box and writing "applied for" on the form means that such holder has already applied for a TIN or that such holder intends to apply for one in the near future. If a holder checks the box in Part 2 of the Substitute Form W-9 and writes "applied for" on that form, backup withholding at a rate currently of 28% will nevertheless apply to all reportable payments made by such holder. If such a holder furnishes its TIN to the Company within 60 calendar days, however, any amounts so withheld shall be refunded to such holder.

If backup withholding applies, the payor will withhold the appropriate percentage (currently 28%) from payments to the payee. Backup withholding is not an additional Federal income tax. Rather, the Federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

6. Transfer Taxes.

Holders who tender their Original Notes for exchange will not be obligated to pay any transfer taxes in connection therewith. If, however, New Notes are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Original Notes tendered hereby, or if tendered Original Notes are registered in the name of any person other than the person signing this Letter, or if a transfer tax is imposed for any reason other than the exchange of Original Notes in connection with the Exchange Offer, the amount of any such transfer taxes (whether imposed on the

registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted herewith, the amount of such transfer taxes will be billed directly to such tendering holder.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the Original Notes specified in this Letter.

7. Waiver of Conditions.

The Company reserves the right to waive satisfaction of any or all conditions enumerated in the Prospectus at any time and from time to time prior to the Expiration Date.

8. No Conditional Tenders.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering holders of Original Notes, by execution of this Letter or, in lieu thereof, a Book-Entry Acknowledgement, shall waive any right to receive notice of the acceptance of their Original Notes for exchange.

None of the Company, the Exchange Agent or any other person is obligated to give notice of any defect or irregularity with respect to any tender of Original Notes nor shall any of them incur any liability for failure to give any such notice.

9. Mutilated, Lost, Stolen or Destroyed Original Notes.

Any holder whose Original Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

10. Requests for Assistance or Additional Copies.

Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus and this Letter, may be directed to the Exchange Agent, at the address and telephone number indicated above.

TO BE COMPLETED BY ALL TENDERING HOLDERS
(See Instruction 5)

<table>
<tr><td colspan="3">PAYOR'S NAME: VECTOR GROUP LTD.</td></tr>
<tr><td rowspan="3">SUBSTITUTE
FORM W-9

Department of the Treasury
Internal Revenue Service

Payor's Request for Taxpayer
Identification Number ("TIN") and Certification

Name:

Address:</td><td>Part 1 — PLEASE PROVIDE YOUR TIN IN THE BOX AT THE RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.</td><td>TIN, Social Security Number or
Employer Identification Number</td></tr>
<tr><td colspan="2">Part 2 — TIN Applied For o</td></tr>
<tr><td colspan="2">CERTIFICATION — UNDER PENALTIES OF PERJURY, I CERTIFY THAT:

(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me),

(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

(3) I am a U.S. person (including a U.S. resident alien).

Signature: Date:</td></tr>
</table>

You must cross out item (2) of the above certification if you have been notified by the IRS that you are subject to backup withholding because of under reporting of interest or dividends on your tax returns and you have not been notified by the IRS that you are no longer subject to backup withholding.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 2 OF SUBSTITUTE FORM W-9.
CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, a percentage of all reportable payments (currently 28%) made to me thereafter will be withheld until I provide a number.

Signature: Date:

Exhibit 99.2

NOTICE OF GUARANTEED DELIVERY
FOR TENDER OF
11% SENIOR SECURED NOTES DUE 2015
OF
VECTOR GROUP LTD.

Pursuant to the Prospectus dated , 2008

This Notice of Guaranteed Delivery, or one substantially equivalent to this form, must be used to tender Original Notes (as defined below) pursuant to the Exchange Offer (as defined below) described in the prospectus dated , 2008 (the "Prospectus"), of Vector Group Ltd., a Delaware corporation (the "Company"), if (i) certificates for the outstanding 11% Senior Secured Notes due 2015 of the Company (the "Original Notes") are not immediately available, (ii) time will not permit the Original Notes, the letter of transmittal and all other required documents to be delivered to U.S. Bank National Association (the "Exchange Agent") prior to 5:00 p.m., New York City time, on , 2008, or such later date and time to which the Exchange Offer may be extended (such date and time, the "Expiration Date"), or (iii) the procedures for delivery by book-entry transfer cannot be completed on a timely basis. This Notice of Guaranteed Delivery, or one substantially equivalent to this form, must be delivered by hand or sent by facsimile transmission or mail to the Exchange Agent, and must be received by the Exchange Agent prior to the Expiration Date. See "The Exchange Offer — Guaranteed Delivery Procedures" in the Prospectus. Capitalized terms used but not defined herein shall have the same meaning given them in the Prospectus.

The Exchange Agent for the Exchange Offer is:

U.S. BANK NATIONAL ASSOCIATION

By Registered or Certified Mail:	*By Hand or Overnight Courier:*	*By Facsimile:*
U.S. Bank National Association 60 Livingston Avenue St. Paul, MN 55107 Attn: Specialized Finance Dept	U.S. Bank National Association 60 Livingston Avenue St. Paul, MN 55107 Attn: Specialized Finance Dept.	U.S. Bank National Association (651) 495-8158 Attn: Specialized Finance Dept.

For information, call:
(800) 934-6802

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF THIS NOTICE OF GUARANTEED DELIVERY VIA FACSIMILE TO A NUMBER OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY. THE METHOD OF DELIVERY OF ALL DOCUMENTS, INCLUDING CERTIFICATES, IS AT THE RISK OF THE HOLDER. INSTEAD OF DELIVERY BY MAIL, WE RECOMMEND USE OF AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, YOU SHOULD ALLOW SUFFICIENT TIME TO ASSURE DELIVERY TO THE EXCHANGE AGENT BEFORE THE EXPIRATION DATE. YOU SHOULD READ THE INSTRUCTIONS ACCOMPANYING THE LETTER OF TRANSMITTAL CAREFULLY BEFORE YOU COMPLETE THIS NOTICE OF GUARANTEED DELIVERY.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a letter of transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the letter of transmittal.

Ladies and Gentlemen:

The undersigned acknowledges receipt of the Prospectus and the related letter of transmittal (the "Letter of Transmittal") which describes the offer by the Company (the "Exchange Offer") to exchange registered 11% Senior Secured Notes due 2015 of the Company (the "New Notes") for a like principal amount of Original Notes. The undersigned further acknowledges that it may tender some or all of its Original Notes in connection with the Exchange Offer, but only in an amount equal to $1,000 principal amount or in integral multiples of $1,000 in excess thereof.

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Prospectus and the Letter of Transmittal, the aggregate principal amount of Original Notes indicated below pursuant to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures."

The undersigned understands that no withdrawal of a tender of Original Notes may be made after the Expiration Date. The undersigned understands that for a withdrawal of a tender of Original Notes to be effective, a written notice of withdrawal that complies with the requirements of the Exchange Offer must be timely received by the Exchange Agent at one of its addresses specified on the cover of this Notice of Guaranteed Delivery prior to the Expiration Date.

The undersigned understands that the exchange of Original Notes for New Notes pursuant to the Exchange Offer will be made only after timely receipt by the Exchange Agent of (1) such Original Notes (or confirmation of book-entry transfer of such Original Notes into the Exchange Agent's account at The Depository Trust Company ("DTC")) and (2) a Letter of Transmittal (or facsimile thereof) with respect to such Original Notes, properly completed and duly executed, with any required signature guarantees, and any other documents required by the Letter of Transmittal or, in lieu thereof, a message from DTC stating that the tendering holder has expressly acknowledged receipt of, and agrees to be bound by and held accountable under, the Letter of Transmittal.

All authority conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall not be affected by, and shall survive, the death or incapacity of the undersigned, and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding on the heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns of the undersigned.

Name(s) of Registered Holder(s):

(Please Print or Type)

Signature(s): _____

Address(es): _____

Area Code(s) and Telephone Number(s): _____

If Original Notes will be delivered by book-entry transfer at DTC, insert Depository Account Number: _____

Date: _____

Certificate Number(s)*	**Principal Amount of Original Notes Tendered****

* Need not be completed if the Original Notes being tendered are in book-entry form.

** Must be an amount equal to $1,000 principal amount or in integral multiples of $1,000 in excess thereof.

This Notice of Guaranteed Delivery must be signed by the registered holder(s) of Original Notes exactly as its (their) name(s) appear(s) on certificates for Original Notes or on a security position listing as the owner of Original Notes, or by

person(s) authorized to become registered holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Name(s): _____

Title(s): _____

Signature(s): _____

Address(es): _____

DO NOT SEND ORIGINAL NOTES WITH THIS FORM. ORIGINAL NOTES SHOULD BE SENT TO THE EXCHANGE AGENT TOGETHER WITH A PROPERLY COMPLETED AND DULY EXECUTED LETTER OF TRANSMITTAL.

GUARANTEE OF DELIVERY

(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or a correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), hereby (1) represents that each holder of Original Notes on whose behalf this tender is being made "owns" the Original Notes covered hereby within the meaning of Rule 13d-3 under the Exchange Act, (2) represents that such tender of Original Notes complies with Rule 14e-4 of the Exchange Act and (3) guarantees that the undersigned will deliver to the Exchange Agent the certificates representing the Original Notes being tendered hereby for exchange pursuant to the Exchange Offer in proper form for transfer (or a confirmation of book-entry transfer of such Original Notes into the Exchange Agent's account at the book-entry transfer facility of DTC) with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, and any other documents required by the Letter of Transmittal, or in lieu of a Letter of Transmittal a message from DTC stating that the tendering holder has expressly acknowledged receipt of, and agrees to be bound by and held accountable under, the Letter of Transmittal, all within three New York Stock Exchange trading days after the Expiration Date.

Name of Firm:

Authorized Signature

Address:

Name:

(Please Print or Type)

Title:

Telephone Number:

Date:

The institution that completes the Notice of Guaranteed Delivery (a) must deliver the same to the Exchange Agent at its address set forth above by hand, or transmit the same by facsimile or mail, prior to the Expiration Date, and (b) must deliver the certificates representing any Original Notes (or a confirmation of book-entry transfer of such Original Notes into the Exchange Agent's account at DTC), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, and any other documents required by the Letter of Transmittal or a message from DTC stating that the tendering holder has expressly acknowledged receipt of, and agrees to be bound by and held accountable under, the Letter of Transmittal in lieu thereof, to the Exchange Agent within the time period shown herein. Failure to do so could result in a financial loss to such institution.

Exhibit 99.3

NOTICE OF WITHDRAWAL
OF TENDER OF ANY OR ALL OF THE
11% SENIOR SECURED NOTES DUE 2015
OF
VECTOR GROUP LTD.

Pursuant to the Prospectus dated , 2008

This notice of withdrawal, or one substantially equivalent to this form, must be used to withdraw tenders of any of the Original Notes (as defined below) pursuant to the Company's (as defined below) offer (the "Exchange Offer") to exchange an aggregate principal amount of up to $165,000,000 of registered 11% Senior Secured Notes due 2015 for an equal principal amount of the Company's outstanding 11% Senior Secured Notes due 2015 (the "Original Notes"), described in the prospectus dated , 2008 (as the same may be amended or supplemented from time to time, the "Prospectus"), of Vector Group Ltd., a Delaware corporation (the "Company"). Except as otherwise provided in the Prospectus, holders of any of the Original Notes may withdraw their tenders of Original Notes at any time prior to 5:00 p.m., New York City time, on , 2008, or such later date and time to which the Exchange Offer may be extended (such date and time, the "Expiration Date"). To withdraw a tender, a holder must deliver this notice of withdrawal, or one substantially equivalent to this form, by hand or by facsimile transmission or mail to U.S. Bank National Association (the "Exchange Agent") prior to the Expiration Date. See "The Exchange Offer — Withdrawal of Tenders" in the Prospectus. Capitalized terms used but not defined herein shall have the same meaning given to them in the Prospectus.

The Exchange Agent for the Exchange Offer is:

U.S. BANK NATIONAL ASSOCIATION

By Registered or Certified Mail:

U.S. Bank National Association
60 Livingston Avenue
St. Paul, MN 55107
Attn: Specialized Finance Dept

By Hand or Overnight Courier:

U.S. Bank National Association
60 Livingston Avenue
St. Paul, MN 55107
Attn: Specialized Finance Dept.

By Facsimile:

U.S. Bank National Association
(651) 495-8158
Attn: Specialized Finance Dept.

For information, call:

(800) 934-6802

DELIVERY OF THIS NOTICE OF WITHDRAWAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF THIS NOTICE OF WITHDRAWAL VIA FACSIMILE TO A NUMBER OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID WITHDRAWAL. THE METHOD OF DELIVERY OF ALL DOCUMENTS, INCLUDING CERTIFICATES, IS AT THE RISK OF THE HOLDER. INSTEAD OF DELIVERY BY MAIL, WE RECOMMEND USE OF AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, YOU SHOULD ALLOW SUFFICIENT TIME TO ASSURE DELIVERY TO THE EXCHANGE AGENT BEFORE THE EXPIRATION DATE. YOU SHOULD READ THE SECTION OF THE PROSPECTUS ENTITLED "THE EXCHANGE OFFER — WITHDRAWAL OF TENDERS" AND THE INSTRUCTIONS ACCOMPANYING THE LETTER OF TRANSMITTAL CAREFULLY BEFORE YOU COMPLETE THIS NOTICE OF WITHDRAWAL.

Ladies and Gentlemen:

The undersigned hereby withdraws, upon the terms and subject to the conditions set forth in the Prospectus and the related letter of transmittal, the aggregate principal amount of Original Notes indicated below pursuant to the procedures for withdrawals set forth in the Prospectus under the caption "The Exchange Offer — Withdrawal of Tenders."

The undersigned understands that no withdrawal of a tender of Original Notes may be made after the Expiration Date. The undersigned understands that for a withdrawal of a tender of Original Notes to be effective, a written notice of withdrawal that complies with the requirements of the Exchange Offer must be timely received by the Exchange Agent at its address specified on the cover of this notice of withdrawal prior to the Expiration Date.

Name of Person who Deposited the Original Notes to be Withdrawn: _____

(Please Print or Type)

Name in which the Original Notes to be Withdrawn are to be Registered, if Different from Depositor: _____

(Please Print or Type)

Signature(s): _____

Address(es): _____

Area Code(s) and Telephone Number(s): _____

If Original Notes were delivered by book-entry transfer at DTC, insert Depository Account Number: _____

Date: _____

Total Principal Amount of the Original Notes to be Withdrawn: _____

(must be an amount equal to $1,000 principal amount or integral multiples of $1,000 in excess thereof)

Certificate Number(s)*	**Principal Amount of Original Notes Withdrawn****

* Need not be completed if the Original Notes being withdrawn are in book-entry form.

** Must be an amount equal to $1,000 principal amount or integral multiples of $1,000 in excess thereof.

This notice of withdrawal must be signed by the depositor(s) of Original Notes in the same manner as the original signature on the letter of transmittal by which such Original Notes were tendered, with any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee register the transfer of such Original Notes into the name of the person withdrawing the tender. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information:

Name(s): _____

Title(s): _____

Signature(s): _____

Address(es): _____

Vector Group Ltd.

Offer to Exchange
Up to $165,000,000 Principal Amount Outstanding of
11% Senior Secured Notes due 2015
for
a Like Principal Amount of
11% Senior Secured Notes due 2015
which have been registered under the Securities Act of 1933

Pursuant to the Prospectus, dated , 2008

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

Vector Group Ltd., a Delaware corporation (the "Company"), hereby offers to exchange (the "Exchange Offer"), upon and subject to the terms and conditions set forth in the Prospectus dated , 2008 (the "Prospectus"), and the enclosed letter of transmittal (the "Letter of Transmittal"), up to $165,000,000 aggregate principal amount of registered 11% Senior Secured Notes due 2015 of the Company, which will be freely transferable (the "New Notes"), for any and all of the Company's outstanding 11% Senior Secured Notes due 2015, which have certain transfer restrictions (the "Original Notes"). The Exchange Offer is intended to satisfy certain obligations of the Company contained in the Registration Rights Agreement dated August 16, 2007, among the Company, the subsidiary guarantors listed on the signature pages thereto, and Jefferies & Company, Inc., as the initial purchaser of the Original Notes.

We are requesting that you contact your clients for whom you hold Original Notes regarding the Exchange Offer. For your information and for forwarding to your clients for whom you hold Original Notes registered in your name or in the name of your nominee, or who hold Original Notes registered in their own names, we are enclosing the following documents:

1. Prospectus dated , 2008;

2. The Letter of Transmittal for your use and for the information of your clients;

3. A Notice of Guaranteed Delivery to be used to accept the Exchange Offer if certificates for Original Notes are not immediately available or time will not permit all required documents to reach U.S. Bank National Association (the "Exchange Agent") prior to the Expiration Date (as defined below) or if the procedure for book-entry transfer cannot be completed on a timely basis;

4. A Notice of Withdrawal to be used to withdraw tenders of Original Notes.

5. A form of letter which may be sent to your clients for whose account you hold Original Notes registered in your name or the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Exchange Offer; and

6. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

Your prompt action is requested. The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2008 (such date and time, the "Expiration Date"), unless extended by the Company. Any Original Notes tendered pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date.

To participate in the Exchange Offer, a duly executed and properly completed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, and any other documents required by the Letter of Transmittal or a message from The Depository Trust Company stating that the tendering holder has expressly acknowledged receipt of, and agrees to be bound by and held accountable under, the Letter of Transmittal, must be sent to the Exchange Agent and certificates representing the Original Notes (or confirmation of book-entry transfer of such Original Notes into the Exchange Agent's account at The Depository Trust Company)

must be delivered to the Exchange Agent, all in accordance with the instructions set forth in the Letter of Transmittal and the Prospectus.

If holders of Original Notes wish to tender but it is impracticable for them to forward their certificates for Original Notes prior to the expiration of the Exchange Offer or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures described in the Prospectus under "The Exchange Offer — Guaranteed Delivery Procedures."

Any inquiries you may have with respect to the Exchange Offer or requests for additional copies of the enclosed materials should be directed to the Exchange Agent at its address and telephone number set forth on the front of the Letter of Transmittal.

Very truly yours,

Vector Group Ltd.

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF ANY OF THEM WITH RESPECT TO THE EXCHANGE OFFER, EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS OR THE LETTER OF TRANSMITTAL.

Vector Group Ltd.

Offer to Exchange
Up to $165,000,000 Principal Amount Outstanding of
11% Senior Secured Notes due 2015
for
a Like Principal Amount of
11% Senior Secured Notes due 2015
which have been registered under the Securities Act of 1933

Pursuant to the Prospectus, dated , 2008

To Our Clients:

Enclosed for your consideration is a Prospectus dated , 2008 (the "Prospectus"), and the related letter of transmittal (the "Letter of Transmittal"), relating to the offer (the "Exchange Offer") of Vector Group Ltd., a Delaware corporation (the "Company"), to exchange up to $165,000,000 aggregate principal amount of registered 11% Senior Secured Notes due 2015 of the Company, which will be freely transferable (the "New Notes"), for any and all of the Company's outstanding 11% Senior Secured Notes due 2015, which have certain transfer restrictions (the "Original Notes"), upon the terms and subject to the conditions described in the Prospectus and the related Letter of Transmittal. The Exchange Offer is intended to satisfy certain obligations of the Company contained in the Registration Rights Agreement dated August 16, 2007, among the Company, the subsidiary guarantors listed on the signature pages thereto, and Jefferies & Company, Inc., as the initial purchaser of the Original Notes.

This material is being forwarded to you as the beneficial owner of the Original Notes carried by us for your account but not registered in your name. **A tender of such Original Notes may only be made by us as the holder of record and pursuant to your instructions, unless you obtain a properly completed bond power from us or arrange to have the Original Notes registered in your name.**

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Original Notes held by us for your account, pursuant to the terms and conditions set forth in the enclosed Prospectus and Letter of Transmittal.

Please forward your instructions to us as promptly as possible in order to permit us to tender the Original Notes on your behalf in accordance with the provisions of the Exchange Offer. The Exchange Offer will expire at 5:00 p.m., New York City time, on , 2008 (such date and time, the "Expiration Date"), unless extended by the Company. Any Original Notes tendered pursuant to the Exchange Offer may be withdrawn any time prior to the Expiration Date.

Your attention is directed to the following:

1. The Exchange Offer is for any and all Original Notes.
2. The Exchange Offer is subject to certain conditions set forth in the Prospectus in the section captioned "The Exchange Offer — Conditions to the Exchange Offer."
3. The Exchange Offer expires at 5:00 p.m., New York City time, on the Expiration Date, unless extended by the Company.

If you wish to have us tender your Original Notes, please so instruct us by completing, executing and returning to us the instruction form on the back of this letter.

The Letter of Transmittal is furnished to you for information only and may not be used directly by you to tender Original Notes, unless you obtain a properly completed bond power from us or arrange to have the Original Notes registered in your name.

INSTRUCTIONS WITH RESPECT TO THE EXCHANGE OFFER

The undersigned acknowledge(s) receipt of this letter and the enclosed materials referred to herein relating to the Exchange Offer made by the Company with respect to the Original Notes.

This will instruct you to tender the Original Notes held by you for the account of the undersigned, upon and subject to the terms and conditions set forth in the Prospectus and the related Letter of Transmittal.

o Please tender the Original Notes held by you for the account of the undersigned as indicated below:

	Aggregate Principal Amount of Original Notes
11% Senior Secured Notes due 2015	_____ (must be an amount equal to $1,000 principal amount or integral multiples of $1,000 in excess thereof)

o Please do not tender any Original Notes held by you for the account of the undersigned.

_____

_____

Signature(s)

_____

_____

Please print name(s) here

Dated:, 2008

_____

_____

Address(es)

_____

Area Code(s) and Telephone Number(s)

_____

Tax Identification or Social Security No(s).

None of the Original Notes held by us for your account will be tendered unless we receive written instructions from you to do so. Unless a specific contrary instruction is given in the space provided, your signature(s) hereon shall constitute an instruction to us to tender all the Original Notes held by us for your account.

Exhibit 99.6

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number to Give the Payor. — A Social Security Number (SSN) has nine digits separated by two hyphens: i.e., 000-00-0000. An Employer Identification Number (EIN) has nine digits separated by only one hyphen, i.e., 00-0000000. The table below will help determine the number to give the payor.

For this type of account:		Give the SOCIAL SECURITY number of —
1.	Individual	The individual
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4.	a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
	b. So-called trust account that is not a legal or valid trust under state law	The actual owner(1)
5.	Sole proprietorship or single-owner LLC	The owner(3)

For this type of account:		Give the EMPLOYER IDENTIFICATION number of —
6.	Sole proprietorship or single-owner LLC	The owner(3)
7.	A valid trust, estate, or pension trust	Legal Entity(4)
8.	Corporation or LLC electing corporate status on Form 8832	The corporation or LLC
9.	Association, club, religious, charitable, educational or other tax-exempt organization account	The organization
10.	Partnership or multi-member LLC	The partnership
11.	A broker or registered nominee	The broker or nominee
12.	Account with the Department of Agriculture in the name of a public entity (such as state or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number should be furnished.
(2) Circle the minor's name and furnish the minor's SSN.
(3) You must show your individual name and you may also enter your business or "doing business as" name. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.
(4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representatives or trustee unless the legal entity itself is not designated in the account title.)

NOTE: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Obtaining a Number

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Card, or Form SS-4, Application for Employer Identification Number, or Form W-7, Application for Individual Taxpayer Identification Number at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number. You can get IRS Forms from the IRS by calling 1-800-829-3676 or from the IRS's internet website at www.irs.gov.

Payees Exempt from Backup Withholding

Payees specifically exempted from backup withholding on ALL payments include the following:

- An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
- The United States or any agency or instrumentalities thereof.
- A state, the District of Columbia, a possession of the United States, or any political subdivision or instrumentality thereof.

- A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- An international organization or any agency, or instrumentality thereof.

Other payees that may be exempt from backup withholding include:

- A corporation.
- A financial institution.
- A middleman known in the investment community as a nominee or custodian.
- A registered dealer in securities or commodities registered in the United States, the District of Columbia, or a possession of the United States.
    - A futures commission merchant registered with the Commodity Futures Trading Commission.
- A real estate investment trust.
- A common trust fund operated by a bank under section 584(a).
- A trust exempt from tax under section 664 or described in section 4947.
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A foreign central bank of issue.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. NOTE: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payor's trade or business and you have not provided your correct taxpayer identification number to the payor.
- Payments otherwise subject to U.S. federal income tax withholding.

Exempt payees described above should file a Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYOR, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, SIGN AND DATE THE FORM AND RETURN IT TO THE PAYOR. IF YOU ARE A NONRESIDENT ALIEN OR A FOREIGN ENTITY NOT SUBJECT TO BACKUP WITHHOLDING, FILE WITH THE PAYOR A COMPLETED INTERNAL REVENUE SERVICE FORM W-8BEN (CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING) OR, IF APPLICABLE, FORM W-8ECI (CERTIFICATE OF FOREIGN PERSON'S CLAIM FOR EXEMPTION FROM WITHHOLDING ON INCOME EFFECTIVELY CONNECTED WITH THE CONDUCT OF A TRADE OR BUSINESS IN THE UNITED STATES).

Privacy Act Notice

Section 6109 requires most recipients of dividends, interest, or other payments to give taxpayer identification numbers to payors who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Payors must be given the numbers whether or not recipients are required to file tax returns. Payors must generally withhold 28% (subject to further adjustment under applicable law) of taxable interest, dividends, and certain other payments, to a payee who does not furnish a taxpayer identification number to a payor. Certain penalties may also apply.

Penalties

(1) Penalty for Failure to Furnish Taxpayer Identification Number. — If you fail to furnish your taxpayer identification number to a payor, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil penalty for false information with respect to withholding. — If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

(3) Criminal penalty for falsifying information. — Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

(4) Misuse of Taxpayer Identification Numbers. — If the payor discloses or uses taxpayer identification numbers in violation of federal law, the payor may be subject to civil and criminal penalties.

FOR ADDITIONAL INFORMATION, CONTACT YOUR TAX ADVISOR OR THE INTERNAL REVENUE SERVICE.