

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	MERGER
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Dakin, Inc.	R. Dakin & Company	09/08/1995	CORPORATION: CALIFORNIA
Dakin, Inc.	R. Dakin & Company	09/08/1995	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA	
Name:	Applause Inc.
Street Address:	6101 Variel Ave
City:	Woodland Hills
State/Country:	CALIFORNIA
Postal Code:	91367
Entity Type:	CORPORATION: CALIFORNIA

PROPERTY NUMBERS Total: 7		
Property Type	Number	Word Mark
Registration Number:	1249114	BABY THINGS BY DAKIN
Registration Number:	1531015	DAKIN
Registration Number:	1533375	DAKIN
Registration Number:	996868	DREAM PETS
Registration Number:	1296550	ELEGANTE BY DAKIN
Registration Number:	628188	GINNY
Registration Number:	1002900	NATURE PUPPETS

CORRESPONDENCE DATA	
Fax Number:	(818)595-2702
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	818-595-2727
Email:	hal.kyle@applause.com
Correspondent Name:	Harold K. Kyle
Address Line 1:	6041 Variel Ave.
Address Line 4:	Woodland Hills, CALIFORNIA 91367

CH \$190.00 1249114

ATTORNEY DOCKET NUMBER:

DAKIN TM TRANSFER

NAME OF SUBMITTER:

Harold K. Kyle

Total Attachments: 7

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FILED
In the office of the Secretary of State
of the State of California

SEP 22 1995

AGREEMENT OF MERGER

APPLAUSE INC.

with and into

DAKIN, INC.

under the name of

"APPLAUSE INC."

Bill Jones
Secretary of State

AGREEMENT OF MERGER, dated as of September 8, 1995 (this "Agreement"), among Applause Inc., a California corporation ("Applause") and Dakin, Inc., a California corporation ("Dakin").

WHEREAS, Applause is a wholly owned subsidiary of Applause Enterprises Inc., a Delaware Corporation ("Applause Enterprises");

WHEREAS, Applause Enterprises owns common stock, no par value, of Dakin, representing 98.12% of the outstanding common stock of Dakin;

WHEREAS, the Board of Directors of each of Applause and Dakin has approved the merger of Applause and Dakin (this "Merger");

WHEREAS, by a vote of the holders of a majority of the outstanding common stock of each of Applause and Dakin, this Merger has been approved by the shareholders of each of Applause and Dakin in accordance with California law;

NOW, THEREFORE, in consideration of the foregoing and the respective agreements set forth in this Agreement, the parties hereto agree as follows:

ARTICLE 1. RECITALS OF CONSTITUENT CORPORATIONS

Section 1.01 Applause. Applause is a corporation duly organized, validly existing, and in good standing under the laws of the State of California.

Section 1.02. Dakin. Dakin is a corporation duly organized, validly existing, and in good standing under the laws of the State of California.

Section 1.03. Survivor. Dakin is the surviving corporation, as that term is defined in the General Corporation Law of California, in the merger described in this agreement.

ARTICLE 2. MERGER

Applause shall be merged into Dakin under the laws of the State of California.

ARTICLE 3. TERMS AND CONDITIONS

Section 3.01. Negative Covenants. Between the date of this agreement and the date on which the merger shall become effective, neither Applause nor Dakin shall:

- (a) Declare or pay any dividends to its shareholders.
- (b) Except in the normal course of business and for adequate value, dispose of any of its assets.

Section 3.02. Further Assignments or Assurances. If at any time Dakin shall consider or be advised that any further assignments or assurances in law are necessary to vest or to perfect or to confirm of record in Dakin the title to any property or rights of Applause, or otherwise carry out the provisions hereof, the proper officers and directors of Applause, as of the effective date of the merger, shall execute and deliver all proper deeds, assignments, confirmations, and assurances in law, and do all acts proper to vest, perfect, and confirm title to such property or rights in Dakin, and otherwise carry out the provisions hereof.

ARTICLE 4. BASIS OF CONVERTING SHARES

Section 4.01. Basis. At the effective date of the Merger, (i) each share of the common stock, no par value, of Dakin (other than shares held by Applause Enterprises) shall be converted into the right to receive \$0.04221 in cash (the "Conversion Price"), (ii) all of the shares of the common stock, no par value, of Dakin held by Applause Enterprises shall collectively be converted into one share of voting common stock of the surviving corporation, and (iii) each share of the common stock, no par value, of Applause shall be converted into one share of voting common stock of the surviving corporation.

Section 4.02. Exchange. Each holder of the outstanding shares of Dakin (other than Applause Enterprises) shall surrender its shares, properly endorsed, to Applause or its agent, and shall thereupon receive in exchange therefor an amount equal to the number of shares so surrendered, multiplied by the Conversion Price.

ARTICLE 5. DIRECTORS

The following named persons shall serve as the Board of Directors of the surviving corporation until the next annual meeting or until such time as their successors have been elected and have qualified: Melvin Gagerman, James Klein, Hillel Weinberger and Stanley Gold.

ARTICLE 6. ARTICLES OF INCORPORATION

The articles of incorporation of the surviving corporation amended and restated in their entirety as set forth in Exhibit 1.

ARTICLE 7. BYLAWS

The bylaws of Applause, as existing on the effective date of the merger, shall continue in full force as the bylaws of the surviving corporation until altered, amended, or repealed as provided therein or as provided by law.

ARTICLE 8. INTERPRETATION AND ENFORCEMENT

Section 8.01. Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered, mailed or transmitted, and shall be effective upon receipt, if delivered personally, mailed by registered or certified mail (postage prepaid, return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like changes of address) or sent by electronic transmission (provided that a confirmation copy is sent by another approved means) to the telecopier number specified below:

In the case of Applause, to:

Applause Inc.
6101 Variel Avenue
Woodland Hills, California 91365
Attention: Jonathan Mather
Telephone: (818) 595-2772
Telecopier: (818) 595-2823

with a copy to :

Fried, Frank, Harris, Shriver & Jacobson
725 South Figueroa Street, Suite 3890
Los Angeles, California 90017
Attention: Edward S. Rosenthal
Telephone: (213) 689-5801
Telecopier: (213) 689-1646

In the case of Dakin, to:

Dakin, Inc.
c/o Applause Enterprises Inc.
6101 Variel Avenue
Woodland Hills, California 91365
Attention: Jonathan Mather
Telephone: (818) 595-2772
Telecopier: (818) 595-2823

with a copy to :

Fried, Frank, Harris, Shriver & Jacobson
725 South Figueroa Street, Suite 3890
Los Angeles, California 90017
Attention: Edward S. Rosenthal
Telephone: (213) 689-5801
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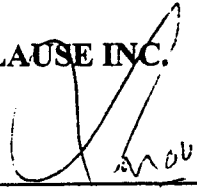
Section 8.02. Counterpart Executions. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 8.03. Controlling Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California without regard to rules respecting conflicts of law.

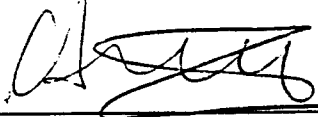
Section 8.04. Construction. As used in this Agreement, (a) "hereof", "hereunder", "herein" and words of like import shall be deemed to refer to this Agreement in its entirety and not just a particular section of this Agreement and (b) unless the context otherwise requires, words in the singular number or in the plural number shall each include the singular number or the plural number, and, when the sense so indicates, words of the neuter gender shall refer to any gender.

IN WITNESS WHEREOF, Applause and Dakin have caused this Agreement to be executed as of the date first written above by their respective officers and representatives thereunto duly authorized.

APPLAUSE INC.

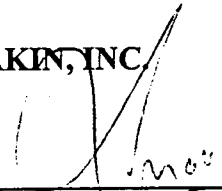


By: Jonathan Mather
Its: Senior Vice President

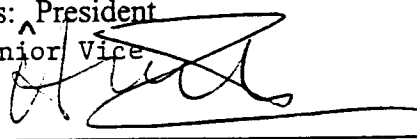


By: Harold Kyle
Its: Secretary

DAKIN, INC.



By: Jonathan Mather
Its: President
Senior Vice



By: Harold Kyle
Its: Secretary

EXHIBIT 1

ARTICLES OF INCORPORATION
OF
APPLAUSE INC.
A California Corporation

ONE: The name of the corporation is APPLAUSE INC.

TWO: The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated under the California Corporations Code ("Code").

THREE: The corporation elects to be governed by the provisions of the General Corporation Law effective January 1, 1977, not otherwise applicable to it under Chapter 23 thereof.

FOUR: This corporation is authorized to issue only one class of stock. The total number of shares which the corporation is authorized to issue is Twenty Million (20,000,000) without par value.

FIVE: The shares of the corporation may be issued from time to time in two series designated, respectively, Series V, of which the corporation is authorized to issue 10,000,000 shares, and Series N, of which the corporation is authorized to issue 10,000,000 shares. The rights, preferences, privileges and restrictions of Series V and Series N shall be equal and identical in all respects except that unless otherwise provided by law, the holders of shares of Series V shall have and possess the exclusive right to notice of shareholders' meetings and the exclusive voting-rights in connection therewith; the holders of shares of Series N shall not be entitled to notice of any shareholder meetings or to vote upon the election of directors or upon any other matter."

SIX: All of the actions (except those specially excluded under Section 204(a)(5) of the Code) taken by the corporation which, unless expressly otherwise provided, would require authorization by an affirmative vote of the holders of a majority of the outstanding shares entitled to vote, either present at a duly held meeting or by written consent, under the terms and provisions of the General Corporation Law of California shall, instead, require authorization by an affirmative vote of the holders of two-thirds (2/3) of the outstanding shares entitled to vote, either present at a duly held meeting or by written consent, including, but not limited to, the following actions and/or transactions:

- (a) The sale, lease, conveyance, exchange, transfer or other disposition of all or substantially all of the corporation's assets;

- (b) The merger of two or more corporations, or any other reorganization of the corporation (as that term is defined in the Code);
- (c) The adoption, repeal, amendment, restatement or approval of the bylaws of the corporation; and
- (d) The amendment, repeal or restatement of the articles of incorporation of the corporation, or of any provision thereof:

SEVEN: The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

EIGHT: The corporation is authorized to provide indemnification of agents, as that term is defined in Section 317 of the California General Corporation Law for breach of duty to the corporation and its stockholders, in excess of that expressly permitted by said Section 317, under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, to the fullest extent such indemnification may be authorized hereby, subject to the limits on such excess indemnification set forth in Section 204 of the California General Corporation Law. The corporation is further authorized to provide insurance for agents as set forth in Section 317 of the California Corporations Code, provided that, in cases where the corporation owns all or a portion of the shares of the company issuing the insurance policy, the company and/or the policy must meet one of the two sets of conditions set forth in Section 317, as amended. Any repeal or modification of the foregoing provisions of this Article Eight by the shareholders of this corporation shall not adversely affect any right or protection of an agent of this corporation existing at the time of such repeal or modification.