

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM417277

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Smarterville Productions, LLC		10/15/2010	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	Sandviks HOP, Inc.		
Doing Business As:			
Street Address:	83 Wooster Heights		
City:	Danbury		
State/Country:	CONNECTICUT		
Postal Code:	06810		
Entity Type:	Corporation: CONNECTICUT		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	78401658	HOOKED ON READING	
CORRESPONDENCE DATA			
Fax Number:	2032050322		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	203-205-0188		
Email:	robert.israel@sandviks.com		
Correspondent Name:	Robert Israel		
Address Line 1:	83 Wooster Heights		
Address Line 4:	Danbury, CONNECTICUT 06810		
NAME OF SUBMITTER:	Robert Israel		
SIGNATURE:	/Robert Israel/		
DATE SIGNED:	02/24/2017		
Total Attachments: 4			
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OP \$40.00 78401658

ASSET PURCHASE AGREEMENT

This asset purchase agreement (the "Agreement") is dated October 15, 2010 between Sandviks HOP, Inc., (the "Buyer") a Connecticut corporation that is the wholly owned subsidiary of Sandviks, Inc., Smarterville Productions, LLC, a Delaware limited liability company ("Seller") and Smarterville, Inc., a Delaware corporation and sole interest holder of Seller ("Parent"). Buyer, Seller and Parent may be referred to herein as a "Party" and collectively as the "Parties." Capitalized terms used in this Agreement shall have the meanings set forth in Article 6 unless a particular section specifically provides an alternate meaning, in which case, such meaning shall be limited to that specific section.

RECITALS:

A. In addition to its other lines of business, the Seller is engaged in the business of developing, manufacturing, selling, and distributing children's educational products and books utilizing the "Hooked on Phonics" family of products listed on Annex 1 hereto, "Learn to Read," "Master Reader," "Hooked On's," and "Discover Reading Toddler" brands (all 5 brands collectively referred to as the "Brands") which products (the "Branded Products") are marketed and sold directly to consumers and through retail store markets (the "Business").

B. The Seller desires that Buyer purchase the Acquired Assets from the Seller pursuant to this Agreement and Buyer desires to purchase the Acquired Assets from the Seller provided that each Party complies with the provisions of this Agreement (and, together with the transactions contemplated by this Agreement, the "Contemplated Transaction").

Therefore, for good and valuable consideration, including, without limitation, the mutual benefits and burdens of the Parties under this Agreement, the receipt and sufficiency of which is hereby mutually acknowledged by the Parties, the Parties, intending to be legally bound, agree as follows:

1. PURCHASE, SALE, AND TRANSFER OF ASSETS

1.1. Purchase and Sale:

Upon the terms and subject to the conditions set forth in this Agreement, effective as of the Closing, Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest in and to the Acquired Assets, free and clear of all Encumbrances other than the Assumed Liabilities, and Buyer shall pay the Purchase Price and assume the Assumed Liabilities. Anything herein to the contrary notwithstanding, Buyer shall not acquire any interest in the Excluded Assets or be liable for any Retained Liabilities.

1.2. Consideration:

(a) *Purchase Price:* Subject to the Working Capital Adjustment set forth in Section 1.7 below, the aggregate consideration payable by the Buyer to the Seller for the purchase of the Acquired Assets, and the other obligations of the Seller shall be Four Million Five Hundred Thousand Dollars and No Cents (\$4,500,000) (the "Purchase Price") payable in cash or cash equivalent, as follows.

(b) *General Escrow Amount:* On the Closing Date, a total of One Hundred Seventy Thousand Dollars and no cents (\$170,000.00) (the "Escrow Amount"), which includes One Hundred Fifty Thousand Dollars and no cents (\$150,000.00) for indemnity claims (the "Indemnity Escrow") and Twenty Thousand Dollars and no cents (\$20,000.00) for sales tax claims (the "Tax Escrow"), shall be placed in escrow by wire transfer delivery to Wells Fargo Bank, National Association (the "Escrow Agent") to be held and distributed in accordance with the Escrow Agreement in a form mutually agreeable to Buyer and Seller (the "Escrow Agreement");

(c) *Reading Rainbow/GPN Escrow Amount:* On the Closing Date, a total of Four Hundred Five Thousand One Hundred Fourteen Dollars and ninety seven cents (\$405,114.97) (the "RR Escrow") for payment of amounts due in respect of the Reading Rainbow/GPN Assets shall be placed in escrow by wire transfer delivery to the Escrow Agent to be held and distributed in accordance with an escrow agreement in a form mutually agreeable to Buyer and Seller (the "RR Escrow Agreement");

(d) *Creditor Payments:* On the Closing Date, a total of Three Million Five Hundred Forty Three Thousand Three Hundred Three Dollars and thirty two cents \$3,543,303.32 shall be paid to the creditors of the Seller or Parent, as applicable, listed in Annex II in the order and the amounts specified therein (the "Creditor Payments");

(e) *Closing Payment:* At the Closing, Buyer shall pay the amount equal to the Purchase Price less the sum of the Escrow Amount, RR Escrow, and Creditor Payments as may be adjusted in accordance with Section 1.7 (the "Closing Payment"), to the Seller by wire transfer of funds pursuant to the wiring instructions set forth in Annex III.

1.3. Acquired Assets:

Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, but effective as of the Effective Time, except for the Excluded Assets, the Seller shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase and acquire from the Seller, free and clear of any Encumbrances other than the Assumed Liabilities, all right, title and interest in and to all of the assets that are owned, used, or held in respect to, or are a party of, the Business, including, without limitation:

(a) All Intellectual Property Assets, including, without limitation, those trademarks, trade names, service marks, fictitious business names, logos, and domain names relating solely to the Brands and/or used solely in the Business, whether or not registered, including, without limitation, all pending applications for any such registrations, and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under applicable law and all goodwill associated therewith;

(b) all copyrights in works owned, held, or licensed by the Seller, or created by employees of the Seller (or their predecessors) and all moral rights of Seller in respect of the Brands and/or the Business, whether or not registered, and all pending applications for registration thereof;

(c) finished inventory of the Seller to be designated by Buyer on or before Closing having a Book Value of \$2,150,000.00 and which shall include finished inventory, of the Business relating to the 2009 revised version of the "Learn to Read" Brand having a Book Value of no less than \$1,800,000.00(the "Designated Inventory");

(d) all rights of Seller (including, without limitation, rights under Assumed Contracts in the case of licensed works) in: (i) existing work in progress ("WIP"), and (ii) book art, editorial and content materials, including raw materials, photographs, illustrations, artwork, rights in art files, films and original art, wrapping, supplies and packaging (but excluding wrapping, supplies and packaging in respect of inventory which is not Designated Inventory) relating to, ordered for, or allocated for use in, the Brands and/or the Business;

(e) a 24 month right and license to use the "Smarterville" trademark, logos and branding solely for the purpose of the marketing, sale and packaging of the Designated Inventory and solely in accordance with a license agreement in form mutually agreeable to Buyer and Parent;

(f) all rights of Seller under the Assumed Contracts;

(g) all Accounts Receivable as of the Closing Date relating solely to ongoing United States retail accounts of the Business;

(h) all rights in customer databases, mailing lists and active, suspended and expired customer lists, used in, held for, arising from, or created out of the Business and to any licenses of the Business to use Third Party customer databases or lists that constitute Assumed Contracts, subject to the terms thereof;

(i) all existing promotional and marketing materials, URLs, websites, stationery, forms, labels and similar supplies and all sales media kits relating solely to, created for, or used primarily with respect to, any of the Brands and/or the Business;

(j) copies of all existing records, documents and files relating solely to the Brands, the Business and/or the Acquired Assets as needed to continue to operate the Business;

(k) all rights to causes of action, lawsuits, judgments, claims and demands of any nature whether choate or inchoate, known or unknown, contingent or non-contingent, available to or being pursued by Seller or the Parent with respect solely to the Business or the ownership, use, function or value of any of the Acquired Assets and all claims, causes of action, choses in action, rights of recovery, rights of set-off, counterclaims and rights of recoupment and indemnity for present or future (but excluding past) damages for the breach, infringement or misappropriation of any of the Acquired Assets;

(l) all toll free telephone numbers, facsimile numbers, email addresses, depositories and post office boxes used by Seller solely in connection with the marketing, sales, and distribution efforts of the Business;

Schedule 2.11(a)

Intellectual Property Assets

(i) Marks:

Reg./Appl. Number	US TRADEMARKS
c 77/449871	HOOKED ON FUN
c 1872425	HOOKED ON MATH
o 1876555	HOOKED ON PHONICS
o 1877587	1-800-ABCDEFG
o 2050379	HOOKED ON PHONICS
o 2287035	ABCDEFG
o 2348348	HOP BOOKS
o 2355758	HOOKED ON PHONICS
o 2409046	SKIP & SPIN
o 2417881	SLAM & DUNK
o 2419481	HOP BOOKS HOOKED ON PHONICS LIBRARY COLLECTION
o 2421711	READING CHILD DRAWING
o 2591385	HOOKED ON PHONICS
o 2950215	HOOKED ON NATURE
o 3345757	HOOKED ON SHAPES
o 3345758	HOOKED ON COLORS
o 3345759	HOOKED ON NUMBERS
o 3403692	HOOKED ON BABY
o 3477905	HOOKED ON READING
o 3494170	THE SURE THING FOR PRE-K SUCCESS!
o 3494171	THE SURE THING FOR KINDERGARTEN SUCCESS!
o 3545224	HOOKED ON HANDWRITING
o 3545225	HOOKED ON SPANISH
o 3671106	THE SURE THING FOR READING SUCCESS!
o 3681631	THE SURE THING FOR MATH SUCCESS!
o 3723831	HOOKED ON ENGLISH
o 3769322	HOOKED ON LEARNING

Appl. Number	Reg. Number	Country	FOREIGN TRADEMARKS
1354615		Australia	HOOKED ON PHONICS
	823202674	Brazil	HOOKED ON PHONICS
	823202682	Brazil	HOOKED ON PHONICS

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