

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM613682

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
DISCOVERY TOYS, LLC		06/25/2012	Limited Liability Company: DELAWARE
RECEIVERS, INC., as the assignee for the benefit of the creditors of DISCOVERY TOYS, LLC		06/25/2012	Corporation: CALIFORNIA
RECEIVING PARTY DATA			
Name:	DT Holding Company		
Street Address:	3077 Independence Drive		
Internal Address:	Suite G		
City:	Livermore		
State/Country:	CALIFORNIA		
Postal Code:	94551		
Entity Type:	Corporation: DELAWARE		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Registration Number:	3212464	GIANT PEGBOARD	
Registration Number:	1230032	DISCOVERY TOYS	
Registration Number:	1709412	PLAYFUL PATTERNS	
Registration Number:	1704326	A B SEAS	
Registration Number:	1438202	BOOMERINGS	
Registration Number:	1416127	MARBLEWORKS	
CORRESPONDENCE DATA			
Fax Number:	3122457467		
<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:	312-245-7500		
Email:	trademark@masudafunai.com		
Correspondent Name:	George H. Kobayashi		
Address Line 1:	203 N. LaSalle Street		
Address Line 2:	Suite 2500		

OP \$165.00 3212464

Address Line 4: Chicago, ILLINOIS 60601

NAME OF SUBMITTER: George H. Kobayashi

SIGNATURE: /George H. Kobayashi/

DATE SIGNED: 12/10/2020

Total Attachments: 26

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ASSET PURCHASE AND SALE AGREEMENT

between

**RECEIVERS, INCORPORATED, AS THE ASSIGNEE FOR THE BENEFIT
OF CREDITORS OF DISCOVERY TOYS, LLC**

Seller

and

DT HOLDING COMPANY

Buyer

Dated as of June 25, 2012

ASSET PURCHASE AND SALE AGREEMENT

This ASSET PURCHASE AND SALE AGREEMENT (this "Agreement") dated as of June 25, 2012, between Receivers, Inc. (the "Seller"), as the assignee for the benefit of the creditors of DISCOVERY TOYS, LLC, a Delaware limited liability company, and DT HOLDING COMPANY, a Delaware corporation (the "Buyer"). Capitalized terms used in this Agreement shall have the meanings ascribed thereto in this Agreement.

RECITALS

WHEREAS, DISCOVERY TOYS, LLC, a Delaware limited liability company ("Assignor"), was engaged in the business of distributing toys (the "Business").

WHEREAS, on June 22, 2012, Assignor assigned or will have assigned all of its right, title and interest in and to all of its assets and property to the Seller to have and to hold in trust for the benefit of the creditors of Assignor.

WHEREAS, the Seller desires to sell to the Buyer and the Buyer desires to purchase from the Seller, all the assets and property of Assignor used in the Business, on the terms and conditions contained in this Agreement.

WHEREAS, Buyer holds a first priority lien in all of the assets of Seller and is owed \$ [REDACTED] as of May 31, 2012.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 PURCHASE AND SALE OF ASSETS; PRICE

1.1 Purchase and Sale of Assets. Subject to the terms and conditions of this Agreement, on the Closing Date (as defined below) the Seller shall sell, transfer, convey, assign, and deliver to the Buyer, and the Buyer shall purchase, acquire, and accept from the Seller, all of the Seller's right, title and interest in and to certain of the assets of Assignor which were assigned to the Seller, as and where the same may exist on the Closing Date (collectively, the "Transferred Assets"). The Transferred Assets are the following:

- (a) All cash, certificates of deposit and other cash collateral and the prepaid deposits.
- (b) The accounts receivable, costs in excess of billings, and unbilled revenues.
- (c) The prepaid expenses of the Business.
- (d) The inventory or raw materials, purchased parts and work-in-process owned.

- (e) The furniture, fixtures, equipment, computers, machinery, vehicles, supplies and other tangible personal property owned, and, to the extent transferable, all warranties, if any, express or implied, existing for the benefit of Business from third parties relating to the equipment as set forth on **Schedule 1**;
- (f) Contracts and agreements (including all amendments thereto) to which Business is a party, in each case as listed on attached hereto, including all rights, demands, claims, actions and causes of action that Business may have;
- (g) All of the patents and patent applications owned by Business as set forth on **Schedule 2**;
- (h) All copyrights, copyright applications, trademarks, service marks and trade names or other trade designations owned by Business as set forth on **Schedule 2**;
- (i) To the extent transferable, the insurance policies of the Business (as well as any refunds or claims relating to such policies);
- (j) All telephone numbers, electronic mail addresses, domain names and websites used by Business in the conduct of the Business;
- (k) All intellectual property rights of Business, including, without limitation, all patent rights, and rights of Business in and to the names, trademarks, service marks, and trade names containing or utilizing the corporate name of Business as set forth on **Schedule 2**;
- (l) All licenses, permits, authorizations, certificates of occupancy, franchises and approvals of any nature issued by any Governmental Entity to Business in respect of the Business, or otherwise obtained by Business for the Business from any Governmental Entity, to the extent transferable under applicable law;
- (m) To the extent transferable, warranty rights provided by suppliers, manufacturers or contractors relating to the Assets;
- (n) All books, records, databases, information and data pertaining to the Business currently used or useful in connection with the Assets, whether in written, electronic, visual or other form, including management information systems or software owned by Business, engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence, personnel and employment records, customer lists, vendor lists, catalogs,
- (o) research material, URLs, source codes, technical information, trade secrets, technology, know-how, specifications, designs, drawings,

processes and quality control data, if any, or any other intangible property and applications for the same;

- (p) The capital stock and other securities of Discovery Toys Canada, Inc.; and
- (q) All of the goodwill associated with the Business, and all other assets, properties, and rights owned by Business and used in the conduct of the Business and not otherwise listed.

1.2 Excluded Assets. Except as otherwise provided in this Agreement, the Seller shall retain and shall not transfer to the Buyer any of the following assets (the "Excluded Assets"):

- (a) all claims for refund or abatement of any state, federal or local tax;
- (b) all insurance policies of the Seller or any rights thereunder.

1.3 Assumption. At the Closing, the Buyer shall assume and agree to pay when due, perform and discharge in accordance with the terms thereof all of the following liabilities and obligations of Assignor:

(a) All obligations of Assignor (including all obligations to make any payments which came due prior to the Closing Date) under the contracts and leases described in the schedules attached hereto as **Exhibits A and B**.

(b) The obligations owed to employees after June 15, 2012.

1.4 No Assumption of Liabilities. Except as otherwise provided herein, the Buyer shall have no liability or responsibility for any liability or obligation of Assignor or the Seller of any kind or nature, known or unknown, including, without limitation, liabilities for wages, federal, state or local taxes, environmental conditions or worker's compensation. Seller undertakes to apply the proceeds of the Purchase Price, defined below, to pay Assignor's indebtedness to Buyer so as to affect the transfer of the Transferred Assets free and clear of Buyer's security interest.

1.5 Purchase Price. The consideration for the Transferred Assets shall consist of [REDACTED] Dollars (\$ [REDACTED]) (the "Purchase Price"). The Purchase Price shall be paid as credit against the amount owed to Buyer as a first priority secured creditor.

1.6 Tax Allocation. The total amount of the Purchase Price and the Assumed Liabilities shall be allocated among the Transferred Assets as set forth on **Schedule 3**. It is agreed by the parties that such allocation was arrived at by arm's length negotiation and in the judgment of the parties properly reflects the fair market value of the Assets transferred pursuant to this Agreement. It is agreed that the allocations herein will be binding on all parties for federal, state, local and other tax purposes in connection with the purchase and sale of the Assets will be consistently reflected by each party on such party's tax returns.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES OF THE SELLER

The parties intend that the sale of the Transferred Assets shall be "where is, as is" and that the representations and warranties of the Seller shall be limited in accordance with such intent; the Seller therefore makes only the following limited representations and warranties. IN PARTICULAR, THE SELLER MAKES NO REPRESENTATION OF MERCHANTABILITY OR THAT THE ASSETS ARE FIT FOR ANY PARTICULAR PURPOSE.

2.1 Authorization. The Seller is the assignee for the benefit of the creditors of Assignor and has the power and authority to enter into this Agreement, to perform its obligations hereunder and thereunder, to transfer the Transferred Assets, and to carry out the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Seller, and this Agreement is the legal, valid, and binding obligation of the Seller enforceable according to its terms, except (i) as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, general principles of equity, or similar laws now or hereafter in effect relating to creditors' rights and (ii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding may be brought.

2.2 Brokers' Fees. Neither this Agreement nor the consummation of the transactions contemplated hereby was induced by or procured through any Person acting on behalf of, or representing, the Seller as a broker, finder, investment banker, financial advisor in any similar capacity; no broker or finder has acted directly or indirectly for the Seller in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commission in respect thereof based in any way on the actions or statements of, or the agreements, arrangements, or understandings made with the Seller; and no Person (other than the Buyer) currently has any right or option of any type to acquire, directly or indirectly, any interest in the Transferred Assets.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer hereby represents and warrants to the Seller as follows:

3.1 Organization and Good Standing. The Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware.

3.2 Authorization. The Buyer has full power and authority to enter into this Agreement to perform its obligations hereunder, and to carry out the transactions contemplated hereby. The officers or members of the Buyer have taken, or will take before the Closing Date, all actions required by law or its charter document to authorize (a) the execution and delivery of this Agreement, and (b) the performance of its obligations hereunder. This Agreement has been duly executed and delivered by the Buyer and this Agreement is the legal, valid, and binding

obligation of the Buyer enforceable according to its terms, except (x) as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, general principles of equity, or similar laws now or hereafter in effect relating to creditors' rights and (y) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding may be brought.

3.3 No Violation. None of the execution and delivery of this Agreement by the Buyer, the performance by the Buyer of its obligations hereunder, or the consummation of the transactions contemplated hereby will (a) violate any provision of the charter documents of the Buyer, (b) violate, or be in conflict with, or permit the termination of, or constitute a default under or breach of, or cause the acceleration of the maturity of, any contract, debt, or other obligation of the Buyer, which violation, conflict, default, breach, termination or acceleration, either individually or in the aggregate with all other such violations, conflicts, defaults, breaches, terminations and accelerations, would have a material adverse effect on the ability of the Buyer to perform its obligations under this Agreement, (c) require the consent of any other party to, or result in the creation or imposition of any lien upon any property or assets of the Buyer under any agreement or commitment to which the Buyer is a party or by which the Buyer is bound, which consent, if not obtained, or lien would have a material adverse effect on the ability of the Buyer to perform its obligations under this Agreement, or (d) to the knowledge of the executive officers of the Buyer, violate any statute or law or any judgment, decree, order, regulation, or rule of any court or governmental authority to which the Buyer is subject.

3.4 Brokers' Fees. Neither Seller nor Buyer have retained any broker or finder in connection with the transactions contemplated by this Agreement.

3.5 Assignment for the Benefit of Creditors. The Buyer understands that the Seller is the assignee for the benefit of creditors of Assignor and that the Seller has whatever right, title, and interest in and to the Transferred Assets as Assignor had the ability to transfer, if any. The Buyer further understands that the Seller was not involved in the operation of the Business and has no knowledge of whether the Transferred Assets are sufficient to operate the Business as Assignor operated it. The Buyer has made its own evaluation of the Transferred Assets and of the Seller's title thereto and independently and without reliance upon the Seller, and based upon such information as the Buyer deems appropriate, has made its own analysis and informed decision to purchase the Transferred Assets.

ARTICLE 4 OBLIGATIONS OF THE PARTIES

The Seller hereby covenants and agrees with the Buyer and the Buyer hereby covenants and agrees with the Seller that:

4.1 Further Assurances. Before and after the Closing Date, each party hereto shall execute and deliver such instruments and take such other actions as any other party may reasonably request for the purpose of carrying out the intent of this Agreement. Each party hereto shall use its best efforts to cause the transactions contemplated by this Agreement to be

consummated, and, without limiting the generality of the foregoing, (i) to obtain all consents and authorizations of, make all filings with and give all notices to government agencies and third parties. The Seller shall give prompt notice to the Buyer, after receipt thereof by the Seller, of (a) any notice of, or other communication relating to, any default or event that, with notice or lapse of time or both, would become a default under any indenture, instrument, or agreement material to the Seller, to which the Seller is a party or by which the Seller is bound, and (b) any notice or other communication from any third party alleging that the consent of such third party is or may be required in connection with the transactions contemplated by this Agreement. Seller agrees to perform (at no cost to Seller) any further acts, and to execute and deliver any documents, that may be reasonably necessary to carry out the provisions of this Agreement including, without limitation, reasonably cooperating with Purchaser in effecting the recordation of the Assignments with the United States Patent and Trademark Office.

4.2 Post-Closing Matters. Seller shall, after the Closing Date, provide reasonable cooperation with the Buyer to ensure an orderly transition of the Transferred Assets to the Buyer, and the Seller shall use its commercially reasonable best efforts to assist the Buyer to obtain any required consents to any assignments. The Seller shall, as requested by the Buyer and at the Buyer's sole cost and expense, coordinate and facilitate the delivery of the Transferred Assets to the Buyer, provided, however, that the Seller shall not be under any obligation to advance any funds on behalf of the Buyer.

ARTICLE 5 CONDITIONS TO THE BUYER'S OBLIGATIONS

The obligation of the Buyer under this Agreement to consummate the Closing on the Closing Date shall be subject to the satisfaction, on or before the Closing Date, of each of the following conditions:

5.1 Representations and Warranties. The representations and warranties of the Seller contained herein and in any certificates and documents delivered by the Seller shall be true and accurate in all material respects as of the Closing Date, except for changes permitted or contemplated by this Agreement.

5.2 General Assignment and Bill of Sale. The Buyer shall have received not later than the Closing Date a General Assignment and Bill of Sale in form attached as Exhibits D and E, dated as of the Closing Date duly executed by the Seller conveying to the Buyer all right, title and interest of the Seller in and to all items of personalty included in the Transferred Assets, and all other assignments, endorsements and instruments of transfer as shall be necessary or appropriate to carry out the intent of this Agreement and as shall be sufficient to vest in the Buyer all right, title and interest of the Seller in and to all of the Transferred Assets. If requested by the Buyer, such documents shall be in a form suitable for recording.

5.3 Trademark, Copyright and Patent Assignments. Buyer shall have received not later than the Closing Date trademark, copyright, and patent assignments in form reasonably acceptable to the Buyer dated as of the Closing Date duly executed by the Seller irrevocably assigning to the Buyer all rights, title, and interest (including, but not limited to, all registration

rights, all rights to prepare derivative marks, all goodwill and all other rights), in and to the trademarks, copyrights, and patents described in Schedule 3 (the "Intellectual Property") and Registration Numbers described in Schedule 3 for the Intellectual Property for use in connection with the Business.

5.4 Other Documents. The Buyer shall have received on or before the Closing Date such assignments, transfers and consents, in customary form, as the Buyer may reasonably request to effectuate the transfer to the Buyer of the Transferred Assets, including registrations in government offices.

5.5 Required Consents. The Buyer shall have received the consent of the lessors under any lease described in the schedule attached as Exhibit B described in Section 5.3 above.

5.6 Waiver of Security Interest. The Buyer shall have received full and complete waivers of the security interests of Draupnir, LLC and Jeremy Hobbs in the form attached as Exhibit F.

ARTICLE 6 CONDITIONS TO THE SELLER'S OBLIGATIONS

The obligation of the Seller under this Agreement to consummate the Closing on the Closing Date shall be subject to the satisfaction, on or before the Closing Date, of the following conditions:

6.1 Representations and Warranties. The representations and warranties of the Buyer contained herein and in any certificates and documents delivered by the Buyer shall be true and accurate in all material respects as of the Closing Date, except for changes permitted or contemplated by this Agreement.

6.2 No Injunction. There shall not be any injunction, restraining order or other order of any nature which directs that this Agreement or any material transaction contemplated herein shall not be consummated as herein provided, nor shall any proceeding be pending which has the effect of prohibiting the Seller's performance hereunder.

6.3 No Overbid. Seller shall not have closed a sale of the Transferred Assets to a Successful Bidder other than Buyer.

ARTICLE 7 CLOSING; CLOSING DATE

7.1 Closing. The closing (the "Closing") will be held at 10:00 a.m. at the offices of Hoge, Fenton, Jones & Appel, Inc., 4309 Hacienda Drive, Suite 350, Pleasanton, California, on June 28, 2012, or at such other time and place as the parties hereto may mutually agree upon in writing (the "Closing Date").

7.2 Closing Deliveries. At the Closing, the Seller shall deliver to the Buyer (i) the Bill of Sale, (ii) the Trademark, Copyright and Patent Assignments, (iii) such assignments and other documents to effect the transfer of the Transferred Assets to the Buyer, in customary form, as the Buyer shall reasonably request, and (iv) possession of the Transferred Assets. At the Closing, the Buyer shall deliver to the Seller the Purchase Price as provided in Section 1.4 and the Seller shall deliver to the Buyer all documents, agreements, reports, books, records and accounts pertaining specifically to the Transferred Assets that are in the Seller's possession.

7.3 Transfer Taxes and Fees. Buyer will pay all sales and excise taxes, if any, assessed or incurred in connection with the transaction contemplated by this Agreement and/or the sale of any of the Assets, and Buyer will pay, cause to be paid or make adequate provision for the payment, when due, of all transfer taxes, recording fees or similar taxes or fees owed by any party with respect to the transfer to Purchaser of the Assets.

ARTICLE 8 MAINTENANCE OF RECORDS

Subsequent to the Closing Date, the Buyer shall, at the Seller's expense, permit the Seller, from time to time, to inspect and copy such books of account and other records relating to the Transferred Assets. Until the sixth anniversary of the Closing Date, the Buyer shall not, without the prior written consent of the Seller or its successors in interest, destroy or dispose of any such records.

ARTICLE 9 INDEMNIFICATION

9.1 Indemnification by the Buyer. The Buyer, its successors, and assigns shall indemnify and hold the Seller and its successors and assigns harmless in respect of any and all losses incurred by the Seller and its successors and assigns in connection with each and all of the following:

(a) Any claim by any person or other entity for any broker's or finder's fee or similar fee charged for commission that arises from any action, statement, or commitment made by the Buyer or its agents or any affiliate of the Buyer in connection with this Agreement.

(b) Any breach or other failure to perform any covenant, agreement, or obligation of the Buyer contained in this Agreement or any other instrument contemplated hereby.

(c) Any breach of any representation or warranty by the Buyer contained in this Agreement or any other instrument contemplated hereby.

(d) Any liability or obligation which was assumed by the Buyer pursuant to Section 1.3 of this Agreement.

(e) Any claim by any creditor or equity holder of Discovery Toys, LLC, challenging the validity of the transaction memorialized by this Agreement.

9.2 Indemnification by the Seller. The Seller, its successors, and assigns shall indemnify and hold the Buyer and its successors and assigns harmless in respect of any and all losses incurred by the Buyer and its successors and assigns in connection with each and all of the following:

(a) Any claim by any person or other entity for any broker's or finder's fee or similar fee charged for commission that arises from any action, statement, or commitment made by the Seller or its agents or any affiliate of the Seller in connection with this Agreement.

(b) Any breach or other failure to perform any covenant, agreement, or obligation of the Seller contained in this Agreement or any other instrument contemplated hereby.

(c) Any breach of any representation or warranty by the Seller contained in this Agreement or any other instrument contemplated hereby.

9.3 Notice and Defense of Claim. Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "Indemnified Party") shall provide written notice to the other party (the "Indemnifying Party") within sixty (60) days of becoming aware of the right to indemnification and, as expeditiously as possible thereafter, the facts constituting the basis for such claim. In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any claim or legal proceeding by a person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such claim or legal proceeding with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such action, with its counsel and at its own expense. If the Indemnifying Party does not assume the defense of any such claim or litigation resulting therefrom, the Indemnified Party may, but shall not be obligated to, defend against such claim or litigation in such manner as it may deem appropriate including, but not limited to, settling such claim or litigation, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any losses resulting therefrom.

ARTICLE 10 TERMINATION

10.1 Termination. This Agreement may be terminated at any time before the Closing Date:

(a) by mutual consent of the Buyer and the Seller;

(b) by either the Buyer or the Seller if the Closing has not occurred on or before June 28, 2012, provided that this provision shall not be available to the party who fails or refuses to consummate the transactions contemplated herein or to take any other action referred to herein as necessary to consummate the transactions contemplated hereby in breach of such party's obligations contained herein;

(c) by the Buyer if any of the conditions to the Buyer's obligations set forth in Article 5 shall not have been satisfied or waived by the Buyer by June 28, 2012, or the Closing Date, as applicable; and

(d) by the Seller if any of the conditions to the Seller's obligations set forth in Article 6 shall not have been satisfied or waived by the Seller by June 28, 2012.

10.2 Effect of Termination. In the event of termination of this Agreement as expressly permitted under Section 10.1:

(a) this Agreement shall forthwith become void (except that Section 11.11 shall survive termination of this Agreement) and there shall be no liability on the part of either the Seller, the Buyer, or their respective officers, directors or affiliates; provided, however, that if such termination occurs pursuant to Section 10.1(c) or (d) and resulted from the material misrepresentation or material breach by a party of the covenants of such party contained in this Agreement, such party shall be fully liable for any and all damages sustained or incurred as a result of such breach;

(b) each party shall return promptly to the other party all documents, work papers, and other material of the other party furnished or made available to such party or its representatives or agents and all copies thereof.

ARTICLE 11 MISCELLANEOUS

11.1 Amendment and Modification: Waiver of Compliance. Subject to applicable law, this Agreement may be amended, modified, and supplemented only by written agreement signed by the Buyer and the Seller. Any failure by any party to this Agreement to comply with any obligation, covenant, agreement, or condition contained herein may be expressly waived in writing by the other party hereto, but such waiver or failure to insist upon strict compliance shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 11.1.

11.2 Fees and Expenses. Except as otherwise provided herein, each of the parties hereto will pay its own fees and expenses (including attorneys' and accountants' fees, legal costs, and expenses) incurred in connection with this Agreement and the consummation of the transactions contemplated hereby and thereby.

11.3 Notices. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given if delivered by hand, overnight courier, telefax, or mailed certified or registered mail with postage prepaid as follows:

If to the Buyer, to:

DT Holding Company
3077 Independence Drive, Suite G
Livermore, CA 94551
Attention: James Myers
Tel: (925) 606-2600

With a copy to:

Hoge, Fenton, Jones & Appel, Inc.
4309 Hacienda Drive, Suite 350
Pleasanton, California 94588
Attention: Sblend A. Sblendorio, Esq.
Tel: (925) 224-7780
Fax: (925) 224-7782

If to the Seller, to:

Receivers, Incorporated
15700 Winchester Blvd.
Los Gatos, CA 95030
Tel: (408) 354-9797
Fax: (408) 354-9787

11.4 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interest, or obligations hereunder shall be assigned by any party hereto without the prior written consent of the other party, except that the Buyer may, prior to closing, assign its rights hereunder to an affiliate that agrees in writing to be bound by the terms hereof.

11.5 Governing Law. This Agreement and the legal relations between the parties hereto shall be governed by, and construed in accordance with, the laws of the State of California, without reference to the conflict of laws principles thereof.

11.6 Choice of Forum. The Superior Court of the State of California in and for the County of Alameda and the United States District Court for the Northern District of California shall have exclusive jurisdiction over any litigation arising out of or related to this Agreement. Any such litigation may be filed, brought, heard, tried or determined only in the Superior Court of the State of California in and for the County of Alameda or the United States District Court for the Northern District of California.

11.7 Attorneys' Fees. The prevailing party in any litigation arising out of or related to this Agreement shall be entitled to recover its attorneys' fees and costs.

11.8 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

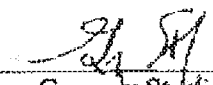
11.9 Headings. The headings contained in this Agreement are inserted for convenience only and shall not constitute a part hereof.

11.10 Entire Agreement. This Agreement, including the appendices and exhibits hereto and other documents referred to herein which form a part hereof, embody the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein and supersede all prior agreements and understandings between the parties with respect to such subject matter, including, by way of illustration and not by limitation, any term sheet or letter of intent agreed to by the parties hereto prior to the date hereof. There are no restrictions, promises, warranties, covenants, or undertakings other than those expressly set forth or referred to herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above stated.

SELLER:

RECEIVERS, INCORPORATED
Assignee for the Benefit of the
Creditors of Discovery Toys, LLC

By: 
Name: Gregory Sterling
Title: President

BUYER:

DT HOLDING COMPANY

By: _____
Name: _____
Title: _____

11.8 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.9 Headings. The headings contained in this Agreement are inserted for convenience only and shall not constitute a part hereof.

11.10 Entire Agreement. This Agreement, including the appendices and exhibits hereto and other documents referred to herein which form a part hereof, embody the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein and supersede all prior agreements and understandings between the parties with respect to such subject matter, including, by way of illustration and not by limitation, any term sheet or letter of intent agreed to by the parties hereto prior to the date hereof. There are no restrictions, promises, warranties, covenants, or undertakings other than those expressly set forth or referred to herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above stated.

SELLER:

RECEIVERS, INCORPORATED
Assignee for the Benefit of the
Creditors of Discovery Toys, LLC

By: _____
Name: Gregory Sterling
Title: President

BUYER:

DT HOLDING COMPANY

By: _____
Name: Jerry Sarcone 6/28/12
Title: President DT Holding Company

ASSET PURCHASE AND SALE AGREEMENT

Schedule 1

(Equipment)

All furniture, equipment, computers and other tangible property located at 3077 Independence Dr., Suite G, Livermore, CA 94551.

All computers and equipment in possession of remote employees.

Schedule 2

(Patent, Trademark or Copyright Applications)

Item A. Patents

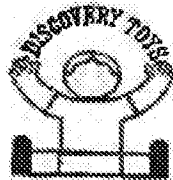
<u>Patent Number</u>	<u>Description</u>	<u>Registration Date</u>
5,064,399	Play Set	11/2/1991
5,073,138	Modular Gear & Frame Toy	12/17/1991
Des.411,260	Rotatable Toy	6/22/1999
Des.419,615	Boat Pounding Toy	1/25/2000

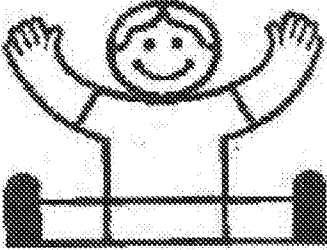
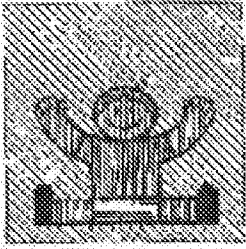
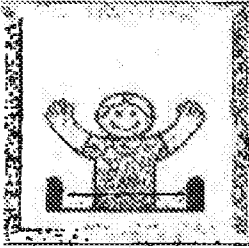
Pending Patent Applications

None.

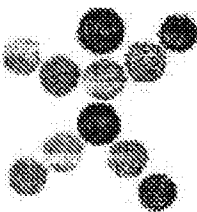
Item B. Trademarks

Registered Trademarks

<u>Trademark</u>	<u>Registration Number</u>	<u>Registration Date</u>
DISCOVERY TOYS and Design 	1230031	03/08/1983
DISCOVERY TOYS	1230032	03/08/1983
MARBLEWORKS	1416127	11/04/1986
BOOMERINGS	1438202	04/28/1987

<u>Trademark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Design 	1661824	10/22/1991
WE BELIEVE THAT PLAY IS A CHILD'S WORK... CHILDREN PLAY TO LEARN, TO GROW AND TO EXPERIENCE THE WORLD AROUND THEM	1667712	12/10/1991
Design 	1689143	05/26/1992
A B SEAS	1704326	07/28/1992
PLAYFUL PATTERNS	1709412	08/18/1992
Design 	2968197	07/12/2005
GIANT PEGBOARD	3212464	02/27/2007

Pending Trademark Applications

<u>Trademark</u>	<u>Application Number</u>	<u>Filing Date</u>
Miscellaneous Design (Dancing Child Symbol in Color) 	77/876437	11/19/2009
PLAY SHOP EARN	77/877090	11/20/2009
TEACH PLAY INSPIRE	77/876397	11/19/2009

Item C. Service Marks

Registered Service Marks

None.

Pending Service Mark Applications

None.

Item D. Copyrights/Mask Works

Registered Copyrights/Mask Works

None.

Copyright/Mask Work Pending Registration Applications

None

Item E. Design Rights

Registered Design Rights

None.

Pending Design Right Applications

None.

Item F. Licenses

Licenses

None.

Item F. Tradenames

None.

Item G. Assumed Names

None.

Item H. Trade Secret or Know-How Licenses

None.

Item I. Intellectual Property Licenses Owned or Used by Borrower

<u>Licensur</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
Daigh B.V.	Discovery Toys, [LLC]	Jan 1, 1992		Mosaic Mysteries
ME TOO	Discovery Toys, [LLC]	June 8, 1992		<ol style="list-style-type: none"> 1. It's a Ringer™ - The Rearrangable Toss Game 2. Sunshine Sprinkler 3. Sunshine Sprinkler - Replacement Cap for Up 4. Stack & Pop 5. Stack & Pop (new foam pieces)
Sid Sackson	Discovery Toys, [LLC]	Nov 3, 1993		"Bazaar"
Augsburg Fortress Publishers	Discovery Toys, [LLC]	July 13, 1994		<ol style="list-style-type: none"> 1. Prime Time Together 2. More Prime Time Together ... with kids 3. Prime Time Combo
Meg Zweiback and Michael Creedman	Discovery Toys, [LLC]	Aug 21, 1995		"Toilet Training" Audio Cassettes
Jerome Enterprises, Inc. (The Siason Group)	Discovery Toys, [LLC]	Nov 18, 1991		<ol style="list-style-type: none"> 1. Little Thinker Tape - Circus 2. Little Thinker Tape - Dinosaur
Teresa Walsh	Discovery Toys, [LLC]	July 18, 1994 Letter re royalties in connection with Children's Bill of Rights		Children's Bill of Rights
Game Developing	Discovery Toys, [LLC]	Oct 12, 1994		Rainbow Woods

Karen Jenkins	Discovery Toys, [LLC]	Dec 18, 1997 Letter re royalties in connection with Kinder Krunchies		Kinder Krunchies
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Item J. Sourcecode Escrow Agreements

None.

Item K. Challenges

None.

Discovery Toys Patents

<u>Patent Number</u>	<u>Description</u>	<u>Date of Patent</u>
4,713,038	Marble Race Game	12/15/1987
4,874,342	Jump Chute Marble Race Toy	10/17/1989
4,932,917	State Game Marble Race Toy	6/12/1990
5,007,876	Banked Hairpin Marble Race Toy	4/16/1991
5,064,399	Play Set	11/2/1991
5,073,138	Modular Gear & Frame Toy	12/17/1991
Des.278,920	Toy Chain Link	5/21/1985
Des.290,026	Marble Ramp Game	5/26/1987
Des.290,028	Marble Ramp Game	5/26/1987
Des.290,143	Marble Ramp Game	6/2/1987
Des.290,145	Marble Ramp Game	6/2/1987
Des.293,696	Marble Ramp Game	1/12/1988
Des.294,044	Marble Ramp Game	2/2/1988
Des.294,959	Collecting Base for a Marble Game Ramp	3/29/1988
Des.304,216	Simulative Construction Toy	10/24/1989
Des.304,217	Frog Construction Toy	10/24/1989
Des.304,218	Lily Pad Construction Toy	10/24/1989
Des.305,042	Y-Intersection Marble Race Toy	12/12/1989
Des.305,043	Finishing Line Marble Race Toy	12/12/1989
Des.305,044	Passing Lane Marble Race Toy	12/12/1989
Des.305,045	Switch Track Marble Race Toy	12/12/1989
Des.305,046	Landing Ramp Marble Race Toy	12/12/1989
Des.305,047	Banked Hairpin Marble Race Toy	12/12/1989
Des.305,345	Starting Gate Marble Race Toy	1/2/1990
Des.305,443	Jump Marble Race Toy	1/1/1990
Des.306,071	Baby Bottle Neck Ring	2/13/1990
Des.306,072	Baby Bottle Neck Ring	2/13/1990
Des.306,073	Baby Bottle Neck Ring	2/13/1990
Des.306,074	Baby Bottle Neck Ring	2/13/1990
Des.306,075	Baby Bottle Neck Ring	2/13/1990
Des.311,937	Elephant Rattle	11/6/1990
Des.312,102	Hourglass Rattle	11/13/1990
Des.312,484	Balloon Rattle	11/27/1990
Des.315,757	Toy Cart	3/26/1991
Des.317,794	Construction Toy Figure	6/25/1991
Des.317,956	Toy Building	7/2/1991
Des.322,296	Construction Toy	12/10/1991
Des.322,820	Construction Toy Animal	12/31/1991
Des.326,486	Toy Figure	5/26/1992
Des.328,764	Toy Catapult	8/18/1992
Des.330,052	Gear Construction Toy	10/6/1992
Des.346,631	Flag for Tag-Type Game	5/3/1994
Des.411,260	Rotatable Toy	6/22/1999
Des.419,615	Boat Pounding Toy	1/25/2000

Schedule 3

(Tax Allocation of Purchase Price)

EQUIPMENT	\$
INTANGIBLE PROPERTY	\$ _____
TOTAL	\$ 

Exhibit A

(Contracts)

Educational Consultant Contracts

Pivotal Payments

Global Payments

Avalara

Comcast

Payroll Resource Group

Thatcher Technologies

Integrated Distribution Services, Inc.

Authorize.net

Kaiser Permanente

Aetna

UNUM

AFLAC

AT&T Mobility

Appraver email services

Paranetworks

Bureau Veritas

Exhibit B

(Assumed Leases)

Fulfillment Services Agreement dated March 9, 2012, by and between Discovery Toys, LLC,
and Integrated Distribution Services, Inc.

Konica/Monolta Lease dated December 17, 2010

Office Lease with North Canyons LLC dated April 16, 2012

Exhibit C
(Intentionally omitted)