

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM372817

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	RELEASE OF SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Merchant Factors Corp.		02/09/2016	CORPORATION: NEW YORK
RECEIVING PARTY DATA			
Name:	Smart Toy, LLC		
Street Address:	2711 Centerville Road, Suite 400		
City:	Wilimington		
State/Country:	DELAWARE		
Postal Code:	19808		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	4196164	SMART TOY	
CORRESPONDENCE DATA			
Fax Number:	3108836500		
<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:	3108836400		
Email:	trademarks@cooley.com		
Correspondent Name:	Timothy D. Hance of Cooley LLP		
Address Line 1:	1299 Pennsylvania Avenue, NW, Suite 700		
Address Line 4:	Washington, D.C. 20004		
ATTORNEY DOCKET NUMBER:	313892-110		
NAME OF SUBMITTER:	Drue Anne Koons		
SIGNATURE:	/Drue Anne Koons/		
DATE SIGNED:	02/11/2016		
Total Attachments: 4			
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CH \$40.00 4196164

Merchant Factors Corp.
1441 Broadway, 22nd Floor
New York, NY 10018

February 9, 2016

Re: Smart Toy, LLC and Ubooly, Inc. (the "Borrowers")

Gentlemen:

We have been advised by the Borrowers that they and/or their parent, Smart Toy Holdings, LLC (the "Parent") intend to effectuate an asset sale transaction (the "Sale"). The Borrowers have requested that a portion of the proceeds of the Sale in the amount of \$4,500,000 be applied in full satisfaction of all outstanding obligations due and owing by the Borrowers, the Parent and certain of their affiliates to Merchant Factors Corp. or Merchant Financial Corporation (collectively, "Merchant") under: (i) that certain Discount Factoring Agreement (together with all documents ancillary thereto, the "Smart Toy Factoring Agreement"), dated as of December 24, 2014, between Merchant and Smart Toy, LLC ("Smart Toy"), outstanding in the amount of \$169,570.69, (ii) that certain Discount Factoring Agreement (together with all documents ancillary thereto, the "Ubooly Factoring Agreement"), dated as of December 24, 2014, between Merchant and Ubooly, Inc., outstanding in the amount of \$13,533.95, (iii) that certain Discount Factoring Agreement (together with all documents ancillary thereto, the "Cartwheel Factoring Agreement"), dated as of May 9, 2014, by and among Merchant and Cartwheel Kids, LLC, ("Cartwheel") outstanding in the amount of \$2,203,013.12 and (iv) that certain Discount Factoring Agreement (together with all documents ancillary thereto, the "Xcessory Factoring Agreement" and, together with the Smart Toy Factoring Agreement, the Ubooly Factoring Agreement and the Cartwheel Factoring Agreement, the "Factoring Agreements"), dated as of May 12, 2014, by and among Merchant and Xcessory International, L.L.C., ("Xcessory") outstanding in the amount of \$2,279,151.91, plus costs and legal fees in respect of the Factoring Agreements in the aggregate amount of \$13,864.79.

As full and final satisfaction of all outstanding obligations under the Factoring Agreements, Merchant has agreed to accept, if paid to Merchant in immediately available funds on February 9, 2016, the amount of \$4,500,000.00 (the "Pay-off Amount"). The Pay-off Amount is to be wired as follows:

In consideration of the Borrowers' payment in full of the Pay-off Amount to Merchant contemporaneously with the closing of the Sale on February 9, 2016 (the "Effective Time"), Merchant hereby acknowledges and agrees that, effective as of the Effective Time, the Pay-off Amount will constitute full payment of all indebtedness and obligations to Merchant under the Factoring Agreements and that certain Promissory Note (the "Note"), dated as of June 25, 2015, executed by Smart Toy in favor of Xcessory in the principal sum of \$2,604,239.95 and assigned to Merchant pursuant to that certain Assignment of Promissory Note, dated as of June 25, 2015, by and between Merchant, Xcessory and Smart Toy. As of the Effective Time, (i) such indebtedness and obligations shall be deemed satisfied and discharged, (ii) all liens on and security interests in, and any and all claims, rights or interests in and to any and all collateral (collectively, "Liens") under the Factoring Agreements and the Note shall be forever satisfied and discharged, (iii) Merchant authorizes any Borrower, Parent or the purchaser of assets in the Sale (the "Purchaser") to file all UCC-3s or other documentation as is necessary to terminate such Liens in such collateral, agrees to execute and deliver such documentation as is necessary to terminate such Liens in such collateral, and agrees to cooperate in all reasonable respects with any Borrower, Parent or the Purchaser to release such Liens, including any claims, rights or interests in or to any intellectual property, including by making any necessary filings, at Borrowers' or Parent's expense, with the United States Patent and Trademark Office and (iv) the Factoring Agreements and the Note shall be deemed terminated and of no further force or effect.

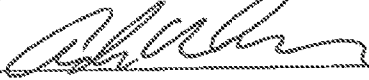
Borrowers, Parent, Cartwheel and Xcessory represent and warrant that there are no claims or offsets against, or defenses or counterclaims to, the terms and provisions of and the other obligations created or evidenced by the Factoring Agreements or the Note and hereby release, acquit and forever discharge Merchant and its successors, assigns, and the officers, employees, attorneys, and agents of each of the foregoing, from any and all liability, damages, losses, obligations, costs, expenses, suits, claims, demands, and causes of actions, whether known or unknown, at law or in equity, which Borrowers, Parent, Cartwheel or Xcessory now have or may have ever had or may hereinafter have against any of the aforementioned parties relating to the Factoring Agreements or the Note.

The validity, construction and effect of this payoff letter agreement shall be governed by the laws of the State of New York.

[Signature Pages Follow]

If the foregoing sets forth our agreement, please sign below.

MERCHANT FACTORS CORP.



By: Aden Winter

Title: President / CEO

ACCEPTED AND AGREED TO:

SMART TOY, LLC

By: _____

Title: _____

UBOOLY, INC.

By: _____

Title: _____

CARTWHEEL KIDS, LLC

By: _____

Title: _____

XCESSORY INTERNATIONAL, L.L.C.

By: _____

Title: _____

Signature to Payoff Letter


If the foregoing sets forth our agreement, please sign below.

MERCHANT FACTORS CORP.


.....
By:.....
Title:.....

ACCEPTED AND AGREED TO:


SMART TOY, LLC


.....
By: Daniel Setton
Title: MANAGER


UBOOLY, INC.


.....
By: Daniel Setton
Title: MANAGER

CARTWHEEL KIDS, LLC


.....
By: Daniel Setton
Title: MANAGER

XCESSORY INTERNATIONAL, L.L.C.


.....
By: Daniel Setton
Title: MANAGER

Signature to Payoff Letter