

Form PTO-1595 (Rev. 03/05)
OMB No. 0651-0027 (exp. 6/30/2005)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)
Ableco Finance LLC

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Russ Berrie and Company, Inc.
Internal Address: _____
Street Address: 111 Bauer Drive
City: Oakland
State: New Jersey
Country: U.S.A. Zip: 07436
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance/Execution Date(s):
Execution Date(s) June 28, 2005

Assignment Merger
 Security Agreement Change of Name
 Joint Research Agreement
 Government Interest Assignment
 Executive Order 9424, Confirmatory License
 Other Release of Security Interests _____

4. Application or patent number(s): This document is being filed together with a new application.

A. Patent Application No.(s)
10/875648 11/023232

B. Patent No.(s)
D340512 D357524 D388973 4798412
6209133 6447536 6905507

Additional numbers attached? Yes No

5. Name and address to whom correspondence concerning document should be mailed:
Name: Angela M. Terry
Internal Address: Jenner & Block LLP
Street Address: One IMB Plaza
City: Chicago
State: Illinois Zip: 60611
Phone Number: (312) 840-8648
Fax Number: (312) 840-7884
Email Address: aterry@jenner.com

6. Total number of applications and patents involved: 9

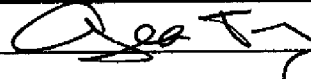
7. Total fee (37 CFR 1.21(h) & 3.41) \$ 360

Authorized to be charged by credit card
 Authorized to be charged to deposit account
 Enclosed
 None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 10-0460
Authorized User Name Angela M. Terry

9. Signature:  July 7, 2005
Signature Date
Name of Person Signing Angela M. Terry
Total number of pages including cover sheet, attachments, and documents: 9

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

CH \$360.00 100460 10875648

Box 2 (Continued)

Kids Line, LLC
111 Bauer Drive
Oakland, New Jersey 07436 (U.S.A.)

Sassy, Inc.
111 Bauer Drive
Oakland, New Jersey 07436 (U.S.A.)

CHICAGO_1280675_1

RELEASE OF SECURITY INTERESTS IN PATENTS

THIS RELEASE OF SECURITY INTERESTS IN PATENTS (this "Release") is made as of June [28], 2005 ("Effective Date") by and among Russ Berrie and Company, Inc., a New Jersey corporation, Kids Line, LLC, a Delaware limited liability company, Sassy, Inc., an Illinois corporation, with their principal office at 111 Bauer Drive, Oakland, New Jersey 07436 (collectively, the "Grantors," and each, individually, a "Grantor"), and Ableco Finance LLC, a Delaware limited liability company ("Ableco"), as collateral agent, for itself and the Lenders (as such term is defined below), with its principal office at 299 Park Avenue, 24th Floor, New York, New York 10171 (Ableco, in such capacity, "Grantee").

WHEREAS, Grantees entered into that certain Financing Agreement (as amended or otherwise modified to the date hereof, the "Financing Agreement") dated as of December 15, 2004, by and among Grantors, certain affiliates of Grantors, certain financial institutions which are parties thereto ("Lenders"), Grantee and Ableco, as administrative agent for Lenders (Ableco, in such capacity, "Administrative Agent," and together with Grantee, collectively, "Agents");

WHEREAS, to secure their obligations under the Financing Agreement, Grantors entered into that certain Patent Security Agreement by and among Grantors and Grantee dated as of December 15, 2004 (the "Patent Security Agreement"), pursuant to which each Grantor granted to Grantee a continuing security interest in and to all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (the "Patent Collateral"):

(a) all of such Grantors (i) patents and patent applications, including, without limitation, the patents and patent applications set forth on Schedule A attached hereto and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof and (D) all of such Grantor's rights corresponding thereto throughout the world (the "Patents") and (ii) rights under or interest in any patent or other intellectual property, including software license agreements with any other party, whether such Grantor is a licensee or licensor under any such license agreement, including, without limitation, the license agreements listed on Schedule I attached hereto, and the right to use the foregoing in connection with the enforcement of Grantee's rights in connection with the Loan Documents (as such term is defined in the Patent Security Agreement), including, without limitation, the right to prepare for sale and sell any and all Inventory and Equipment (as such terms are defined in the Patent Security Agreement) now or hereafter owned by such Grantor and now or hereafter covered by such licenses (the "Intellectual Property Licenses");

(b) all reissues, continuations or extensions of the foregoing; and

(c) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future (i) infringement or

dilution of any Patent or any Patent licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Patent or any Patent licensed under any Intellectual Property License; and

WHEREAS, Grantors have paid all of their outstanding indebtedness and other obligations to Grantee, Administrative Agent and Lenders.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantee hereby terminates the Patent Security Agreement, and hereby terminates, cancels and releases any and all security interests it has against the Patent Collateral.

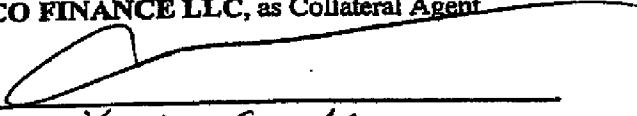
Grantee represents and warrants that: (i) it has the full power and authority to execute this Release; (ii) it has not assigned, transferred, restricted or otherwise encumbered any security interest it has against the Patent Collateral; (iii) to the best of its knowledge, it has not recorded or otherwise evidenced its security interest with respect to any patent, or registration of an application to register the foregoing, other than those of the foregoing set forth on Schedule I (attached hereto), in any jurisdiction throughout the world and (iv) to the best of its knowledge, Schedule II attached hereto sets forth a complete and correct list of all the filings made by or on behalf of Grantee to record or otherwise evidence any security interest it has against the Patent Collateral in any jurisdiction throughout the world (other than such filings made in the United States Patent & Trademark Office).

Grantee shall promptly, at Grantor's expense, take all further actions, and provide to Grantor, its successors, assigns or other legal representatives, all such cooperation and assistance (including, without limitation, the execution and delivery of any and all documents or other instruments), requested by Grantor to more fully and effectively effectuate the purposes of this Release.

* * * * *

IN WITNESS WHEREOF, Grantee has caused this Release to be executed by its duly authorized representative as of the Effective Date.

ABLECO FINANCE LLC, as Collateral Agent

By: 
Name: Kevin Gonda
Title: Senior Vice President

[Release of Security Interests in Patents]

SCHEDULE A**U.S. PATENT REGISTRATIONS AND APPLICATIONS****Patents**

Grantor	Patent Number or Application Number	Issue or Filing Date	Title
Sassy, Inc.	Patent No. 4798412	1/17/1989	Two Piece Booster Seat with Multiple Seat Heights
Sassy, Inc.	Patent No. D340512	10/19/1993	Child's Training Toilet
Sassy, Inc.	Patent No. D357524	04/18/1995	Water Toy
Sassy, Inc.	Patent No. 6209133	04/03/2001	Integrated Bib/Teether Apparatus
Sassy, Inc.	Patent No. 6447536	09/10/2002	Teething Pacifier
Sassy, Inc.	Patent No. 6905507B2	06/14/05	Teething Pacifier
Sassy, Inc.	App. No. 10875648	06/24/2004	Foldable Bib Display Apparatus
Sassy, Inc.	App. No. 11023232	12/27/2004	Infant Teething and Feeding Apparatus
Kids Line, LLC ¹	Patent No. D388973	01/13/1998	Bassinet Carriage and Rocker

SCHEDULE I
PATENT COLLATERAL

Attached.

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Sassy, Inc. United States Registrations

Patent No.	Date	Description
Patent No. 6447536	09/10/2002	Pacifier with Teether Handle
Patent No. 6209133	04/03/2001	Integrated Bib/Teether Apparatus
Patent No. D357524	04/18/1995	Water Toy
Patent No. D340512	10/19/1993	Child's Training Toilet

Sassy, Inc. United States Patent Applications

Patent Application No.	Date	Description
App. No. 10077511	02/15/2002	Teething Pacifier
App. No. 10875648	06/24/2004	Foldable Bib Display Apparatus

Kids Line, LLC United States Patent Registration

Patent Application No.	Date	Description
Patent No. D388,973 ¹²	01/13/1998	Bassinet, Carriage and Rocker

¹ This Patent has been assigned to GE Capital. Said conveyance was recorded on November 22, 2002 and Reel 2631, Frame 0907. This assignment will be terminated at the closing under the Acquisition Agreement pursuant to the terms of the Acquisition Agreement.

² The assignment from the inventor to Kids Line, Inc. (now known as California KL Holdings, Inc.) is not recorded with the U.S. Patent and Trademark Office.

SCHEDULE II
FOREIGN PATENT FILINGS

None.

31109517.DOC

RECORDED: 07/07/2005

PATENT
REEL: 016489 FRAME: 0196