

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	Release of Security Interest in Intellectual Property Collateral
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CONVEYING PARTY DATA	
Name	Execution Date
Guggenheim Corporate Funding, LLC	05/01/2008

RECEIVING PARTY DATA	
Name:	Lionel L.L.C.
Street Address:	171 Madison Avenue
Internal Address:	11th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10016
Name:	Liontech Company
Street Address:	171 Madison Avenue
Internal Address:	11th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10016

PROPERTY NUMBERS Total: 42	
Property Type	Number
Application Number:	10802226
Application Number:	10894233
Application Number:	10190465
Application Number:	10696530
Application Number:	10617003
Application Number:	10631311
Application Number:	10937006
Application Number:	10729089

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Application Number:	10846379
Application Number:	10846453
Application Number:	10927267
Application Number:	10893403
Application Number:	10822307
Application Number:	60592912
Application Number:	60539418
Application Number:	60575267
Application Number:	60575594
Application Number:	60575264
Application Number:	60575265
Application Number:	60575591
Application Number:	60592914
Application Number:	60592915
Application Number:	60592916
Patent Number:	4450772
Patent Number:	5251856
Patent Number:	5398619
Patent Number:	5441223
Patent Number:	5555815
Patent Number:	5749547
Patent Number:	5826736
Patent Number:	5931099
Patent Number:	6014934
Patent Number:	6186074
Patent Number:	6215676
Patent Number:	D453540
Patent Number:	6441570
Patent Number:	6485347
Patent Number:	6765356
Patent Number:	6676473
Patent Number:	6796509
Patent Number:	6616506
Patent Number:	6813124

CORRESPONDENCE DATA

Fax Number: (212)310-8007
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 2123108000
Email: lori.schiffer@weil.com, vigdis.bronder@weil.com,
suzanne.inglis@weil.com
Correspondent Name: Lori Schiffer c/o Weil, Gotshal Manges
Address Line 1: 767 Fifth Avenue
Address Line 4: New York, NEW YORK 10153

ATTORNEY DOCKET NUMBER:	68500.0107.SK
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NAME OF SUBMITTER:	Lori M. Schiffer
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Total Attachments: 10
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RELEASE OF SECURITY INTEREST
IN INTELLECTUAL PROPERTY COLLATERAL

This RELEASE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY COLLATERAL (this "Release"), dated as of May 1, 2008, is made by Guggenheim Corporate Funding, LLC, as collateral agent (the "Collateral Agent").

WHEREAS, Lionel LLC, a New York limited liability company, and Liontech Company (each individually referred to herein as a "Borrower" and collectively "Borrowers") and the Collateral Agent entered into a Secured Super-Priority Debtor in Possession Term Loan Agreement dated as of January 28, 2005, (the "Loan Agreement"), among the Borrowers, the various financial institutions party thereto as lenders thereunder (each individually a "Lender", and collectively the "Lenders"), and the Collateral Agent, pursuant to which Loan Agreement the Lenders made credit extensions to the Borrowers;

WHEREAS, in connection with the Loan Agreement, and pursuant to the Intellectual Property Security Agreement dated as of January 28, 2005 (the "Security Agreement"), the Borrowers granted security interests in certain intellectual property owned by the Borrowers, including the intellectual property listed on Annex I attached hereto (all such intellectual property, collectively, the "Patent Collateral"); and

WHEREAS, the Security Agreement was recorded in the U.S. Patent and Trademark Office;

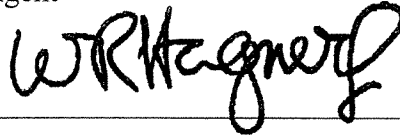
NOW THEREFORE, the Collateral Agent hereby **RELEASES**, without representation, recourse or warranty whatsoever, all of its security interest in the Patent Collateral, whether granted pursuant to the Security Agreement or any other agreement or document delivered in connection with the Loan Agreement, and the Collateral Agent hereby reassigns any and all such right, title and interest (if any) that the Collateral Agent may have in the Patent Collateral to the Borrowers.

The Collateral Agent agrees, at the Borrowers' expense, to cooperate with the Borrowers and to provide the Borrowers with the information and additional authorization reasonably required or desirable to effect the release of the Collateral Agent's security interest in the released collateral described herein.

IN WITNESS WHEREOF, the Collateral Agent has executed this Release as of the date first above written.

**GUGGENHEIM CORPORATE FUNDING,
LLC,**
as Collateral Agent

By: _____



Name:

Title:

**Bill Hagner
Managing Director**

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF New York)
)
COUNTY OF New York)

On this 1st day of May, 2008 before me, the undersigned, a Notary Public in and for the state aforesaid, personally appeared Bill Hogner to me known personally, and who, being by me duly sworn, deposes and says that s/he is the Managing Director of the Collateral Agent as described in and which executed the above instrument, and s/he has been authorized to execute said instrument on behalf of said entity pursuant to said authority.

IN WITNESS WHEREOF, I hereto set my hand and official seal.

MANDY TENNER
Notary Public, State of New York
No. 01TE6146333
Qualified in New York County
My Commission Expires 06/26/2010

Mandy Tenner
Notary Public
My commission expires: 6/26/10

Annex I

PATENTS

Patent Collateral

A. REGISTERED PATENTS
Patents Issued

GRANTOR	PATENT NO.	TITLE	ISSUE DATE
Lionel L.L.C.	4,450,772*	Tender-Mounted Sound System for Toy Steam Locomotive	05/29/84
Lionel L.L.C.	5,251,856	Model Train Controller for Reversing Unit	10/12/1993
Lionel L.L.C.	5,398,619	Model Train Truck Assembly	03/21/1995
Lionel L.L.C.	5,441,223	Model Train Controller Using Electromagnetic Field Between Track and Ground	08/15/1995
Lionel L.L.C.	5,555,815	Model Train Horn Control System	09/17/1996
Lionel L.L.C.	5,749,547	Control of Model Vehicles on a Track	05/12/1998
Lionel L.L.C.	5,826,736	Coupler Arm Assembly with Distinct Uncoupling Devices	10/27/1998
Lionel L.L.C.	5,931,099	Model Train Set with Storage Means and Variable Track Arrangement	08/03/1999
Lionel L.L.C.	6,014,934	Modular Train Circuit Board Arrangement	01/18/2000
Lionel L.L.C.	6,186,074	Drive Assembly for Model Train	02/13/2001
Lionel L.L.C.	6,215,676	Selective Voltage Multiplier for Toy Model Train with Audio System	04/10/2001
Lionel L.L.C.	D453,540	Toy Train Transformer Controller	02/12/2002
Lionel L.L.C.	6,441,570	Controller for a Model Toy Train Set	08/27/2002
Lionel L.L.C.	6,485,347	Puffing Fan Driven Smoke Unit for a Model Train	11/26/2002
Lionel L.L.C.	6,765,356	Control and Motor Arrangement for Use in Model Train	07/20/2004
Lionel L.L.C.	6,676,473	Smart Smoke Unit	01/13/2004
Lionel L.L.C.	6,796,509	Model Toy Train Track	09/28/2004
Lionel L.L.C.	6,616,506	Inserted Molded Traction Tire for a Model Toy Train	09/09/2003
Lionel L.L.C.	6,813,124	Transformer Over-Current Protection with RMS Sensing and Voltage Fold-Back	11/02/2004

GRANTOR	PATENT NO.	TITLE	ISSUE DATE
Liontech Company	5,749,547	Control of Model Vehicles on a Track	5/12/1998
Liontech Company	5,555,815	Model Train Horn control system	9/17/1996
Liontech Company	5,441,223	Model Train Controller using electromagnetic field between track and ground	8/15/1995
Liontech Company	5,251,856	Model Train Controller for reversing unit	10/12/1993

* patent has expired.

B. PATENT APPLICATIONS

Filed Provisional and Non-Provisional Patent Applications

GRANTOR	SERIAL NO.	TITLE	FILING DATE	INVENTOR(S)
Lionel L.L.C.	10/802,226	Flexible Contact Connector	03/17/2004	Joe Alvarez Morgan Wireman
Lionel L.L.C.	10/894,233	Control and Motor Arrangement for Use in Model Train (Continuation of Pat. No. 6,765,356)	07/19/2004	Marty Pierson Neil Young Bob Grubba Dennis Denen Gary Morceau
Lionel L.L.C.	10/190,465	Smart Smoke Unit	07/05/2002	Jim Rohde Marty Pierson
Lionel L.L.C.	10/696,530	Smart Smoke Unit (Continuation of Pat. No. 6,676,473)	10/29/2003	Jim Rohde Marty Pierson
Lionel L.L.C.	10/617,003	Control for Operating Features of a Model Vehicle	07/10/2003	Lou Kovach Neil Young Jim Rohde
Lionel L.L.C.	10/631,311	Control for Operating Features of a Model Vehicle (CIP of Serial No. 10/617,003)	07/31/2003	Lou Kovach Neil Young Jim Rohde John Ricks

GRANTOR	SERIAL NO.	TITLE	FILING DATE	INVENTOR(S)
Lionel L.L.C.	10/937,006	Model Toy Train Track (CIP of Pat. No. 6,796,509)	09/09/2004	Brad Salminen Richard Webster Morgan Wireman
Lionel L.L.C.	10/729,089	Mars Unit Lamp Driver	12/04/2003	Marty Pierson
Lionel L.L.C.	10/846,379	Transformer Over-Current Protection with RMS Sensing and Voltage Fold-Back (Div. of Pat. No. 6,813,124)	05/14/2004	Marty Pierson
Lionel L.L.C.	10/846,453	Transformer Over-Current Protection with RMS Sensing and Voltage Fold-Back (Div. of Pat. No. 6,813,124)	05/14/2004	Marty Pierson
Lionel L.L.C.	10/927,267	Train Speed Control Using Current and Velocity Sensing	08/26/2004	Marty Pierson
Lionel L.L.C.	10/893,403	Sound System for Model Vehicle and/or Accessory	07/16/2004	Marty Pierson
Lionel L.L.C.	10/822,307	Voltage Regulator and Method of Regulating Voltage	04/12/2004	Marty Pierson
Lionel L.L.C.	60/592,912	Switching Apparatus for Model Vehicle Track	07/29/2004	Richard Webster Morgan Wireman Brad Salminen

GRANTOR	SERIAL NO.	TITLE	FILING DATE	INVENTOR(S)
Lionel L.L.C.	60/539,418	Block Controller	01/27/2004	Marty Pierson
Lionel L.L.C.	60/575,267	Pantograph for Model Toy Vehicle (Pantograph for Acela Model)	05/28/2004	Richard Webster Steve Greening
Lionel L.L.C.	60/575,594	A Model Toy Train (Close Coupler for Acela Model)	05/28/2004	Richard Webster Steve Greening
Lionel L.L.C.	60/575,264	Model Toy Train Car (Tilting Mechanism for Acela Model)	05/28/2004	Richard Webster Steve Greening
Lionel L.L.C.	60/575,265	A Model Toy Vehicle (Automatic Door for Acela Model)	05/28/2004	Richard Webster Steve Greening
Lionel L.L.C.	60/575,591	A Model Vehicle (Axle Arrangement for Acela Model)	05/28/2004	Richard Webster Steve Greening
Lionel L.L.C.	60/592,914	Track-Side Lamp	07/29/2004	Richard Webster Morgan Wireman Brad Salminen

GRANTOR	SERIAL NO.	TITLE	FILING DATE	INVENTOR(S)
Lionel L.L.C.	60/592,915	Grade Crossing	07/29/2004	Richard Webster Morgan Wireman Brad Salminen
Lionel L.L.C.	60/592,916	Track Switch Controller	07/29/2004	Richard Webster Morgan Wireman Brad Salminen
Lionel L.L.C.	TBD	A Voltage Regulator and Method for Regulating Voltage	01/12/2005	Martin Pierson

C. PATENT LICENSES

None