	Washington, D.C. 20549	
	SCHEDULE 13G	
	Under the Securities Exchange Act of 1934	
	(Amendment No.4)*	
	XCEL BRANDS, INC.	
	(Name of Issuer)	
	Common Stock, par value \$0.001 per share	
	(Title of Class of Securities)	
	64111Y107	
	(CUSIP Number)	
	December 31, 2011	
	e of Event Which Requires Filing of this Statement)	
Check the appropr 13G is filed:	iate box to designate the rule pursuant to which this	Schedule
_ Rule: X Rule: _ Rule:	13d-1(c)	
initial filing on for any subsequen	this cover page shall be filled out for a reporting p this form with respect to the subject class of securi t amendment containing information which would alter t ded in a prior cover page.	lties, and
to be "filed" for 1934 ("Act") or o	equired in the remainder of this cover page shall not the purpose of Section 18 of the Securities Exchange therwise subject to the liabilities of that section of ect to all other provisions of the Act (however, see t	Act of ⁼ the Act
CUSIP No. 64111Y1	07	
1 NAME OF REP	ORTING PERSON: Laurus Master Fund, Ltd.(In Liquidation	1)*
S.S. OR I.R	.S. IDENTIFICATION NO. OF ABOVE PERSON: 98-0337673	
	PPROPRIATE BOX IF A MEMBER OF A GROUP	(a) _ (b) X
3 SEC USE ONL	Y	
	OR PLACE OF ORGANIZATION	
Cayman Isla		
	5 SOLE VOTING POWER:	
SHARES BENEFICIALLY		
OWNED BY EACH	6 SHARED VOTING POWER:	
REPORTING PERSON	10,031 shares of Common Stock*	

SECURITIES AND EXCHANGE COMMISSION

	7 SOLE DISPOSIT	IVE POWER:
	0 shares of C	common Stock*
	8 SHARED DISPOS	ITIVE POWER:
		of Common Stock*
9 AGGREGATE A		WNED BY EACH REPORTING PERSON
	res of Common Stock*	
		INT IN ROW (9) EXCLUDES CERTAIN SHARES
		_
11 PERCENT OF	CLASS REPRESENTED BY	
0.17%*		
12 TYPE OF REF	PORTING PERSON	
СО		
(the "Shares") outstanding as Report on Form December 31, 20 Valens Offshore Offshore SPV II, the "Investors") "Warrant") to a subject to cert issuance limitat to the extent Investors of mo "Issuance Limitat upon 75 days' and void followi an Event of Def instrument). The Grand Court of Russell Smith of Johnson Associated discretion over including the s	of Xcel Brands, I of November 3, 20 10-Q for the fis 31, Laurus Master SPV I, Ltd., a Cayma Corp. ("VOFF SPV II") collectively held acquire 1,065 Share tain adjustments, and tion prohibiting the that such exercise ore than 9.99% of ation"). The Issuanc prior notice to the ing notice to the Iss fault (as defined in e Fund is in offici the Cayman Islands. of BDO CRI (Cayman the management of securities owned by	the common stock, par value \$0.001 per share inc., a Delaware corporation (the "Company") pd1, as disclosed in the Company's Quarterly scal quarter ended September 31, 2011. As of Fund, Ltd. (In Liquidation) (the "Fund"), in Islands company ("VOFF SPV I") and Valens and together with the Fund and VOFF SPV I, (i) a common stock purchase warrant (the es at an exercise price of \$0.53 per Share, (ii) 8,966 Shares. The Warrant contains an e Investors from exercising those securities would result in beneficial ownership by the the Shares then issued and outstanding (the es Limitation may be waived by the Investors Company and shall automatically become null suer of the occurrence and/or continuance of and pursuant to the terms of the applicable al liquidation under the supervision of the The Joint Official Liquidators ("JOLs") are by Ltd. and Christopher D. Johnson of Chris Islands registered companies. The JOLs have the Fund and the disposition of its assets, of the Fund reported in this Schedule 13G, as

Fund.

amended. Laurus Capital Management, LLC ("LCM") acting through its controlling principals, Eugene Grin and David Grin, provides day to day investment management services to the Fund and its two feeder funds concerning their respective assets, including the securities owned by the Fund reported in this Schedule 13G, as amended, subject to certain oversight and pre-approval rights of the JOLs and LCM's obligations to the Fund under the Seventh Amended and Restated Investment Management Agreement of April 26, 2007, as amended, restated, modified and/or supplemented from time to time; all of the foregoing subject to specific directions otherwise given by the JOLs at their discretion. VOFF SPV I and VOFF SPV II are managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of LCM and VCM, and share voting and investment power over the

securities owned by the Fund (subject to the oversight and preapproval rights of the JOLS), VOFF SPV I and VOFF SPV II reported in this Schedule 13G, as amended. The JOLS share voting and investment power over the securities owned by the

07			
1 NAME OF REPORTING PERSON: Laurus Capital Management, LLC			
.S. IDENTIFICATION NO. OF ABOVE PERSON: 13-4150669			
PPROPRIATE BOX IF A MEMBER OF A GROUP (a) _ (b) X			
Y			
OR PLACE OF ORGANIZATION			
OK FLACE OF ONGANIZATION			
5 SOLE VOTING POWER:			
0 shares of Common Stock*			
6 SHARED VOTING POWER:			
10,031 shares of Common Stock*			
7 SOLE DISPOSITIVE POWER:			
0 shares of Common Stock*			
8 SHARED DISPOSITIVE POWER:			
10,031 shares of Common Stock*			
MOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON			
es of Common Stock*			
F THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES			
CLASS REPRESENTED BY AMOUNT IN ROW 9			
ORTING PERSON			
<pre>,742,942 shares of the common stock, par value \$0.001 per share of Xcel Brands, Inc., a Delaware corporation (the "Company") of November 3, 2011, as disclosed in the Company's Quarterly 10-Q for the fiscal quarter ended September 31, 2011. As of 11, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), SPV I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens Corp. ("VOFF SPV II" and together with the Fund and VOFF SPV I, collectively held (i) a common stock purchase warrant (the cquire 1,065 Shares at an exercise price of \$0.53 per Share, ain adjustments, and (ii) 8,966 Shares. The Warrant contains an ion prohibiting the Investors from exercising those securities that such exercise would result in beneficial ownership by the re than 9.99% of the Shares then issued and outstanding (the tion"). The Issuance Limitation may be waived by the Investors prior notice to the Company and shall automatically become null ng notice to the Issuer of the occurrence and/or continuance of ault (as defined in and pursuant to the terms of the applicable Fund is in official liquidation under the supervision of the the Cayman Islands. The Joint Official Liquidators ("JOLs") are f BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris s Ltd., both Cayman Islands registered companies. The JOLs have the management of the Fund and the disposition of its assets, ecurities owned by the Fund reported in this Schedule 13G, as Capital Management, LLC ("LCM") acting through its controlling ne Grin and David Grin, provides day to day investment ces to the Fund and its two feeder funds concerning their</pre>			

CUSTE	No. 64111Y107		
1	NAME OF REPORTING PERSON: CHRISTOPHER D. JOHNSON*		
-			
	S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		
		(a) _ (b) X	
3	SEC USE ONLY		
0			
4	CITIZENSHIP OR PLACE OF ORGANIZATION		
	CAYMAN ISLANDS		
NUMBER			
BENEFI OWNED	ICIALLY 0 shares of Common Stock*		
EACH	6 SHARED VOTING POWER:		
REPORT PERSON			
	7 SOLE DISPOSITIVE POWER:		
	0 shares of Common Stock*		
	8 SHARED DISPOSITIVE POWER:		
	10,031 shares of Common Stock*		
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	10,031 shares of Common Stock*		
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN	SHARES	
	I_I		
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9		
	0.17%*		
 12	TYPE OF REPORTING PERSON		
	IN		
	*Based on 5,742,942 shares of the common stock, par value \$0.0	ol par chara	
outsta Report Decemb Valens Offsho the ' "Warra subjec issuar to th Invest "Issua upon and v an Ev instru Grand Russe	"Shares") of Xcel Brands, Inc., a Delaware corporation (the anding as of November 3, 2011, as disclosed in the Company t on Form 10-Q for the fiscal quarter ended September 31, ber 31, 2011, Laurus Master Fund, Ltd. (In Liquidation) (s Offshore SPV I, Ltd., a Cayman Islands company ("VOFF SPV I" bre SPV II, Corp. ("VOFF SPV II" and together with the Fund and "Investors") collectively held (i) a common stock purchase ant") to acquire 1,065 Shares at an exercise price of \$0.55 ct to certain adjustments, and (ii) 8,966 Shares. The Warrant nce limitation prohibiting the Investors from exercising those tors of more than 9.99% of the Shares then issued and outs ance Limitation"). The Issuance Limitation may be waived by t 75 days' prior notice to the Company and shall automatically void following notice to the Issuer of the occurrence and/or co vent of Default (as defined in and pursuant to the terms of the ument). The Fund is in official liquidation under the superv Court of the Cayman Islands. The Joint Official Liquidators 11 Smith of BDO CRI (Cayman) Ltd. and Christopher D. John on Associates Ltd., both Cayman Islands registered companies. T	's Quarterly 2011. As of the "Fund"),) and Valens VOFF SPV I, warrant (the 3 per Share, contains an e securities rship by the tanding (the he Investors become null ntinuance of e applicable ision of the ("JOLs") are son of Chris	

	PORTING PERSON: RUSSELL SMITH*
SS OR T	R.S. IDENTIFICATION NO. OF ABOVE PERSON:
	APPROPRIATE BOX IF A MEMBER OF A GROUP
2 CHECK THE	
	(a) _ (b) X
3 SEC USE ON	 ILY
4 CTTT7ENSHT	P OR PLACE OF ORGANIZATION
CAYMAN ISL	
NUMBER OF SHARES	5 SOLE VOTING POWER:
BENEFICIALLY OWNED BY	0 shares of Common Stock*
EACH	6 SHARED VOTING POWER:
PERSON	10,031 shares of Common Stock*
	7 SOLE DISPOSITIVE POWER:
	0 shares of Common Stock*
	8 SHARED DISPOSITIVE POWER:
	10,031 shares of Common Stock*
9 AGGREGATE	AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,031 sha	res of Common Stock*
	res of Common Stock* IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
10 СНЕСК ВОХ _	
10 СНЕСК ВОХ _	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
10 CHECK BOX	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
10 CHECK BOX _ 11 PERCENT OF 0.17%* 12 TYPE OF RE	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
10 CHECK BOX _ 11 PERCENT OF 0.17%* 12 TYPE OF RE IN *Based on	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

1 NAME OF REPORTING PERSON: Valens Offshore SPV I, Ltd.			
IFICATION NO. OF ABOVE PERSON:			
E BOX IF A MEMBER OF A GROUP (a) _ (b) X			
·····			
OF ORGANIZATION			
LE VOTING POWER:			
shares of Common Stock*			
ARED VOTING POWER:			
031 shares of Common Stock*			
LE DISPOSITIVE POWER:			
shares of Common Stock*			
ARED DISPOSITIVE POWER:			
031 shares of Common Stock*			
EFICIALLY OWNED BY EACH REPORTING PERSON			
non Stock*			
REGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES			
RESENTED BY AMOUNT IN ROW 9			
RSON			
shares of the common stock, par value \$0.001 per share Brands, Inc., a Delaware corporation (the "Company") per 3, 2011, as disclosed in the Company's Quarterly r the fiscal quarter ended September 31, 2011. As of us Master Fund, Ltd. (In Liquidation) (the "Fund"), d., a Cayman Islands company ("VOFF SPV I") and Valens DFF SPV II" and together with the Fund and VOFF SPV I, ively held (i) a common stock purchase warrant (the 065 Shares at an exercise price of \$0.53 per Share, ements, and (ii) 8,966 Shares. The Warrant contains an ibiting the Investors from exercising those securities n exercise would result in beneficial ownership by the 9.99% of the Shares then issued and outstanding (the The Issuance Limitation may be waived by the Investors ice to the Company and shall automatically become null to the Issuer of the occurrence and/or continuance of defined in and pursuant to the terms of the applicable is in official liquidation under the supervision of the n Islands. The Joint Official Liquidators ("JOLs") are RI (Cayman) Ltd. and Christopher D. Johnson of Chris oth Cayman Islands registered companies. The JOLs have agement of the Fund and the disposition of its assets, owned by the Fund reported in this Schedule 13G, as Management, LLC ("LCM") acting through its controlling and David Grin, provides day to day investment the Fund and its two feeder funds concerning their			

CUSIP No. 64111Y	107
1 NAME OF RE	PORTING PERSON: Valens Offshore SPV II, Corp.
S.S. OR I.	R.S. IDENTIFICATION NO. OF ABOVE PERSON: 26-0811267
2 CHECK THE	APPROPRIATE BOX IF A MEMBER OF A GROUP (a) _ (b) X
3 SEC USE ON	
4 CITIZENSHI	P OR PLACE OF ORGANIZATION
Delaware	
	5 SOLE VOTING POWER:
SHARES BENEFICIALLY	0 shares of Common Stock*
OWNED BY EACH REPORTING	6 SHARED VOTING POWER:
PERSON	10,031 shares of Common Stock*
	7 SOLE DISPOSITIVE POWER:
	0 shares of Common Stock*
	8 SHARED DISPOSITIVE POWER:
	10,031 shares of Common Stock*
9 AGGREGATE	AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,031 sha	res of Common Stock*
10 CHECK BOX	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
1.1	
11 PERCENT OF	CLASS REPRESENTED BY AMOUNT IN ROW 9
0.17%*	
12 TYPE OF REI	PORTING PERSON
C0	
	5,742,942 shares of the common stock, par value \$0.001 per share
outstanding as Report on Form December 31, 24 Valens Offshore Offshore SPV II, the "Investors" "Warrant") to a subject to cer- issuance limita to the extent Investors of me "Issuance Limita upon 75 days' and void follow an Event of De instrument). The Grand Court of Russell Smith Johnson Associated discretion over including the amended. Laurus principals, Eug	of Xcel Brands, Inc., a Delaware corporation (the "Company") of November 3, 2011, as disclosed in the Company's Quarterly 10-Q for the fiscal quarter ended September 31, 2011. As of 011, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), SPV I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens Corp. ("VOFF SPV II" and together with the Fund and VOFF SPV I,) collectively held (i) a common stock purchase warrant (the acquire 1,065 Shares at an exercise price of \$0.53 per Share, tain adjustments, and (ii) 8,966 Shares. The Warrant contains an tion prohibiting the Investors from exercising those securities that such exercise would result in beneficial ownership by the ore than 9.99% of the Shares then issued and outstanding (the ation"). The Issuance Limitation may be waived by the Investors prior notice to the Company and shall automatically become null ing notice to the Issuer of the occurrence and/or continuance of fault (as defined in and pursuant to the terms of the applicable e Fund is in official liquidation under the supervision of the the Cayman Islands. The Joint Official Liquidators ("JOLs") are of BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris es Ltd., both Cayman Islands registered companies. The JOLs have the management of the Fund and the disposition of its assets, securities owned by the Fund reported in this Schedule 13G, as Capital Management, LLC ("LCM") acting through its controlling ene Grin and David Grin, provides day to day investment
	ices to the Fund and its two feeder funds concerning their

CUSIP No. 64111Y1	07		
	ORTING PERSON: Valens Capital Management, LLC		
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON: 20-8903345			
5.5. UR 1.R	.S. IDENTIFICATION NO. OF ABOVE PERSON: 20-8903345		
2 CHECK THE A	PPROPRIATE BOX IF A MEMBER OF A GROUP (a) _ (b) X		
3 SEC USE ONL	SEC USE ONLY		
4 CITIZENSHIP Delaware	OR PLACE OF ORGANIZATION		
NUMBER OF SHARES	5 SOLE VOTING POWER:		
BENEFICIALLY OWNED BY	0 shares of Common Stock*		
EACH REPORTING	6 SHARED VOTING POWER:		
PERSON	10,031 shares of Common Stock*		
	7 SOLE DISPOSITIVE POWER:		
	0 shares of Common Stock*		
	8 SHARED DISPOSITIVE POWER:		
	10,031 shares of Common Stock*		
9 AGGREGATE A	MOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	es of Common Stock*		
10 CHECK BOX I	F THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES		
_			
11 PERCENT OF	CLASS REPRESENTED BY AMOUNT IN ROW 9		
0.17%*			
12 TYPE OF REP	ORTING PERSON		
00			
(the "Shares") outstanding as Report on Form December 31, 20 Valens Offshore 30 Offshore SPV II, the "Investors") "Warrant") to a subject to cert issuance limitat to the extent Investors of mo "Issuance Limita upon 75 days' and void followi an Event of Def instrument). The Grand Court of	,742,942 shares of the common stock, par value \$0.001 per share of Xcel Brands, Inc., a Delaware corporation (the "Company") of November 3, 2011, as disclosed in the Company's Quarterly 10-Q for the fiscal quarter ended September 31, 2011. As of 11, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), SPV I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens Corp. ("VOFF SPV II" and together with the Fund and VOFF SPV I, collectively held (i) a common stock purchase warrant (the cquire 1,065 Shares at an exercise price of \$0.53 per Share, ain adjustments, and (ii) 8,966 Shares. The Warrant contains an ion prohibiting the Investors from exercising those securities that such exercise would result in beneficial ownership by the re than 9.99% of the Shares then issued and outstanding (the tion"). The Issuance Limitation may be waived by the Investors prior notice to the Company and shall automatically become null ng notice to the Issuer of the occurrence and/or continuance of ault (as defined in and pursuant to the terms of the applicable Fund is in official liquidation under the supervision of the the Cayman Islands. The Joint Official Liquidators ("JOLs") are f BD0 CRI (Cayman) Ltd. and Christopher D. Johnson of Chris		

CUSIP No. 64111Y	107
1 NAME OF RE	PORTING PERSON:
David Grin	
2 CHECK THE	APPROPRIATE BOX IF A MEMBER OF A GROUP (a) _ (b) X
3 SEC USE ON	
4 CITIZENSHI	P OR PLACE OF ORGANIZATION
United Sta	tes and Israel
NUMBER OF SHARES	5 SOLE VOTING POWER:
BENEFICIALLY OWNED BY	0 shares of Common Stock*
EACH REPORTING	6 SHARED VOTING POWER:
PERSON	10,031 shares of Common Stock*
	7 SOLE DISPOSITIVE POWER:
	0 shares of Common Stock*
	8 SHARED DISPOSITIVE POWER:
	10,031 shares of Common Stock*
9 AGGREGATE	AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,031 sha	res of Common Stock*
10 CHECK BOX	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
I_I	
11 PERCENT OF	CLASS REPRESENTED BY AMOUNT IN ROW 9
0.17%*	
12 TYPE OF RE	PORTING PERSON
IN	
(the "Shares") outstanding as Report on Form December 31, 2 Valens Offshore Offshore SPV II, the "Investors" "Warrant") to subject to cer issuance limita to the extent Investors of m "Issuance Limita upon 75 days' and void follow an Event of De instrument). The Grand Court of Russell Smith Johnson Associate discretion over including the amended. Laurus principals, Eug	5,742,942 shares of the common stock, par value \$0.001 per share of Xcel Brands, Inc., a Delaware corporation (the "Company") of November 3, 2011, as disclosed in the Company's Quarterly 10-Q for the fiscal quarter ended September 31, 2011. As of 011, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), SPV I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens Corp. ("VOFF SPV II" and together with the Fund and VOFF SPV I,) collectively held (i) a common stock purchase warrant (the acquire 1,065 Shares at an exercise price of \$0.53 per Share, tain adjustments, and (ii) 8,966 Shares. The Warrant contains an tion prohibiting the Investors from exercising those securities that such exercise would result in beneficial ownership by the ore than 9.99% of the Shares then issued and outstanding (the ation"). The Issuance Limitation may be waived by the Investors prior notice to the Company and shall automatically become null ing notice to the Issuer of the occurrence and/or continuance of fault (as defined in and pursuant to the terms of the applicable e Fund is in official liquidation under the supervision of the the Cayman Islands. The Joint Official Liquidators ("JOLS") are of BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris es Ltd., both Cayman Islands registered companies. The JOLs have the management of the Fund and the disposition of its assets, securities owned by the Fund reported in this Schedule 13G, as Capital Management, LLC ("LCM") acting through its controlling ene Grin and David Grin, provides day to day investment ices to the Fund and its two feeder funds concerning their

CUSIP No. 64111Y107	
1 NAME OF REPOR	TING PERSON:
Eugene Grin	
2 CHECK THE APP	PROPRIATE BOX IF A MEMBER OF A GROUP (a) _ (b) X
3 SEC USE ONLY	
4 CITIZENSHIP 0	OR PLACE OF ORGANIZATION
United States	3
NUMBER OF 5 SHARES	5 SOLE VOTING POWER:
BENEFICIALLY	0 shares of Common Stock*
OWNED BY - EACH 6 REPORTING	SHARED VOTING POWER:
PERSON -	10,031 shares of Common Stock*
7	7 SOLE DISPOSITIVE POWER:
-	0 shares of Common Stock*
8	3 SHARED DISPOSITIVE POWER:
	10,031 shares of Common Stock*
9 AGGREGATE AMO	OUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,031 shares	s of Common Stock*
10 CHECK BOX IF	THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES
1_1	
11 PERCENT OF CL	ASS REPRESENTED BY AMOUNT IN ROW 9
0.17%*	
12 TYPE OF REPOR	TING PERSON
IN	
(the "Shares") of outstanding as of Report on Form 1 December 31, 2011 Valens Offshore SP Offshore SPV II, Co the "Investors") "Warrant") to acq subject to certai issuance limitatio to the extent th Investors of more "Issuance Limitati upon 75 days' pr and void following an Event of Defau instrument). The Grand Court of th Russell Smith of Johnson Associates discretion over t including the sec amended. Laurus C	42,942 shares of the common stock, par value \$0.001 per share Xcel Brands, Inc., a Delaware corporation (the "Company") November 3, 2011, as disclosed in the Company's Quarterly L0-Q for the fiscal quarter ended September 31, 2011. As of L, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), V I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens orp. ("VOFF SPV II" and together with the Fund and VOFF SPV I, collectively held (i) a common stock purchase warrant (the quire 1,065 Shares at an exercise price of \$0.53 per Share, in adjustments, and (ii) 8,966 Shares. The Warrant contains an on prohibiting the Investors from exercising those securities hat such exercise would result in beneficial ownership by the e than 9.99% of the Shares then issued and outstanding (the ton"). The Issuance Limitation may be waived by the Investors for notice to the Company and shall automatically become null g notice to the Issuer of the occurrence and/or continuance of ult (as defined in and pursuant to the terms of the applicable Fund is in official liquidation under the supervision of the me Cayman Islands. The Joint Official Liquidators ("JOLS") are BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris Ltd., both Cayman Islands registered companies. The JOLs have the management of the Fund and the disposition of its assets, curities owned by the Fund reported in this Schedule 13G, as Capital Management, LLC ("LCM") acting through its controlling e Grin and David Grin, provides day to day investment es to the Fund and its two feeder funds concerning their

Item 1(a). Name of Issuer: Xcel Brands, Inc.

- Item 1(b). Address of Issuer's Principal Executive Offices: 475 Tenth Ave, 4th Floor, New York, New York 10018
- Item 2(a). Name of Person Filing: Laurus Master Fund, Ltd. (In Liquidation)*

This Schedule 13G, as amended, is also filed on behalf of Laurus Capital Management, LLC, a Delaware limited liability company, Valens Capital Management, LLC, a Delaware limited liability company, Valens Offshore SPV I, Ltd., a Cayman Islands company, Valens Offshore SPV II, Corp., a Delaware corporation, Christopher D. Johnson, Russell Smith, Eugene Grin and David Grin. Laurus Master Fund, Ltd. (in Liquidation) is in official liquidation under the supervision of the Grand Court of the Cayman Islands. The Joint Official Liquidators are Russell Smith of BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris Johnson Associates, Ltd., both Cayman Islands registered companies. The Joint Official Liquidators have discretion over the management of Laurus Master Fund, Ltd. (in Liquidation) and the disposition of its assets, including the securities owned by the Laurus Master Fund, Ltd. (in Liquidation) reported in this Schedule 13G, as amended. Laurus Capital reported in this Schedule 13G, as amended. Laurus Capital Management, LLC, acting through its controlling principals, Eugene Grin and David Grin, provides day to day investment management services to the Laurus Master Fund, Ltd. (in Liquidation) and its two feeder funds concerning their respective assets, including the securities owned by Laurus Master Fund, Ltd. (in Liquidation) reported in this Schedule 13G, as amended, subject to the oversight and preapproval rights of the Joint Official Liquidators and Laurus Capital Management, LLC's obligations to the Fund under the Seventh Amended and Restated Investment Management Agreement of April 26, 2007, as amended, restated, modified and/or supplemented from time to time; all of the foregoing subject to specific directions otherwise given by the Joint Official Liquidators at their discretion. Valens Capital Management, LLC manages each of Valens Offshore SPV I, Ltd. and Valens Offshore SPV II, Corp. Eugene Grin and David Grin, through other entities, are the controlling principals of Laurus Capital Management, LLC and Valens Capital Management, LLC and share voting and investment power over the securities owned by Laurus Master Fund, Ltd. (in Liquidation) (subject to the oversight and preapproval rights of the Joint Official Liquidators), Valens Offshore SPV I, Ltd. and Valens Offshore SPV II, Corp., reported in this Schedule 13G, as amended. The Joint Official Liquidators share voting and investment power securities owned by Laurus Master Fund, Ltd. (in over the Liquidation). Information related to each of the Joint Official Liquidators, Laurus Capital Management, LLC, Valens Offshore SPV I, Ltd., Valens Offshore SPV II, Corp., Valens Capital Management, LLC, Eugene Grin and David Grin is set forth on Appendix A hereto.

- Item 2(c). Citizenship: Cayman Islands
- Item 2(d). Title of Class of Securities: Class A Common Stock

Item 2(e). CUSIP Number: 64111Y107

Item 3. Not Applicable

- Item 4. Ownership:
 - (a) Amount Beneficially Owned: 10,031 shares of Common Stock*
 - (b) Percent of Class: 0.17%*
 - (c) Number of shares as to which such person has:
 - (i) sole power to vote or to direct the vote: O shares of Common Stock*
 - (ii) shared power to vote or to direct the vote: 10,031 shares of Common Stock*
 - (iii) sole power to dispose or to direct the disposition of: 0
 shares of Common Stock*
 - (iv) shared power to dispose or to direct the disposition of: 10,031 shares of Common Stock*
- Item 5. Ownership of Five Percent or Less of a Class: If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the owner of more than five percent of the class of securities, check the following: [X]
- Item 6. Ownership of More than Five Percent on Behalf of Another Person: Not applicable
- Item 7. Identification and Classification of Subsidiary Which Acquired the Securities: Not applicable
- Item 8. Identification and Classification of Members of the Group: Not applicable
- Item 9. Notice of Dissolution of Group: Not applicable
- Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

*Based on 5,742,942 shares of the common stock, par value \$0.001 per share (the "Shares") of Xcel Brands, Inc., a Delaware corporation (the "Company") outstanding as of November 3, 2011, as disclosed in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 31, 2011. As of December 31, 2011, Laurus Master Fund, Ltd. (In Liquidation) (the "Fund"), Valens Offshore SPV I, Ltd., a Cayman Islands company ("VOFF SPV I") and Valens Offshore SPV II, Corp. ("VOFF SPV II" and together with the Fund and VOFF SPV I, the "Investors") collectively held (i) a common stock purchase warrant (the "Warrant") to acquire 1,065 Shares at an exercise price of \$0.53 per Share, subject to certain adjustments, and (ii) 8,966 Shares. The Warrant contains an issuance limitation prohibiting the Investors from exercising those securities to the extent that such exercise would result in beneficial ownership by the Investors of more than 9.99% of the Shares then issued and outstanding (the "Issuance Limitation"). The Issuance Limitation may be waived by the Investors upon 75 days' prior notice to the Company and shall automatically become null and void following notice to the Issuer of the occurrence and/or continuance of an Event of Default (as defined in and pursuant to the terms of the applicable The Fund is in official liquidation under the supervision of the instrument). Grand Court of the Cayman Islands. The Joint Official Liquidators ("JOLs") are Russell Smith of BDO CRI (Cayman) Ltd. and Christopher D. Johnson of Chris Johnson Associates Ltd., both Cayman Islands registered companies. The JOLs have discretion over the management of the Fund and the disposition of its assets, including the securities owned by the Fund reported in this Schedule 13G, as amended. Laurus Capital Management, LLC ("LCM") acting through its controlling principals, Eugene Grin and David Grin, provides day to day investment management services to the Fund and its two feeder funds concerning their respective assets, including the securities owned by the Fund reported in this

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

January 31, 2012

Date

LAURUS MASTER FUND, LTD. (In Liquidation)

/s/ Russell Smith

Russell Smith Joint Official Liquidator (for the account of Laurus Master Fund, Ltd. and with no personal liability)

APPENDIX A

Α.	Name:	Laurus Capital Management, LLC, a Delaware limited liability company
	Business Address:	875 Third Avenue, 3rd Floor New York, New York 10022
	Place of Organization:	Delaware
В.	Name:	Valens Capital Management, LLC, a Delaware limited liability company
	Business Address:	875 Third Avenue, 3rd Floor New York, New York 10022
	Place of Organization:	Delaware
C.	Name:	Valens Offshore SPV I, Ltd., a Cayman Islands company
	Business Address:	c/o Valens Capital Management, LLC 875 Third Avenue, 3rd Floor New York, New York 10022
	Place of Organization:	Cayman Islands
D.	Name:	Valens Offshore SPV II, Corp., a Delaware corporation
	Business Address:	c/o Valens Capital Management, LLC 875 Third Avenue, 3rd Floor New York, New York 10022
	Place of Organization:	Delaware
E.	Name: Business Address:	Eugene Grin 875 Third Avenue, 3rd Floor New York, New York 10022
	Principal Occupation:	Principal of Laurus Capital Management, LLC Principal of Valens Capital Management, LLC
	Citizenship:	United States
F.	Name:	David Grin
	Business Address:	875 Third Avenue, 3rd Floor New York, New York 10022
	Principal Occupation:	Principal of Laurus Capital Management, LLC Principal of Valens Capital Management, LLC
	Citizenship:	United States and Israel
G.	Name:	Christopher D. Johnson
	Business Address:	Elizabethan Square, 80 Shedden Road, George Town, Grand Cayman, Cayman Islands KY1-1104
	Principal Occupation:	Managing Director, Chris Johnson Associates Ltd.
	Citizenship:	United Kingdom and Cayman Islands
Н.	Name:	Russell Smith
	Business Address:	Governors Square, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands KY1-1205
	Principal Occupation:	Director, BDO CRI (Cayman) Ltd.
	Citizenship:	United Kingdom

Each of Laurus Capital Management, LLC, Valens Offshore SPV I, Ltd., Valens Offshore SPV II, Corp., Valens Capital Management, LLC, Christopher D. Johnson, Russell Smith, Eugene Grin and David Grin hereby agrees, by their execution below, that the Schedule 13G, as amended, to which this Appendix A is attached is filed on behalf of each of them, respectively. Laurus Capital Management, LLC /s/ Eugene Grin Eugene Grin Principal January 31, 2012 Valens Capital Management, LLC Valens Offshore SPV I, Ltd. Valens Offshore SPV II, Corp. By Valens Capital Management, LLC Individually and as investment manager /s/ Eugene Grin -----Eugene Grin Authorized Signatory January 31, 2012 /s/ Christopher D. Johnson -----Christopher D. Johnson, on his individual behalf January 31, 2012 /s/ Russell Smith Russell Smith, on his individual behalf January 31, 2012 /s/ David Grin -----David Grin, on his individual behalf January 31, 2012 /s/ Eugene Grin -----Eugene Grin, on his individual behalf January 31, 2012