60-DAY NOTICE OF VIOLATION

California Safe Drinking Water and Toxic Enforcement Act

| Date: | April 24, 2018 |
|-------|--|
| То: | Trevor Schultz, Chief Executive Officer - Loungefly, LLC Kenneth Shamus, Chief Executive Officer - ToyWiz Inc. California Attorney General's Office District Attorney's Office for 58 Counties City Attorneys for San Francisco, San Diego, San Jose, Sacramento and Los Angeles |
| From: | Michael DiPirro |

This Notice of Violation is provided to you pursuant to and in compliance with California Health and Safety Code Section 25249.7(d). For general information regarding the California Safe Drinking Water and Toxic Enforcement Act, you may contact the Office of Environmental Health Hazard Assessment's ("OEHHA") Proposition 65 Implementation Office at (916) 445-6900. Attached for your reference is a summary, "Appendix A: The Safe Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," provided by the California Office of Environmental Health Hazard Assessment's ("OEHHA") (copies not provided to public enforcement agencies).

This Notice of Violation is provided by Michael DiPirro. I am a citizen of the State of California acting in the interest of the general public. I am dedicated to protecting the environment, promoting awareness of exposures to toxic chemicals in products sold in California, improving human health and supporting environmentally sound practices.

Identified below are specific examples of products recently purchased and/or witnessed as being available for purchase or use in California that are within the categories or types of offending products covered by this Notice. I believe and allege that the sale of the offending products also has occurred without the requisite Proposition 65 "clear and reasonable warnings" at one or more location and/or via other means including, but not limited to, transactions made over-the-counter, business-to-business, through the internet and/or via a catalog by the Violator(s) and other retailers and distributors of the manufacturer, including, but not limited to the retailer(s) and/or distributor(s) listed below.

Description of Violations:

| Violator(s): | Loungefly, LLC ToyWiz Inc. |
|-------------------|--|
| Toxic Chemicals: | Di(2-ethylhexyl)phthalate ("DEHP") DEHP is also known as Bis (2- ethylhexyl) Phthalate. Exposures to DEHP occur from use of the products identified in this Notice. |
| Product Category: | Patent Dome Bag |

| Non-exclusive Example of Type of Product ¹ : | Loungefly Pokemon Pokeball Patent Dome Bag (Sku # 10763204) | | | |
|---|---|--|--|--|
| Retailer(s): | ToyWiz Inc. | | | |
| Manufacturer(s): | Loungefly LLC | | | |
| Types of Harm: | Cancer; and Birth Defects and Other Reproductive Harm | | | |
| Description of Exposure: | These exposures occur in homes, some workplaces and everywhere else throughout California where these products are handled or used. As a result of the sales of these products, exposures to the listed chemical have been occurring without clear and reasonable warnings as required by Proposition 65. | | | |
| Routes of Exposure: | Ingestion, Dermal Reasonably foreseeable use of the products identified in this Notice of Violation results in human exposures to DEHP. The Products contain DEHP. The routes of exposure for the violations are: (1) dermal absorption directly through the skin when consumers, including pregnant women, touch, use, or handle the products; (2) ingestion via hand to mouth contact after consumers touch, use, or handle the products; and (3) direct ingestion when consumers, including pregnant women, place their hands in their mouths while using the products or otherwise place the products in their mouths in ways that are intended and/or foreseeable. | | | |
| Time Period of Exposure: The violations have been occurring as far back as April 24, 2 are continuing to this day. | | | | |

Resolution of Noticed Claims: Based on the allegations set forth in this Notice of Violation, I intend to file a citizen enforcement lawsuit against the alleged Violator unless such Violator enters into a binding written agreement to: (1) recall products already sold; (2) take effective measures to prevent unwarned DEHP exposures from products sold in the future and to ensure that the requisite health hazard warnings are provided to those who have received such products; and (3) pay an appropriate civil penalty based on the factors enumerated in California Health and Safety Code Section 25249(b). If the alleged Violator is interested in resolving this dispute without resorting to expensive and time-consuming litigation, please feel free to contact me through my counsel identified below. It should be noted that neither my counsel nor I can: (1) finalize any settlement until after the 60-day notice period has expired; nor (2) speak for the Attorney General or any District or City Attorney who received this Notice of Violation. Therefore, while reaching an agreement with me will resolve my claims, such agreement may not satisfy the public prosecutors.

Please direct any inquiries regarding this Notice of Violation to Michael DiPirro through his counsel Jennifer Henry or David Bush at Bush & Henry, Attorneys at Law, PC, 6761 Sebastopol Avenue Ste 111, Sebastopol, CA 95403; Telephone: (707) 827-3311; E-mail: DRBush@BushAndHenry.com, JHenry@BushAndHenry.com.

¹ The specifically identified examples of the types of products that are subject to this Notice are for the recipients' benefit to assist in their investigation of, among other things, the magnitude of potential exposures to the listed chemical from other items within the product categories/types listed herein. These examples are not meant to be an exhaustive or comprehensive identification of each specific offending product of the types listed under "Product Category." Further, it is this citizen's position that the alleged Violator(s) are obligated to continue to conduct in good faith an investigation into other specific products within the types or categories described above that may have been manufactured, distributed, sold, shipped, stored (or otherwise within the notice recipients' custody or control) during the relevant period so as to ensure that the requisite toxic warnings were and are provided to California citizens prior to purchase.

CERTIFICATE OF MERIT

Health & Safety Code§ 25249.7(d)

I, Jennifer Henry, hereby declare:

- 1. This Certificate of Merit accompanies the attached sixty-day Notice of Violation in which it is alleged that the parties identified in the Notice of Violation have violated Health & Safety Code § 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney who represents the noticing party.
- 3. Members of my firm and I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies or other data regarding the alleged exposures to the listed chemical that are the subject of this action.
- 4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and the information did not prove that the alleged Violator(s) will be able to establish any of the affirmative defenses set forth in the statute.
- 5. The copy of the Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code § 25249.7(h)(2), i.e. (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies or other data reviewed by those persons.

April 24, 2018

Jennifer Henry

Attorneys for Michael DiPirro

PROOF OF SERVICE

I declare that:

I am employed in Sonoma County, California; my business address is 6761 Sebastopol Avenue, Suite 111, Sebastopol CA 95472. I am over the age of 18 years and not a party to the within cause.

On April 24, 2018, I served true copies of the following documents:

60-DAY NOTICE OF VIOLATION OF CALIFORNIA SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT;

APPENDIX A: THE SAFE WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY; OEHHA/CAL EPA (only sent to the Violator(s)); CERTIFICATE OF MERIT; and

CERTIFICATE OF MERIT ATTACHMENTS (SERVED ONLY ON THE ATTORNEY GENERAL)

On this date, I deposited fully prepaid and sealed envelopes containing the above- mentioned documents with the United States Postal Service, addressed to the following individuals as follows:

• On the alleged Violator(s) listed below via regular and First Class Certified Mail through the United States Postal Service by placing a true and correct copy in a sealed envelope, addressed to the entities listed below and providing each envelope to a United States Postal Service Representative:

Trevor Schultz, Chief Executive Officer

Kenneth Shamus, Chief Executive Officer

Loungefly, LLC

ToyWiz Inc.

20310 Plummer Street Chatsworth, CA 91311 363 Spook Rock Rd., Bldg. K

Suffern, NY 10901

• By providing copies to the addressees below electronically as follows:

| Electronically via the Attorney General website: | Electronically to the following recipients at | Yen Deng Supervising Deputy District | Jeffrey S. Rosell District Attorney | Christopher Dalbey Deputy District Attorney |
|--|---|---|--|--|
| The Attorney General of the | the following electronic mail addresses: | Attorney | Santa Cruz County | Santa Barbara County |
| State of California | | Santa Clara County epu@da.sccgov.org | Prop65DA@santacruzcount y.us | DAProp65@co.santa- barbara.ca.us |
| Dije Ndreu | Phillip J. Cline | Anne Marie Schubert | Gregory D. Totten | Stephan R. Passalacqua |
| Deputy District Attorney | District Attorney | District Attorney | District Attorney | District Attorney |
| Monterey County | Tulare County | Sacramento County | Ventura County | Sonoma County |
| Prop65DA@co.monterey.ca.us | Prop65@co.tulare.ca.us | Prop65@sacda.org | daspecialops@ventura.org | jbarnes@sonoma- |
| | | | | county.org |
| Gregory Alker | Eric J. Dobroth | Gary Lieberstein | Michelle Latimer | Tori Verber Salazar |
| Assistant District Attorney | Deputy District Attorney | District Attorney | Program Coordinator | District Attorney |
| San Francisco City/County | San Luis Obispo County | Napa County | Lassen County | San Joaquin County |
| Gregory.alker@sfgov.org | edobroth@co.slo.ca.us | CEPD@countyofnapa.org | mlatimer@co.lassen.ca.us | DAConsumer.Environmen |
| | | | | tal@sjcda.org |
| Paul E. Zellerbach | Jeff W. Reisig | | Stacey Grassini | Kathryn L. Turner |
| District Attorney | District Attorney | | Deputy District Attorney | Chief Deputy City Attorney |
| Riverside County | Yolo County | | Contra Costa County | San Diego County |
| Prop65@rivcoda.org | cfepd@yolocounty.org | | sgrassini@contracostada.or | CityAttyCrimProp65@san |
| | | | g | diego.gov |

 As well as providing copies to the public enforcers by placing a true and correct copy in a sealed envelope, addressed to each party listed below, and served as follows:

By placing each envelope in a United States Postal Service mailbox, postage prepaid: The District Attorney for Each of the 58 counties in California; and The City Attorney for Los Angeles, San Diego, San Jose, San Francisco and Sacramento.

A list of addresses for each of these recipients is attached.

Executed on April 24, 2018, at Sebastopol, California.

M Madden

SERVICE LIST

| The Honorable Nancy O'Malley | The Honorable Gilbert Otero | The Honorable Candice Hooper | The Honorable Richard Doyle |
|--|--|--|--|
| Alameda County District | Imperial County District Attorney | San Benito County District | Ofc of the City Attorney, San Jose |
| Attorney | 940 West Main Street, # 102 | Attorney | 200 East Santa Clara Street, 16 th |
| 1225 Fallon Street, #900 | El Centro, CA 92243 | 419 4 th Street | Floor |
| Dakland, CA 94612 | | Hollister, CA 95023-3801 | San Jose, CA 95113 |
| The Honorable Greg Cohen | The Honorable Michael Atwell | The Honorable Jackie Lacey | The Honorable Lawrence Allen |
| Tehama County District Attorney | Alpine County District Attorney | Los Angeles County District | Sierra County District Attorney |
| 444 Oak St # L | PO Box 248 | Attorney | PO Box 886 |
| Red Bluff, CA 96080 | Markleeville, CA 96120 | 211 West Temple St., #1200 | Downieville, CA 95936 |
| | | Los Angeles, CA 90012 | |
| The Honorable Michael Ramos | The Honorable Eric L. Heryford | The Honorable Todd Riebe | The Honorable Donald Anderson |
| San Bernardino County District | Trinity County District Attorney | Amador County District Attorney | Lake County District Attorney |
| Attorney | PO Box 310 | 708 Court Street | 255 North Forbes Street |
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| San Bernardino, CA 92415 | g control of the cont | | |
| The Honorable David Linn | The Honorable Summer Stephan | The Honorable Jordan Funk | The Honorable Maggie Fleming |
| Madera County District Attorney | San Diego County District | Modoc County District Attorney | Humboldt County District |
| 209 West Yosemite Avenue | Attorney | 204 S. Court Street, # 202 | Attorney |
| Madera, CA 93637 | 330 W. Broadway Street | Alturas, CA 96101 | 825 5th Street, 4th Floor |
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| The Honorable Michael Ramsey | The Honorable Edward Berberian | The Honorable Tony Rackauckas | The Honorable Dwayne R. |
| Butte County District Attorney | Marin County District Attorney | Orange County District Attorney | Stewart |
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| The Honorable Laura L. Krieg | The Honorable Barbara Yook | The Honorable Thomas K Cooke | The Honorable Krishna A. |
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| Sonora, CA 95370 | San Andreas, CA 95249 | Iviariposa, CA 95558 | Fairfield, CA 94533 |
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| The state of the s | | The Honorable Matthew R. | Ofc of Sacramento City |
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| Attorney PO Box 990 | Crescent City, CA 95531 | Beauchamp | 2 - Carl |
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| Attorney | PO Box D | Siskiyou County District Attorney 311 Fourth Street | |
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| The Honorable Patrick McGrath | The Honorable Larry Morse II | The Honorable Stephen Wagstaffe | The Honorable Clifford Newell |
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| The Honorable Joyce Dudley | The Honorable Mike Feuer | The Honorable Vernon Pierson | The Honorable Lisa Green |
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| Attorney | Angeles | 515 Main Street | 1215 Truxtun Avenue, 4th Floor |
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| Fanta Barbara, CA 93101 | 200 N. Main St., 8 th Floor | l lacerville, CA 55007 | banci silcia, CA 55501 |
| panta barbara, CA 33101 | Los Angeles, CA 90012 | | 1 |
| The Honorable Keith L. Fagundes | The Honorable Ronald Owens | The Honorable Amanda L. | The Honorable Lisa A. |
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| The state of the s | 10810 Justice Center Drive, Suite | Sutter County District Attorney | Fresno County District Attorney |
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| The Honorable Tim Kendall | The Honorable David Hollister | The Honorable Mara Elliott | The Honorable Birgit Fladager |
| Mono County District Attorney | Plumas County District Attorney | Office of the City Attorney, San | Stanislaus County District |
| PO Box 617 | 520 Main Street, Room 404 | Diego | Attorney |
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