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UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SATYANARAYANA KANUGONDA,
Individually and On Behalf of All Others
Similarly Situated,

Plaintiff,

vs.

FUNKO, INC., BRIAN MARIOTTI,
RUSSELL NICKEL, KEN BROTMAN, GINO
DELLOMO, CHARLES DENSON, DIANE
IRVINE, ADAM KRIGER, RICHARD
MCNALLY, GOLDMAN SACHS & CO., J.P.
MORGAN SECURITIES LLC, MERRILL
LYNCH, PIERCE, FENNER & SMITH
INCORPORATED, PIPER JAFFRAY & CO.,
JEFFERIES LLC; STIFEL, NICOLAUS &
COMPANY, INCORPORATED, BMO
CAPITAL MARKETS CORP., and
SUNTRUST ROBINSON HUMPHREY, INC.,

Defendants.

Case No.

**CLASS ACTION COMPLAINT FOR
VIOLATION OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff Satyanarayana Kanugonda (“Plaintiff”), individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against Defendants, alleges the following based upon personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through his attorneys, which included, among other things, a review of the Defendants’

1 public documents, conference calls and announcements made by Defendants, United States
2 Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and
3 regarding Funko, Inc. (“Funko” or the “Company”), analysts’ reports and advisories about the
4 Company, and information readily obtainable on the Internet. Plaintiff believes that substantial
5 evidentiary support will exist for the allegations set forth herein after a reasonable opportunity
6 for discovery.

7 **NATURE AND SUMMARY OF THE ACTION**

8 1. This is a federal securities action on behalf of a class consisting of all persons
9 who purchased or otherwise acquired Funko securities pursuant to its initial public offering
10 and/or traceable to the Company’s initial public offering commenced on or around November 1,
11 2017 (the “IPO” or the “Offering”) seeking to recover damages caused by Defendants’ violations
12 of Sections 11, 12 and 15 of the Securities Act of 1933 (“Securities Act”).

13 2. Funko is a pop culture consumer products company which sells, among other
14 things, bobble heads and action figures.

15 3. The claims in this action arise from the materially misleading Registration
16 Statement and Prospectus (defined infra) issued in connection with the Offering. In the IPO, the
17 Company sold 10,416,666 shares of Class A common stock at a price to the public of \$12.00 per
18 share. According to the Company, it received net proceeds of approximately \$116.4 million after
19 deducting underwriting discounts and commissions.

20 4. The Registration Statement contained untrue statements of material fact and
21 omitted to state material facts necessary to make statements contained therein not misleading,
22 and failed to make adequate disclosures required under the rules and regulations governing the
23 preparation of such documents. Specifically, the Registration Statement failed to disclose that:
24 (1) Funko’s profits and growth were not as positive as the Company represented; (2) Funko’s
business model and customer base had not insulated it from adverse industry, sales, and earnings
trends; (3) as a result, Defendants’ statements in the Registration Statement regarding Funko’s
business, operations and prospects were materially false and/or misleading.

1 14. Defendant Ken Brotman (“Brotman”) was, at all relevant times, a director of
2 Funko.

3 15. Defendant Gino Dellomo (“Dellomo”) was, at all relevant times, a director of
4 Funko.

5 16. Defendant Charles Denson (“Denson”) was, at all relevant times, a director of
6 Funko.

7 17. Defendant Diane Irvine (“Irvine”) was, at all relevant times, a director of Funko.

8 18. Defendant Adam Kriger (“Kriger”) was, at all relevant times, a director of Funko.

9 19. Defendant Richard McNally (“McNally”) was, at all relevant times, a director of
10 Funko.

11 20. Defendants named above in ¶¶12-19 are referred to herein as the “Individual
12 Defendants.”

13 21. Defendant Goldman Sachs & Co. (“Goldman”) served as an underwriter for the
14 IPO.

15 22. Defendant J.P. Morgan Securities LLC (“JPM”) served as an underwriter for the
16 IPO.

17 23. Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill”) served
18 as an underwriter for the IPO.

19 24. Defendant Piper Jaffray & Co. (“Piper Jaffray”) served as an underwriter for the
20 IPO.

21 25. Defendant Jefferies LLC (“Jefferies”) served as an underwriter for the IPO.

22 26. Defendant Stifel, Nicolaus & Company, Incorporated (“Stifel”) served as an
23 underwriter for the IPO.

24 27. Defendant BMO Capital Markets Corp. (“BMO”) served as an underwriter for the
IPO.

28. Defendant SunTrust Robinson Humphrey, Inc. (“SunTrust”) served as an
underwriter for the IPO.

1 29. Defendants named above in ¶¶21-28 are referred to herein as the “Underwriter
2 Defendants.”

3 30. The Company is liable for the acts of the Individual Defendants and its employees
4 under the doctrine of *respondeat superior* and common law principles of agency because all of
5 the wrongful acts complained of herein were carried out within the scope of their employment.

6 SUBSTANTIVE ALLEGATIONS

7 31. Pursuant to the Securities Act, Defendants are strictly liable for material
8 misstatements in the Registration Statement and Prospectus, issued in connection with the IPO.
9 The Securities Act claims specifically exclude any allegations of fraud, knowledge, recklessness
or scienter, do not “sound in fraud” and are based solely on strict liability and negligence.

10 Background

11 32. Defendant Funko is a consumer products company. It develops licensing
12 relationships with content providers and creates figurines and products based on pop culture
13 references. The Company’s most familiar products are its Pop! Collectibles—dolls based on
popular culture characters and icons.

14 Materially False and Misleading Statements Issued During the Class Period

15 33. On or around October 6, 2017, the Company filed with the SEC a registration
16 statement on Form S-1 for the IPO, which was declared effective on November 1, 2017 (together
17 with all amendments, the “Registration Statement”). The next day, the Company filed a free
18 writing prospectus for the IPO on Form FWP. On November 3, 2017, Funko filed the prospectus
19 for the IPO on Form 424B4 (the “Prospectus”), which incorporated and formed part of the
20 Registration Statement. Together, the Registration Statement and Prospectus were used to sell to
the investing public approximately 10.4 million shares of Funko Class A common stock in the
IPO at \$12 per share.

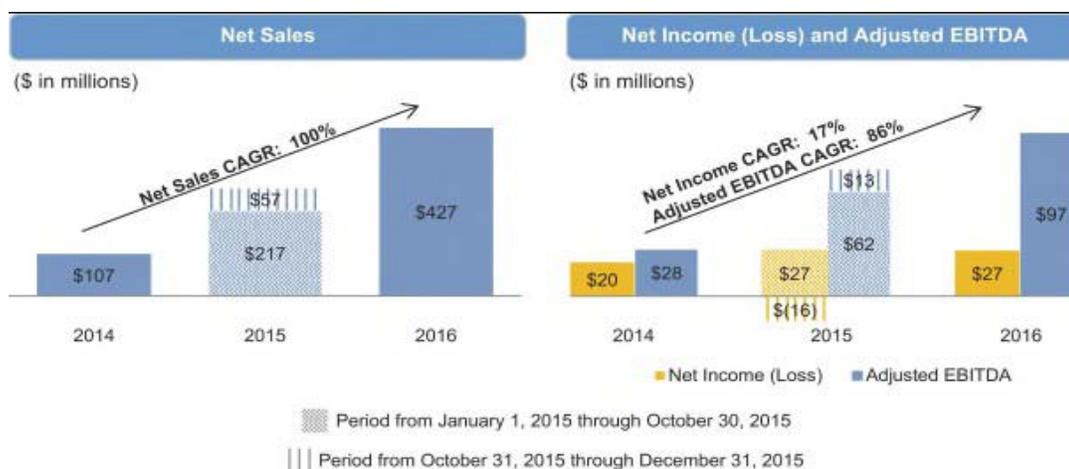
21 34. The Registration Statement was signed by the Individual Defendants.

22 35. The Registration Statement was negligently prepared and, as a result, contained
23 untrue statements of material fact, omitted material facts necessary to make the statements
24

1 contained therein not misleading, and failed to make adequate disclosures required under the
2 rules and regulations governing the preparation of such documents.

3 36. Specifically, the Registration Statement discussed the Company's "strong
4 growth[,]” stating in relevant part:

5 Our financial performance reflects the strong growth of our business. From 2014
6 to 2016, we expanded our net sales, net income and Adjusted EBITDA at a 100%,
7 a 17% and an 86% compound annual growth rate, or CAGR, respectively. We
8 believe our strong growth and profitability reflect our pop culture consumer
9 products leadership.



15 37. The Registration Statement also represented that Funko had significant intangible
16 assets, as reflected in the following chart (in thousands):

	December 31, 2016		
	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Intangible assets subject to amortization			
Intellectual property	\$ 114,411	\$ (6,674)	\$107,737
Trade names	81,358	(4,746)	76,612
Customer relationships	63,129	(3,682)	59,447
Balance as of December 31, 2016	<u>\$258,898</u>	<u>\$ (15,102)</u>	<u>\$243,796</u>
	December 31, 2015		
	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Intangible assets subject to amortization			
Intellectual property	\$ 114,411	\$ (953)	\$113,458
Trade names	81,358	(678)	80,680
Customer relationships	63,129	(526)	62,603
Balance as of December 31, 2015	<u>\$258,898</u>	<u>\$ (2,157)</u>	<u>\$256,741</u>

23 For the year ended December 31, 2016, the Successor 2015 Period, and the Predecessor 2015
24 Period, amortization of intangible assets was \$12.9 million, \$2.2 million, and \$1.4 million, respectively.
Estimated amortization expense will be \$12.9 million for each of the next five years.

There was no impairment of goodwill and intangible assets for the year ended December 31, 2016 or
for the Successor 2015 Period and the Predecessor 2015 Period.

1 38. Additionally, the Registration Statement represented that the Company's diverse
2 portfolio and unique production and design model insulated it from adverse trends in the toy and
3 retail industry, stating in relevant part:

4 ***Content Providers:*** We have strong licensing relationships with many established
5 content providers, such as Disney, HBO, LucasFilm, Marvel, the National
6 Football League and Warner Brothers. We strive to license every pop culture
7 property that we believe is relevant to consumers. ***We currently have licensed
8 over 1,000 properties, which we believe represents one of the largest portfolios
9 in our industry, and from which we can create multiple products based on each
10 character within those properties.*** Content providers trust us to create unique,
11 stylized extensions of their intellectual property that extend the relevance of their
12 content with consumers through ongoing engagement, helping to maximize the
13 lifetime value of their content. We believe we have benefited from a trend of
14 content providers consolidating their relationships to do more business with fewer
15 licensees. ***Our track record of obtaining licenses from content providers,
16 together with our proven ability to renew and extend the scope of our licenses,
17 demonstrates the trust content providers place in us.***

18 We have developed a nimble and low-fixed cost production model. The
19 strength of our in-house creative team and relationships with content providers,
20 retailers and third-party manufacturers allows us to move from product concept to
21 pre-selling a new product in as few as 24 hours. We typically have a new figure
22 on the store shelf between 110 and 200 days and can have it on the shelf in as few
23 as 70 days. ***As a result, we can dynamically manage our business to balance
24 current content releases and pop culture trends with content based on classic
evergreen properties, such as Mickey Mouse or classic Batman. This has
allowed us to deliver significant growth while lessening our dependence on
individual content releases.***

(Emphasis added.)

39. The Registration Statement stated that the Company's diversification drove
"revenue visibility and growth" while "lessening [its] dependence on individual content
releases," stating in relevant part:

Dynamic Business Model Drives Revenue Visibility and Growth

Our business is diversified across content providers and properties, product
categories, and sales channels. As a result, ***we can dynamically manage our
business to capitalize on pop culture trends, which has allowed us to deliver
significant growth while lessening our dependence on individual content
releases.*** Our content provider relationships are highly diversified. We generated
only approximately 8% and 15% of net sales from our top property for the six

1 months ended June 30, 2017 and the year ended December 31, 2016, respectively,
 2 and the portion of our net sales for the six months ended June 30, 2017 and the
 3 year ended December 31, 2016 attributable to our top five properties was 27%
 4 and 36%, respectively. Our products are balanced across our licensed property
 5 categories. In 2016, we generated approximately 43% of net sales from classic
 6 evergreen properties, approximately 24% from movie release properties,
 7 approximately 20% from current video game properties and approximately 12%
 8 from current TV properties. We have visibility into the new release schedule of
 9 our content providers and our expansive license portfolio allows us to
 10 dynamically manage new product creation. This allows us to adjust the mix of
 11 products based on classic evergreen properties and new releases, depending on the
 12 media release cycle. In addition, we sell our products worldwide through a diverse
 13 group of sales channels, including specialty retailers, distributors, mass-market
 14 retailers, e-commerce sites and direct-to-consumer.

15 (Emphasis added.)

16 40. The Registration Statement stated that Funko’s “passionate” customer base drove
 17 growth and would continue to do so:

18 With our unique style, expertise in pop culture, broad product distribution and
 19 highly accessible price points, *we have developed a passionate following for our
 20 products that has underpinned our growth.* We believe we sit at the nexus of pop
 21 culture – content providers value us for our broad network of retail customers,
 22 retailers value us for our broad portfolio of licensed pop culture products and pop
 23 culture insights, and consumers value us for our distinct, stylized products and the
 24 content they represent. We believe our innovative product design and market
 positioning have disrupted the licensed product markets and helped to define
 today’s pop culture products category.

* * *

*We believe we drive meaningful traffic to our retail customers’ stores because
 our products have their own built-in fan base, are refreshed regularly creating a
 “treasure hunt” shopping experience for consumers, and are often
 supplemented with exclusive, limited-time products that are highlighted on social
 media. We believe these merchandising strategies create a sense of urgency with
 consumers that encourages repeat visits to our retail customers. . . .*

*. . . Our products are generally priced under \$10, which allows our diverse
 consumer base to express their fandom frequently and impulsively.* We continue
 to introduce innovative products designed to facilitate fan engagement at different
 price points and styles. In addition, our fans routinely express their passion for our
 products and brands through social media and live pop culture events, such as
 Comic-Con or Star Wars Celebration.

(Emphasis added).

41. The Registration Statement also listed the Company’s strategies, which Funko

1 “believe[d] w[ould] drive substantial future growth,” including: (1) “Increase Sales with Existing
2 Retail Customers”; (2) “Add New Retail Customers and Expand Into New Channels”;
3 (3) “Broaden Our Product Offerings”; (4) “Expand Internationally”; and (5) “Leverage the
4 Funko Brand Across Multiple Channels.”

5 42. The statements referenced above were materially false and misleading when made
6 because they failed to disclose that: (1) Funko’s profits and growth were not as positive as the
7 Company represented; (2) Funko’s business model and customer base had not insulated it from
8 adverse industry, sales, and earnings trends; (3) as a result, Defendants’ statements in the
9 Registration Statement regarding Funko’s business, operations and prospects were materially
false and/or misleading.

Subsequent Disclosures

10 43. On November 2, 2017, Funko’s first public day of trading, its stock price opened
11 at \$8 and closed at \$7.07, representing a 41% decrease from the \$12 IPO price. Several news
12 outlets reported this was due to risks associated with Funko’s financial results and misleading
13 accounting practices.

14 44. On November 2, 2017, Bloomberg Gadfly published an article entitled, “Funko
15 Extends Playtime to Its Accounting,” stating the Company engaged in “fun-house accounting.”
The article stated, in relevant part:

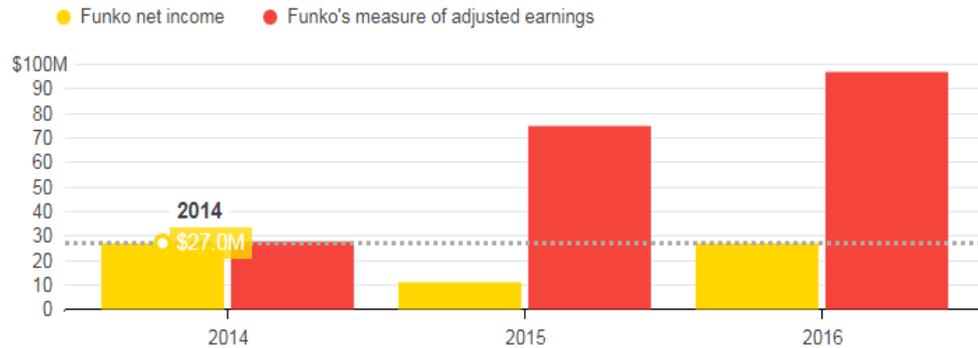
16 Funko, the purveyor of 2017’s version of bobble-head dolls, appears to have a big
17 head when it comes to its financial results.

18 Shares of the company priced on Wednesday night at \$12 and are scheduled to
19 begin trading on Thursday morning. The pricing was below the indicated range of
\$14 to \$16, but even that may have been too high.

20 *In Funko’s IPO prospectus, in a chart with a big arrow pointing up, the*
21 *company says that an important measure of its income, which it uses to*
22 *determine the success of its operational strategies, rose by an average of*
23 *86 percent in its past two full years. The actual bottom line, though, was up an*
24 *average of just 16 percent in 2015 and 2016 and has turned negative lately. Funko*
*lost just more than \$10 million in the first half of this year. **How the toymaker***
gets a loss of \$10 million to reflect back as an 86 percent earnings increase is
the latest example of fun-house accounting on Wall Street.

Dress Up

There's a big difference between Funko's earnings and what it highlights as growing profits



Source: Funko corporate filings

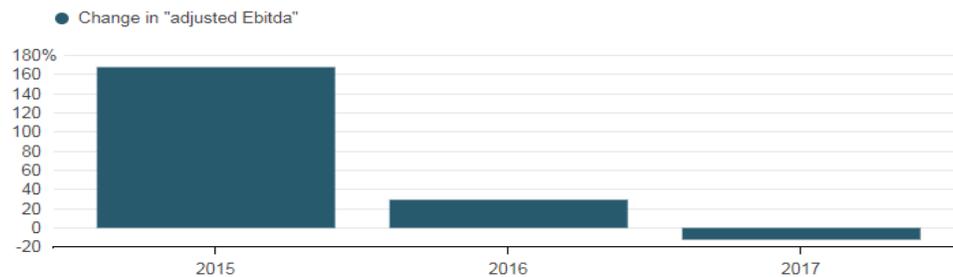
Based on GAAP net income and Funko's reported "adjusted Ebitda."

Funko's main product, Pop! dolls, is hot. The plastic figures with enlarged heads cost about \$10 each and are typically of popular characters from kids' movies or TV shows. But there are also Pop! figures based on athletes and characters from the popular HBO series "Game of Thrones." They have become fixtures at Gamestop and Barnes & Noble. (Full disclosure: My daughter's Pop! collection is nearing the entire population of Hogwarts, with Moana as a visiting student.) Sales of Pop! Dolls grew an impressive 34 percent last year.

The question is how profitable the \$10 figures are, if at all. Funko arrives at its 86 percent compounded annual earnings growth rate by focusing on a figure that more and more companies point their shareholders to called adjusted Ebitda, which excludes a number of costs. Each company computes the figure slightly differently, which is why many accounting experts hate it, but companies like Funko say it is a better measure of their operations. Let's see.

Party's Over

Profits at toy maker Funko, even by its preferred measure, are slowing



Source: Corporate filings

2017 is through June 30. Adjusted Ebitda is as defined by Funko in its S-1 statement.

1 Funko says it had \$97 million in adjusted Ebitda earnings in 2016, up from just
 2 \$28 million in 2014, an increase of \$69 million. How did it manage that increase?
 3 Two years ago, Funko was sold to a private equity firm. Funko says acquisitions
 4 are a one-time expense, even though it says it plans to do more deals in the future.
 5 Nonetheless, exclude those costs, and the company's adjusted Ebitda jumps
 6 nearly \$25 million. ***Funko also contends it has intellectual property worth***
 7 ***\$250 million.*** That's odd for a company whose main products are based on
 8 others' intellectual property. Anyway, the company stepped up write-offs of that
 9 intellectual property last year. ***Depreciation costs rose \$19.5 million. But Funko***
 10 ***says that cost is not part of its operations and excludes it from its adjusted***
 11 ***Ebitda, causing that figure to rise once again.*** Funko has also piled on debt in
 12 the past two years, in part because of its private equity ownership. ***Interest***
 13 ***expense rose \$14.5 million, which is also excluded from adjusted Ebitda.*** You
 14 get the picture; the higher cost is reflected back as better earnings once it's
 15 excluded.

16 ***The result, just \$7 million, or 10 percent, of Funko's \$69 million increase in***
 17 ***adjusted Ebitda -- which led to that 86 percent increase in growth from 2014 to***
 18 ***2016 -- was from actual earnings growth. The other 90 percent came from***
 19 ***higher costs that the company says investors should just ignore. Funko Pop!***
 20 ***dolls are based on fantasy. Its accounting shares a similar trait.***

21 (Emphasis added).

22 45. On November 02, 2017, Yahoo Finance published an article entitled, "Shares of
 23 bobblehead maker Funko plummet after public debut," questioning the Company's readiness to
 24 go public. The article states, in relevant part:

Pop culture licensing company Funko (FNKO) went public on Thursday.

Funko began trading at \$8 per share at 11:35 a.m. ET, 33% below the initial
 public offering price of \$12, which was already reduced from the previously
 expected \$14 to \$16 range.

As of around 2:00 p.m. ET, shares traded in a range of \$6.99 and \$8.35.

The Everett, Washington-based bobblehead and plush doll manufacturer Funko
 decked out Times Square with a larger-than-life Ironman and Hulk to get the buzz
 going.

CEO Brian Mariotti was scheduled to do an interview with Yahoo Finance's live
 show, Midday Movers, but canceled a few minutes after trading started.

Underlying trouble

* * *

1 *Funko has been a private company for the last 19 years and was sold to a*
2 *private equity firm two years ago. It's disappointing opening Thursday perhaps*
3 *confirms that it still wasn't ready for its public debut.*

(Emphasis added).

4 46. On November 03, 2017, The New York Times published an article entitled, "How
5 Not to Price an I.P.O.: A Couple of Lessons From This Week," stating it was "questionable
6 whether selling giant-headed dolls of pop-culture figures is a sustainable business." The article
7 states, in relevant part:

8 *Wall Street has just received a reminder that initial public offerings are not*
9 *child's play. On Thursday, Goldman Sachs, JPMorgan Chase and Bank of*
10 *America presided over a 41 percent drop in shares of Funko, the maker of pop-*
11 *culture dolls, for the worst first-day showing in 17 years. On the same day,*
12 *Allena Pharmaceuticals, a company developing drugs for metabolic diseases, fell*
13 *29 percent. Faddish, highly leveraged and speculative firms can find a buyer — if*
14 *bankers price them right first.*

15 Trying to gauge investor demand for such companies can be difficult. The
16 definition of what is considered risky tends to shrink as animal spirits rise, and
17 vice versa. For example, there were no biotech I.P.O.s for a year and a half during
18 the financial meltdown nearly a decade ago. Investors had no interest in
19 companies without profit or revenue. That's not the case this year, with over
20 30 biotech offerings so far.

21 Bankers are well paid to find the right price. Companies don't want to mess up
22 their public debut, so they tend to prefer the top Wall Street firms and can pay
23 hefty fees.

24 *Funko is not the sort of firm that investors would clamor to buy when markets*
1 *were weak. Its private-equity owner had extracted more than \$100 million in*
2 *cash from the firm since it went private in 2015, leaving its debt at over*
3 *\$200 million. Funko also lost money in the first six months of the year. A robust*
4 *holiday season could produce a profit, but it is also questionable whether selling*
5 *giant-headed dolls of pop-culture figures is a sustainable business.*

6 *The fact that bankers cut the amount of shares offered and reduced the price*
7 *from the indicated range, yet the stock still suffered a vertiginous drop, could*
8 *simply indicate they got demand wrong. Then again, the poor performance that*
9 *both Funko and Allena suffered could signal something bigger: investors'*
10 *receding appetite for risk.*

(Emphasis added).

11 47. On December 19, 2017, BMO Capital Markets downgraded the Company's stock

1 and lowered the multiples used for its valuation.

2 48. On December 21, 2017, Funko Class A common stock closed at \$6.00 per share,
3 representing a 50% decline from Funko's IPO price.

4 **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

5 49. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil
6 Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants
7 who purchased or otherwise acquired the publicly traded securities of Funko pursuant and/or
8 traceable to the Company's Registration Statement and Prospectus issued in connection with the
9 Company's IPO and who were damaged thereby (the "Class"). Excluded from the Class are
10 Defendants, the officers and directors of the Company, members of the Individual Defendants'
11 immediate families and their legal representatives, heirs, successors or assigns and any entity in
12 which the officers and directors of the Company have or had a controlling interest.

13 50. The members of the Class are so numerous that joinder of all members is
14 impracticable. Since the IPO, the Company's securities were actively traded on NASDAQ.
15 While the exact number of Class members is unknown to Plaintiff at this time and can be
16 ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not
17 thousands of members in the proposed Class.

18 51. Plaintiff's claims are typical of the claims of the members of the Class as all
19 members of the Class are similarly affected by defendants' wrongful conduct in violation of
20 federal law that is complained of herein.

21 52. Plaintiff will fairly and adequately protect the interests of the members of the
22 Class and has retained counsel competent and experienced in class and securities litigation.
23 Plaintiff has no interests antagonistic to or in conflict with those of the Class.

24 53. Common questions of law and fact exist as to all members of the Class and
predominate over any questions solely affecting individual members of the Class. Among the
questions of law and fact common to the Class are:

- a. Whether Defendants' acts as alleged violated the federal securities laws;

1 C. Awarding Plaintiffs and the other members of the Class prejudgment and post-
2 judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and

3 D. Awarding such other and further relief as this Court may deem just and proper.

4 **JURY TRIAL DEMANDED**

5 Plaintiff hereby demands a trial by jury.

6 DATED this 4th day of June, 2018.

7 Respectfully submitted,

8 **HALL & GEORGE PLLC**

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19 Fax: (212) 202-3827

20 *Attorneys for Plaintiff*

EXHIBIT 1

Certification and Authorization of Named Plaintiff Pursuant to Federal Securities Laws

The individual or institution listed below (the "Plaintiff") authorizes and, upon execution of the accompanying retainer agreement by The Rosen Law Firm P.A., retains The Rosen Law Firm P.A. to file an action under the federal securities laws to recover damages and to seek other relief against Funko, Inc.. The Rosen Law Firm P.A. will prosecute the action on a contingent fee basis and will advance all costs and expenses. The Funko, Inc.. Retention Agreement provided to the Plaintiff is incorporated by reference, upon execution by The Rosen Law Firm P.A.

First name: satyanarayana
Middle initial: REDACTED
Last name: kanugonda
Address: [REDACTED]
City: [REDACTED]
State: [REDACTED]
Zip: [REDACTED]
Country: [REDACTED]
Facsimile: [REDACTED]
Phone: [REDACTED]
Email: [REDACTED]

Plaintiff certifies that:

1. Plaintiff has reviewed the complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff represents and warrants that he/she/it is fully authorized to enter into and execute this certification.
5. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.
6. Plaintiff has made no transaction(s) during the Class Period in the debt or equity securities that are the subject of this action except those set forth below:

Acquisitions:

Type of Security	Buy Date	# of Shares	Price per Share
Common Stock	11/03/2017	83	12

7. I have not served as a representative party on behalf of a class under the federal securities laws during the last three years, except if detailed below. []

I declare under penalty of perjury, under the laws of the United States, that the information entered is accurate:

YES

Certification for satyanarayana kanugonda (cont.)

By clicking on the button below, I intend to sign and execute this agreement and retain the Rosen Law Firm, P.A. to proceed on Plaintiff's behalf, on a contingent fee basis.

YES

Signed pursuant to California Civil Code Section 1633.1, et seq. - and the Uniform Electronic Transactions Act as adopted by the various states and territories of the United States.

Date of signing: 02/28/2018