

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 15, 2019**

JAKKS PACIFIC, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-28104
(Commission
File Number)

95-4527222
(IRS Employer
Identification No.)

2951 28th Street, Santa Monica, California
(Address of principal executive offices)

90405
(Zip Code)

Registrant's telephone number, including area code: **(424) 268-9444**

Securities registered or to be registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---------------------------------------|----------------|---|
| Common Stock, \$.001 par value | JAKK | NASDAQ Global Select Market |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Effective November 20, 2019, we entered into a letter agreement with John L. Kimble (the “Employment Agreement”). The Employment Agreement provides that Mr. Kimble will be our Executive Vice President and Chief Financial Officer as an at-will employee at an annual salary of \$500,000. Mr. Kimble will also receive a grant of \$250,000 restricted stock units (“RSUs”) on the date hereof and annual grants of \$250,000 of RSUs for the initial year and \$500,000 annual grants of RSUs for every year thereafter. The number of shares in each annual grant of RSUs will be determined by the closing price of our common stock on the last trading day prior to the day of each annual grant. 60% (\$150,000 for the first year and \$300,000 thereafter) of each annual grant of RSUs will be subject to three year “cliff vesting” (i.e. vesting is based upon performance at the close of the three year performance period), with vesting of each annual grant of RSUs determined by the following performance measures: (i) Total shareholder return as compared to the Russell 2000 Index (weighted 50%); (ii) Net revenue growth as compared to the Company’s peer group (weighted 25%), and (iii) EBITDA growth as compared to the Company’s peer group (weighted 25%). 40% (\$100,000 for the first year and \$200,000 thereafter) of each annual grant of RSUs will vest in 3 equal annual installments commencing on the first anniversary of the date of grant and on the second and third anniversaries thereafter. The Employment Agreement also contains provisions relating to benefits, change of control, and an annual performance-based bonus award equal to up to 125% of base salary.

The foregoing is only a summary of certain of the terms of the Employment Agreement. For a complete description, a copy of the Employment Agreement is annexed hereto in its entirety as an exhibit.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Effective November 20, 2019, Mr. John L. Kimble became our Executive Vice President and Chief Financial Officer. Mr. Kimble, age 50, has no prior employment history with us nor is he related to any of our executive officers or directors.

Mr. Kimble worked for over 12 years at various positions at The Walt Disney Company, as VP/Finance, Strategy, Operations and Business Development. More recently, Mr. Kimble spent six years at Mattel, Inc. where he served in various positions and concluded his career there as VP/Head of Corporate Development – Licensing Acquisitions – M&A. In between his service at Disney and Mattel, John spent a couple of years as an entrepreneur at a start-up gaming company. He began his career as a consultant for Mars & Co., a global strategy consulting firm. Mr. Kimble received his Bachelor’s Degree in Management Science, Concentration in Finance, Minor in Economics from Sloan School, Massachusetts Institute of Technology (M.I.T.) and has a Master of Business Administration (MBA) from the Wharton School of the University of Pennsylvania.

As described above, we entered into an Employment Agreement with Mr. Kimble.

On November 18, 2019, the Company amended the employment agreement between the Company and Mr. Stephen G. Berman, Chief Executive Officer and President, and entered into Amendment No. 4 to Mr. Berman’s Second Amended and Restated Employment Agreement, dated as of November 11, 2010 (the “Employment Agreement”). The terms of Mr. Berman’s Employment Agreement have been amended as follows: (i) to extend the Term of the Employment Agreement for an additional year through December 31, 2021; (ii) addition of a 2021 performance bonus opportunity in a range between twenty-five percent (25%) and three hundred percent (300%) of Base Salary, based upon the level of EBITDA achieved by the Company for the fiscal year, as determined by the Compensation Committee, which shall be payable in cash and is subject to additional terms and conditions as set forth therein; (iii) modification of the Annual Restricted Stock Grant provided for under section 3(b) of the Employment Agreement, effective as of January 2020, so that the number of shares of Restricted Stock granted pursuant to such Annual Restricted Stock Grant equal the lesser of (a) \$3,500,000 in value (based on the closing price of a share of Common Stock on the last business day of the prior year), or (b) 1.5% of outstanding shares of Common Stock, which shall vest in four equal installments on each anniversary of grant, provided, that no such award under (a) or (b) above shall be made to Executive (and no cash substitute shall be provided to Executive) to the extent shares are not available for grant under the Plan as of such date; and, provided, further, that the Company shall not be obligated to amend the Plan and/or seek shareholder approval of any amendment to increase the amount of available shares under the Plan. All capitalized terms used but not defined in the previous sentence have the meanings ascribed thereto in the Employment Agreement, as amended by the fourth amendment.

The foregoing description of the fourth amendment to the Employment Agreement is qualified in its entirety by reference to the full text thereof, a copy of which is filed as Exhibit 10.1 to this Form 8-K and is incorporated by reference into this Item 5.02.

Item 5.07. Submission of Matters to a Vote of Security Holders.

We mailed a Proxy Statement on or about October 28, 2019 to our stockholders of record as of September 20, 2019 in connection with our Special Meeting of Stockholders, which was held on November 15, 2019 at Loews Santa Monica Beach Hotel, 1700 Ocean Avenue, Santa Monica, California, 90401. At the Meeting, the stockholders voted on two matters as follows: (i) the adoption of a proposal to approve the issuance of an amount of our common stock in excess of 19.9% of the shares of our common stock outstanding immediately prior to August 7, 2019, which was approved, and (ii) the adoption of a proposal to approve an amendment to the Amended and Restated Certificate of Incorporation of the Company to classify our Board of Directors into three classes with staggered three-year terms, which was approved.

The first matter upon which the stockholders voted was the proposal to approve a transaction which could result in the issuance of an amount of stock in excess of 19.9% of our outstanding shares of common stock, which matter was approved. The tabulation of the votes (both in person and by proxy) was as follows:

| For | Against | Abstentions |
|------------|---------|-------------|
| 23,040,668 | 280,779 | 18,400 |

There were no broker held non-voted shares represented at the Meeting with respect to this matter.

The second matter upon which the stockholders voted was the proposal to approve an amendment to the Amended and Restated Certificate of Incorporation of the Company to classify our Board of Directors into three classes with staggered three-year terms, which matter was approved. The tabulation of the votes (both in person and by proxy) was as follows:

| For | Against | Abstentions |
|------------|-----------|-------------|
| 20,011,431 | 3,309,405 | 19,011 |

There were no broker held non-voted shares represented at the Meeting with respect to this matter.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit</u> | <u>Description</u> |
|-----------------------|--|
| 10.1 | Letter Agreement dated November 18, 2019 between Registrant and John L. Kimble |
| 10.2 | Amendment No. 4 to the Second Amended and Restated Employment Agreement of Stephen G. Berman |
| 99.1 | Press Release dated November 20, 2019 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JAKKS PACIFIC, INC.

Dated: November 20, 2019

By: /s/ STEPHEN G. BERMAN
Stephen G. Berman, CEO



November 18, 2019

John L. Kimble
 Hermosa Beach, CA 90254
kimble@alum.mit.edu
 626.233.7817

Dear John,

On behalf of JAKKS Pacific, Inc., the “Company” I am pleased to offer you the position of Executive Vice President, Chief Financial Officer reporting to Stephen Berman – Chief Executive Officer. Should you accept this offer of employment, your first day of employment is anticipated to be on or about December 6, 2019 (your actual first day of employment is referred to as the “start date”).

This letter outlines the terms of your employment with the Company and your compensation and benefits, as set forth below:

· **Annualized Base Salary**

- o \$500,000.00 per year, payable semi-monthly and less applicable tax withholding.

· **Executive Incentive Plan**

- o You are eligible to participate in JAKKS’ annual bonus program as follows:

(a) For 2020 your bonus will be capped at a multiple of 1.25 times your base salary and shall be earned as follows:

- (i) 25% of base salary if EBITDA is \$25M-\$30M;
- (ii) 50% of base salary if EBITDA is \$30M-\$35M;
- (iii) 100% of base salary if EBITDA is \$35M-\$45M; and
- (iv) 125% of base salary if EBITDA is at or above \$45M.

(b) Calculations of EBITDA shall be after bonus accruals.

(c) For 2021 the bonus will be [capped at a multiple of 1.25 times your base salary and will be] established by the Board’s compensation committee during the first quarter of 2021 and will be designed to reflect the Company’s growth from 2019 and 2020.

(d) Such other additional bonus, if any, which is discretionary and to be determined by the compensation committee.

· **Car Allowance**

- o A car allowance of \$1,000.00 per month, less applicable tax withholding, payable semi-monthly, will be provided to you in lieu of mileage reimbursement.

CORPORATE OFFICE

2951 28TH STREET, SANTA MONICA, CA 90405 424.268.9444 WWW.JAKKS.COM

HONG KONG OFFICE

12/F, WHARF T&T CENTRE, 7 CANTON ROAD, TSIM SHA TSUI, HONG KONG 852.2311.1386



Restricted Stock Awards

- o The Company will grant the Executive the Restricted Stock Units pursuant to the Company's 2002 Stock Award and Incentive Plan. Each Restricted Stock Unit is the equivalent of one share of the Company's common stock, par value \$.01 per share (each a "Share").
 - (a) \$250,000 of Restricted Stock Units, based upon the closing share price on the Effective Date (as defined below), will be granted on the date hereof as a one-time signing bonus which shall vest on the twelve (12) month anniversary of the date thereof.
 - (b) Executive will receive annual grants of Restricted Stock Units. \$250,000 of Restricted Stock Units will be granted on the effective date of the Employment Agreement ("Effective Date") and \$500,000 of Restricted Stock Units will be granted on each anniversary thereof during the term of employment.
 - (c) The number of Shares in each annual grant of Restricted Stock Units will be determined by the closing Share price on the last trading day prior to the Effective Date and on each anniversary of such date during the term of employment.
 - (d) 60% (\$150,000 for the first year and \$300,000 thereafter) of each annual grant of Restricted Stock Units will be subject to three year "cliff vesting" (i.e. vesting is based upon performance at the close of the three year performance period), with vesting of each annual grant of Restricted Stock Units determined by the following performance measures:
 - (i) Total shareholder return as compared to the Russell 2000 Index (weighted 50%),
 - (ii) Net revenue growth as compared to the Company's peer group (weighted 25%), and
 - (iii) EBITDA growth as compared to the Company's peer group (weighted 25%).
 - (e) 40% (\$100,000 for the first year and \$200,000 thereafter) of each annual grant of Restricted Stock Units will vest in 3 equal annual installments commencing on the first anniversary of the Effective Date and on the second and third anniversaries thereafter.
- Vesting of the Restricted Stock Units is subject to the Executive's continued employment.

Change of Control

In the event of a change of control ("COC") of the Company (as defined for the Company's other executives), if within twelve (12) months following a Change of Control Executive's employment is terminated without Cause or by Executive for Good Reason, Executive will be entitled to receive an amount equal to Executive's base monthly salary in effect on the termination date multiplied by twenty-four (24),

General Benefits

- o You will be eligible to participate in Company benefit programs as available or that become available to other similarly situated associates of the Company, subject to the generally applicable terms and conditions of each program. The continuation or termination of each program will be at the discretion of the Company. Monthly premiums for Medical, Dental, Vision, Employee Assistance and Long Term Disability are 100% paid by JAKKS for you and your eligible dependents. Benefit details are as follows:
 - § Blue Shield Medical PPO or HMO – Eligible to participate the first of the month upon completing 30 days of employment
 - § Aetna Dental PPO or DMO – Eligible to participate the first of the month upon completing 30 days of employment
-

- § VSP Vision – Eligible to participate the first of the month upon completing 30 days of employment
- § Aetna Life Insurance - Eligible to participate the first of the month upon completing 30 days of employment
- § Discovery Flexible Spending Medical and Dependent Care Account – Eligible to participate the first of the month upon completing 30 days of employment
- § Lincoln Long Term Disability – Eligible to participate the first of the month upon completing 30 days of employment
- § Lincoln Employee Assistance Program – Eligible to participate the first of the month upon completing 30 days of employment

· **Executive Benefits Program**

- o Exec-U-Care Program
 - § Reimbursement for medical services not otherwise covered, subject to the continuation of that program in the sole discretion of the Company.
- o Vacation
 - § 4 weeks of vacation accrual per year, subject to an accrual cap
 - § Personal and Sick Days

· **401 (k)**

You are eligible to join the JAKKS Pacific, Inc. 401(k) plan the first of the month following 90 days of employment. You may contribute a pre-tax salary reduction between 1% and 50%. For every dollar you contribute to the plan, JAKKS will match 100% up to 5% of your eligible compensation. The matching is 100% vested immediately. Notwithstanding the foregoing, the Company retains discretion to modify the foregoing benefits at any time.

· **D&O Insurance**

As per the terms of the Company's policies, you will be eligible for coverage under the Company's D&O insurance plans (currently providing an aggregate of \$60M of coverage) similar to all other executive level employees.

This formal notification of our offer of employment is subject to the terms set forth in the JAKKS Employment Application and is contingent upon satisfactory background verification, receipt of an original application, a final review of references, and the approval of the Compensation Committee of the Board of Directors.

For purposes of federal immigration law, you will be required to provide to the Company documentary evidence of your identity and eligibility for employment in the United States. Such documentation must be provided to us within 3 business days of your date of hire, or our employment relationship with you may be terminated.

Please be aware that your employment with the Company is for no specified period and constitutes at-will employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to conclude its employment relationship with you at any time, with or without cause, and with or without notice. We request that, in the event of resignation, you give the Company at least two weeks' notice.

You agree that, during the term of your employment with the Company, you will devote substantially all of your professional time to your responsibilities at JAKKS, and you will not engage in any other employment, occupation, consulting or other business activity directly related to the business in which the Company is now involved or becomes involved during the term of your employment, nor will you engage in any other activities that conflict with your obligations to the Company.

As a Company Executive, you will be expected to abide by company rules and standards as presented in our Employee Handbook and our World Wide Code of Business Conduct and Ethics. As a condition of your employment, you will also be required to sign and comply with a Creative Efforts, Confidential Information Invention Assignment Agreement which requires, among other provisions, (i) the assignment of patent, copyright and other intellectual property rights to any invention made during your employment at the Company, and (ii) non-disclosure of proprietary information.

To indicate your acceptance of the Company's offer of employment as stated above, please sign and date this letter in the space provided below. A duplicate original is enclosed for your records. This letter sets forth the terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral. This letter, including, but not limited to, its at-will employment provision, may not be modified or amended except by a written agreement signed by JAKKS' Chief Executive Officer and you.

John, I look forward to working with you and having you as a member of the team!

Sincerely,

Elsa Morgan
Sr. Vice President of Human Resources
JAKKS Pacific, Inc.

Agreed and accepted:

Signature

Printed Name

Received Offer Date

Confirmed Start Date

**AMENDMENT NO. 4 TO THE SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIS AMENDMENT NO. 4 TO THE SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment") is entered into as of November __, 2019 (the "Effective Date"), by and between Stephen G. Berman ("Berman" or "Executive") and JAKKS Pacific, Inc., a Delaware Corporation (the "Company"). The Company and Executive are sometimes referred to herein, each a "Party" and, collectively, the "Parties."

WITNESSETH:

WHEREAS, Executive is currently employed by the Company pursuant to that certain Second Amended and Restated Employment Agreement, dated November 11, 2010 (the "2010 Amended and Restated Employment Agreement"), between Executive and the Company, as modified by the October 20, 2011 letter amendment (the "2011 Amendment"), and as amended by Amendment Number One, dated September 12, 2012 (the "2012 Amendment"), Amendment Number Two, dated June 7, 2016 (the "2016 Amendment"), and Amendment Number Three, dated August 9, 2019 (the "2019 Amendment") (the 2010 Amended and Restated Employment Agreement, together with (and as amended by) the 2011 Amendment, the 2012 Amendment, the 2016 Amendment, and the 2019 Amendment, the "Amended Employment Agreement"); and

WHEREAS, the Parties desire to further amend the terms of the Amended Employment Agreement on the terms and subject to the conditions set forth in this Amendment (the Amended Employment Agreement, as amended by this Amendment, referred to as the "Employment Agreement").

NOW THEREFORE, in consideration of the premises and the mutual covenants and obligations contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, pursuant to Section 21 of the 2010 Amended and Restated Employment Agreement and subject to the terms and conditions set forth herein, agree as follows:

1. **Definitions.** All references in the Amended Employment Agreement to "this Agreement" shall be deemed to refer to the Employment Agreement (including as amended by this Amendment). Capitalized terms not defined herein shall have the meanings set forth for such terms in the Amended Employment Agreement.

2. **Amendments.** The Parties hereby agree that, effective upon the Effective Date, the Amended Employment Agreement shall be deemed amended as follows:

(a) Section 2 of the Amended Employment Agreement is amended by deleting the current provision in its entirety and inserting, in lieu thereof, the following:

*"2. **Term.** The term of this Agreement shall commence as of the date hereof and the term of this Agreement and Executive's employment hereunder shall end on December 31, 2021, subject to earlier termination upon the terms and conditions provided elsewhere herein (the "Term"). As used herein, "Termination Date" shall mean the last day of the Term."*

(b) The Amended Employment Agreement is further amended by adding a new Section 3(d)(vii), to provide as follows:

vii. 2021 Performance Bonus Opportunity. For the fiscal year commencing on January 1, 2021, Executive shall be eligible to receive a performance-based bonus award in a range between Twenty-Five percent (25%) and Three Hundred percent (300%) of the Base Salary, based upon the level of EBITDA (defined below) achieved by the Company for such fiscal year prior to deduction of bonus expenses and one-time non-recurring costs for initiatives approved by the Board (each an "EBITDA Target Amount"), as determined by the Compensation Committee, and subject to the terms and conditions set forth herein (the "2021 Performance Bonus").

For fiscal year 2021, if the Compensation Committee determines that the Company's EBITDA (as defined in the First Lien Term Loan Facility Credit Agreement, dated as of [REDACTED], 2019, by and among Cortland Capital Market Services LLC, the Financial Institutions party thereto, the Company, Disguise, Inc., JAKKS Sales LLC, Maui, Inc., Moose Mountain Marketing, Inc., and Kids Only, Inc.) for fiscal year 2021 prior to deduction of bonus expenses and one-time non-recurring costs for initiatives approved by the Board:

A. is less than \$30,000,000.00, no 2021 Performance Bonus shall be paid;

B. equals \$30,000,000.00, the 2021 Performance Bonus shall be in an amount equal to Twenty-Five Percent (25%) of the Base Salary for such fiscal year;

C. equals \$40,000,000.00, the 2021 Performance Bonus shall be in an amount equal to One Hundred Percent (100%) of the Base Salary for such fiscal year;

D. equals \$50,000,000.00, the 2021 Performance Bonus shall be in an amount equal to Two Hundred Percent (200%) of the Base Salary for such fiscal year; OR

E. equals or exceeds \$60,000,000.00, the 2021 Performance Bonus shall be in an amount equal to Three Hundred Percent (300%) of the Base Salary for such fiscal year.

To the extent that EBITDA exceeds \$30,000,000.00, but falls between two EBITDA Target Amounts set forth in Sections 3(d) vii. B. through E. above, the amount of the 2021 Performance Bonus shall be determined by the Compensation Committee through linear interpolation. For the avoidance of doubt, the calculation of any 2021 Performance Bonus shall be based upon only the highest EBITDA Target Amount achieved by the Company for 2021, and shall not be a cumulative amount.

ii. The Company shall pay any 2021 Performance Bonus due Executive hereunder for the fiscal year commencing January 1, 2021 in cash, subject to any required tax withholding, in 2022, not later than twenty-one (21) business days following the date on which the Auditors' final report on the Company's financial statements for fiscal year 2021 is issued and delivered to the Company and in any event not later than April 30, 2022 (the "2021 Performance Bonus Award Date"). Except as otherwise provided herein, Executive must be employed on the 2021 Performance Bonus Award Date to be eligible to receive the 2021 Performance Bonus, or any portion thereof, for such fiscal year.

(c) The Amended Employment Agreement is further amended by deleting Section 3.b.ii. of the Amended Employment Agreement in its entirety and inserting in lieu thereof the following:

(ii) Pursuant to and subject to the terms of the Plan, the Company shall, to the extent shares are available for award under the Plan, issue to Executive on each of the first business days of 2020 and 2021 (provided that Executive remains employed by the Company on such date(s), as applicable) that number of shares of Restricted Stock that are equal to the lesser of (A) \$3,500,000 in value (based on the closing price of a share of the Company's common stock on December 31, 2019 or December 31, 2020, as applicable), or (B) 1.5% of common shares outstanding of the Company, which shall vest as set forth below in Section 3.b. (iii); provided, that no such award under (A) or (B) above shall be made to Executive (and no cash substitute shall be provided to Executive) to the extent shares are not available for grant under the Plan as of such date; and, provided, further, that the Company shall not be obligated to amend the Plan and/or seek shareholder approval of any amendment to increase the amount of available shares under the Plan.

(iii) Granted shares will vest in four equal installments on each anniversary of grant.

3. Ratification; Effect of Amendment. Except as expressly provided herein, this Amendment shall not, by implication or otherwise, alter, modify, amend or in any way affect any of the obligations, covenants or rights contained in the Amended Employment Agreement, all of which are ratified and confirmed in all respects by the Parties and shall continue in full force and effect. Each reference to the Employment Agreement or Amended Employment Agreement hereafter made in any document, agreement, instrument, notice or communication shall mean and be a reference to the Employment Agreement, as amended and modified hereby.

4. Reimbursement of Legal Fees. The Company shall reimburse Executive for up to \$10,000.00 of reasonable legal fees and disbursements incurred by him to his counsel Choate, Hall & Stewart LLP in the negotiation of this Amendment, promptly following presentation to the Company of documentation demonstrating such fees and disbursements.

5. Miscellaneous.

(a) This Amendment shall be governed and construed as to its validity, interpretation and effect by the laws of the State of California, without reference to its conflicts of laws provisions.

(b) The Section captions herein are for convenience of reference only, do not constitute part of this Amendment and shall not be deemed to limit or otherwise affect any of the provisions hereof.

(c) Each party hereto acknowledges that it has had an opportunity to consult with counsel and has participated in the preparation of this Amendment. No party hereto is entitled to any presumption with respect to the interpretation of any provision hereof or the resolution of any alleged ambiguity herein based on any claim that the other party hereto drafted or controlled the drafting of this Amendment.

(d) This Amendment and the documents referenced herein, constitute the entire agreement among the Parties with respect to this amendment of the Amended Employment Agreement and supersede all prior agreements, negotiations, drafts, and understandings among the Parties with respect to such subject matter. This Amendment can only be changed or modified pursuant to a written instrument referring explicitly hereto, and duly executed by each of the Parties.

(e) This Amendment may be executed and delivered (by facsimile or PDF signature) in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the day and year first written above.

THE COMPANY:

JAKKS PACIFIC, INC.

By: _____
Name: _____
Title: _____

EXECUTIVE:

Stephen G. Berman



**JAKKS Pacific Announces Appointment of John Kimble as Chief Financial Officer
And One-Year Extension of Chief Executive Officer's Employment Term**

SANTA MONICA, Calif. - November 20, 2019 - JAKKS Pacific, Inc. (NASDAQ: JAKK) announced today the appointment of John Kimble as Executive Vice President and Chief Financial Officer effective November 20, 2019.

Mr. Kimble will be responsible for overseeing all financial aspects of the Company, including financial planning and analysis, accounting and financial reporting, as well as managing the tax, internal audit, treasury, and investor relations functions. He will report directly to JAKKS' Chairman and CEO, Stephen Berman.

Mr. Kimble brings to JAKKS more than 20 years of experience in finance, strategy and corporate development, with expertise in operations, financial planning and strategy, cross-border international business activities, licensing and mergers and acquisitions, in addition to financial reporting and accounting.

Mr. Kimble worked for over 12 years at various positions at The Walt Disney Company, as VP/Finance, Strategy, Operations and Business Development. More recently, Mr. Kimble spent six years at Mattel, Inc. where he served in various positions and concluded his career there as VP/Head of Corporate Development – Licensing Acquisitions – M&A. In between his service at Disney and Mattel, John spent a couple of years as an entrepreneur at a start-up gaming company. He began his career as a consultant for Mars & Co., a global strategy consulting firm. Mr. Kimble received his Bachelor's Degree in Management Science, Concentration in Finance, Minor in Economics from Sloan School, Massachusetts Institute of Technology (M.I.T.) and has a Master of Business Administration (MBA) from the Wharton School of the University of Pennsylvania.

Stephen Berman, JAKKS' Chairman and CEO commented: "We are very excited to welcome John to the team and add his broad experience in finance and licensing to our management team. We believe his financial management skills coupled with his entrepreneurial experience will serve us well as we continue to implement our strategy of growth both domestically and internationally. Moreover, John's decades of experience working within the toy industry, together with his extensive background with licensing, is a perfect fit as we look to increase our IP portfolio with new and exciting products."

Mr. Kimble commented: "I look forward to joining JAKKS and working with Stephen Berman and the management team. I see this as a natural evolution of my professional career as I can bring my experiences at Disney and Mattel to this position. With JAKKS's recent recapitalization in the rear window, I believe that my skill sets, which include experience in finance, licensing, gaming, and international sales, will allow me to assist JAKKS in the development and implementation of its business strategies aimed at increasing shareholder value."

The Company also announced that the term of Mr. Berman's employment has been extended for one year through December 31, 2021. Mr. Berman stated: "The one-year extension of my employment term should provide additional stability for the Company to enable it to achieve its objectives, while at the same time signaling that stability to our industry partners, our licensors, customers, factories and vendors.

About JAKKS Pacific, Inc.

JAKKS Pacific, Inc. (NASDAQ: JAKK) is a leading designer, manufacturer and marketer of toys and consumer products sold throughout the world, with its headquarters in Santa Monica, California. JAKKS Pacific's popular proprietary brands include Perfectly Cute™, Real Workin' Buddies™, Squish-Dee-Lish™, XPV®, Disguise®, Moose Mountain®, Fun noodle®, Maui®, Kids Only!®; a wide range of entertainment-inspired products featuring premier licensed properties; and C'est Moi™, a new generation of clean beauty. Through JAKKS Cares, the company's commitment to philanthropy, JAKKS is helping to make a positive impact on the lives of children. Visit us at www.jakks.com and follow us on Instagram (@jakkstoys), Twitter (@jakkstoys) and Facebook (JAKKS Pacific).

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Forward Looking Statements

This press release may contain "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) that are based on current expectations, estimates and projections about JAKKS Pacific's business based partly on assumptions made by its management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such statements due to numerous factors, including, but not limited to, those described above, changes in demand for JAKKS Pacific's products, product mix, the timing of customer orders and deliveries, the impact of competitive products and pricing, or that the Recapitalization transaction or any future transactions will result in future growth or success of JAKKS. The "forward-looking statements" contained herein speak only as of the date on which they are made, and JAKKS undertakes no obligation to update any of them to reflect events or circumstances after the date of this release.

Media Contact:

JAKKS Pacific

Rachel Griffin

424-268-9553

Rgriffin@jakks.net

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