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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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IN RE: TOPPS CO., INC. SHAREHOLDER LITIGATION

Index No. 07-600715 (Cahn, J.S.C.)

JURY TRIAL DEMANDED

CONSOLIDATED AMENDED CLASS ACTION COMPLAINT

Plaintiffs, by their attorneys, allege upon information and belief, except for those allegations that pertain to them, which are alleged upon personal knowledge, as follows:

SUMMARY OF THE ACTION

1. Plaintiffs bring this stockholder class action on behalf of themselves and all other public shareholders of The Topps Company, Inc. ("Topps" or the "Company"), against Topps, certain of its directors (the "Individual Defendants") and two private equity firms, The Tornante Company LLC and Madison Dearborn Partners, LLC (the "Private Equity Buyers") (collectively, the "Defendants"), arising out of the Private Equity Buyers' proposed acquisition of Topps for $9.75 per share in cash in a multimillion-dollar going-private transaction (the "Buyout") that will permit them and other insiders to capitalize on the Company's prospects for future growth while cashing out the Company's shareholders (the "Class") at an unfair and inadequate price and based on incomplete and misleading disclosures to public shareholders. As three of the Company's directors who voted against the Buyout have emphatically confirmed, the consideration that the Private Equity Buyers have offered in connection with the Buyout materially undervalues the Company and does not represent the true value of the shareholders' shares.

2. Moreover, the sales process that the Individual Defendants engaged in that resulted in the Buyout was inherently flawed, and the subsequent post-Buyout announcement "go-shop" period – during which the Company received ***and rejected*** a potential bid from a strategic buyer that was ***significantly above*** the Buyout consideration – was nothing more than window-dressing that the Defendants used to make the flawed sales process appear legitimate to shareholders. The facts reveal that the Individual Defendants concocted a number of false "reasons" to justify their unwarranted and unreasonable rejection of this bid so that it would not interfere with their plan and intention to consummate the Buyout at great cost to the Company's public shareholders.

3. Other terms of the Buyout and the Merger Agreement are so biased in favor of consummation of the Buyout as to make it highly unlikely that any competing offer will be pursued, much less succeed. For instance, the Individual Defendants stacked the deck so that, in effect, a prevailing competing offeror will be saddled with up to $16.5 million in termination fees if the Buyout does not go through and is instead terminated in favor of a superior proposal. The terms of the Buyout also granted the Private Equity Buyers a "right of first refusal," giving them the ability to match the terms of any superior competing bid before the Company is allowed to reject the Buyout in favor of that superior proposal. Such provisions deter potential purchasers from going through the costly process of conducting due diligence and preparing, submitting, and negotiating a proposal that the Private Equity Buyers have a contractual right to invest without having to incur the large termination fee.

4. In sum, this "go-shop" provision is a smokescreen and does not serve to adequately protect the interests of the Plaintiffs and the Class here. This period allowed Topps to solicit superior proposals from third parties only during a truncated window of forty (40) days

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after the March 5, 2007 effective date of the Merger Agreement, and under such onerous circumstances as to make it extremely burdensome and costly for any competing bidder to successfully challenge the Private Equity Buyers.

5. Defendants' scheme to ward off any competing bidders by "stacking the deck" in favor of the Buyout almost worked, to the extent that, out of over one hundred contacts, only a single competing bid was made for the Company. However,

broke the Defendants' no-hitter with a bid that reportedly topped the Private Equity Buyers' offer for Topps by a full dollar, or 10.25%, offering $10.75 per share. Defendants scrambled to scuttle competing and clearly superior bid, which threatened their plans to sell the Company to the Private Equity Buyers and thereby guarantee themselves lucrative payouts and protect their own employment and/or management positions and financial futures.

6. Finally, even though they had no valid justification for refusing to adequately consider offer, or to break off negotiations, Defendants nevertheless rejected bid and refused to negotiate any further. In explanation, Topps offered the specious reason that did not have the financing in place to consummate the deal, even though

and that Topps itself has more than $80 million in cash and short term investments (and no debt) that could access to fund any competing deal. In any event, Defendants took this extreme and unwarranted action in the midst of talks, while

was attempting to negotiate these same issues, and before they could be resolved. This extreme move only confirms that the Defendants' intention was to protect their own interests by pushing the Buyout through come what may, no matter the cost to Topps shareholders.