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March 6, 2019

State of California  
Department of Justice  
Public Inquiry Unit  
P.O. Box 944255  
Sacramento, CA 94244-2550

Attn: Jeanatte Salazar  
Public Inquiry Unit

Re: Complaint ID No. 822803

Dear Ms. Salazar:

On behalf of Comhear, Inc. (the "Company") we submit the following response to the consumer complaint submitted by Stefan Schwabe referenced above.

To begin with, Mr. Schwabe suggests that he incurred a cost for an "item or service" of \$789.00. Please note that Mr. Schwabe appears to have participated in the Company's crowdfunding program on [www.kickstarter.com](http://www.kickstarter.com). As you may be aware, Mr. Schwabe's participation in the Kickstarter program consisted of a pledge (or contribution) by a "backer" to support the efforts of the Company described in the Company's Kickstarter program. The program states clearly that such pledge is not a purchase of goods or services, but rather a contribution to the Company's efforts. The Kickstarter website states specifically: "... backers must understand that Kickstarter is not a store. When you back a project, you're helping create something new — not ordering something that already exists. There's a chance something could happen that prevents the creator from being able to finish the project as promised."

However frustrated Mr. Schwabe may be, without question, he did not engage in a purchase of goods or services from the Company. Rather, Mr. Schwabe "backed" the Company and its efforts through his "pledge."

That notwithstanding, the Company has been very transparent in providing regular updates to its supporters relating to its progress. In fact, from approximately September 2017 to February 2019, it provided no fewer than 38 updates as to its progress. Although Comhear has experienced unforeseen delays, it is working hard to complete development of the YARRA 3DX soundbar and hopes to deliver units to its backers as soon as it can.

Accordingly, not only is the complaint filed by Mr. Schwabe altogether inappropriate, since there was no sale of goods or services, it is also premature because Comhear continues to work hard to finish the development of the YARRA 3DX.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey A. Baumel', with a long horizontal flourish extending to the right.

Jeffrey A. Baumel  
Partner

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