

TERMS AND CONDITIONS OF RENTAL CONTRACT
(Enlarged Version)

For good and valuable consideration, you and La Piñata Party Rentals, Inc., a California corporation (hereinafter, "LPPR") agree as follows:

1. As used in this Contract, "P.1" refers to the first page or "face" of this Contract; "Contract" refers to P.1 together with these Terms and Conditions of Rental Contract; "Rented Item(s)" or "Item(s)" means the item(s) rented to you, as identified on P.1 (together with any "Instructions" referenced in Section [or "\$"] 4; "Site" means the delivery or use address set forth on P.1; "Customer," "Lessee," "you" and "your" mean the Customer or "Lessee" identified on P.1, and "Lessor," "we," "us" and "our" mean LPPR.

2. You agree to rent the Rented Item(s) from LPPR for the period(s) specified on P.1 (the "Term"), and to pay our stated Rental rate(s) (the "Rent"), together with all other charges accruing hereunder, without proration, reduction or setoff, until all Rented Item(s) is/are returned to and accepted by LPPR in the return condition required under this Contract (including §§ 8 and 9). We have estimated the Rent based on your estimate of the length of the Term ("Estimated Rent"). Unless otherwise specifically agreed in writing by LPPR: (a) all rental rates are for normal use of the Rented Item(s) on a single-event basis during the Term; (b) additional Rent will be charged for late returns; (c) the Rent will not be reduced for time in transit, weather delays, or any other period(s) of nonuse; (d) you must pay LPPR: (i) the Estimated Rent, together with any deposit specified on P.1 (or if none, 100% of the Estimated Rent) at least 7 days prior to commencement of the Term (the "Prepayment"); and (ii) any additional amounts coming due hereunder upon demand; (e) we will deduct any amount you owe us from any Prepayment; (f) no interest will accrue on any Prepayment; (g) no Prepayment will be deemed a limit of your liability hereunder; and (h) all Prepayments are **NON-REFUNDABLE**. Anything remaining with, in or on any Rented Item(s) upon return will be deemed abandoned.

3. If we agree to deliver and/or retrieve any Item(s), you agree to: (a) pay our charge(s) for the same, and for all waiting time; (b) be present at the Site at the agreed time(s); and (c) ensure our personnel have timely and adequate access to the Site. We will not be responsible for delay(s) caused by any other parties, including providers of other equipment or services ("Other Providers") for which you hereby release and agree to indemnify, defend and hold harmless LPPR. If you are not present upon delivery and/or retrieval of any Item(s), you agree to accept the statements of our representatives regarding the same (including status, quality, condition, state of repair, freedom from defects, quantities, proper installation, and setup).

4. Upon your receipt of the Item(s), unless you immediately reject it/them, you represent, warrant, acknowledge and agree that: (a) each Item: (i) is in good repair and operating condition, free of defects, and is in all ways acceptable to you; (ii) is appropriate for your purposes; and (iii) was selected, not based on any recommendation by LPPR, and carefully examined, inspected and tested by you; and (b) you: (i) have received, reviewed and understood all training, instructions, user manuals, maintenance requirements, and other information, if any (including all applicable EPA, OSHA, NFPA, IFC, IBC, ASSE, ASME, IEEE and ANSI Standards) (collectively, "Instructions"); (ii) will fully comply therewith; (iii) will use each Item only for its intended purpose, in a reasonable and safe manner; (iv) will give all required notice(s) to, and obtain all necessary licenses, permits, authorizations and approvals from, all interested parties (including without limitation, governmental authorities as well as the owner(s) of the Site); (v) will ensure all underground utilities are clearly marked before driving stakes or using any Item(s) to disturb the ground surface (call 811 or 800-227-2600, and go to www.digalert.org, at least 2 full working days, not including the date of the notification, in advance); (vi) will immediately cease using any Item that malfunctions or proves defective (a "Malfunction"); (vii) will create and post in a conspicuous place, an **OSHA-COMPLIANT EVACUATION PLAN** for all rented Temporary Structures; (viii) **WILL ENSURE THAT ALL CHILDREN IN, ON OR NEAR ANY RENTED ITEM(S) ARE SUPERVISED BY A COMPETENT ADULT AT ALL TIMES**; and (ix) will comply, and ensure that all others comply, with this Section at all times. It is the sole responsibility of the lessee or renter to follow the requirements of the regional notification center law pursuant to Article 2 (commencing with Section 4216) of Chapter 3.1 of Division 5 of Title 1 of the Government Code. By signing this Contract, you accept all liabilities and responsibilities contained in the regional notification center law, and agree to properly and timely complete and file the California Facility Event Form if required. You acknowledge receipt of these documents.

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5. In the event of a Malfunction (as defined in § 4), you will immediately cease using and evacuate the Item and notify LPPR. Provided the Malfunction did not result from the willful or negligent act or omission, or any breach of this Contract, by you or any person(s) you permit to use, occupy or otherwise deal with any one or more of the Item(s), we will, at our option: (a) repair the subject Item; (b) provide you with a comparable replacement Item; or (c) return the unused portion of the Rent and cancel this Contract. The foregoing remedy is **EXCLUSIVE**. We will have no other obligations regarding Malfunctions, all of which you hereby waive, together with any and all associated incidental, consequential, special, exemplary and punitive damages.

6. **WARNINGS: TENTS, INFLATABLES, AMUSEMENTS, STAGES, AND FLOORS (“TEMPORARY STRUCTURES”) AND EQUIPMENT USED FOR COOKING AND/OR HEATING: (A) CAN BE DANGEROUS; (B) SHOULD BE USED, MOVED, MAINTAINED AND REPAIRED WITH GREAT CARE ONLY BY PROPERLY QUALIFIED, INSTRUCTED, AND IF APPLICABLE, LICENSED, ADULTS; AND (C) MAY MOVE, LEAK, COLLAPSE, OVERTURN OR CATCH FIRE, PARTICULARLY DURING HAZARDOUS WEATHER (e.g., heavy rain, snow, sleet, hail and winds over 25 mph).** If hazardous weather occurs or threatens, you agree to: (a) immediately cause all persons to **DISCONTINUE USING AND EVACUATE** the Rented Item(s), and protect all Rented Item(s) and its/their contents; and (b) **PERMIT LPPR, IN ITS SOLE DISCRETION, TO DELAY DELIVERY, INSTALLATION AND/OR USE OF, OR DISMANTLE AND/OR RETRIEVE ANY OR ALL OF THE RENTED ITEM(S)** (without obligating LPPR to do so).

7. You agree to ensure that the Site is reasonably clean, safe, secure and fit for delivery and use of the Rented Item(s) at all times, and that each Item is used safely and only: (a) for its **intended purpose(s)**; (b) within its rated capacity; (c) at the Site; and (d) otherwise in full compliance with this Contract at all times. You will not, nor will you permit anyone else to: (i) use open flames in, under or near any Temporary Structure; (ii) abuse, misuse, overuse, move, remove, conceal, repair, modify, damage or destroy any Rented Item; (iii) violate any applicable Instruction, law, rule, regulation, policy of insurance or warranty; or (iv) take possession of or exercise control over any Rented Item without the prior written consent of LPPR (in its sole discretion).

8. You agree to protect each Rented Item at all times, keep it safely and securely stored and locked when not in use, and return it to LPPR on time, clean, free of dirt, stains and debris, and otherwise in good order, condition and repair, properly serviced and maintained. If you fail to do so, you will pay LPPR: (a) Rent for each succeeding full rental period until all Rented Item(s) have been returned or replaced as required; and (b) any and all costs and expenses, both direct and indirect, LPPR may incur in connection with such failure.

9. Certain Rented Items may be delivered on pallets, or in crates, cartons or boxes, and may be stacked, bagged, racked, folded, rolled and/or strapped (“Packed”). You agree to ensure that, upon return, all such Rented Items are properly Packed, using the same packing materials. **YOU AGREE NOT TO PACK ANY RENTED ITEM UNLESS IT IS COMPLETELY DRY. PACKING WET OR DAMP RENTED ITEMS MAY RESULT IN MOLD AND/OR MILDEW, FOR WHICH YOU WILL BE LIABLE.**

10. You agree to maintain any and all **INSURANCE** LPPR deems necessary in connection herewith, including public liability insurance with minimum limits of at least \$1,000,000 per occurrence, and property damage/inland marine insurance covering all Rented Items for the full (new) replacement value thereof, for the duration of the Term. All such policies shall: (i) name LPPR as an additional insured and loss payee; (ii) waive subrogation against LPPR; (iii) be primary and non-contributory; and (iv) include a severability of interests clause and such other provisions (including deductibles) as LPPR may require.

11. If and only if, we have offered the **OPTIONAL LIMITED DAMAGE WAIVER** (“LDW”) and you have paid the LDW fee set forth on Page 1 prior to commencement of the Term, then with respect solely to the Item(s) covered by LDW (“Covered Items”), you will have no liability to LPPR for 80% of the cost to repair or replace such Covered Items if and to the extent they suffer physical damage during the Term; provided however, that **you will remain liable to LPPR for**: (a) 20% of all repair/replacement costs for Covered Items; (b) ALL damage to or loss of Covered Item(s)

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caused in whole or in part by: (i) your breach of this Contract; (ii) theft or any failure to return Covered Item(s); (iii) gross negligence, misuse and/or abuse of any Rented Item(s); (iv) vandalism and malicious mischief; (v) use of alcohol or drugs; and/or (vi) use of any Rented Item in violation of any applicable law or policy of insurance; (c) all dishes, glassware and flatware; and (d) all repair and replacement costs for damage to Covered Item(s) in excess of \$10,000 in the aggregate across all Covered Items. You may decline LDW if you fully and timely comply with this Contract (including § 10). **LDW IS NOT INSURANCE, NOR IS IT A WARRANTY.**

12. Except with respect to Items we rent from one or more third parties (each, a "TPO") and then re-rent to you ("Re-Rented Items"), LPPR will retain the sole and exclusive title to all Rented Items at all times. Your only right with respect to such Item(s) (including Re-Rented Item(s)) is to use it/them in full compliance with this Contract during the Term. You will not permit the taking or existence of any lien, claim, security interest or encumbrance on any such Item. **You SHALL NOT move, reposition, loan, transfer, sublease, surrender or assign any Item(s) or this Contract without our prior written consent (in our sole discretion).** LPPR may sell and/or assign all or any part of its interests in the Item(s) and/or this Contract, in which event, you agree to attorn to the assignee, who will not be responsible for any pre-existing obligations or liabilities of LPPR.

13. LPPR IS NOT THE MANUFACTURER OR DESIGNER OF ANY RENTED ITEM(S), ALL OF WHICH ARE PROVIDED "**AS-IS**". EXCEPT ONLY AS REQUIRED BY APPLICABLE LAW, NEITHER LPPR NOR ANY TPO MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (**INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUNCTION, DESIGN, QUALITY, CAPACITY, FREEDOM FROM DEFECTS AND/OR GOOD AND WORKMANLIKE PERFORMANCE, OR ARISING FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE**) REGARDING ANY ITEM(S) OR SERVICE(S) REFERENCED IN THIS CONTRACT, NOR DOES LPPR OR ANY TPO MAKE ANY WARRANTY AGAINST INTERFERENCE OR INFRINGEMENT, ALL OF WHICH YOU WAIVE. NO DESCRIPTIONS, SPECIFICATIONS, MODELS, DEPICTIONS, OR ADVERTISEMENTS OFFERED OR ACCEPTED BY LPPR OR ANY TPO CONSTITUTE REPRESENTATIONS OR WARRANTIES.

14. **INDEMNITY/HOLD HARMLESS. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, YOU: (A) ASSUME ALL RISK** OF PERSONAL AND BODILY INJURY, LOSS, PROPERTY DAMAGE, DESTRUCTION AND CONTAMINATION OF, TO, AND/OR ARISING IN CONNECTION WITH, ALL RENTED ITEM(S) AND SERVICE(S) REFERENCED HEREIN, INCLUDING WITHOUT LIMITATION, ALL LIABILITIES, CLAIMS AND DAMAGES ARISING IN CONNECTION WITH THE SELECTION, PROVISION, INSPECTION, DESIGN, MANUFACTURE, USE, LOADING, UNLOADING, TRANSPORTATION, INSTALLATION, STORAGE, SERVICING, MAINTENANCE, REPAIR AND/OR RETAKING OF THE SAME, WHETHER OR NOT YOUR FAULT; **(B) RELEASE AND DISCHARGE, AND AGREE TO INDEMNIFY, DEFEND AND HOLD HARMLESS, LPPR AND EACH TPO,** AND THEIR RESPECTIVE MANAGERS, OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, OWNERS, INSURERS, SUBROGEEES, REPRESENTATIVES, SUCCESSORS AND ASSIGNS (EACH, AN "INDEMNITEE"), FOR, FROM AND AGAINST ANY AND ALL INJURIES, LIABILITIES, CLAIMS, DAMAGES, LOSSES, COSTS AND EXPENSES (INCLUDING WITHOUT LIMITATION, ATTORNEYS' FEES) ARISING FROM OR ASSOCIATED WITH ANY AND/OR ALL OF SUCH ITEM(S) AND/OR SERVICES (as well as any breach of this Contract by you or any guarantor); and (c) **WAIVE** all rights and remedies available under the Uniform Commercial Code, as well as all incidental, consequential, special, exemplary and punitive damages, against each Indemnitee.

15. **Prop. 65:** One or more of the Rented Item(s) contains or produces (**AND WILL EXPOSE YOU TO**) one or more chemicals known to the State of California to cause cancer, birth defects or other reproductive harm. **PERP Program:** Customer is renting equipment registered under the California Air Resources Board (CARB) Portable Equipment Registration Program (PERP). The operator of the Rented Item(s) is subject to the requirements of the PERP regulation and local Air Pollution Control District rules. Under the PERP Regulation and this Contract, you are required to keep a copy of this Contract and the CARB registration certificate, including operating conditions and notification requirements, with the Rented Item(s) at all times. You must also complete the log provided with the Rented Item(s) as required by PERP and return the log with the Rented Item(s). (See

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<http://www.arb.ca.gov/portable/portable.htm>). Fugitive Dust: You agree to comply with the Fugitive Dust Rules established by your Local Air Pollution Control District and take "every reasonable precaution to minimize emissions." Check local rules at: <http://www.arb.ca.gov/drdb/drdb.htm>.

16. Your duties hereunder are unconditional. If you or any guarantor: (a) fail to fully and timely pay or perform your obligations arising under, or otherwise fail to fully and timely comply with, any provision of this Contract; (b) provide any incorrect or misleading information to LPPR; (c) become insolvent; or (d) die or cease conducting business, or if any Rented Item(s) shall be lost, damaged or destroyed (except to the extent covered by LDW (if available), as provided in § 11), you will be in default under this Contract, whereupon, LPPR may, with or without legal process or notice (and without liability to you), to the maximum extent permitted under applicable law: (i) terminate your rental; (ii) seek relief from any automatic stay; (iii) recover, lock or disable the Rented Item(s) without being guilty of breach, trespass or liable for any injuries or property damage (for which you agree to indemnify, defend and hold harmless LPPR); (iv) perform your obligations hereunder on your behalf, without being obligated to do so; (v) purchase replacement Item(s); (vi) recover from you and/or any guarantor LPPR's associated direct and indirect damages, losses, costs and expenses (including without limitation, Rent for the remainder of the Term and attorneys' fees); and/or (vii) pursue any other rights and/or remedies available hereunder, at law and/or in equity, all of which shall be cumulative.

17. You hereby grant to LPPR and each TPO a perpetual, paid-up, royalty-free license to edit, distribute, display and copy all audio and visual representations which include any of the Item(s). This Contract, together with any exhibits and/or addenda provided by LPPR (including our Inspection and Acceptance Certificate and our Temporary Structures Addendum), each of which is incorporated herein, represent the entire agreement between you and LPPR, superseding all other agreements and representations, including without limitation, our website and advertising. The terms of this Contract are severable. If any of the term(s) hereof shall be deemed invalid or unenforceable by any court of competent jurisdiction, such term(s) will be deleted, and the remainder of this Contract will remain valid and in full force and effect. This Contract cannot be further amended or extended except in a writing signed by LPPR. If LPPR prevails in any legal action commenced under or in connection with this Contract, LPPR will be entitled to recover its costs and expenses associated therewith (including without limitation, attorneys' fees and expenses) from you and/or any guarantor (it being acknowledged that, where required under state law, this attorneys' fee provision will be deemed reciprocal). Time is of the essence. LPPR may, without notice or liability to you, monitor and/or inspect any Rented Item(s) at any time. If any performance required of LPPR is rendered impractical as a result of any act or omission of any Other Provider(s) or any "Act of God" (e.g., any event, fact or circumstance beyond LPPR's reasonable control), LPPR will be excused from such performance. You waive the benefits of all statutes of limitations regarding LPPR's rights and remedies. All amounts due from you hereunder but not timely paid will bear interest at the lesser of (a) 18% per annum, or (b) the highest rate permitted under applicable law until paid. You agree to pay LPPR the maximum lawful charge for any check you write which is returned unpaid. LPPR's maximum liability to you in connection with this Contract is limited to the amount(s) actually paid by you to LPPR hereunder. These Terms and Conditions will apply not only to all Item(s) identified on P.1, but also to all other Items you obtain from LPPR at any time in the future (except only as we otherwise agree). You will pay all taxes (including sales and use taxes), fines, fees and other charges related to each Item. Neither our exercise, nor our failure or delay in the exercise, of any rights or remedies will constitute an election of remedies or a waiver of any right or remedy we may have. You acknowledge that: (a) this Contract: (i) is fair and reasonable under the circumstances; and (ii) shall be interpreted under the laws of the State of California; and (b) proper venue for any and all associated civil legal proceedings shall lie solely in the federal and state courts located in or nearest to Los Angeles County, CA (unless waived by LPPR). You consent and submit to such jurisdiction and venue and waive all claims that it constitutes an inconvenient forum. Digital, electronic, photocopied and facsimiled signatures and initials appearing on this Contract and/or any Addendum will be deemed originals. You authorize us to charge all amounts coming due hereunder to your debit/credit card(s).

18. **WARNING**: Failure to timely return rented property may be deemed theft resulting in **CIVIL** and/or **CRIMINAL LIABILITY**. See California Penal Code § 484 *et seq.* for details.