

TERMS AND CONDITIONS OF RENTAL CONTRACT – YOUR PARTY CENTER

For good and valuable consideration, you and Sauer Holdings LLC, a Washington limited liability company, d/b/a "Your Party Center" (hereinafter referred to as "YPC") agree as follows:

- As used herein, "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; "\$" means a numbered section or paragraph of this Contract; "Rented Item(s)" or "Item(s)" means the item(s) rented to you, as identified on P.1 (including any "Instructions" and/or safety equipment provided per the terms of § 7 below); "Site" means the address where the item(s) will be delivered and/or used during the Term, as 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 YPC.
- Except with respect to Items we rent from one or more third-party(ies) (each, a "TPO") and then re-rent to you ("Re-Rented Items"), YPC will retain the sole and exclusive title to the Rented Item(s) 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(s). **You SHALL NOT move, loan, transfer, sublease or assign any Item(s) or this Contract without the prior written consent of YPC.** YPC may substitute, sell and/or assign all or any part of its interests in the Item(s) and/or this Contract, in which event, you will attend to the assignee, who will not be responsible for any pre-existing obligations or liabilities of YPC or any TPO.
- You agree to rent the Rented Item(s) from YPC 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 the Rented Item(s) is/are returned to and accepted by YPC in the return condition required under Sections 5 and 8 below. Unless otherwise specifically agreed by YPC, all rental rates are for normal use of the Rented Item(s) on a single-event basis during the Term. Additional amounts will be due for overtime, overuse, misuse and abuse. The Rent will not be reduced for weather delays, time in transit or any other period of nonuse. We have estimated the Rent based on your estimate of the length of the Term (the "Estimated Rent"). You agree: (a) to pay YPC: (i) the Estimated Rent, together with any deposit specified on P.1 (or if none, 100% of the Estimated Rent) prior to commencement of the Term (the "Prepayment"); and (ii) any additional amounts coming due hereunder upon demand; and (b) that: (i) we may deduct any amount you owe us from any Prepayment; (ii) no interest will accrue on any Prepayment; (iii) no Prepayment will be deemed a limit of your liability hereunder; and (iv) all Prepayments are **NON-REFUNDABLE**. Anything remaining with, in or on any Rented Item(s) upon return will, at our option, be deemed abandoned.
- You agree to ensure that the Site is reasonably safe, secure and fit for delivery and use of the Rented Item(s) at all times. If we agree to provide any services (e.g., delivery, setup, installation, permitting, breakdown, retrieval, etc.) 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 YPC.** If you are not present upon delivery and/or retrieval of any Item(s), you agree to accept: (i) full responsibility for all Rented Item(s) commencing on the delivery date and ending on the retrieval date; and (ii) the statements of our representatives regarding all of the foregoing (including the condition of the Rented Item(s) and the Site).
- 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 LINENS UNLESS THEY ARE COMPLETELY DRY. PACKING WET OR DAMP LINENS MAY RESULT IN MOLD AND/OR MILDEW, FOR WHICH YOU WILL BE LIABLE.**
- You agree to ensure 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 the Instructions, as well as all applicable laws, rules, regulations, and policies of all times. You will not, nor will you permit anyone else to: (i) use open flames in, under or near any Temporary Structure(s); (ii) abuse, misuse, overuse, remove from the Site, conceal, repair, modify, dismantle, damage or destroy any Rented Item(s); (iii) remove or attempt to reposition any Temporary Structure (or any means of securing it, including lines and stakes); (iv) violate any applicable law, rule, regulation, policy of insurance or warranty; or (v) take possession of or exercise control over any Rented Item(s), without the prior written consent of YPC (granted, conditioned or withheld in our sole discretion).
- 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 YPC)**, examined and tested by you or your agent(s); and (b) you: (i) have received, read and understood all training, instructions, user manuals, maintenance requirements, and other information, if any (including without limitation, all applicable EPA, OSHA, NFPA, IFC, IBC, ASME, IEEE and ANSI Standards) pertaining to such Item(s) ("Instructions"); (ii) will fully comply therewith; (iii) will use each Item only for its intended purpose, in a reasonable and safe manner; (iv) will timely give all required notice(s), and unless otherwise agreed in writing by YPC, obtain all necessary licenses, authorizations and approvals (including without limitation, the approval(s) of all governmental authorities as well as the owner(s) of the Site); (v) will ensure all underground utilities are clearly and properly marked before driving stakes or using any Item(s) to disturb the ground surface **(call 811, and at least 2 full business days in advance, go to: (A) www.Washington811.com in Washington; or (B) www.digsafelyoregon.com in Oregon)**; (vi) will immediately cease using and evacuate 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.
- 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 YPC on time, clean, free of dirt, damage, burns, stains and debris, and otherwise in good order, condition and repair, properly serviced and maintained. If you fail to do so, you will pay YPC: (a) Rent for each succeeding full rental period until the Rented Item(s) has/have been returned or replaced as required; and (b) all direct and indirect costs and expenses YPC may incur in connection with such failure.
- You agree to immediately notify YPC of any Malfunction (as defined in § 7), and provided the Malfunction did not result from the wrongful or negligent act or omission of, 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 Items, 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 remedies are **EXCLUSIVE**. We will have no other obligations regarding Malfunctions, all of which you waive, together with all associated incidental, consequential, special, exemplary and punitive damages.
- You agree to maintain all **INSURANCE** YPC deems necessary in connection herewith, which may include without limitation: (a) liability insurance with minimum limits of at least \$1,000,000 per occurrence; (b) property damage/inland marine insurance covering all Rented Items for the full (new) replacement value thereof; and (c) workers' compensation insurance as required by law. All such

policies (if required by YPC) shall, as applicable: (a) name YPC as an additional insured and loss payee; (b) waive subrogation against YPC; (c) be primary and non-contributory; and (d) include a severability of interests provision and such other terms (including deductibles) as YPC may require.

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

12. YPC 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 SAUER HOLDINGS LLC NOR ANY TPO MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING ANY AND ALL WARRANTY(IES) OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUNCTION, DESIGN, QUALITY, CAPACITY, FREEDOM FROM DEFECTS AND GOOD AND WORKMANLIKE PERFORMANCE, AS WELL AS ANY WARRANTY(IES) 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 YPC 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 YPC OR ANY TPO CONSTITUTE REPRESENTATIONS OR WARRANTIES.

13. INDEMNITY/HOLD HARMLESS. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, YOU HEREBY: (A) ASSUME ALL RISK OF INJURY, LOSS, DAMAGE, DESTRUCTION AND ENVIRONMENTAL CONTAMINATION OF, TO, AND/OR ARISING IN CONNECTION WITH, THE ITEM(S) AND SERVICE(S) REFERENCED IN THIS CONTRACT, INCLUDING WITHOUT LIMITATION, ALL LIABILITIES, CLAIMS AND DAMAGES ARISING IN CONNECTION WITH THE SELECTION, PROVISION, INSPECTION, DESIGN, MANUFACTURE, USE, LOADING, UNLOADING, TRANSPORTATION, INSTALLATION, DEMONSTRATION, STORAGE, SERVICING, MAINTENANCE, REPAIR AND/OR RETRIEVAL THEREOF, WHETHER OR NOT YOUR FAULT (COLLECTIVELY, "RISKS"); (B) RELEASE AND DISCHARGE YPC AND EACH TPO FROM AND AGREE TO INDEMNIFY, DEFEND AND HOLD HARMLESS YPC AND EACH TPO, and their respective owners, officers, managers, directors, agents, employees, insurers, representatives, subrogees, successors and assigns (collectively, the "Indemnitees"), FOR, FROM AND AGAINST ANY AND ALL SUCH RISKS (INCLUDING WITHOUT LIMITATION, ATTORNEYS' FEES) AS WELL AS YOUR BREACH OF THIS CONTRACT; AND (C) **waive all rights, claims, defenses and damages arising under the Uniform Commercial Code, as well as all incidental, consequential, special, exemplary and punitive damages, against the Indemnitees (and each of them).**

14. 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 YPC; (c) become insolvent; or (d) die or cease conducting business, or if any Rented Item(s) shall be lost, damaged or destroyed, you will be in default, whereupon, YPC 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 stay; (iii) recover, empty, lock, empty and/or disable any Rented Item(s) without being guilty of trespass or liable for personal injuries or property damage (for which you agree to indemnify, defend and hold harmless YPC); (iv) perform your obligations hereunder on your behalf, without being obligated to do so; (v) purchase replacement Items; (vi) recover from you and/or any guarantor, jointly and severally, YPC'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.

15. You hereby grant to YPC and each TPO a perpetual, paid-up, royalty-free license to create, edit, distribute, display and copy audio and visual representations which include any Rented Item(s). This Contract, together with any addenda provided by YPC (including our Temporary Structures Addendum, if applicable), each of which is incorporated herein, represent the entire agreement between you and YPC, superseding all other agreements and representations, including our website and advertising. The terms hereof are severable. If any of the terms of this Contract 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 YPC. If YPC commences legal action to enforce this Contract, YPC will be entitled to recover its costs and expenses associated therewith (including without limitation, attorneys' fees and expenses) from you and any guarantor if YPC prevails. **Time is of the essence.** YPC may, without notice or liability to you, monitor and/or inspect any Rented Item(s) at any time. If any performance required of YPC 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 YPC's reasonable control), YPC will be excused from such performance. You waive the benefits of all statutes of limitations regarding YPC's rights and remedies. You authorize us to charge all amounts due and coming due hereunder to any debit or credit card(s) you provide. 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 us the maximum lawful charge for any check you write which is returned unpaid. **Our maximum liability to you in connection with this Contract is limited to the amount(s) actually paid by you to us hereunder.** This Contract allocates to you certain risks arising in connection with the Item(s), and that allocation is reflected in a reduced Rent. These Terms and Conditions will apply not only to the Item(s) identified on P.1, but also to all other Items you obtain from Sauer Holdings LLC, d/b/a "Your Party Center" at any time (except only as may otherwise be agreed in writing by YPC). There are no third-party beneficiaries to this Contract other than the applicable Indemnitee(s). You agree to pay all taxes (including all sales and use taxes), fines, fees, duties, assessments 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: (i) this Contract: (A) is fair and reasonable; and (B) shall be interpreted under the laws of, and proper venue for any and all associated civil legal proceedings shall lie solely in, the federal, state, county and local courts located in or nearest to the county in which the YPC facility from which you obtained the Rented Item(s) is located (unless waived by YPC). You consent and submit to such jurisdiction and venue and waive all claims that such venue constitutes an inconvenient forum. Digital, electronic, photocopied and facsimiled signatures and initials appearing on this Contract and/or any addendum will be deemed originals.

16. THEFT WARNING: Wrongfully obtaining or exerting unauthorized control over the property or services of another with the intent to deprive the owner of such property or services, and/or failing to timely return such property may be deemed theft resulting in **CIVIL LIABILITY** and/or **CRIMINAL PROSECUTION**.

LESSEE ACKNOWLEDGES THAT A LARGER-PRINT VERSION OF THESE TERMS AND CONDITIONS HAS BEEN MADE AVAILABLE TO LESSEE