

# Hasbro International Inc. International Merchandising License Agreement Business Terms

This Agreement incorporates the Standard Terms and Conditions attached hereto –  
Please Read Carefully

Contract No: 129007-00 to10

## Licensed Property:

**MY LITTLE PONY ANIMATED MOVIE:** the MY LITTLE PONY trademark and the visual elements of the Licensed Property and/or Name and as depicted in the theatrical, animated motion picture being produced by Hasbro under the Allspark banner, including the associated logos, fictitious characters, and their respective likenesses as portrayed in said film and the toy products based thereon produced by Licensor. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters or audio elements of the motion picture, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

**MY LITTLE PONY – NEW TELEVISION SERIES:** the MY LITTLE PONY trademark and elements from the Licensed Property and/or Name, including the stylized logo, copyrights, and the related characters and their respective likenesses, as depicted in the "My Little Pony: Friendship is Magic" animated television series first broadcast on network television in 2010. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters or audio elements of the television series, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

**TRANSFORMERS RESCUE BOTS – NEW TELEVISION SERIES:** the TRANSFORMERS and RESCUE BOTS trademarks and the visual elements of the Licensed Property and/or Name, including the stylized logo and the related characters and their respective likenesses, as depicted in the "Transformers Rescue Bots" television series first broadcast on network television in calendar year 2012. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters or audio elements of the television series, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

**TRANSFORMERS ROBOTS IN DISGUISE TELEVISION SERIES:** the TRANSFORMERS trademarks and the visual elements from the Licensed Property and/or Name, including the stylized logos and related characters and their respective likenesses, as depicted in the animated TRANSFORMERS television series first broadcast on network television in calendar year 2015. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters or audio elements of the television series, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

**TRANSFORMERS – THE 5<sup>TH</sup> MOVIE:** the TRANSFORMERS trademark and the visual elements of the Licensed Property and/or Name as depicted in the theatrical, live action/CGI motion picture produced in conjunction with Paramount Pictures Corporation scheduled for release in calendar year 2017, including the associated logos and fictitious characters and their respective likenesses as portrayed in said film. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters or audio elements of the motion picture, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

**TRANSFORMERS – THE 6<sup>TH</sup> MOVIE:** the TRANSFORMERS trademark and the visual elements of the Licensed Property and/or Name as depicted in the theatrical, live action/CGI motion picture produced in conjunction with Paramount Pictures Corporation scheduled for release in calendar year 2018, including the associated logos and fictitious characters and their respective likenesses as portrayed in said film. Notwithstanding the foregoing, in no event shall Licensee have the right to utilize any third-party intellectual property, including but not limited to the likenesses or voices of any actors or actresses portraying the characters

or audio elements of the motion picture, without Licensor's express prior written approval, which may be granted or withheld at the Licensor's sole and absolute discretion.

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**Licensor:** Hasbro International Inc. **Phone:** +1 401 727 5000  
**Address:** 1027 Newport Avenue **Fax:** +1 401 727 5089  
PO Box 1059  
Pawtucket  
RI 02861  
USA  
**Contact:** Passy Rutley

**Notices to be sent to:** Hasbro European Services  
(Attention: Legal Dept) **Fax:** +44 208 744 5604  
4 The Square, Stockley Park  
Uxbridge  
UB11 1ET

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**Representative:** Hasbro UK Limited **Phone:** +44208 744 5697  
**Address:** Stockley Park  
4 The Square  
Uxbridge  
UB11 1ET  
**Contact:** Rebecca Mills  
**Email:** [Rebecca.mills@hasbro.co.uk](mailto:Rebecca.mills@hasbro.co.uk)

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**Licensee:** Amscan International Limited **Phone:** +44 1908 288546  
**Company Registration n°:** 01126979  
**Address:** Brudenell Drive  
Brinklow  
Milton Keynes  
MK10 0DA  
**Contact:** Mel Beer  
**Email:** [mbeer@amscan-uk.co.uk](mailto:mbeer@amscan-uk.co.uk)



**Licensed Article(s):** Party Goods: Paper plates (all shapes), plastic cups, paper cups, paper napkins, plastic and paper table covers, invitations, cards and envelopes, loot bags, banners (all shapes), milkshake cups, paper bowls, medallion/die cut straws, blowouts, hats, balloons (excluding latex).

**Territory:** **Agreement Number: 129007-00:**  
United Kingdom, Ireland, Jersey, Guernsey, Sark, Alderney and Herm.  
**Agreement Number: 129007-01:**  
Germany, Austria, Liechtenstein and Switzerland  
**Agreement Number: 129007-02:**  
Belgium, Luxembourg and the Netherlands  
**Agreement Number: 129007-03:**  
France, Monaco  
**Agreement Number: 129007-04:**  
Italy, San Marino, Vatican City  
**Agreement Number: 129007-05:**  
Spain, Andorra, Gibraltar and Portugal  
**Agreement Number: 129007-06:**  
Albania, Bosnia & Herzegovina, Bulgaria, Czech Republic, Croatia, Hungary, Kosovo Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia,  
**Agreement Number: 129007-07:**  
Denmark, Finland, Iceland, Norway, Sweden, Faroe Islands, Latvia, Lithuania and Estonia  
**Agreement Number: 129007-08:**  
Greece, Cyprus and Malta  
**Agreement Number: 129007-09:**  
Turkey, Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, United Arab Emirates, Yemen, Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo (Brazzaville), Democratic Republic of the Congo, Cote d'Ivoire (Ivory Coast), Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mayotte, Morocco, Mozambique, Namibia, Niger, Nigeria, Reunion, Rwanda, Saint Helena, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, South Africa, Swaziland, United Republic of Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe, Israel.  
**Agreement Number: 129007-10:**  
Russia, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

**Channels of Distribution:** All retail and wholesale (including Online, Distributors and Official Balloon Vendors)

**Term:** 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2018

**Earliest On Sale Date:** **For MY LITTLE PONY ANIMATED MOVIE:**  
01<sup>st</sup> August 2017  
**For TRANSFORMERS – THE 5<sup>TH</sup> MOVIE:**  
28<sup>th</sup> April 2017  
**For TRANSFORMERS – THE 6<sup>TH</sup> MOVIE:**  
Six (6) weeks prior to the release date of the Movie in the Territory  
**For All Other Licensed Property(s):**  
01<sup>st</sup> October 2016

**Latest On Sale Date:** **For MY LITTLE PONY ANIMATED MOVIE:**  
Not Applicable  
**For TRANSFORMERS – THE 5<sup>TH</sup> MOVIE:**

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Not Applicable  
For **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE:**  
Not Applicable  
For All Other Licensed Property(s):  
01<sup>st</sup> October 2016

**Sell Off Period:** Ninety (90) Days

**Total Minimum Guaranteed Royalty:** [REDACTED] **Currency:** GBP

**To be Split by Territory Group and Year as follows:**

**Agreement No: 129007-00:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-01:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-02:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018



**Agreement No: 129007-03:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-04:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-05:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-06:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-07**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-08:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-09:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: 01<sup>st</sup> June 2018

**Agreement No: 129007-10:**

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period 01<sup>st</sup> October 2016 to 31<sup>st</sup> December 2016:**  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

Due: Upon signature of Agreement



**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period** 01<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017:  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

**Due:** 01<sup>st</sup> June 2017

**Minimum Guaranteed Royalty:** [REDACTED]  
**For Period** 01<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018:  
**payable as the following Advance(s):-**  
**Advance Amount:** [REDACTED]

**Due:** 01<sup>st</sup> June 2018

**Royalty Rate:** [REDACTED] of Net Sales Value  
[REDACTED] of Net Sales Value (FOB)

**Net Sales Value** shall mean the gross invoice value charged by Licensee or any of its affiliated, subsidiary or controlled companies for the Licensed Articles on an arms length basis to a non related third party customer less value added and similar sales taxes. No deductions (including, without limitation, deductions for cash discounts, or any other discounts or uncollectible amounts) shall be permitted, unless specified in the Special Conditions below. All costs and expenses incurred in the manufacture, distribution, or sale of the Licensed Articles, or otherwise incurred by Licensee, shall be paid by Licensee, and no such costs or expenses shall be deducted from any royalty payable to Licensor.

**Sales or Sold** shall mean the delivery of the Licensed Articles by the Licensee to a customer or the issue of an invoice in respect of the Licensed Articles by the Licensee to a customer, which ever occurs first.

**Sales to related third parties:** In the event that the Licensee wishes to sell to any of Licensee's subsidiaries or to any other person, firm or corporation related in any manner to Licensee or its officers, directors or major shareholders the Licensee shall seek consent from the Licensor and Royalties due on such sales shall be agreed with the Licensor before Licensor gives consent.

**FOB sales:** With respect, however, to all sales of the Licensed Articles which are sold to customers on FOB (as defined by Incoterms 2010 or as amended from time to time) terms to a named port of shipment outside the Territory for shipment to the Territory, the Royalty Rate shall be increased to that indicated in the Business Terms for FOB Sales. FOB Sales are permitted only if a specific FOB Sales Royalty Rate has been specified in the Business Terms. If no such FOB Sales Royalty Rate has been specified in the Business Terms, Licensee must obtain Licensor's prior written approval prior to making any FOB Sales, such approval to be in Licensor's absolute discretion.

**Reporting Dates:** On or before the fifteenth (15<sup>th</sup>) day of the month following the 30<sup>th</sup> of March, 30<sup>th</sup> of June, 30<sup>th</sup> of September and 30<sup>th</sup> of December during the Term.

**Agreed Minimum Product Liability Insurance:**

The equivalent of Two Million United States Dollars (U.S. \$2,000,000.00) per occurrence and Five Million United States Dollars (U.S. \$5,000,000.00) in annual aggregate for Bodily Injury Liability and Property Damage Liability.

**Required Notices:**

For **MY LITTLE PONY ANIMATED MOVIE:** © 2017 Hasbro. All Rights Reserved. [Studio credit TBD]  
Licensed by Hasbro.

For **MY LITTLE PONY – NEW TELEVISION SERIES:** ©2017 Hasbro. All Rights Reserved. Licensed by Hasbro.

For **TRANSFORMERS RESCUE BOTS – NEW TELEVISION SERIES:** TRANSFORMERS, RESCUE BOTS and all related characters are trademarks of Hasbro and are used with permission. © 2017 Hasbro. All Rights Reserved. Licensed by Hasbro.

For **TRANSFORMERS ROBOTS IN DISGUISE TELEVISION SERIES:** TRANSFORMERS, TRANSFORMERS ROBOTS IN DISGUISE, the logo and all related characters are trademarks of Hasbro and are used with permission. © 2017 Hasbro. All Rights Reserved. Licensed by Hasbro.

For **TRANSFORMERS – THE 5<sup>TH</sup> MOVIE:** TRANSFORMERS and all related characters are trademarks of Hasbro and are used with permission. © 2017 Hasbro. All Rights Reserved. © [year] Paramount Pictures Corporation. All Rights Reserved. Licensed by Hasbro

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For **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE**: TRANSFORMERS and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. © [year] Paramount Pictures Corporation. All Rights Reserved. Licensed by Hasbro

**Number of samples:**

- Prior to first production run, as per clause 1.1 of Part B of the STC: up to 1
- Upon start of first production, as per clause 1.3 of Part B of the STC: up to 3
- Additional random samples, as per clause 6.6 of PART A of the STC: up to 10

**Promotion Commitment:** Each year Licensee agrees to spend a minimum of 2% of Budgeted Net Sales (as per the Business Plan) or Net Sales Value, whichever is higher on advertising and promotional activities in direct support of the Licensed Articles.

This percentage shall be reviewed by Licensor and Licensee on a quarterly basis.

**Retail Co-Op Fund:** In addition to any Royalties, Advances, and Minimum Guaranteed Royalty, Licensee shall be required to pay a non-refundable contribution to Licensor's "Retail Co-Op Fund" (hereinafter, the "RCF") equal to one percent (1%) of Net Sales Value. This amount shall be due and payable periodically on the same dates as those prescribed for Royalties, and could, at the Licensee's option, be included in a single payment with such royalty payments, provided that the corresponding remittance advice clearly specifies the portion covering Royalties and the portion covering the RCF. Such RCF payments shall not be credited or offset against the Minimum Guaranteed Royalty, any Advance or Royalties due hereunder and in no event shall the RCF contribution be less than zero for any reporting period. The statements provided under clause 3.4 of the STC shall include a computation of the RCF payable. Interest shall be paid on late or underpaid RCF payments as provided in this Agreement with respect to late or underpaid Royalties, and Licensor shall have the same rights and remedies on account of Licensee breaching its obligations with respect to payment of RCF payments as for Licensee breaching its obligations with respect to payment of Royalties. The RCF shall not be deemed or interpreted as any royalty or other compensation paid in exchange for Licensee's use of the Licensed Property. Rather, it is understood that the RCF is to be spent in its entirety by Licensor in its reasonable discretion on marketing initiatives to drive the sell-in of key retail programs that are designed to positively affect the Licensed Property and/or Licensee's sales under the Agreement. In the event that the definition of the Licensed Property includes multiple brands and/or product lines, Licensor shall be entitled to allocate the use of the RCF in whatever manner it deems appropriate in support of the Licensed Property and Licensee's sales. Any unused portion of the RCF at the end of any given calendar year may be carried over for use in the following year.

**Standard Terms and Conditions:** Refer to Section A (General) and B (Merchandising) of the Standard Terms and Conditions (attached). For the avoidance of doubt Section C (Publishing) is not applicable.

**Special Conditions:**

1. The Licensor agrees that the Licensee may apply the following permitted deductions from the Net Sales Value:
  - a. **Quantity discounts** shall mean the Net Sales Value of the Licensed Articles less an agreed deduction from such Net Sales Value in respect of the volume purchases. For the purpose of Royalty, quantity discounts shall be no more than [REDACTED] of the Net Sales Value during each calendar quarter; or
  - b. **Seasonal discounts** actually granted and documented on customer invoices shall not exceed [REDACTED] of the Net Sales Value during each calendar quarter; or
  - c. **Customary discounts** shall mean a percentage rate up to [REDACTED] of the Net Sales Value, representing all allowances, rebates and discounts (excluding volume discounts) relating to the Licensed Articles, where the discount is given; or
  - d. **Returns for defects** shall mean returns for Licensed Articles which have defects for which the Licensee is responsible. Returns for defects actually accepted and credited may be deducted from the Net Sales Value providing that such deductions shall not exceed [REDACTED] of the Net Sales Value during each calendar quarter; or



- e. **Permitted Returns** shall mean returns for Licensed Articles Sold on a sale or return basis. Deductions for returned merchandise shall not exceed [REDACTED] of the Net Sales Value during each calendar quarter.

The parties agree that the permitted deductions outlined above under this Agreement shall not be more than [REDACTED] of the Net Sales Value in total and Royalties paid in respect of returned products shall be credited up to [REDACTED] of the Net Sales Value against future Royalties due to the Licensor but in no circumstances shall Royalties reported and paid to the Licensor under this Agreement be refunded to the Licensee.

In the case of **Permitted Returns** no further Royalties shall be paid for Licensed Articles returned to the Licensee and for which Royalties have previously been paid, to the extent that the allowance of [REDACTED] of Net Sales Value has not been exceeded.

For the avoidance of doubt, Licensee is free to price Licensed Articles as they wish, according to the Licensee's best commercial interests.

2. **MY LITTLE PONY ANIMATED MOVIE ON SHELF DATE:** Licensee acknowledges the importance to Licensor and the producer of the **MY LITTLE PONY ANIMATED MOVIE** movie (the "Movie") of not having Licensed Articles using the **MY LITTLE PONY ANIMATED MOVIE** Licensed Property or name of such Movie available for sale to the public too far in advance of the release date of the Movie in the Territory. Accordingly, Licensed Articles using the **MY LITTLE PONY ANIMATED MOVIE** Licensed Property or name of such Movie ("Movie Articles") shall be sold and distributed subject to the condition of having an on-shelf date of no earlier than August 1, 2017 (the "On Shelf Date"), and Licensee shall use best efforts to ensure that no Movie Article is available for sale to the public prior to the On Shelf Date unless otherwise approval of Licensor in writing. Furthermore, all advertisements for the Movie Articles shall be subject to the written approval of Licensor and shall not be available to the public prior to the On Shelf Date, unless otherwise approved in writing by Licensor. For the avoidance of doubt, it is understood by Licensee that the On Shelf Date restrictions also apply to online uses and such Movie Articles shall not be advertised, displayed or offered for sale online prior to the applicable On Shelf Date.
3. Except as expressly provided above with respect to the **MY LITTLE PONY ANIMATED MOVIE** Licensed Property, in no event shall Licensee have the right to utilize any Licensed Property and/or the Name as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
4. Except as expressly set forth above, in no event shall Licensee have the right to utilize the Licensed Property **MY LITTLE PONY – NEW TELEVISION SERIES** as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
5. Except as expressly set forth above, in no event shall Licensee have the right to utilize the Licensed Property **TRANSFORMERS RESCUE BOTS – NEW TELEVISION SERIES** as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
6. Except as expressly set forth above, in no event shall Licensee have the right to utilize the Licensed Property **TRANSFORMERS ROBOTS IN DISGUISE TELEVISION SERIES** as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
7. **TRANSFORMERS – THE 5<sup>TH</sup> MOVIE ON SHELF DATE:** Licensee acknowledges the importance to Licensor and the producer of the **TRANSFORMERS – THE 5TH MOVIE** (the "Movie") of not having Licensed Articles using the **TRANSFORMERS – THE 5TH MOVIE** Licensed Property or Name available for sale to the public too far in advance of the release date of the Movie in the Territory. Accordingly, Licensed Articles using the **TRANSFORMERS – THE 5TH MOVIE** Licensed Property or Name ("Movie Articles") shall be sold and distributed subject to the condition of having an on-shelf date of no earlier than April 28, 2017 (the "On Shelf Date"), and Licensee shall use best efforts to ensure that no Movie Article is available for sale to the public prior to the On Shelf Date. Furthermore, all advertisements for the Movie Articles shall be subject to the written approval of Licensor and shall not be available to the public prior to the On Shelf Date, unless otherwise approved in writing by Licensor. For the avoidance of doubt, it is understood by Licensee that the On Shelf Date restrictions also apply to online uses and



such Movie Articles shall not be advertised, displayed or offered for sale online prior to the applicable On Shelf Date.

8. Except as expressly set forth above, in no event shall Licensee have the right to utilize the Licensed Property **TRANSFORMERS – THE 5TH MOVIE** as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
9. **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE ON SHELF DATE:** Licensee acknowledges the importance to Licensor and the producer of the **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE** (the "Movie") of not having Licensed Articles using the **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE** Licensed Property or Name available for sale to the public too far in advance of the release date of the Movie in the Territory. Accordingly, Licensed Articles using the **TRANSFORMERS – THE 6<sup>TH</sup> MOVIE** Licensed Property or Name ("Movie Articles") shall be sold and distributed subject to the condition of having an on-shelf date of no earlier than six (6) weeks prior to the release date of the Movie in the Territory (the "On Shelf Date"), and Licensee shall use best efforts to ensure that no Movie Article is available for sale to the public prior to the On Shelf Date. Furthermore, all advertisements for the Movie Articles shall be subject to the written approval of Licensor and shall not be available to the public prior to the On Shelf Date, unless otherwise approved in writing by Licensor. For the avoidance of doubt, it is understood by Licensee that the On Shelf Date restrictions also apply to online uses and such Movie Articles shall not be advertised, displayed or offered for sale online prior to the applicable On Shelf Date.
10. Except as expressly set forth above, in no event shall Licensee have the right to utilize the Licensed Property **TRANSFORMERS – THE 6TH MOVIE** as depicted in any visual entertainment program or media, including but not limited to any live action or animated theatrical motion picture, television program or series, or direct-to-video feature.
11. Clause 2.6 of the Standard Terms and Conditions shall be deleted and replaced as follows:  
"Licensee agrees that it will sell and distribute the Licensed Articles outright and not on an approval basis and only within the Channels of Distribution."
12. Clause 5.2 of the Standard Terms and Conditions shall be amended by addition the following:  
"The Licensor acknowledges that the Licensee's physical trade website pages, catalogues and sales sheets shall not be submitted for approval on LAS but it shall submit images of those marketing materials and shall strictly adhere to the style guide, including but not limited to the product images and copyright lines.
13. With reference to Clause 7 of the Standard Terms and Conditions, Clause 7.3 of the Standard Terms and Conditions shall be deleted and replaced as follows:  
"The Licensor shall not appoint or shall cease to sell the Licensed Articles in the event that:
  - (a) The Licensee's third party distributor does not comply with the highest ethical and business standards including the Licensor's Global Business Ethics Principles or its activities are contrary to product safety and/or to the brand strategy of the Licensor; or
  - (b) Such distributor impairs the Licensor's intellectual property rights or rights to appoint a licensee or third party in any territory; or
  - (c) Distribution of the Licensed Articles by the third party distributor with reflect adversely on the brand reputation and goodwill of the Licensor; or
  - (d) The third party distributor's activities or operations in a territory are likely to dilute or infringe the Licensor's intellectual property rights."
  14. The first sentence Clause 7.4 of the Standard Terms and Conditions shall be deleted and replaced with the following:  
"Any appointment of a third party distributor will be subject to the distributor agreeing to these same Standard Terms and Conditions."
  15. Clause 10.3(a) shall be deleted and replaced with:  
"Subject to the limited exception in Clause 10.5, if the ownership, control or management of Licensee is changed;"
  16. Clause 10 of the Standard Terms and Conditions shall be amended by the addition of a new Clause 10.5 as follows:



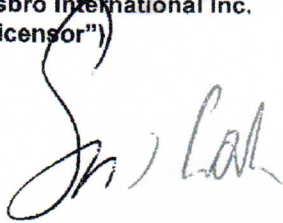
- “10.5 As a limited exception to Clause 10.3(a), the parties acknowledge and agree that Licensee’s ultimate parent company Party City Holdco Inc. is a “publicly listed company” within the meaning of the United States Securities and Exchange Act of 1933, and as a result, its stock is available to purchase on a publicly listed exchange, including but not limited to the New York Stock Exchange. Without prejudice to the remainder of Clause 10, provided that any transaction (or series of related transactions) which involves the sale of stock, at any time, of any portion of shares of stock available to purchase on such publicly listed exchange does not result in a change of, in each instance, more than forty-five per cent [REDACTED] of the then-present voting control of the Licensee, then the Licensee shall not:
- i. pursuant to Clause 14.1, require any prior consent from the Licensor of such publicly traded stock, and the Licensor hereby consents to this limited exception under Clause 10.5 and as such will not be deemed to be an assignment for the purposes of Clause 14.2; nor
  - ii. be required to pay a Transfer Fee, pursuant to Clause 14.3 and the Licensor hereby waives its right to a Transfer Fee for the purposes of this limited exception under Clause 10.5.”
17. With reference to Clause 14.1 of the STC, the Licensor hereby consents to the Licensee sublicensing the rights granted under this Agreement to its affiliate Amscan Europe GmbH, with its registered office at Dettinger Str. 148 73230 Kirchheim / Teck, Germany provided that the Licensee ensures that:
- a. The terms of any sub-licence are the same as the terms of this Agreement;
  - b. In no event shall any sub-licence include any right to grant any further sub-licences;
  - c. All sub-licences granted shall terminate automatically on termination or expiry of this Agreement; and
  - d. Licensee shall remain primarily liable for all acts and omissions of any sub-licensee and shall indemnify the Licensor against all costs, expenses, claims, loss or damage incurred or suffered by the Licensor, or for which the Licensor may become liable, arising out of any act or omission of any sub-licensee, including any product liability claim relating to Licensed Articles manufactured, supplied or put into use by the sub-licensee.

**Signatures**

Agreement effective as of the 01<sup>st</sup> October 2016 between Licensor and Licensee

This Agreement comprises the aforesaid Business Terms and the terms and conditions set forth in the Standard Terms and Conditions and Appendices attached hereto and incorporated herein by reference. This Agreement shall only be binding upon Licensor provided that Licensee signs and returns this License Agreement and Licensor countersigns the same. In the event of any conflict or discrepancy between the Business Terms and the Standard Terms and Conditions, the Business Terms shall prevail.

**Agreed and Accepted by**  
Hasbro International Inc.  
("Licensor")



**Agreed and Accepted by**  
Amscan International Limited  
("Licensee")

DocuSigned by:  
*Barry Morin*  
B8478D8AA621434...

**(Authorised Signature)**

Date: MAR 30 2017

Name: Simon Waters

Title: General Manager, SVP Entertainment and Licensing

**(Authorised Signature)**

Date: 03/17/2017

Name: Barry Morin

Title: SVP Licensing & Marketing