

**MERCHANDISE LICENSE AGREEMENT**

**CONTRACT NUMBER:** 131772

**DATE OF AGREEMENT:** 01 July 2020

**PARTIES:**

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**“Licensor” means:** Hasbro Consumer Products Licensing Limited  
**Company Registration n°:** 12470215  
**Address:** 4 The Square,  
Stockley Park  
Uxbridge UB11 1ET  
United Kingdom

**Notices to be sent to:** [GlobalLegalCP@hasbro.com](mailto:GlobalLegalCP@hasbro.com) Fax:+44 208 744 5604

**Licensor Contact:** Federica Polo Phone: + 39 02 8921 6264  
**Email:** [federica.polo@hasbro.it](mailto:federica.polo@hasbro.it)

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**“Licensee” means:** GRABO srl Phone:+ +39 0541 657 435  
**Company Registration n°:** R.E.A. RN n. 332804  
**Registered Address:** Via Oscar Romero 11  
47853 Coriano (RN)  
Italy

**Licensee Contact Name:** Ivan Colombari  
**Email:** [ivan@grabo-balloons.com](mailto:ivan@grabo-balloons.com)

**Licensee Authorised Signatory:** Giorgio Grassi  
**Email:** [gio@grabo-balloons.com](mailto:gio@grabo-balloons.com)

SIGNATURE ON THE NEXT PAGE

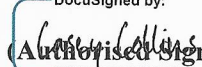
Licensor and Licensee are each sometimes referred to herein as a "Party" and collectively as the "Parties".

This Merchandise License Agreement ("Agreement") consists of the attached Merchandise License Agreement Summary ("Business Terms"), Merchandise License Agreement Standard Terms and Conditions ("Standard Terms") and all schedules and exhibits thereto. The Parties intend to allow for the electronic execution, imaging and storage of this Agreement and the admissibility into evidence of such an image in lieu of the original paper version of this Agreement. The Parties stipulate that any computer printout of any such image of this Agreement shall be considered to be an "original" under the applicable court or arbitral rules of evidence when maintained in the normal course of business and shall be admissible as between the Parties to the same extent and under the same conditions as other business records maintained in paper or hard copy form. The Parties agree not to contest, in any proceeding involving the parties in any judicial or other forum, the admissibility, validity, or enforceability of any image of this Agreement because of the fact that such image was stored or handled in electronic form.

**Agreed and Accepted by: -**

**Hasbro Consumer Products Licensing Limited**  
("Licensor")

**GRABO srl**  
("Licensee")

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(Authorized Signature)  
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DocuSigned by:  
  
(Authorized Signature)  
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**Date:** 03-Sep-20

**Date:** 03-set-20

**Name:** Casey Collins

**Name:** Giorgio Grassi

**Title:** General Manager, SVP Consumer Products

**Title:** president

**MERCHANDISE LICENSE AGREEMENT BUSINESS TERMS**

1. “Licensed Property” individually and collectively means the following:

Licensed Property	Definition of such Licensed Property	Definition of “Required Notice” for such Licensed Property
<p><b>MY LITTLE PONY: FRIENDSHIP IS MAGIC - TELEVISION SERIES</b></p>	<p>the MY LITTLE PONY trademarks, and the associated logos, copyrights and fictitious characters and their likenesses, all as depicted in “My Little Pony: Friendship is Magic” animated television series first broadcast on network television in 2010 and in the “MY LITTLE PONY: FRIENDSHIP IS MAGIC” style guides provided 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 television series, without Licensor’s express prior written approval, which may be granted or withheld at the Licensor’s sole and absolute discretion.</p>	<p><i>(For apparel, footwear, luggage and bags):</i>                      MY LITTLE PONY is a trademark owned by Pony Inc. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.</p> <p><i>(For other articles):</i>                      MY LITTLE PONY and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.</p>
<p><b>MY LITTLE PONY - THE PLAYSKOOL BABY VERISON</b></p>	<p>Licensor’s MY LITTLE PONY characters and associated visual elements stylized for infant products and décor. In no event shall Licensee have the right to utilize the Licensed Property 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</p>	<p>PLAYSKOOL BABY, the PLAYSKOOL BABY logo, MY LITTLE PONY and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.</p> <p>For MY LITTLE PONY – THE PLAYSKOOL BABY VERSION in conjunction with <i>apparel, footwear, luggage and bags</i>: PLAYSKOOL BABY, the PLAYSKOOL BABY logo, and related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro. MY LITTLE PONY is a trademark owned by Pony Inc. © [year] Hasbro. All</p>



		Rights Reserved. Licensed by Hasbro.
<b>PEPPA PIG TV</b>	the PEPPA PIG trademarks, and the associated logos, copyrights and fictitious characters and their likenesses, as first depicted in the “PEPPA PIG” animated television series originally broadcast on network television in 2004 and in the “PEPPA PIG” style guides provided 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 television series, without Licensor’s express prior written approval, which may be granted or withheld at the Licensor’s sole and absolute discretion.	PEPPA PIG and all related trademarks and characters TM & © 2003 Astley Baker Davies Ltd/Entertainment One UK Limited. HASBRO and all related logos and trademarks TM & © [YEAR] Hasbro. All Rights Reserved. Used with Permission.
<b>TRANSFORMERS CYBERVERSE</b>	the TRANSFORMERS trademarks and the associated logos, copyrights and the related characters and their respective likenesses, all specifically as used in and referring to the “Transformers Cyberverse” television series produced by Hasbro Studios first broadcast on network television in 2018. 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 CYBERVERSE and all related characters are trademarks of Hasbro and are used with permission. ©[year] Hasbro. All Rights Reserved. Licensed by Hasbro.
<b>TRANSFORMERS EVERGREEN</b>	the modern version of the TRANSFORMERS trademarks and the associated logos, copyrights and the related characters and their respective likenesses, all as depicted in the	TRANSFORMERS and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.

	<p>“Transformers Evergreen” style guide provided to Licensee by Licensor (the “Style Guide”). In no event shall Licensee have the right to refer specifically to the title of any visual entertainment program or media or utilize the Licensed Property 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 (except as set forth in the Style Guide).</p>	
<p><b>TRANSFORMERS RESCUE BOTS - TELEVISION SERIES</b></p>	<p>the TRANSFORMERS and RESCUE BOTS trademarks and the associated logos, copyrights and the related characters and their respective likenesses, all as depicted in the “Transformers Rescue Bots” television series produced by Hasbro Studios and 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.</p>	<p>TRANSFORMERS, RESCUE BOTS and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.</p>
<p><b>TRANSFORMERS - THE PLAYSKOOL BABY VERSION</b></p>	<p>the TRANSFORMERS logo, characters, and associated visual elements stylized for infant products and décor. <u>Use of TRANSFORMERS - THE PLAYSKOOL BABY VERSION is expressly prohibited in Japan</u></p>	<p>PLAYSKOOL BABY, the PLAYSKOOL BABY logo, the TRANSFORMERS logo and all related characters are trademarks of Hasbro and are used with permission. © [year] Hasbro. All Rights Reserved. Licensed by Hasbro.</p>

2. “Licensed Articles” means the following individually and collectively:

Licensed Articles	Licensed Property that may be used for such Licensed Articles
Seasonal Celebrations which shall be limited to Foil Balloons.	All Licensed Property



- 3. **“Territory”** means EEA and Switzerland.
- 4. **“Channels of Distribution”** means all channels.
- 5. **“Term”** means the License Term and the Sell-Off Period (if any) collectively.
  - (a) **“License Term”** means 01 July 2020 through 30 July 2022.
  - (b) **“Sell-Off Period”** means the ninety (90) days period immediately following the end of the License Term. Notwithstanding anything to the contrary, Licensee’s rights during the Sell-Off Period are limited as set forth in Section 14.2 of the Standard Terms.
- 6. **“Initial On Sale Date”** means 01 August 2020.

7. **Payment Terms:**

**“Minimum Guaranteed Royalty”** means Ten Thousand Euros (██████████), which shall be non-refundable but recoupable against Royalties payable by Licensee to Licensor under this Agreement during the License Term and which shall be payable by Licensee to Licensor as follows:

- a. ██████████ due on or before signature;
- b. ██████████ due on or before 01 April 2021; and
- c. ██████████ due on or before 01 July 2021.

8. **Royalties:**

- (a) **“Royalty Rate”** means the Non-FOB Royalty Rate and the FOB Royalty Rate (if any) individually and collectively. **“Royalties”** means the sum calculated by applying the applicable Royalty Rate to the applicable portion of Net Sales.

Licensed Property	Definition of “Non-FOB Royalty Rate” for such Licensed Property	Definition of “FOB Royalty Rate” for such Licensed Property
All Licensed Property	12% of Non-FOB Net Sales	16% of FOB Net Sales

- (b) **“Gross Sales”** shall mean the actual invoice price charged for each Licensed Article sold multiplied by the quantity of such Licensed Articles sold. A Licensed Article is considered sold when it is invoiced, shipped or paid for, whichever event occurs first.
- (c) **“Allowable Deductions”** shall mean only (i) actual customary trade discounts and allowances; (ii) actual returns; and (iii) returns allowances in lieu of actual returns, subject to the exclusions, limitations and requirements set forth below. Allowable Deductions shall expressly exclude cash discounts granted as terms of payment, early payment discounts, allowances or discounts relating to advertising, new store allowances, shrinkage allowances, listing/slotting fees or allowances, deductions of preferred shelf space or placement charges, carryover stock bonuses/stock rebalancing, uncollectible accounts, or deductions of any costs or expenses incurred in the manufacture, distribution, transportation, and/or sale of the Licensed Articles. The aggregate sum of all Allowable Deductions in any Royalty Reporting Period shall not exceed 20% of the total Gross Sales for such Royalty Reporting Period and there shall be no cross-collateralization, carryovers or credits among Royalty Reporting Periods. No deduction shall qualify as an Allowable Deduction unless it is supported by an auditable document trail as contained in the records available for inspection, audit and verification by Licensor or its representatives under Section 11 of the Standard Terms.

- (d) “**Net Sales**” shall mean Gross Sales less only Allowable Deductions and any applicable value added and similar sales taxes. Notwithstanding the foregoing, with respect to sales by the Licensee that are made directly to the consumer, “**Net Sales**” means the gross amount charged on account of such sale, with no deductions allowed.
  - (e) “**Royalty Reporting Period**” means each of the following periods during each year of the Term: (i) January 1 through March 31; (ii) April 1 through June 30, (iii) July 1 through September 30; and (iv) October 1 through December 31.
9. “**Samples**” means the following number of samples which Licensee shall provide to Licensor, as further set forth in the Standard Terms:
- (a) 2 pre-production sample(s); and
  - (b) 10 production samples.

Licensee shall send all Samples to the Licensor Contact (or other person as subsequently instructed by Licensor in writing).

10. “**Approval Period**” means the Term.
11. “**Minimum Insurance Limits**” means the following minimum insurance limits, subject to the terms of this Agreement, including but not limited to Schedule A:
- (a) **Commercial General Liability Insurance:** Two Million United States Dollars (US\$2,000,000) per occurrence and Five Million United States Dollars (US\$5,000,000) in annual aggregate.
  - (b) **Media Liability Insurance:** One Million United States Dollars (US\$1,000,000) per occurrence and Two Million United States Dollars (US\$2,000,000) in annual aggregate.
  - (c) **Cyber Liability Insurance:** One Million United States Dollars (US\$1,000,000) per occurrence and Two Million United States Dollars (US\$2,000,000) in annual aggregate.

12. **Special Conditions:**

- (a) **Common Marketing Fund:** In addition to any Royalties and the Minimum Guaranteed Royalty, Licensee shall be required to pay a non-refundable contribution to Licensor’s “Common Marketing Fund” equal to one percent (1%) of Net Sales (the “**CMF Contribution**”).
- (b) “**Licensor Bank Account**” means the following bank account (or such other bank account designated by Licensor by written notice to Licensee from time to time), to which all payments to Licensor shall be made in Euros and reported using the contract suffixes as follows: 131772-0 and 131772-1:

Bank account number for EUR (Euro)	
Beneficiary Name:	Hasbro Consumer Products Licensing Limited
Beneficiary Address:	4 The Square, Stockley Park, Uxbridge UB11 1ET, United Kingdom
Bank Name:	CITIBANK LONDON
Swift Code:	CITIGB2L
Sort Code:	18-50-08
IBAN:	GB73 CITI 1850 0812 4364 34
Account Number:	0012436434

13. In the event of any inconsistency between the Business Terms and the Standard Terms, the terms of the Business Terms shall control.



**FIRST AMENDMENT TO MERCHANDISE LICENSE AGREEMENT**

This First Amendment to Merchandise License Agreement ("Amendment") is entered into as of January 1, 2021 ("Amendment Effective Date"), by and between, on one part, HASBRO CONSUMER PRODUCTS LICENSING LIMITED ("Licensor") and, on the other part, GRABO SRL ("Licensee").

Reference is made to a certain Merchandise License Agreement (Contract Number: 131772), dated as of July 1, 2020, by and between Licensor and Licensee (the "Agreement"). Capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

WHEREAS, the parties desire to amend the term, all as more specifically provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby amend the Agreement, effective as the Amendment Effective Date, unless expressly provided otherwise below, as follows:

1. Territory: the definition of Territory shall be deleted in its entirety and replaced with the following:

"Territory" means:

- (a) **Contract Number: 131772-0:**  
EEA and Switzerland; and
- (b) **Contract Number: 131772-2:**  
Russia, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

2. Payment Terms: the Payment Terms shall be deleted in its entirety and replaced with the following:

"Minimum Guaranteed Royalty" Sixteen Thousand Euros ( ) divided into separate, non-cross collateralized and non-refundable "Minimum Guarantees" amounts defined and recoupable in accordance with the table below. For the avoidance of doubt, each Minimum Guarantee is only recoupable against Royalties earned for the applicable Territory and cannot be cross-collateralized across Territory.

Definition of such "Year"	Definition of "Minimum Guarantee"	Payable by Licensee to Licensor as follows:	Recoupable against Royalties earned in such Year for the following Territory
01 July 2020 to 30 July 2022		Received 29 September 2020; due on or before 01 April 2021; and due on or before 01 July 2021.	<b><u>Contract No: 131772-0</u></b>
01 July 2020 to 30 July 2022		due on signature of Amendment	<b><u>Contract No: 131772-2</u></b>

3. The paragraph and other headings contained in this Amendment are for reference purposes only and should not be deemed to affect the meaning or interpretation of this Amendment or the Agreement. This Amendment may be executed in one or more counterparts, each copy of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. The parties intend to allow for the electronic execution, imaging and storage of this Amendment and the admissibility into evidence of such an image in lieu of the original paper version of this Amendment. The parties stipulate that any computer printout of any such image of this Amendment shall be considered to be an "original"

under the applicable court or arbitral rules of evidence when maintained in the normal course of business and shall be admissible as between the parties to the same extent and under the same conditions as other business records maintained in paper or hard copy form. The parties agree not to contest, in any proceeding involving the parties in any judicial or other forum, the admissibility, validity, or enforceability of any image of this Amendment because of the fact that such image was stored or handled in electronic form.

Except as specifically modified or amended by this Amendment, all terms and conditions of the Agreement are unmodified and remain in full force and effect.

This document shall not be deemed an offer and shall not be binding unless signed by all named parties.


SIGNATURE ON NEXT PAGE

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AGREED TO AND ACCEPTED BY:

GRABO SRL

HASBRO CONSUMER PRODUCTS  
LICENSING LIMITED

DocuSigned by:  
  
EEF3A3200D114C9...

By: Giorgio Grassi

DocuSigned by:  
  
5EEC4743F86243C...

By: Casey Collins

Date: 16-mar-21

Date: 16-Mar-21