



Addendum to Contract

To: Zambelli Fireworks 2020 customers

From: Zambelli management

Date: March 16, 2020

Subject: Zambelli Policy Regarding Coronavirus Related Cancellations/Postponements

To all Concerned Parties,

We want to address concerns broached by several customers about the stance Zambelli Fireworks will take in the event that the health risks associated with the Coronavirus cause cancellation of a contracted fireworks display. First, Zambelli Fireworks appreciates its relationships it has with its customers, many of whom have been long standing clients. As such, and in recognition of the difficulties we are all experiencing in this crisis, we have instructed all of our Project Managers to work in a congenial manner to solve problems you are likely to experience. However, we also ask each of you to recognize the difficulties we are facing and stress that early and frequent communication is necessary to minimize dislocations on both our parts.

Each of you sign a contract with us requiring a deposit and additional payments based on the timing of cancellation. We are going to amend the terms on cancellation in recognition of the extraordinary circumstances we all face. Allow me to enumerate the new terms as well as explain some constraints we face in certain scenarios.

Cancellation of displays outside of June 29 through July 12

Cancellation prior to 30 days of a scheduled display will not be financially penalized.

Cancellation of June 29 through July 12 2020 displays

Cancellation of a June 29 through July 12, 2020 displays prior to 45 days ahead of time will not be penalized with two caveats. In order to prepare for this busy time of year, we are required by Budget Rental Truck to receive trucks at our location by June 1. In order to arrange for delivery, Budget requires a contractual obligation on our part by mid-April. We will ask customers cancelling after May 15 to consider helping reimburse Zambelli for truck rental expenses. Given the uncertainty this year, we are working with Budget to give us more leeway in our truck order. We will communicate the results of those discussions as soon as we have clarity of Budget's revised policy. In addition, shows utilizing barge services require us to reserve a barge various numbers of days from the display. These arrangements typically occur between our Project Managers and a local barge company. We will require reimbursement for those expenses from customers who do not provide us timely notification as agreed between the customer and the Project Manager.



Postponement of any 2020 display

Zambelli Fireworks encourages our customers to utilize postponement dates for displays. All deposits will be credited towards the postponement date as long as Zambelli is notified before its crews are mobilized or other expenses directly attributed to your display are incurred. This can typically be accommodated within 45 days from the scheduled date. Despite increases in product costs which have occurred due to a variety of factors, Zambelli Fireworks will hold to our contractual pricing in the case of a display postponed within calendar year 2020.

Cancellation within 30 days of a display

Finally, cancellation within 30 days from the date of the display without utilizing a postponement date will revert to the terms of the contract.

We believe these changes are a fair accommodation in the difficult environment we are currently experiencing. We encourage you to work with your Project Manager to reach accommodations that give your customers an enjoyable, safe experience that Zambelli and you love to provide.

Client Signature: _____

Print: _____

Title: _____

Zambelli Signature: _____

Print: _____

Title: _____