

IPARTY CORP
Form 8-K
January 05, 2011
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

December 30, 2010

Date of Report (Date of earliest event reported)

iPARTY CORP.

(Exact name of registrant as specified in its charter)

Delaware **001-15611** **76-0547750**
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

270 Bridge Street, Suite 301, Dedham, Massachusetts 02026
(Address of principal executive offices) (Zip Code)

(781) 329-3952
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On December 30, 2010, iParty Corp. (“**iParty**”) amended its Supply Agreement with Amscan Inc. (“**Amscan**”) to extend the Supply Agreement until December 31, 2013 from the original expiration date of December 31, 2012.

In addition, on December 30, 2010, iParty and its wholly-owned subsidiary, iParty Retail Stores Corp., agreed with Party City Corporation, an affiliate of Amscan, to take over one Party City leased location in Manchester, CT on March 1, 2011. As part of the lease termination, iParty and iParty Retail Stores and Party City entered into an amendment to that certain Asset Purchase Agreement dated August 7, 2006 between the parties, to extend the term of the non compete provisions with Party City and its affiliates contained in the Asset Purchase Agreement from August 7, 2011 until December 31, 2013 and to include the Manchester, CT location as part of the restricted area in the non compete provisions.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

iPARTY CORP.

By: /s/ SAL PERISANO

Sal Perisano

Chairman of the Board and

Chief Executive Officer

Dated: January 5, 2011