

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF HARNETT

This TEMPORARY LEASE AGREEMENT (this "Agreement"), is made this 19<sup>th</sup> day of June 2019, between H. M.'s KIDS, INC., a North Carolina corporation, through its manager Riddle Commercial Properties, Inc., located at 4200 Morganton Road, Suite 150, Fayetteville, North Carolina 28314 ("Lessor") and AMERICAN PROMOTIONAL EVENTS, INC. – EAST D/B/A TNT FIREWORKS ("Lessee") whose address is 523 Carter Road, Graham, NC 27253.

**WITNESSETH**

1. "Lessor" hereby agrees to permit "Lessee" the right to use property of "Lessor" for over promotion and sell of fireworks, and for no other purpose. Lessee shall not have the right to sublease portions of the property to other vendors or users.
2. Term of Agreement The term of agreement shall be from June 19, 2019 through July 5, 2019, total of Seventeen (17) days.
3. Taxes "Lessor" shall pay all applicable taxes or assessments levied and assessed on the leased property during the term of the agreement. "Lessee" shall pay all taxes on any personal property stored in or on the leased property.
4. Description Use of property listed as located on 3035 NC Highway 87 South, located in Cameron, North Carolina. The subject is more particularly described on the Attached "Exhibit A" and outlined in red. Parking, all vehicles must park in the Cagle Furniture parking lot.
5. Consideration Sum of Two Thousand and 00/100 Dollars (\$2,000.00) in advance for term of agreement.
6. Indemnification "Lessee" does hereby indemnify and save "Lessor" from any and all liabilities, damages, costs, and expenses as a result of any claim, action against it arising out of or in connection with "Lessee's" use of property. "Lessee" shall save "Lessor" harmless from and against any and all claims for injury to person or property damage resulting from or arising out of "Lessee's" use of the premises, the conduct of business or any act by "Lessee", "Lessee's" agents, employees or invitees.
7. Hazardous Materials "Lessee" shall not cause or permit any hazardous or toxic materials to be brought upon, kept or used in or about the Premises by "Lessee", it's agents, employees, contractors, or invitees: "provided, however, for the purposes of this Agreement the term "hazard or toxic material" shall not include UN 1.4G consumer fireworks or deregulated novelty items."

**PROHIBITION OF CONSUMER FIREWORKS.** In the event that any federal, state or local statute, ordinance, regulation, or court holding is issued or passed that temporary or permanently prohibits the sale, use, storage or possession of 1.4G consumer fireworks or deregulated novelties at the property listed on **Exhibit A**, then the provisions of this Lease shall automatically become null and void.

8. Agreement Binding Upon Parties The terms, covenants, conditions, provisions and undertakings in this agreement shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the respective parties hereto, as if they were in every case named and expressed and shall be construed as covenants running with the land, and wherever reference is made to either of the parties hereto, it shall be held to include and apply also to the heirs, personal representatives, successors, and assigns of such party, as if in each and every case so expressed.
9. “Lessee” shall obtain all permits and licenses required by local governmental authorities to operate its business herein. Lessee shall abide by all rules and regulations and ordinances in its business operations.
10. “Lessee” shall keep the premises free of debris, trash, etc., and shall be responsible for the disposal of such. Lessee’s use of the property will not include loud music or noise and/or obnoxious odors to be emitted.
11. “Lessee” shall not permit the use of fireworks on the property.
12. “Lessee” shall not permit smoking within 25 feet of the fireworks or the tent that is erected to hold the fireworks.
13. “Lessor” has made no representations or promises with respect to the premises except as herein expressly set forth. The taking of possession of the premises by “Lessee” shall be conclusive evidence, as against “Lessee” that it accepts the same “As Is” and that the premises are suited for the use intended by “Lessee” and were in good and satisfactory condition at the time such possession was so taken.

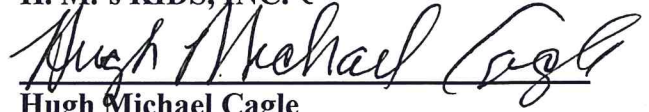
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SIGNATURE PAGE FOLLOWS

If all parties agree on the day and year first above written, signatures by all parties below will cause agreement to be fulfilled.

**LESSOR:**

**H. M.'s KIDS, INC.**



**Hugh Michael Cagle**

President

*(Official Seal)*

**LESSEE:**

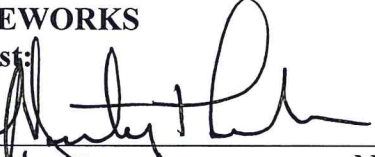
**AMERICAN PROMOTIONAL**

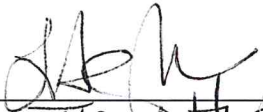
**EVENTS, INC. – EAST d/b/a TNT**

**FIREWORKS**

Attest:

BY:

  
Marty Taunton Name  
Facilities Director Title

  
Traud Hughes Name  
Dir. Leasing Ops Title

*(Official Seal)*

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF Cumberland )

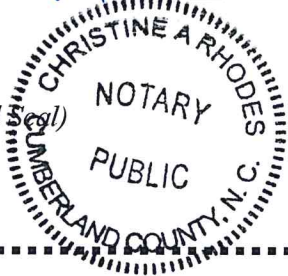
I, Christine A. Rhodes, a Notary Public for said County and State, do hereby certify that **Hugh Michael Cagle** personally came before me this day as President of **H. M.'s Kids, Inc.** and acknowledged the due execution of the foregoing instrument.

Dated: 6/19/2019



Printed Name: Christine A. Rhodes  
Notary Public

(Official Seal)

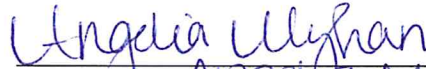


My commission expires: 8/4/2021

STATE OF Alabama )  
 )  
COUNTY OF Lauderdale )

I, Angelia Myhan, a Notary Public in and for the aforesaid County and State, do hereby certify that Tray Hughes personally came before me this day and acknowledged that he/she is the Dir. Leasing of **AMERICAN PROMOTIONAL EVENTS, INC. - EAST d/b/a TNT FIREWORKS**, an Alabama corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name.

Dated: June 14, 2019



Printed Name: Angelia Myhan  
Notary Public

(Official Seal)



My commission expires: Apr 7 2021

**EXHIBIT A**

Site Plan:

