


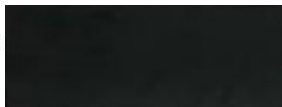
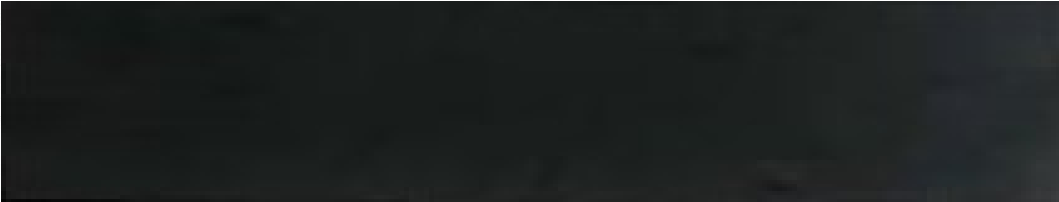
STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF HARNETT

This LEASE AGREEMENT ("Agreement") is made this 22nd day of March 2021, 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 4511 Helton Drive, Florence, AL 35630.

WITNESSETH

1. "Lessor" hereby agrees to permit "Lessee" the right to use property of "Lessor" for 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 and Rent Amount The term of agreement shall be for Five (5) years for the following Holidays and dates:
 - A. New Year Festivities – December 23rd through January 3rd – Rental Rate of 
 - B. Fourth of July - June 19th through July 5th – Rental Rate  year.
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. 
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. Termination Clause If the "Lessor" sells the property or decides to develop said property the "Lessee" shall be notified within Thirty (30) days of "Lessor" intent to sell or develop, and this lease will be null and void. Shall the lease become null and void the consideration paid hereunder shall be promptly refunded to "Lessee".
8. 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 and the consideration paid hereunder shall be promptly refunded to "Lessee". The prohibition described in this section shall be construed broadly so as to account for any code, decree, executive order, injunction, law, order, ordinance, regulation or rule amended, enacted, issued or modified by any governmental authority, whether at the federal, state or local level.

9. 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.
10. "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. In the event "Lessee" is unable obtain any license or permit required, "Lessee" may terminate this Agreement and receive a full refund of the consideration paid hereunder.
11. "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.
12. "Lessee" shall not permit the use of fireworks on the property.

13. "Lessee" shall not permit smoking within 25 feet of the fireworks or the tent that is erected to hold the fireworks.
14. "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.

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:

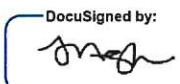
BY: 

Preston Platt
VP - Sales

Name

Title

(Official Seal)



Tracy Hughes
Director of Leasing Operations

Name

Title