

PROPERTY LEASE AGREEMENT

This Property Lease Agreement ("Lease") is entered into by and between THE CITY OF COMMERCE ("Lessor") and AMERICAN PROMOTIONAL EVENTS, INC. - WEST, a California Corporation, d.b.a. TNT Fireworks ("Lessee"), on the terms and conditions below.

Lessor represents and warrants that it has the authority to lease that certain real property located at 2500 EASTERN AVENUE ("The Premises") in the city of COMMERCE, California.

Lessor hereby leases to Lessee and Lessee leases from Lessor the Premises. Lessor grants Lessee and a nonprofit organization designated by Lessee the exclusive right to occupy the Premises for the sole purpose of conducting the sale of "Safe and Sane" fireworks from June 28, 2019 to July 4, 2019. Lessee agrees to remove the temporary fireworks sales booth on or before July 10, 2019, leaving the Premises clean and free of debris. Lessee will occupy the site starting June 20, 2019 to July 10, 2019.

Lessee agrees to maintain and provide Public Liability and Property Damage Insurance in the amount of TEN MILLION DOLLARS (\$10,000,000.00) combined single limits, pertaining to and protecting against liability arising from the activities conducted at the Premises by Lessee and the nonprofit organization. Lessor, and any other parties designated by the Lessor, will be named as an additional insured on said policy and a certificate of insurance will be provided Lessor prior to the occupancy of the Premises.

Lessee shall indemnify, hold harmless and defend Lessor from and against any loss, claims or costs arising from the use of the Premises by Lessee and the nonprofit organization. However, in no event shall Lessee be required to indemnify, hold harmless or defend Lessor from or against any action, cause of action, claim, cost, loss or suit arising from the negligence or intentional acts or omissions of the Lessor, its agents, its contractors or its employees.

This Lease is subject to cancellation in the event of either sale of, or construction on, the property that would prohibit the use of the site. This Lease is also subject to cancellation if, for any reason, the Lessee is unable to secure a group to operate on the premises, or the nonprofit organization cannot acquire and maintain all city, county, and state licenses and/or permits necessary to operate a legal fireworks sale on the Premises in compliance with applicable law. In the event of cancellation, Lessee shall give Lessor written notice of the

cancellation no later than June 20, 2019. Lessor shall refund the rent paid within ten (10) days of such notice.

Lessee agrees to observe all of the obligations hereunder and Lessor agrees Lessee shall have quiet possession and enjoyment of the Premises during the term of this Lease.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute the entire agreement. This Agreement, including its counterparts, may be executed electronically. For purposes of this Agreement, the Parties agree that any electronic signature shall have the same effect and force as a handwritten signature. Each Party waives any claim or defense that this Agreement is invalid or unenforceable due to an electronic signature.

This Lease contains the entire agreement between the parties. Any amendment or modification hereto shall be effective only if in writing and signed by both parties.

Rental consideration for this Lease shall be ONE THOUSAND DOLLARS (\$1,000.00).

LESSOR: CITY OF COMMERCE

By: _____ Date: _____

Print: _____

2535 Commerce Way
Commerce, CA 90040
323-722-4805

LESSEE: AMERICAN PROMOTIONAL EVENTS, INC. - WEST

By: _____ Date: _____

Brad Hudson
Area Manager
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Fullerton, CA 92833
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LOC# XXX0797