

PREPARED BY:
ROBERT CASSIDY
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WEST MEMPHIS, AR 72303
501-735-1753

BOOK

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LEASE AGREEMENT

Village Golf Center, hereinafter called Lessor, and Holiday Specialties, Inc., or assigns, hereinafter called Lessee, hereby enter into an agreement as follows:

1. For the consideration set out, Lessor does hereby lease a parcel of property and access to same to Lessee for use as a wholesale and/or retail fireworks outlet located and described as follows:

An area measuring approximately 100' x 100' fronting on the south side of State Line Road just east of the drive entrance to the Village Golf Center at 10281 State Line Road as further described in Exhibit "A" attached hereto and made a part hereof.

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Lessee shall have the sole and exclusive right to sell and/or advertise fireworks on the leased site. All property within one-half mile of the leased premises or any property located along Stateline Road between Hack's Cross and Germantown Extended which may be owned, leased and/or controlled now or hereafter by Lessor or any parties hereto during the life of this lease may not be used for the sale and/or advertising of fireworks by any party other than Lessee.

2. Occupancy periods shall be from June 10 through July 10 and December 10 through January 10 of each year hereunder. Lessee shall have the right to erect and use temporary buildings, tents, parking lots, lights, signs, etc. which it considers necessary for the successful operation of the retail fireworks outlet. All such buildings, signs, etc. shall be paid for by Lessee and shall be the property of Lessee but only the temporary utility service pole may remain on the leased premises between occupancy periods during the life of this lease.

3. It is agreed that only legal merchandise shall be sold in accordance with Mississippi State and Local regulatory fireworks laws.

4. Lessee agrees to keep the leased premises occupied by it in a clean and orderly condition free of all debris attributable to the fireworks operation and to maintain all signs and buildings used in selling fireworks in a presentable manner.

5. This lease agreement shall be in full force and effect from December 10, 1995 through December 9, 2005, the end of the lease term, unless terminated as herein provided. A lease year annually runs from December 10 through December 9 of the following year.

6. Lessor hereby acknowledges receipt of \$500.00 with the balance of \$5,500.00 due on or before December 10, 1995 which will be payment of the rent through December 9, 1996. The base annual rental payment for each year during the term of this lease shall be \$6,000.00 annually payable on or before December 10 of each year. As additional rent, due on or before August 15 of each lease year, Lessee shall pay to Lessor the amount, if any, by which ten percent (10%) of gross sales during such lease year (less sales tax) exceeds the amount of base rent previously paid for such lease year. Lessee agrees to keep accurate records of all sales and these records will be available to Lessor at any reasonable time upon reasonable notice. Excepted from above would be sales from any heavily discounted, promotional items that are sold at or above 50% Off normal retail for which Lessor shall receive 5% of such gross sales (less sales tax). Lessee will keep records of the quantity of all such discounted merchandise sold at the outlet which will be available to Lessor at any reasonable time upon reasonable notice. It is agreed that the additional rent, if any, shall not be less than nine percent (9%) of all gross sales (less sales tax) including sales of all discounted items. Lessor shall receive as additional rent the greater amount derived from calculating the additional rent by both such methods outlined above.

7. Lessee agrees to keep all sales proceeds (all monies received) of the outlet covered under this agreement separate from the proceeds of all other outlets which it operates, and all such proceeds shall be deposited in a separate bank account to be used only for the purposes of the outlet covered under this agreement. Lessor shall have the right to employ whatever means it desires to observe, monitor, check, verify and account for the handling of all sales proceeds of Lessee on the outlet covered hereunder at any and all times from point of sale to deposit; provided however, that any additional costs of such activity will be paid by Lessor. Lessee agrees to cooperate fully with Lessor in all such verification processes.
8. Lessor agrees that Lessee shall have the nonexclusive right to share parking and access rights to Lessor's property.
9. Lessee agrees that any fireworks sales promotion and direction signs used by Lessee on Hacks Cross Road and Germantown Extended north of Stateline Road will be used to promote the fireworks location on Lessor's property.
10. Lessor shall have the right to terminate this agreement at any time by giving Lessee 30 days written notice by certified mail of its intention to terminate. However, even if such termination is made, Lessor shall not cause, permit or allow any fireworks to be sold and/or advertised on the leased property and designated one-half mile area or on any property located along Stateline Road between Hack's Cross and Germantown Extended which may be owned, leased, and/or controlled now or hereafter by Lessor or any parties hereto, prior to the expiration date of the original term under this lease. Lessee shall have the right to remove any of its property from the leased site during said 30 day notification period. In the event Lessor terminates this agreement, Lessee shall have the right to sell and/or advertise fireworks on any property located along Stateline Road between Hack's Cross and Germantown Extended.
11. Lessee shall have the right to terminate this agreement at any time by giving Lessor 30 days written notice by certified mail of its intention to terminate. However, if such termination is made, Lessee or any officer, director, employee or stockholder of Holiday Specialties, Inc., or any corporation or other entity in which Lessee or any of their directors, officers, employees, or stockholders have any ownership interest shall not sell fireworks on any property within one-half mile of the leased premises or on any property located along Stateline Road between Hack's Cross and Germantown Extended prior to the expiration date of the original term under this lease. In the event of such termination, all rent paid shall be retained by Lessor and Lessee agrees to remove all of its property from the leased premises during said 30 day notification period. Lessee shall pay any rent earned, but not paid, that may be due at the date of termination.
12. Lessee agrees to obtain bodily injury liability and property damage liability insurance coverage to protect Lessor on Lessee's use of the property at Lessee's cost. Lessee agrees to obtain insurance with combined limits of not less than \$1,000,000.00, each occurrence. A certificate or other proof of insurance shall be provided to Lessor each season hereunder during occupancy period.
13. Should Lessee fail to make any payment when due, or fail to perform any other covenant, Lessor may, on 15 days notice by certified mail, providing an opportunity to cure the deficiency, declare this lease terminated. In the event that such termination occurs, Lessor may lease the premises to others for the sale and/or advertising of fireworks.
14. In the event Lessor terminates this agreement or if Lessee is unable to obtain all permits and licenses required to legally operate the fireworks outlet, Lessor hereby agrees to promptly refund all prepaid rent in excess of \$250.00 within 15 days of Lessor's notice to terminate or of Lessee's notice that the outlet cannot be legally operated.

This agreement shall run with the land and bind and inure to the benefit of the parties, their heirs, successors and assigns.

Village Golf Center

Holiday Specialties, Inc.

(LESSOR)

(LESSEE)

BY: *Ernie C. Smith*

BY: *Robert Corio, Secretary*

BY: *Ben D. Williams*

DATE: *May 15*, 1995

DATE: *May 15*, 1995

NOTARY ATTACHED

STATE OF Mississippi

COUNTY OF Desoto

I, the undersigned authority, in and for said County and State, hereby certify that Robert Cassidy, whose name as Secretary of Holiday Specialties, Inc., a Mississippi corporation, is signed to the foregoing lease agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease agreement, executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal this 15th day of May, 1995.

Melanie H. Chance
NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
SEPTEMBER 9, 1998



STATE OF Mississippi

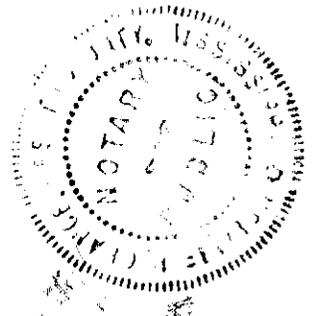
COUNTY OF Desoto

I, the undersigned authority, in and for said County and State, hereby certify that Donn Holt, whose name as Pres of Village Golf Center is signed to the foregoing lease agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease agreement, executed the same voluntarily on the day the same bears date.

GIVEN, under my hand and seal this 15th day of May, 1995.

Melanie H. Chance
NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
SEPTEMBER 9, 1998



STATE OF Mississippi

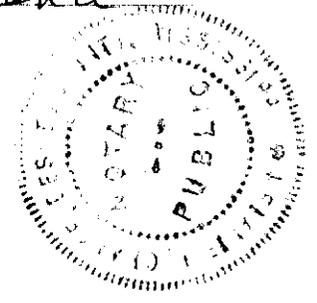
COUNTY OF Desoto

I, the undersigned authority, in and for said County and State, hereby certify that Paul Williams, whose name as Secretary Treasurer of Village Golf Center is signed to the foregoing lease agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease agreement, executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal this 15th day of May, 1995.

Melanie H. Chance
NOTARY PUBLIC

My commission expires:
MY COMMISSION EXPIRES
SEPTEMBER 9, 1998



GOLF SCHOOL

North

RC
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Entrance Drive

LEASED AREA

Stateline Rd.

VILLAGE GOLF CENTER
10281 Stateline Road

STATE MS. - DESOTO CO.
OCT 4 2 24 PM '96
BK 73 PG 19
W.E. DAVIS CH. CLK.