

# Lease Agreement

**LEASE-40931**

## Preamble and Recitals

This Lease Agreement ("Agreement") is entered into as of December 14, 2024 ("Effective Date") by and between Fontara Inc., a corporation duly organized under the laws of the United States with its principal office located at 123 Retail Avenue, Washington, D.C. ("Lessee"), and Fontara Corp., a corporation organized under the laws of the United States with its principal office located at 456 Commerce Drive, Washington, D.C. ("Lessor"). Whereas, Lessee desires to lease certain premises for retail purposes and Lessor agrees to lease said premises under the terms and conditions set forth herein.

## Definitions

In this Agreement, unless the context otherwise requires: "Premises" means the retail space located at 789 Market Street, Washington, D.C. "Renewal Notice Period" refers to the period ending thirty (30) days before the expiration of the Initial Term, requiring notification by any party wishing to renew the lease. "Termination for Cause Notice" means the notice period allowing either party to terminate the Agreement in the event of a breach. "Insurance" refers to the mandatory policies Lessee must maintain under this Agreement, including general liability insurance and workers' compensation. "Effective Date" shall mean the commencement date of this Agreement as specified herein.

## Core Business Terms

The Premises are leased to Lessee for a retail business, commencing on the Effective Date, with an Initial Term of one (1) year ending on December 14, 2025. Lessee shall pay Lessor a monthly rental fee of twenty-five thousand dollars (\$25,000) in U.S. currency, payable net forty-five (45) days following receipt of the invoice presented by Lessor. Lessee agrees to utilize the Premises solely for retail operations, adhering to applicable building codes and regulations.

## Term and Termination

This Agreement will remain in effect for the Initial Term. Either party may terminate this Agreement by providing the other party with thirty (30) days written notice in the event of a material breach ("Termination for Cause Notice"). Additionally, this Agreement may be terminated for convenience with ninety (90) days notice, subject to the renewal terms. If Lessee desires to renew the lease, they must provide notice of renewal by November 14, 2025.

## Representations and Warranties

Each party represents and warrants that it has the power and authority to enter into this Agreement and perform its obligations hereunder. Lessor warrants that the Premises are in compliance with all applicable local, state, and federal laws and that Lessee shall have quiet enjoyment thereof during the lease term, subject to compliance with this Agreement.

## Covenants and Ongoing Obligations

Lessee covenants to maintain the Premises in good condition and repair, consistent with industry standards, and not to engage in activities that are unlawful or expose Lessor to liability. Lessor agrees to ensure the Premises are suitable for retail operations and provide necessary utilities as part of the lease agreement.

## Risk Allocation

Neither party shall be liable for special, indirect, or consequential damages; further, each party's total liability under this Agreement shall not exceed the total fees paid by Lessee during the term, except in cases of willful misconduct or gross negligence. Lessee agrees to maintain general liability insurance with coverage limits of no less than one million dollars (\$1,000,000) per occurrence and professional liability insurance with coverage limits of no less than two million dollars (\$2,000,000) aggregate, in addition to workers' compensation coverage as required by law.

## Miscellaneous

This Agreement shall be governed by the laws of the United States, and any legal proceedings shall be instituted in the courts located in Washington, D.C. The Agreement constitutes the entire agreement between the parties and supersedes all prior understandings. Notices under this Agreement shall be deemed received if delivered via registered mail or electronic communication with confirmation of receipt to the addresses provided. The assignment of rights or delegation of duties by either party is permitted, subject to written consent from the non-assigning party, particularly in a change of control scenario. Should any provision be deemed invalid by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

## Signatures

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the Effective Date.

Fontara Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Fontara Corp.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_