



ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Ernest J. LaBaff Industrial Building ~ 19 Commerce Lane, Suite 1 ~ Canton, New York 13617
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St. Lawrence County Industrial Development Agency 2020 Michels Corporation Summary

| | | |
|-----|--|---|
| 1. | Applicant Name/Project Number: MICHELS CORPORATION, LLC. | |
| 2. | Project Description (the “Project”): Assistance in the form of a lease agreement with MICHELS CORPORATION, LLC. for approximately 8,870 square feet of space in the Lot 4 Mixed-Use Building through 12/31/2022 with two options to renew, Canton Industrial Park, Canton, NY at <u>19 Commerce Lane, Canton, NY</u> being more particularly described as TMID No <u>88.049-1-2.121</u> in the Town of Canton, St. Lawrence County, New York, (herein, the “Facility”) the lease of the Facility to the Company pursuant to a straight-lease transaction as defined within the Act. No financial assistance, incentives or exemptions are being provided for this project. | |
| 3. | Type of Financial Assistance Requested: | N/A |
| 4. | Total Amount of Project: | N/A |
| 5. | Benefited Project Amount: | N/A |
| 6. | Estimated value of NYS Sales & local sales and use tax exemption to be provided to the Company for this Project: | N/A |
| 7. | PILOT Structure | Full taxes for the occupied space will be paid to the affected taxing jurisdictions |
| 8. | Mortgage Recording Tax Exemption | N/A |
| 9. | Full-time Equivalent Jobs to be Retained as a Result of the Project: | N/A |
| 10. | Full-Time Equivalent Jobs to be Created as a Result of the Project: | N/A |
| 11. | Expiration of the Financial Assistance: | 12/31/2022 |

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 20-12-31

December 18, 2020

**AUTHORIZING LEASE FOR THE CANTON MIXED-USE BUILDING WITH
MICHELS CORPORATION**

WHEREAS, the St. Lawrence County Industrial Development Agency (the "Agency") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") as amended, and Chapter 358 of the Laws of 1971 of the State, as amended (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, MICHELS CORPORATION, having a need for office space, has requested that the SLCIDA consider a Lease Agreement within the building on Lot 4 in the Canton Industrial Park, and

WHEREAS, MICHELS CORPORATION will use the building for warehousing and office consistent with anticipated activities for the Canton Industrial Park, and

WHEREAS, the St. Lawrence County Industrial Development Agency has negotiated a lease agreement with MICHELS CORPORATION for approximately 8,870 square feet of space in the Lot 4 Mixed-Use Building, Canton Industrial Park, Canton, NY, and

WHEREAS, there has been enacted into law Article 8 of the New York Environmental Conservation Law, Chapter 612 of the 1975 Laws of the State of New York, as amended (the "Environmental Act"), which provides for the review of certain "actions" undertaken by State and local agencies for the purpose of regulating such activities in order that proper consideration be given to the prevention of environmental damage; and

WHEREAS, pursuant to and in accordance with the Environmental Act, the SLCIDA conducted an environmental review of the project and has found that the project will not have a significant adverse impact on the environment, and

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence County Industrial Development Agency does hereby authorize and direct its Chief Executive Officer, with SLCIDA Counsel's advice, to execute the aforementioned lease with MICHELS CORPORATION, for two years with renewal options and

BE IT FURTHER RESOLVED by the St. Lawrence County Industrial Development Agency as follows:

- a. That the lease of space within the mixed-use industrial building on Lot #4 in the Canton Industrial Park, Village of Canton, St. Lawrence County, New York, to MICHELS CORPORATION will not have significant effect on the environment within the meaning of the Environmental Act and Regulations, and

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution No. 20-12-31
December 18, 2020

**AUTHORIZING LEASE FOR THE CANTON MIXED-USE BUILDING WITH
MICHELS CORPORATION**

- b. All proper officers of the SLCIDA and their successors or designees are authorized and directed to file, report and publish this declaration in and with the offices and publications required by the Environmental Act.

| | | | | |
|-------------|------------|------------|----------------|---------------|
| Move: | LaBaff | | | |
| Second: | Morrill | | | |
| VOTE | AYE | NAY | ABSTAIN | ABSENT |
| Blevins | X | | | |
| Hall | X | | | |
| Reagan | X | | | |
| LaBaff | X | | | |
| McMahon | X | | | |
| Staples | X | | | |
| Morrill | X | | | |

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

Lori Sibley

December 18, 2020

INDUSTRIAL BUILDING LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into as of this 29 day of October, 2020 (this "Lease") by and between the ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation duly organized and existing under the General Municipal Law of the State of New York, having its office at 19 Commerce Lane, Suite 1, Canton, New York, 13617 (hereinafter referred to as the "SLCIDA") and MICHELS CORPORATION with a mailing address of 1775 E Shady Ln. Neenah, WI 54956, (hereinafter referred to as the "LESSEE").

WITNESSETH

WHEREAS, Article 18-A Title 1 Section 858 of the General Municipal Law of the State of New York as amended was duly enacted (the "Enabling Act"), and

WHEREAS, the Enabling Act authorizes and empowers the SLCIDA to undertake "Projects" which advance job opportunities, health, general prosperity, and economic welfare of the people of the State of New York and to improve their standard of living, and

WHEREAS, the LESSEE desires to arrange for leasing approximately 8,870 square feet of space (the "FACILITY") within a project known as the Canton Mixed Use Building, Lot 4, Canton Industrial Park, 19 Commerce Lane ("Project") to be utilized in accordance with Section 3 below, and

WHEREAS, the SLCIDA proposes to provide and lease said facility upon the terms and conditions as hereinafter in this Lease set forth,

NOW, THEREFORE, for and in consideration of the premises and mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to wit:

1. DEMISED PREMISES. WITNESSETH that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the LESSEE to be paid, observed and performed, the SLCIDA does demise and lease unto the LESSEE, approximately 8,870 square feet plus access to the remaining 2,000 square feet for ingress/egress to the 8,870 square feet of leased space, in the Canton Mixed Use Building, Lot 4 and use of the areas identified as Common Space (also referred to as "Common Area"), both identified on Exhibit A, attached hereto.
2. TERM: LESSEE shall have and hold the demised premises, unless such term shall be sooner terminated as hereinafter provided, for and during the term of Twenty Four (24) months, from January 1, 2021 (the "Commencement Date") to December 31, 2022 (the "Expiration Date").
3. PERMITTED USES. The LESSEE shall use and occupy the demised premises for the purpose of office, equipment and material storage, crew show-up site, safety meetings, parking, warehousing, and ancillary uses thereto provided the LESSEE in the use and occupation of the demised premises and in the prosecution or conduct of any business therein, shall comply with all requirements of all laws, order, ordinances, rules and regulations of the Federal, State and Municipal authorities and with any direction or certificate of occupancy issued pursuant to any law by any public officer or officers. Without limiting the generality of the foregoing, LESSEE agrees to comply in all its actions in the demised premises with the "Development Covenants", (if created), will be attached hereto as Exhibit B. LESSEE further agrees to

comply with the zoning ordinances of the Village of Canton, as amended from time to time. LESSEE's failure to comply with the procedural and substantive requirements of the referenced laws, orders, ordinances, rules, and regulations, which remains uncured following receipt of written notice from SLCIDA pursuant to Section 6b. below, shall constitute, at the SLCIDA's choice, an event of default under this Lease. The LESSEE covenants that it will not cause or maintain any nuisance in, at or on the demised premises.

4. RENT. From the date on which SLCIDA delivers the demised premises to LESSEE until the Expiration Date, Rent payments will be due from Lessee the first day of each month as hereinafter set forth:

| | Start Date | Expiration Date | Rental Rate | Utilities | CAM | PILOT | Total | Monthly Rent | Annual Rent |
|-------------------------|------------|-----------------|-------------|-----------|--------|--------|---------|--------------|-------------|
| | 10/21/2020 | 10/31/2020 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | 11/1/2020 | 12/31/2020 | \$3.95 | \$0.33 | \$0.62 | \$1.24 | \$6.13 | \$4,527 | \$49,055 |
| | 1/1/2021 | 12/31/2022 | \$7.90 | \$0.65 | \$1.23 | \$2.47 | \$12.25 | \$9,055 | \$108,658 |
| Option 1 month-to-month | 1/1/2023 | 7/31/2023 | \$7.90 | \$0.65 | \$1.23 | \$2.47 | \$12.25 | \$9,055 | \$108,658 |
| Option 2 | 1/1/2023 | 12/31/2025 | \$8.30 | \$0.68 | \$1.29 | \$2.59 | \$12.86 | \$9,508 | \$114,090 |
| Option 2 Extension | 1/1/2026 | 12/31/2028 | \$8.71 | \$0.72 | \$1.36 | \$2.72 | \$13.51 | \$9,983 | \$119,795 |

- a. If the SLCIDA does not receive LESSEE's monthly rental payment within ten days after the written notice to LESSEE (pursuant to Section 6(a)), then the SLCIDA may require LESSEE to pay a late penalty to the SLCIDA equal to 0.00125 cents per square foot per day calculated from the first day of the month for which the payment is due until such payment is received.
- b. Beginning with Option 2, if it is exercised by Lessee, PILOT fees may be adjusted annually based on actual changes to the property assessment. SLCIDA shall provide LESSEE with copies of the PILOT bills and SLCIDA's calculation of the adjustment so that LESSEE can verify the property assessment adjustment.

5. COVENANTS OF LESSEE. The LESSEE covenants with the said SLCIDA:

- a. To pay rents as set forth herein.
- b. To pay such payment to SLCIDA in lieu of real property taxes as detailed in Section 4 above and 12 below.
- c. At its own expense, to maintain and keep the nonstructural interior and exterior of LESSEE's portion of the Facility premises and every part thereof in good order and condition and promptly make all needed ordinary and routine repairs, but not replacements, (SLCIDA's repair obligations, reasonable wear and tear and damage by fire, lightning and tempest or other acts of God only excepted) and, without limiting the foregoing, the LESSEE shall keep the Facility well painted, clean and in such condition as a careful owner would do. The SLCIDA shall, at its sole cost and expense, be required to make all structural repairs and replacements to the demised premises, including but not limited to walls, roof, beams, and floors (but not including windows, doors, heating and cooling systems, and plumbing fixtures), only if the need for such

repairs is not caused by the fault or negligence of the LESSEE. LESSEE shall make all repairs required due to the fault or negligence of the LESSEE at the expense and effort of the LESSEE and subject to the prior written approval of the SLCIDA.

- d. To permit the SLCIDA's agents, accompanied by LESSEE's representative, at all reasonable times during the said term, to enter the Facility to inspect the conditions thereof. Where an inspection reveals non-structural repairs are necessary, the SLCIDA shall give the LESSEE notice in writing, and thereupon at its own expense the LESSEE will, within three (3) calendar months from the date of delivery of the notice, make the necessary repairs approved by SLCIDA in a good and workmanlike manner provided that the repairs are conducted by LESSEE.
- e. That the LESSEE will, at the expiration or termination of the Lease, peaceably surrender and yield up to the SLCIDA the demised premises with the appurtenances, together with fixtures (other than LESSEE's fixtures, furniture, equipment, and machinery), in good repair and condition, reasonable wear and tear and damage by fire, lightning and tempest or other acts of God, and SLCIDA's repair obligations only excepted.
- f. To heat the Facility in a reasonable manner. Heating of the Facility premises is to be maintained so as to at all times protect the Facility and their contents from damage by cold or frost, but in any event, not less than 40 degrees in open space and 50 degrees in office space.
- g. That it will promptly comply with all requirements of any and all duly constituted authorities from time to time in force respecting the manner in which it uses or maintains the demised premises, except to the extent structural maintenance is required.
- h. That it will not assign or sublet or permit the premises to be occupied by anyone other than the LESSEE, without SLCIDA's written approval. Such approval shall not be unreasonably withheld.
- i. That it will not do or omit or permit to be done or omitted upon or about the demised premises anything which shall result in a nuisance to the SLCIDA or other lessee of the building of which the demised premises form a part.
- j. ~~The LESSEE shall pay as the same becomes due respectively all of LESSEE's charges for public and private utilities, including without limitation, water, sewer, gas, electrical power or energy, steam or hot water used upon or in respect to the demised premises and for fittings, machines, apparatus, meters or other things leased in respect thereof, and for all work or services performed by any corporation or commission in connection with such public utilities upon the demised premises.~~
- k. To pay to the SLCIDA a security deposit equal to one month's rent, in the amount of \$9,055. Said deposits shall guarantee LESSEE's full and faithful performance of its obligations under this Lease, including, but not limited to, occupancy of the premises within 30 days after LESSEE receives an occupancy notice from SLCIDA, timely rental and maintenance fee payments, careful maintenance of the demised premises, and leaving the demised premises in as good order as received by LESSEE, except for

reasonable wear and tear, casualty, and SLCIDA's repair obligations, upon vacation. Deposit will be placed in an interest-bearing account referenced by the LESSEE's name and not commingled with other funds of the SLCIDA. Should LESSEE faithfully perform all its Lease obligations, then within thirty (30) days after the termination of this Lease the SLCIDA shall return to the LESSEE the full amount of the security deposit plus interest earned. Should LESSEE not faithfully perform in a timely fashion any of its obligations under this Lease, the SLCIDA, at its sole choice, but after giving LESSEE ten (10) days' written notice of LESSEE's failed performance, may withdraw from LESSEE's security deposit account any sum(s) necessary, in the SLCIDA's reasonable judgment to rectify LESSEE's failed performance. Should the SLCIDA so withdraw any such sum(s) from LESSEE's security deposit, LESSEE shall, within ten (10) days' written notice from the SLCIDA (which shall include a letter explaining the reason for such withdrawal), pay to the SLCIDA the full amount withdrawn from said security deposit account. Nothing in this Section shall be deemed to restrict the SLCIDA's freedom of action under Section 7 below.

6. EVENTS OF DEFAULT DEFINED. The following shall be "events of default" under this Lease and the terms "event of default" or "default" shall mean, whenever they are used in this Lease any one or more of the following events:

- a. Failure by the LESSEE to pay or cause to be paid the rent required to be paid under Section 4 hereof provided that the SLCIDA has first given LESSEE ten (10) days' written notice of the latter's failure to make such payments.
- b. Failure by the LESSEE to observe and perform any covenant, condition or agreement hereunder (see also Section 5 above) on its part to be observed or performed for a period of thirty (30) days after LESSEE's receipt of written notice, from the SLCIDA specifying such failure and requesting that it be remedied, given to the LESSEE by the SLCIDA, unless the SLCIDA shall agree in writing to an extension of such time prior to its expiration.
- c. Failure by SLCIDA to: (i) pay utilities; (ii) promptly repair any issue, not caused by the LESSEE; (iii) not properly maintain the Common Area such that it causes Lessee to have issues accessing or using the FACILITY or the demised premises.

7. SLCIDA OPTIONS ON DEFAULT. Whenever any event of default shall have happened and be continuing beyond all applicable cure periods, the SLCIDA may take any one or more of the following remedial steps:

- a. The SLCIDA may declare, by written notice to the LESSEE, to be immediately due and payable, the present value of the following items, whereupon the same shall become immediately due and payable:
 - 1) All installments of Rent;
 - 2) All other payments due under this Lease.

In the case of amounts described in 1 and 2 above, calculating the present value of such amounts shall be made using a discount rate equal to two percent (2%) above the prime rate of interest in effect on the date of termination in the Midwest Edition of the Wall

Street Journal, or its successor, or the maximum rate of interest permitted by Law, whichever is less.

- b. The SLCIDA may re-enter and take possession of the demised premises, on ten (10) days' written notice to LESSEE, without terminating this Lease and without being liable for any prosecution or damages therefore and relet the premises for the account of the LESSEE, holding the LESSEE liable for the amount, if any, by which the aggregate of the rents and other amounts payable by the LESSEE hereunder is less than the aggregate of the rents and other amounts received from the sublessees under such sublease.
- c. The SLCIDA may take the LESSEE's security deposit concurrent with written notice to LESSEE with a letter explaining the application/use of the security deposit, to cure such default in whole or in part.

8. ADDITIONAL TERMS AND CONDITIONS:

- a. SLCIDA shall not in any event whatsoever be liable or responsible in any way for any personal injury or death that may be suffered or sustained by the LESSEE or any employee of the LESSEE or any person who may be upon the demised premises or for any loss or damage or injury to any property belonging to the LESSEE or to its employees or to any other person while such property is on the demised premises and, in particular (but without limiting the generality of the foregoing), the SLCIDA shall not be liable for any damage to any such property caused by steam, water, rain or snow which may leak into or issue or flow from any part of the said building or adjoining premises or from the water, steam, sprinkler or drainage pipes or plumbing works of the same or from any other place or quarter or for any damage caused by or attributable to the condition or arrangement of any electrical or other wiring or for any damage by anything done or omitted to be done by LESSEE.
- b. LESSEE shall maintain liability insurance with policy limits of at least **\$1,000,000** for any one occurrence and no less than **\$2,000,000** in the aggregate with the SLCIDA named as an additional insured. LESSEE shall maintain Property Damage insurance coverage to the demised premises with a limit of not less than **\$500,000** naming SLCIDA as the loss insured. LESSEE will indemnify and save harmless the SLCIDA from any and all liabilities, fines, suits, claims, demands, costs and actions of any kind or nature whatsoever to which the SLCIDA shall or may become liable for, or suffer by reason of the use and occupancy of the demised premises by the LESSEE or of any breach, violation or non-performance by the LESSEE of any covenant, term or provision hereof, or by reason of any injury, loss, damage or death resulting from, occasioned by or suffered by any person or persons, or any property by reason of any neglect or default on the part of the LESSEE, or any of its agents, customers, employees, servants, contractors, licensees or invitees, in or about the demised premises or any part thereof; such indemnification in respect of any breach, violation, non-performance, damage to property, loss, injury or death occurring during the term of this Lease shall survive any termination of this Lease, anything in this Lease to the contrary notwithstanding.
- c. If LESSEE shall continue to occupy the demised premises after the expiration of this Lease, with or without the consent of the SLCIDA, and without any further written

agreement, and such occupancy continues in excess of 30 days beyond the Expiration Date, the LESSEE shall be a monthly tenant at a monthly rental 50% greater than that specified in Section 4 above and otherwise on the terms and conditions herein set forth, except as to the length of tenancy. Notwithstanding the foregoing, LESSEE shall be permitted to extend the Expiration Date for up to two additional periods of 90 days each by delivering written notice to SLCIDA not less than 30 days prior to the Expiration Date.

- d. LESSEE will not bring upon the demised premises or any part thereof any machinery, equipment, article or thing that by reason of its weight, size or use might damage the structural members of the demised premises and that if any damage is caused to the demised premises by machinery, equipment, article or thing or by overloading or by any act, neglect or misuse on the part of the LESSEE or any of its servants, agents, or employees or any person having business with the LESSEE, the LESSEE will forthwith repair the same to SLCIDA's reasonable satisfaction or pay to the SLCIDA the cost of repairing the same, except to the extent waived by SLCIDA.
- e. In the event that LESSEE fails to make any payments for repairs, insurance premiums or other charges which it has herein covenanted to pay, the SLCIDA may pay the same and shall be entitled to charge the sums so paid to the LESSEE who shall pay them forthwith on demand, and the SLCIDA, in addition to any other rights, shall have the same remedies and may take the same steps for recovery of all such sums as it might have and take for the recovery of rent in arrears under the terms of this Lease; all such payments required to be made under the terms of this Lease shall be deemed rent.
- f. LESSEE will keep the demised premises and every part thereof in a clean and tidy condition and will not permit waste paper, garbage, ashes or waste or objectionable material to accumulate thereon, and will store waste or trash awaiting pickup in the location(s) designated by the SLCIDA.
- g. All loading and unloading of merchandise, supplies, materials, garbage, and other chattels shall be affected only through or by means of such doorways or corridors as the SLCIDA shall designate. Such designation shall be made from time to time in writing from the SLCIDA to the LESSEE, provided that in making re-designations the SLCIDA makes reasonable allowance for LESSEE's needs and convenience. Outdoor storage is forbidden unless pre-approved by SLCIDA, which approval shall not be unreasonably withheld or delayed.
- h. Whenever in this Lease reference is made to the demised premises, it shall include all structures, improvements, and erections in or upon the premises shown on Exhibit A or any part thereof from time to time.
- i. The LESSEE shall from time to time at the request of the SLCIDA produce satisfactory evidence of the payments made by the LESSEE of all payments required by the LESSEE under this Lease.
- j. If, at any time during the term hereby demised, any public body or paramount authority shall take or appropriate a portion of the Common Areas and facilities referred to in this Lease or any portion of the demised premises not covered by buildings or structures or shall take or appropriate an easement or right or license in the nature of an easement

over, upon or under a portion of said lands, and such taking or appropriation does not affect the LESSEE's use or enjoyment of the demised premises, then the whole of the compensation awarded or settlement for the lands so taken or appropriated whether fixed by agreement or otherwise shall be paid to or received by the SLCIDA, and this Lease shall thereafter continue in effect with respect to the demised premises without any abatement of rent.

In the event that the taking or appropriation does affect the LESSEE's use or enjoyment of the demised premises the whole of the compensation awarded or settlement, whether fixed by agreement or otherwise, for the said lands so taken or appropriated, shall nevertheless be paid to the SLCIDA and this Lease Agreement shall terminate as of the date of such appropriation. SLCIDA shall not be entitled to any award made expressly to LESSEE for the taking of LESSEE's trade fixtures, furniture or Additional Improvements to the extent of the cost to LESSEE of said improvements (exclusive of Landlord's contribution), less straight line depreciation computed from the date of said improvements to the expiration of the original Term.

- k. On the termination of the Lease, the LESSEE at its own expense shall, at the request of the SLCIDA, remove those fixtures as the SLCIDA designates at the time such fixtures are installed, and shall repair any damages done to the demised premises by reason of such removal. The SLCIDA shall identify to LESSEE at the time of their installation if LESSEE shall be required to remove them upon LESSEE's vacation of the demised premises.

- 9. RIGHT OF RE-ENTRY. Notwithstanding anything hereinbefore contained, the SLCIDA's right of re-entry hereunder for nonpayment of rent, nonperformance of covenants, seizure or forfeiture shall become exercisable upon such default being made beyond applicable cure periods. Provided, further, that upon such re-entry by the SLCIDA under the terms of this Section or any other provision or provisions of this Lease, the SLCIDA may, in addition to any other remedies to which the SLCIDA may be entitled, at its option, at any time and from time to time relet the demised premises or any part of parts thereof for the account of the LESSEE or otherwise and receive and collect the rents therefore, applying the same first to the payment of such expenses as the SLCIDA may have incurred in recovering possession of the demised premises, including the legal fees and for putting the same into good order or condition for re-rental and all other out of pocket expenses (excluding the cost of renovation or altering the demised premises), commissions and charges paid, assumed or incurred by the SLCIDA in or about reletting the premises and then to the fulfillment of the covenants of the LESSEE hereunder. Any such reletting herein provided for may be for the remainder of the term as originally granted or for a longer or shorter period. In any case and whether or not the demised premises or any part thereof be relet, the LESSEE shall pay to the SLCIDA the rental hereby reserved and all other sums required to be paid by the LESSEE as they would otherwise come due and payable up to the time of the termination of this Lease or of recovery of possession of the demised premises by the SLCIDA, as the case may be, and thereafter, the LESSEE covenants and agrees, if required by the SLCIDA, to pay to the SLCIDA until the end of the term of this Lease the equivalent of the amount of all the rentals hereby reserved and all other sums required to be paid by the LESSEE.

- 10. Intentionally Omitted.

11. QUIET ENJOYMENT. The SLCIDA covenants with the LESSEE for quiet enjoyment. The LESSEE, upon the payment of the rent, and upon performance of all of the terms, conditions and covenants of the Lease, shall at all times during the Lease term and during any extension or renewal term, peaceably and quietly enjoy the demised premises without any disturbance from the SLCIDA or others claiming an interest in or right of possession of the demised premises.
12. PROPERTY TAX STATUS. It is understood that the SLCIDA is a public benefit corporation exempt from the payment of any taxes or assessments upon property owned or leased by it. The exemption does not apply to special assessments like fire and water district charges as applicable. In the event, however, that the taxable status of the SLCIDA shall change, LESSEE shall pay all taxes assessed to the demised premises. SLCIDA shall provide ninety (90) days written notice of SLCIDA tax status change. LESSEE has the right to terminate this Lease without penalty if the SLCIDA loses its tax-exempt status.
 - a. It is understood that the LESSEE will make PILOT payments as shown in Section 4 as part of its Rent payment.
13. EXTERIOR PREMISES. LESSEE at its own expense shall perform snow and ice removal only at their entrances. The maintenance fees in Section 4 hereof includes snow and ice removal in the drive areas and parking areas, mowing and external maintenance.
14. THIRD PARTY ADMISSION TO PREMISES. During the term hereby created any person or persons may inspect the demised premises and all parts thereof at all reasonable times, on producing a written order to that effect signed by the SLCIDA or its agents. (All visits required to be accompanied by a LESSEE designated person).
15. ALTERATIONS & IMPROVEMENTS. Any alteration or improvement placed or erected upon the demised premises shall become a part thereof and shall not be removed and shall be subject to all the provisions of this Lease except for LESSEE's fixtures, furniture, machinery, and equipment. After the earlier of the Entry Date or Commencement Date of this Lease no demolition, removal, alteration, erection or improvement shall be made or erected upon the demised premises without the written prior consent of the SLCIDA, which consent shall not be unreasonably withheld.
16. DAMAGE TO THE PREMISES BY ACTS OF GOD. It is hereby expressly agreed that, if and whenever during the term hereby demised, the building of which the demised premises form a part shall be destroyed or damaged by fire, lightning, or tempest, or any of the perils normally insured against under the provisions of standard extended coverage insurance policies, then, and in every such event:
 - a. If the damage or destruction of the Facility renders fifty percent (50%) or more of the said building unfit for occupancy or impractical or unsafe for use and occupancy, the SLCIDA may, at its option, terminate this Lease by giving to the LESSEE notice in writing of such termination, in which event, this Lease and term hereby demised shall cease and be at an end as of the date of such destruction or damage, and the rent and all other payments of which the LESSEE is liable under the terms of this Lease shall be apportioned and paid in full to the date of such destruction or damage.

- b. If the damage or destruction is such that the entire demised premises or the premises of LESSEE is rendered unfit for occupancy or it is impractical or unsafe to use and occupy and if in either event the damage, in the opinion of the SLCIDA to be given to the LESSEE within ten (10) days of the happening of such damage or destruction, cannot be repaired with reasonable diligence within one hundred and twenty (120) days from the happening of such damage or destruction, then the SLCIDA may, within fifteen (15) days of the happening of the damage or destruction, terminate the Lease. Termination shall be made by giving to the LESSEE notice in writing of such termination, in which event this Lease and the term hereby demised shall cease and be at an end as of the date of such destruction or damage and the rent and all other payments for which the LESSEE is liable under the terms of this Lease shall be appropriated and paid in full to the date of such destruction or damage. In the event that the SLCIDA shall not terminate this Lease, then the SLCIDA shall repair the said building with all reasonable speed and the rent hereby reserved shall abate from the date of the happening of the damage until the damage shall be made good to the extent of enabling the LESSEE to use and occupy the demised premises for the use for which LESSEE has rented the premises.
 - c. If the damage be such that any part of the demised premises is unfit for occupancy, or is impractical or unsafe to use or occupy but if in either event the damage, in the opinion of the SLCIDA can be repaired with reasonable diligence within one hundred and twenty (120) days from the happening of such damage, then the rent hereby reserved shall abate fully from the date of the happening of such damage until the damage shall be made good to the extent of enabling the LESSEE to use and occupy the demised premises for the purposes for which the property is demised and the SLCIDA shall repair the damage with all reasonable speed.
 - d. If in the opinion of the SLCIDA the damage can be made good as foresaid within one hundred twenty (120) days of the happening of such destruction or damage and the damage is such that in the opinion of the LESSEE the LESSEE can continue its operations in the remaining portions of the demised premises, then until such damage has been repaired, the rent shall abate in the proportion that the part of the portion of the building demised is rendered unfit for occupancy bears to the whole of the said portion of the building demised and the SLCIDA shall repair the damage with all reasonable speed.
17. ASSIGNMENT. SLCIDA may assign its rights under this Lease and, in the event that such an assignment is given and executed by the SLCIDA and notification thereof is given to the LESSEE by or on behalf of the SLCIDA.
18. FUTURE INSTRUMENTS. The LESSEE covenants and agrees with the SLCIDA that it will, if and whenever reasonably required by the SLCIDA and at the SLCIDA's expense, consent to and become a party to any reasonable instrument relating to this Lease or to the Facility and grounds of which the demised premises are a part which may be required from time to time by or on behalf of any purchaser, bank or mortgagee of the said premises, provided always that the right or rights of the LESSEE as hereinbefore set out be not altered disturbed or varied by the terms of such instrument or document, without the written consent of the LESSEE which consent shall not be unreasonably withheld.

19. SIGNAGE. The LESSEE shall not erect any signs or advertising media, including temporary signs, on the exterior of the building or visible through LESSEE's window or door glass without first obtaining the written consent of the SLCIDA, which consent shall not be unreasonably withheld, subject to all local ordinances involving the Canton Industrial Park. LESSEE shall be permitted to erect a company sign.
20. STRICT PERFORMANCE. The failure of the SLCIDA to insist upon a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that the SLCIDA may have, shall not be deemed a waiver of the SLCIDA's right to require delayed performance of said agreements on which the SLCIDA has not insisted upon strict performance, shall not be deemed a waiver of any subsequent breach or default in any of such agreements, terms, covenants and conditions.
21. LAWS OF NEW YORK. This Lease shall be construed in accordance with the laws of the State of New York.
22. SUCCESSORS & ASSIGNS. Wherever in this Lease reference is made to either the SLCIDA or LESSEE, the reference shall be deemed to apply also to the respective successors and assigns of the SLCIDA and the LESSEE named in the Lease.
23. ADDRESS. Any notice, request or demand herein provided for or given hereunder, if given by the LESSEE to the SLCIDA shall be given by personal delivery, or by certified mail, postage prepaid, or by a nationally recognized overnight delivery service addressed to the CHIEF EXECUTIVE OFFICER, ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, or as the SLCIDA may otherwise direct.

Any notice herein provided for or given hereunder to LESSEE, shall be given by the SLCIDA to the LESSEE by personal delivery or by certified mail, postage prepaid, or by a nationally recognized overnight delivery service addressed to the LESSEE at LESSEE's address identified on the first page of this Lease.

Any notice mailed or delivered, as aforesaid, shall be conclusively deemed to have been given on the next business day following the day on which such notice is mailed, as aforesaid. Either SLCIDA or LESSEE may, at any time, give notice in writing to the other or others of any change in address of the party giving such notice. From and after the giving of such notice, the address therein specified shall be deemed to be the address of such party for the giving of such notice thereafter.

24. SUBORDINATION TO MORTGAGE LIEN. This Lease and everything herein contained shall be deemed to be subordinate to the lien of any mortgage from time to time given by the SLCIDA with respect to the building of which the demised premises form part, and the LESSEE hereby covenants and agrees that it will promptly, at any time and from time to time, as required by the SLCIDA during the term hereof, execute all reasonable documents and give all further assurances as may be reasonably required to effectuate the subordination of its rights and privileges under this Lease to the rights of the holder or holders of such charge or charges, provided, however, that no such subordination by the LESSEE shall have the effect of permitting the holder or holders of any mortgage or lien, or other security, to disturb the occupation or possession by the LESSEE of the demised premises, so long as the LESSEE shall perform all of the terms, covenants, conditions, agreements contained in this Lease.

25. MECHANICS' LIENS. If any Mechanic's or other liens shall be filed against the demised premises by reason of, or arising out of, any labor, material, work or service furnished to the LESSEE or to anyone claiming through the LESSEE, the LESSEE shall, within fifteen (15) days after notice to the LESSEE of the filing thereof, cause the same to be discharged by bonding, deposit, payment, Court Order or otherwise. The LESSEE shall defend all suits to enforce such liens whether against the LESSEE or the SLCIDA at the LESSEE's own expense. The LESSEE hereby indemnifies the SLCIDA against any expense or damage resulting from such lien.
26. FORCE MAJEURE. The obligations of the parties under this Lease shall be subject to force majeure (which shall include riots, floods, acts of God, pandemics, and other circumstances beyond the control of the party claiming force majeure as an excuse for non-performance), but only as long as, and to the extent that, the force majeure shall prevent performance of the claiming party's obligations. Circumstances beyond LESSEE's control shall not include business fluctuations or labor disputes.
27. SINGULAR & PLURAL. Words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.
28. ADDITIONAL IMPROVEMENTS. If LESSEE from time to time wishes to make any improvements to the demised premises, LESSEE may at its own expense install such improvements. If the LESSEE requires SLCIDA to provide build-outs any such improvements will require Board approval. Such improvements shall require the SLCIDA's prior written approval of the plans, shall, in the SLCIDA's sole determination, be consistent with the general construction standards and specifications already extant in the building, and shall be subject to the SLCIDA's final inspection. Such improvements shall become the SLCIDA's property without compensation to LESSEE upon the termination of this Lease. Depending on the nature of these improvements, the cost may be billed to the LESSEE over the duration of this lease. Should LESSEE install improvements, whether under this Section or under other provisions of this Lease, LESSEE shall, within ninety (90) days after the close of its fiscal year, furnish to the SLCIDA a report, prepared or certified by the LESSEE's independent accountant, which identifies the capital cost of said improvements in the degree of detail reasonably requested by the SLCIDA.
29. SLCIDA INSURANCES.
- a. SLCIDA shall maintain or cause to be maintained, at all times beginning on the commencement of the Lease and ending at Lease expiration or earlier Lease termination, insurance on all causes of loss to the Demised Premises, exclusive of contents with a face amount equal to one hundred percent (100%) of the replacement value of the Demised Premises, exclusive of contents, , and losses or damages caused by floods if any portion of Project is in a flood plain. If such form does not provide sprinkler leakage coverage, the policy or policies shall be endorsed to cover the same in an amount equal to one hundred percent (100%) of the replacement value of the Demised Property and contents damaged by sprinkler leakage not caused by the Lessee.
 - b. SLCIDA (with respect to Common Area) shall maintain or cause to be maintained, at all times, beginning on the commencement of the Lease and ending at the expiration

or earlier Lease termination, Commercial General Liability Insurance including contractual liability coverage. This insurance shall have minimum limits of not less than Two Million Dollars (\$2,000,000) (combined single limit) (or such higher amounts as SLCIDA shall from time to time determine). SLCIDA's insurance shall include coverage for: (a) loss, liability or damage caused by, occurring at or related to construction by SLCIDA or SLCIDA's contractors; and (b) loss, liability or damage caused by, occurring at or related to Common Area; and (c) loss, liability or damage caused by, occurring at or related to acts of SLCIDA, its agents, employees, licensees, invitees or contractors on any portion of the Project.

30. RENEWALS. LESSEE may renew this Lease for an additional term as detailed in Section 4 above, under the same terms and conditions as specified in this Lease. Notice is to be given to the SLCIDA at its principal place of business as set forth herein a written notice of its intention so to renew no less than sixty (60) days prior to the end of the original term stated herein.
31. WAIVER OF CLAIMS. Each of the parties hereto and all persons claiming by, through, or under them agrees to and does hereby waive all claims, rights of recovery and causes of action against the other and all persons claiming by, through or under such party by way of subrogation or otherwise, for any damage to the demised premises, the Facility, the contents therein, or other property belonging to either party, as the case may be, caused by any of the perils insurable by fire and extended coverage insurance policies, notwithstanding that any such damage or destruction may be due to the negligence of such other party or of the persons claiming through or under such other party.
32. OPTION/RIGHT OF FIRST REFUSAL TO PURCHASE. LESSEE, Not part of this lease.
33. EMPLOYMENT REFERRAL. LESSEE agrees to consider listing all job openings with the St. Lawrence County One-Stop Career Center, located at 80 State Highway 310, Suite 8, Canton, NY 13617. The One-Stop Career Center will provide referrals of qualified individuals within 72 hours of notice of an opening by LESSEE. The One-Stop Career Center may provide employment and training services to LESSEE upon the mutual agreement of LESSEE and the One-Stop Career Center.

THIS AGREEMENT and everything herein contained shall extend to and bind and ensure to the benefit of the respective successors and assigns (as the case may be) of each and every of the parties hereto, subject to the consent of the SLCIDA being obtained, as hereinbefore provided, to any assignment or sublease by the LESSEE, and where there is more than one LESSEE, the provisions herein shall be read with all grammatical changes thereby rendered necessary.

All covenants herein contained shall be deemed joint and several and all rights contained shall be deemed joint and several and all rights and powers received to SLCIDA may be exercised by either SLCIDA or its agents or representatives.

IN WITNESS WHEREOF the parties hereto have executed these presents.

FOR:
MICHELS COPORATION

BY:

Name: Andrew Schmitt
Title: Real Estate Manager

FOR:
ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

BY:

Name: Patrick J. Kelly
Title: Chief Executive Officer

STATE OF NEW YORK)
) ss.
COUNTY OF ST. LAWRENCE)

On this 30th day of October, in the year 2020 before me, the undersigned, a Notary Public in and for said State, personally appeared **Patrick J. Kelly**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public, State of New York

Lori A. Sibley
Notary Public, State of New York
No. [REDACTED]

Qualified in St. Lawrence County
Commission Expires September 30, 2021

STATE OF WISCONSIN)
) ss.
COUNTY OF DODGE)

This document was signed before me by Andrew Schmitt on this October 29th, 2020.



Notary Public

My commission expires January 18, 2022