

AMENDED AND RESTATED SUBLEASE

This AMENDED AND RESTATED SUBLEASE (this “**Sublease**”) is made and entered into as of June 22, 2016 (the “**Effective Date**”), by and between THE PATTI COMPANY, LLC, a New York limited liability company (“**Sublandlord**”), and MORRIS PRODUCTS, INC., a New York corporation (“**Subtenant**”).

RECITALS:

WHEREAS, Sublandlord is the owner of a leasehold interest in approximately 4.73 acres of land located at 53 Carey Road, Town of Queensbury, New York, legally described in Exhibit A attached hereto and incorporated herein (the “**Land**”), the approximately 32,542 square foot office/warehouse building located thereon (the “**Building**”), and the other improvements located thereon and all easements, rights, privileges and appurtenances thereunto belonging or in any way appertaining thereto (collectively, the “**Property**”), pursuant to that certain Lease Agreement dated December 28, 1999, as assigned by that certain Assignment of Lease dated October 19, 2004 and filed in the Office of the Warren County Clerk on August 26, 2005 in Liber 1463 of Deeds at Page 243, as amended by that certain First Amendment to the Lease Agreement, dated August 23, 2005, as amended by that certain Second Amendment to the Lease Agreement dated April 23, 2014 and filed in the Office of the Warren County Clerk on May 6, 2014 in Book 4976 at Page 243 as Instrument No. 2014-2653 (the “**IDA Lease**”), by and between the Counties of Warren and Washington Industrial Development Agency, a New York public benefit corporation, as lessor (“**Agency**”), and Sublandlord, as lessee;

WHEREAS, Agency and Sublandlord are also parties to that certain Payment in Lieu of Tax Agreement dated April 23, 2014 (the “**PILOT Agreement**” and together with the IDA Lease, the “**IDA Documents**”), pursuant to which the Phase IV Expansion (defined below) benefits from a 10-year tax abatement through December 31, 2025;

WHEREAS, the Lease terminates on the earliest to occur of (a) the date upon which the PILOT Agreement terminates pursuant to its terms, (b) the termination of the Lease in accordance with Section 11.1 thereof, or (c) January 1, 2026;

WHEREAS, pursuant to that certain Sublease, dated April 23, 2014 (the “**Prior Sublease**”) by and between Sublandlord and the Subtenant, the Property has been used and occupied by the Subtenant for the operation of the Subtenant’s electrical and lighting product distribution business and for related office purposes;

WHEREAS, MORRIS US HOLDINGS, INC., a Delaware corporation (“**Holdings**”) has agreed to purchase from JEFFREY SCHWARTZ, an individual (“**Seller**”) all of the issued and outstanding stock of the Subtenant pursuant to an Agreement for Purchase and Sale of Stock dated as of the date hereof (the “**Purchase Agreement**”), by and among Holdings, as purchaser, and Seller, as seller; and

WHEREAS, Sublandlord and Subtenant have agreed to amend and restate the Prior Sublease as set forth herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual agreements and covenants contained herein, Sublandlord and Subtenant hereby agree that as of the Effective Date, the Prior Sublease shall be amended, restated, replaced and superseded in its entirety, as follows:

1. Recitals. The parties hereto affirm and acknowledge that the foregoing recitals are true and correct in all regards.

2. Sublease of Property. Sublandlord hereby leases the Property to Subtenant and Subtenant hereby leases the Property from Sublandlord, pursuant to all of the terms and conditions of this Sublease.

3. Initial Term of Sublease and Options to Extend Term.

a. Initial Term of Sublease. The initial term of this Sublease shall commence on the Effective Date and shall terminate approximately seventy-two (72) calendar months thereafter at 11:59 p.m. on June 30, 2022 (the “**Initial Term**”).

b. Subtenant’s Option to Extend Term of Sublease. Subtenant shall have the right to extend the Initial Term of this Sublease for one (1) additional term to commence on July 1, 2022 and terminate sixty (60) calendar months thereafter at 11:59 p.m. on June 30, 2027 (the “**Extended Term**”). Subtenant may extend this Sublease for the Extended Term by giving written notice of such extension to Sublandlord at least one hundred twenty (120) days prior to the expiration of the Initial Term. As used in this Sublease, “**Term**,” “**term of this Sublease**” and similar terms shall refer to the Initial Term, together with the Extended Term which is established by Subtenant pursuant to this Paragraph.

4. Rent.

a. Commencing on the Effective Date and continuing on or before the tenth (10th) day of each calendar month thereafter until the expiration of the Term, Subtenant shall pay to Sublandlord, at the address set forth in Paragraph 26 or such other place as Sublandlord may from time to time designate by written notice to Subtenant, and without demand or right of set-off except as expressly permitted in this Sublease, rent as calculated below (the “**Rent**”):

Initial Term:

Period	Annual Rent	Monthly Rent
Effective Date through Phase IV Turnover Date	\$150,000.00	\$12,500.00
Phase IV Turnover Date through June 30, 2022	\$300,000.00	\$25,000.00

Rent for days in the month of June, 2016, during which Rent is payable, shall be \$416.67 per day.

In the event the Phase IV Expansion (defined below) results in a Phase IV Actual Area (defined below) that varies more or less than five percent (5%) of the Phase IV Estimated Area (defined below), then at the option of either party, by written notice to the other party within ninety (90) days following the Phase IV Turnover Date, the Rent from the Phase IV Turnover Date through the remainder of the Initial Term shall be equitably adjusted to account for such variance. Any equitable adjustment of Rent hereunder shall be calculated by multiplying the \$150,000 increase in Rent following the Phase IV Turnover Date by a fraction, the numerator of which shall be the Phase IV Actual Area (defined below) by the Phase IV Estimated Area (defined below). On or at any time after the Phase IV Turnover Date, and within thirty (30) days following the written request of either party, the parties shall execute a memorandum, letter agreement, or amendment to this Sublease acknowledging the Rent adjustment with respect to the Phase IV Actual Area (defined below) as described above.

Extended Term:

In the event Subtenant elects to extend the Initial Term of this Sublease for the Extended Term, the Rent as of the date immediately preceding the Extended Term shall increase by five percent (5%) at the commencement of the Extended Term. Upon or at any time after the commencement of the Extended Term, and within thirty (30) days following the written request of either party, the parties shall execute a memorandum, letter agreement, or amendment to this Sublease acknowledging the parties' agreement with respect to the calculation of Rent for the Extended Term as described above.

b. Rent does not start until the day after the Effective Date.

c. Rent shall be payable in equal monthly installments in advance on the first day of every month during the Term. If the Term commences on a date other than the first day of a month, or in the event that the Term expires on a day other than the last day of a month, the Rent for the partial month shall be prorated and adjusted accordingly, provided that Rent for the Property shall not begin until the day immediately following the Effective Date.

d. Upon the request of Subtenant, Sublandlord will establish and maintain arrangements with Sublandlord's bank or other financial institution so that Subtenant, at its option, may deposit the monthly installments of Rent due under this Sublease directly to Sublandlord's account at such bank or other financial institution through the automated clearing house system.

5. Utilities, Real Estate Taxes, PILOTS, and Special Assessments.

a. During the term of this Sublease, Subtenant shall pay all charges for utilities or services furnished to the Property; provided that Subtenant's obligation to pay for such utilities or services shall not begin until the day immediately following the Effective Date. Sublandlord warrants that the Property is separately metered from any other property for gas, electricity and water and sewer (septic tank).

b. Subject to the terms and provisions of the PILOT Agreement, Subtenant shall pay directly to the Agency all payments in lieu of taxes (“**PILOTS**”), and to the extent applicable, directly to the taxing authority all real estate taxes, and installments of special assessments that are due and payable with respect to the Property during the term of this Sublease; provided, however, that Subtenant’s obligation for real estate taxes, PILOTS, and installments of special assessments due and payable during the first and last calendar years of the Term shall be apportioned to adjust for partial years. Special assessments shall be spread over the longest period available unless Subtenant agrees otherwise in writing. Sublandlord shall notify Subtenant in writing of any change in the special assessments with respect to the Property as soon as reasonably practicable after Sublandlord receives notice of such change, and with sufficient time for Subtenant to take timely action to protest such change. Subtenant shall provide Sublandlord with proof of payment of real estate taxes, PILOTS and special assessments within thirty (30) days after the last day on which such real estate taxes, PILOTS and special assessments may be paid without penalty.

c. Subject to the terms and provisions of the PILOT Agreement, Subtenant may, in the name of the parties hereto, at its own expense and in its sole discretion, initiate any proceedings for an adjustment or review of real estate taxes, PILOTS, or special assessments, or participate with Sublandlord in any such proceedings initiated by Sublandlord, *provided* that (1) no event of default, or event or condition which, with the passing of time or both, would constitute an event of default, has occurred and is continuing, (2) Subtenant maintains and prosecutes with diligence such proceedings; (3) Subtenant shall pay such contested tax or charge and all costs and penalties, if any, and shall deliver to the Sublandlord evidence reasonably acceptable to the Sublandlord of such payment promptly if such proceedings are terminated or discontinued adversely to the Subtenant, and in any event immediately prior to the date any of the Property may be sold or otherwise transferred because of nonpayment of the contested real estate taxes, PILOTS and special assessments; and (4) Subtenant shall deposit with the Sublandlord, upon written request by Sublandlord and prior to such proceedings, a cash or a surety bond in the amount of such real estate taxes, PILOTS or special assessments, plus interest and penalties anticipated to accrue thereon in amounts reasonably satisfactory to Sublandlord, which Sublandlord may use to pay the same immediately prior to the date the Property may be sold or otherwise transferred because of non-payment of such real estate taxes, PILOTS or special assessments. Sublandlord agrees to fully cooperate with Subtenant in any such proceedings, so long as Sublandlord does not incur or is reimbursed for any costs or expenses in connection with such cooperation. Sublandlord shall provide Subtenant, upon request, all relevant information for purposes of determining valuation for real estate tax purposes.

d. Sublandlord warrants that the Property is a separate tax parcel that includes no real estate which is not included in the Property. The Property is comprised of Warren County, New York tax parcel identification number 308.20-1-2.

6. Use.

a. Subject to the requirements in Section 3.2 of the IDA Lease, the Property shall be used and occupied by Subtenant for the purposes of operating Subtenant’s electrical and lighting product distribution business (including related office purposes) or for any other lawful industrial use (collectively, the “**Permitted Use**”), or with Sublandlord’s consent, which will not

be unreasonably withheld or delayed, for any other lawful purpose. Subtenant shall not use the Property for any purpose that is contrary to any statute, rule, order, ordinance, requirement or regulation applicable thereto or in any manner which would violate any certificate of occupancy affecting the Property, or which would violate the IDA Documents, or which would cause structural injury to the Property, or which would constitute a public or private nuisance or waste. However, it is specifically understood that Subtenant's normal practices and activities in operating its electrical and lighting product distribution business shall not be claimed by Sublandlord to constitute a nuisance.

b. Sublandlord warrants to Subtenant that, pursuant to the zoning and land use laws, ordinances and regulations of the Town of Queensbury and other governmental authorities having jurisdiction, the Property may be used, without any special use permit or conditional use permit or approvals, for the Permitted Use.

c. Sublandlord further warrants to Subtenant that the Permitted Use is permitted under the IDA Documents.

d. Sublandlord further warrants to Subtenant that the Permitted Use is permitted under any private covenants, conditions or restrictions affecting the Property.

e. Notwithstanding anything contained herein to the contrary, if Subtenant is required to obtain any business permits, business licenses and/or special or conditional use permits to continue the use of the Property for the Permitted Use, Subtenant shall promptly after the Effective Date use its reasonable commercial efforts to obtain all such required business permits, business licenses and special or conditional use permits to continue to use the Property for the Permitted Use. If after reasonable good faith efforts to comply with requirements of governmental authorities, either Subtenant or Sublandlord is unable to obtain such business permits, business licenses or special or conditional use permits, Subtenant shall have the right to terminate this Sublease upon thirty (30) days written notice.

7. Condition of Property.

a. Sublandlord warrants to Subtenant that the Property, including, without limitation, the structural elements, exterior and load bearing walls and roof of the Building, are, as of the Effective Date, free of defects and are in good and tenantable condition. Sublandlord further warrants to Subtenant that the heating, ventilating and air conditioning (“HVAC”) systems, plumbing/septic systems, and electrical systems (collectively, the “MEP Systems”) serving the Building are and shall be in good working order and in compliance with all applicable laws, ordinances, codes and regulations as of the Effective Date.

b. Sublandlord shall deliver the Property to Subtenant in its current operating condition, with all trash and scrap removed from the Property to Subtenant's reasonable satisfaction.

c. To the best knowledge of Sublandlord, on the date of this Sublease, the Property is in compliance with the Americans with Disabilities Act (“ADA”), the Occupational Safety and Health Act (“OSHA”) and all other applicable federal, state and local laws, codes and ordinances.

d. Subtenant acknowledges that no representations as to the repair of the Property, or promises to alter, remodel, or improve the Property, have been made by Sublandlord, except for the Phase IV Expansion (defined below) and as otherwise expressly provided for in this Sublease or the Purchase Agreement.

8. Hazardous Materials.

a. Sublandlord represents and warrants to Subtenant that to Sublandlord's best knowledge and except as disclosed in the Phase I Environmental Site Assessment Report dated June 2016, Project No. 08-38582B, prepared by Ramboll Environ US Corporation (the "**Environmental Report**"), there is no Hazardous Material on the Property, including without limitation, the improvements, the Building, the soils and the groundwater, except for Hazardous Material that has been, and is being, properly handled, contained, stored and used in the ordinary course of business operations at the Property and that will be disposed of off of the Property, all in compliance with applicable laws.

b. Sublandlord represents and warrants that there are no, nor were there ever any, in-ground or underground hydraulic hoists or lifts, or any sealed or unsealed wells, present on the Property. Sublandlord represents and warrants that there are no, nor were there ever any, underground storage tanks present on the Property, other than existing septic tanks.

c. For purposes of this Sublease:

(i) "**Hazardous Material**" means radon, mold, urea formaldehyde, any pollutant or irritant, and any solid, liquid or gaseous hazardous, toxic, infectious, or radioactive chemical, waste or substance subject to review or regulated under Environmental Law.

(ii) "**Environmental Law**" means any federal, state, regional or local law, regulation, ordinance, common law, judicial or administrative order or cleanup standard, consent decree or judgment relating to the environment, natural resources, or public health, safety or welfare, including, without limitation, and as amended: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§9601 *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 *et seq.*; the Clean Water Act, 33 U.S.C. §§1251 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§2601 *et seq.*; the Clean Air Act, 42 U.S.C. §§7401 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§300f *et seq.*; the Atomic Energy Act, 42 U.S.C. §§2011 *et seq.*; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§136 *et seq.*; and the Occupational Safety and Health Act, 29 U.S.C. §§651 *et seq.*

(iii) "**Environmental Claim**" means any administrative, regulatory or judicial action, suit, demand, claim (including for strict liability), lien, notice of violation or potential responsible party status, investigation, proceeding, consent order or agreement, or any written communication threatening any of them, arising under Environmental Law or relating to Hazardous Material, including, without limitation, (i) of a governmental authority for damages, harm to natural resources, enforcement of

noncompliance, cleanup, corrective action, removal, response, remedial or other action, or (ii) of a third party for nuisance, trespass, injury to persons, property, or the environment, or for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

d. Sublandlord and Subtenant agree that they shall not cause or permit any Hazardous Material to be used, placed, generated, handled, possessed, or stored on the Property, except as permitted by law.

e. Sublandlord shall indemnify, defend and hold harmless Subtenant and its affiliates, agents, employees, successors and assigns (“**Subtenant Parties**”) for all losses including, without limitation, any damages, expenses, response costs, corrective action costs, consultants’ and reasonable attorneys’ fees, liabilities and other expenses (each a “**Loss**” and collectively, “**Losses**”) arising from or in connection with the use, placement, generation, handling, possession, storage, release, spill or discharge of Hazardous Materials on the Property, an Environmental Claim or violation of Environmental Law prior to the Effective Date, except to the extent exacerbated by Subtenant Parties.

f. Subtenant shall indemnify, defend and hold harmless Sublandlord and its affiliates, agents, employees, successors and assigns (“**Sublandlord Parties**”) for Losses arising from or in connection with the use, placement, generation, handling, possession, storage, release, spill or discharge of Hazardous Materials on the Property, an Environmental Claim or violation of Environmental Law during the Term, except to the extent such Hazardous Materials are brought on to the Property by Sublandlord Parties or such Environmental Claim or violation of Environmental Law is caused by Sublandlord Parties.

g. If Sublandlord discovers or is informed that Hazardous Material existed on the Property as of the Effective Date and the existence of such Hazardous Material on the Property was or is in violation of Environmental Law, or that any Hazardous Material on the Property as of the Effective Date presents a threat to the health or safety of Subtenant or its employees or invitees, Sublandlord shall notify Subtenant in writing no later than two (2) business days of such discovery and shall immediately take all actions necessary to abate the hazard. If Subtenant discovers or is informed that a Hazardous Material exists on the Property which Subtenant believes to be in violation of Environmental Law, or to present a threat to the health or safety of Subtenant or its employees or invitees, Subtenant shall promptly notify Sublandlord in writing of such discovery or information. Subtenant shall have no obligation to investigate, remediate or otherwise address, or incur any expense for, any violation of Environmental Law or any Hazardous Material at the Property that existed as of the Effective Date. The parties will provide each other with copies of all communications with a governmental authority or third party claimant regarding an Environmental Claim affecting the Property. Sublandlord and Subtenant each represents and warrants to the other that it has previously provided the other with copies of all reports in its possession or control evaluating or assessing the Property for Hazardous Materials or the potential presence of Hazardous Materials.

h. If all or part of the Property is, according to a governmental authority, untenable by reason of a risk posed by Hazardous Material present at the Property as of the Effective Date, the Rent, from the time of written notice from such authority that the Property is

untenantable until the dangerous or harmful condition is corrected, shall be apportioned on a per diem basis according to the fair rental value of (without regard to the untenability) the part of the Property which is unusable by Subtenant compared to the fair rental value of the entire Property. If such condition cannot be corrected by Sublandlord within one hundred twenty (120) days of such notice, Subtenant, without waiving any other right or remedy it may have, may cancel this Sublease by notice to Sublandlord given at any time within thirty (30) days after the date of determination by a governmental authority that the Property is untenable. If this Sublease is not so terminated, Sublandlord shall promptly correct the condition, at Sublandlord's expense.

i. Each party hereto shall indemnify the other and its affiliates, agents, employees, successors and assigns, for all Losses arising from or in connection with that party's breach of its warranties, representations, or covenants set forth in this Paragraph 8, whether such Losses occur during or after the term of this Sublease, except that neither party shall be required to indemnify the other party for a Loss or Environmental Claim arising from or relating to (1) the other party's noncompliance with Environmental Law or (2) Hazardous Material brought to the Property by the other party or such other party's employees, agents, successors, assigns or invitees. Any claim by Sublandlord or Subtenant for indemnification under this Paragraph 8 that relates to Hazardous Material brought to the Property by the other party or such other party's employees, agents, successors, assigns or invitees during the term of this Sublease must be established by clear and convincing evidence. Any indemnification obligation under this Paragraph 8 shall include, at the request of the party to be indemnified ("**Indemnitee**") and as applicable, a defense provided by an experienced, qualified and licensed attorney reasonably satisfactory to the Indemnitee that is retained and paid by the indemnifying party.

j. All indemnification rights and obligations of Sublandlord and Subtenant relating to Hazardous Materials, an Environmental Claim or Environmental Law shall be governed by this Paragraph 8 and no other indemnification rights or obligations in this Sublease shall apply, or be deemed to apply, to such matters.

9. Alterations, Additions and Improvements.

a. Subtenant shall not remodel and/or make any alterations, additions, or improvements (collectively "**Improvements**") in or to the Property without the prior written consent of Sublandlord, such consent not to be unreasonably withheld, delayed or conditioned; provided, however, Subtenant may make non-structural, cosmetic Improvements to the Property costing less than \$25,000.00, without first obtaining the prior written consent of Sublandlord. All Improvements by Subtenant must be made in compliance with all laws, ordinances and governmental regulations affecting the Property. All Improvements made by Subtenant, except to the extent such Improvements constitute Subtenant's Personal Property (defined below), shall at once become the property of Sublandlord and shall be surrendered to Sublandlord upon the termination of this Sublease.

b. Subtenant may, without the prior written consent of Sublandlord, install, affix or place any furniture, trade fixtures, equipment, machinery, inventory, supplies, and other personal property (collectively, the "**Subtenant's Personal Property**") at the Property in the ordinary course of its business. It is agreed by the parties hereto that for all purposes under this

Sublease, Subtenant shall own all of Subtenant's Personal Property, and, removal of Subtenant's Personal Property at the end of the Term shall be governed by Paragraph 12.

10. Repairs and Maintenance.

a. Subtenant's Obligations. Subtenant shall, at all times throughout the term of this Sublease, at its sole expense, keep and maintain the Property in a good state of repair and condition and in compliance with all applicable laws, codes, ordinances, rules and regulations relating to Subtenant's use of the Property. Subject to Sublandlord's obligations set forth in Subparagraph 7.b. above and Subparagraph 10.b. below, Subtenant's obligations shall include the following:

(i) Maintenance, repair and, if necessary, replacement of the MEP Systems serving the Building; provided, however, if Subtenant is required to replace any of the MEP Systems serving the Building, and such system has a useful life that will extend beyond the Term, Sublandlord shall reimburse Subtenant within thirty (30) days after the expiration of the Term a fraction of Subtenant's actual out-of-pocket costs of such system replacement, the numerator of which shall equal the estimated useful life (in years) of such system less the number of years remaining in the Term (including renewals and extensions) subsequent to the installation of such system, and the denominator of which shall be the estimated useful life (in years) of such system. Notwithstanding the foregoing, should Subtenant exercise its option to extend the Term, the above formula shall be reapplied based upon the total number of years of the Extended Term, and any monies previously reimbursed by Sublandlord shall be refunded to Sublandlord by Subtenant within thirty (30) days following the commencement of the Extended Term;

(ii) Maintenance, repair and, if necessary, replacement of the dock, dock equipment and loading areas, dock doors, entries, doors, ceilings, windows, interior walls, and the interior side of demising walls of the Building; and

(iii) Maintenance and repair of the driveways, parking areas, and landscaping around the Building, including cleaning and snow removal of paved areas, and lawn and shrub maintenance.

b. Sublandlord's Obligations. Without limiting Sublandlord's obligations in Subparagraph 7.b. above, Sublandlord's obligation to keep and maintain the Property in a good state of repair and condition and in compliance with all applicable laws, codes, ordinances, rules and regulations, shall be limited to the following:

(i) Maintenance, repair and, if necessary, replacement of the structural portions of the Building, including, but not limited to, exterior walls, floors, slabs, foundations, the roof or other portions of the Building;

(ii) Maintenance, repair and, if necessary, replacement of the MEP systems serving the Building (during the Warranty Period only); and

(iii) Replacement of the driveways or the parking areas on the Property.

11. Mechanics Liens. Subtenant shall indemnify and hold Sublandlord harmless from and against any and all claims of mechanic's liens arising from Subtenant's Improvements or as a result of Subtenant's use, occupancy or work on the Property. Upon receipt of notice of such lien, Subtenant shall cause such lien to be bonded or discharged within thirty (30) days of such notice. In the event Subtenant fails to bond over or discharge such lien as provided herein, Sublandlord reserves the right to settle any such lien claim by payments to the lien claimant or by such other means as Sublandlord, in Sublandlord's sole and absolute discretion, determines is the most reasonably economical or advantageous method of settling such lien claim. Subtenant shall promptly reimburse Sublandlord, as additional rent, upon demand, for any payments so made.

12. Surrender of Property. Upon expiration or earlier termination of this Sublease, Subtenant shall peaceably surrender the Property in good condition and repair, fire and other casualty, reasonable wear and tear, and repairs which are the responsibility of Sublandlord excepted. Subtenant shall have the right to remove any of Subtenant's Personal Property, whether or not attached to the Property, which are owned by Subtenant or have been installed, affixed or placed at the Property, at Subtenant's expense; provided, however, Subtenant shall make any reasonable repairs to the Property for any physical injury caused to the Property by removal of Subtenant's Personal Property.

13. Assignment or Subleasing by Subtenant.

a. Without the prior written consent of Sublandlord, which consent shall not be unreasonably withheld or delayed, Subtenant shall not, except as permitted herein, assign or in any manner transfer this Sublease or any interest therein or sublease the Property or any part or parts thereof.

b. Notwithstanding the foregoing, Subtenant, without Sublandlord's consent, may assign this Sublease or sublease the Property, or any part or parts thereof, to any of the following: (1) any direct or indirect subsidiary of Subtenant; (2) any direct or indirect parent of Subtenant; (3) any entity succeeding to all or substantially all of the business and assets of Subtenant; (4) any entity resulting from a merger or consolidation with Subtenant; or (5) any entity that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, Subtenant; provided that such party, in the case of an assignment, assumes all obligations hereunder in writing. The term "**control**" (including the terms "**controlling**", "**controlled by**" and "**under common control with**") shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract, or otherwise.

14. Subordination of Sublease to Mortgages; Estoppel Certificate.

a. At the option of Sublandlord, this Sublease shall be subject and subordinate to the lien of any mortgage now or hereafter placed on the Property, provided, however, that, as a condition precedent to such subordination, the holder of the mortgage to which this Sublease is to be subordinated executes and delivers to Subtenant a non-disturbance agreement which shall provide that, so long as Subtenant shall not be in default under this

Sublease, Subtenant's possession of the Property and its rights under this Sublease shall not be disturbed by the mortgagee, or by any successor in interest to the mortgagee, by foreclosure, or otherwise, and that neither the mortgagee nor any successor in interest shall have any greater rights with respect to this Sublease, or against Subtenant, than Sublandlord has under this Sublease. Sublandlord warrants that the Property is subject to no mortgages, deeds of trust or other liens. Subtenant acknowledges that the Property is subject to the IDA Lease.

b. Either party within ten (10) days after receipt of a request from the other party, will execute and deliver to the other party, or to any third party directed by the other party, a certificate, in recordable form, certifying that this Sublease is in full force and effect, the commencement and termination dates of the Term, the amount of the monthly rent payable and the date through which rent has been paid, that there have been no amendments hereto except as identified therein, and that to its knowledge the other party is not in default under this Sublease except as set forth therein. Any third party to whom such certificate is addressed shall have a right to rely on it.

15. Signs. Subtenant may erect signage on the exterior of the Building and a free standing sign on the Property, as long as the signs are in compliance with applicable laws, ordinances and regulations and any signs on the Building do not exceed in weight the safe carrying capacity of the structure. Upon termination or expiration of this Sublease, Subtenant shall remove its signs and, at its cost, repair any damage caused by the erection, maintenance, or removal of Subtenant's signs.

16. Condemnation.

a. In the event of a total condemnation of the Property, this Sublease shall terminate, and the rent provided for herein shall abate as of the date the title to the Property vests in the condemning authority. In the event of a partial condemnation of the Property which adversely impacts, in Subtenant's reasonable judgment, Subtenant's use and enjoyment of the Property for its business purposes, Subtenant shall have the right, upon written notice given to Sublandlord within sixty (60) days after the title to the portion of the Property so taken vests in the condemning authority, to terminate this Sublease, in which event the rent payable under this Sublease shall cease as of the date of the termination. In the event of any partial condemnation which does not result in the termination of this Sublease as provided above, Sublandlord shall, at Sublandlord's expense, restore the Property to the condition which, as nearly as practicable, existed prior to the condemnation provided, however, in no event shall Sublandlord be required to expend more monies in effectuating the restoration than are awarded to Sublandlord in the condemnation and equitably allocated to the taking respecting the Property. In the event of any condemnation which does not result in the termination of this Sublease, Rent shall be equitably abated based on the part of the Property taken.

b. All condemnation awards respecting any taking shall belong to Sublandlord and Subtenant shall assert no interest therein, provided, however, that Subtenant shall at all times be entitled to maintain any action for, and recover, any award for a taking of Subtenant's Personal Property, and for Subtenant's moving and relocation expenses.

17. Insurance.

a. Subtenant, at Subtenant's sole cost and expense, shall maintain, at all times during the term of this Sublease, property insurance coverage on an "all risk" basis respecting the Building, including Subtenant's Improvements, if any, insured for the benefit of Sublandlord and any mortgagee designated by Sublandlord in writing in an amount equivalent to the full replacement value thereof (excluding foundation and excavation costs). Prior to the commencement of the Initial Term and thereafter prior to the commencement of the Extended Term or replacement of the insurance required hereunder, Subtenant shall deliver a certificate of such insurance to Sublandlord, together with a valid and enforceable loss payee clause, compliant with this paragraph and reasonably satisfactory to Sublandlord. If Subtenant fails to maintain such insurance, Sublandlord shall have the right to procure the same, and the cost thereof shall be due and payable by Subtenant to Sublandlord upon demand, as additional rent. Sublandlord and any mortgage holders on the Property shall be named as additional insureds and loss payees under such policies.

b. Sublandlord hereby waives and releases all claims, liabilities and causes of action against Subtenant and its agents, servants and employees for loss or damage to, or destruction of, the Property or any portion thereof, including the Building and other improvements situated thereon, or any personal property of Sublandlord located on the Property, resulting from fire, explosion or the other perils included in standard extended risk coverage insurance, whether caused by the negligence of any of the persons or otherwise but only to the extent of insurance proceeds paid to or for the benefit of Sublandlord. Subtenant hereby waives and releases all claims, liabilities and causes of action against Sublandlord and its agents, servants and employees for loss or damage to, or destruction of, any of the Improvements, if any, and Subtenant's Personal Property in, upon or about the Property resulting from fire, explosion or the other perils included in standard extended risk coverage insurance, whether caused by the negligence of any of the persons or otherwise. Nothing herein shall be construed so as to authorize or permit any insurer of either party to be subrogated to any rights against the other party.

c. Subtenant shall place and maintain, at Subtenant's sole cost and expense, general public liability insurance, on an "occurrence basis" against claims for personal injury, death or property damage occurring upon, in, or about the Property, such insurance to afford protection to the limit of not less than \$1,000,000 per occurrence and not less than \$2,000,000 annual aggregate on a per-location basis. The policies of insurance shall be written by companies with an A.M. Best rating of A- ("Excellent") or better. Sublandlord shall be named an additional insured under said liability insurance on a primary and non-contributory basis, including coverage for completed operation and coverage for bodily injury to an employee of Subtenant. Prior to the commencement of the Initial Term and thereafter prior to the commencement of the Extended Term or replacement of the insurance required hereunder, Subtenant shall deliver a certificate of such insurance to Sublandlord compliant with this paragraph and reasonably satisfactory to Sublandlord.

d. The insurance required to be provided by Subtenant may be included in "blanket" policies covering other locations, subject to the per-location aggregate set forth above.

e. Notwithstanding the foregoing, Subtenant, at Subtenant's sole cost and expense, shall maintain, at all times during the term of this Sublease, all other insurance coverages required pursuant to Sections 6.4 and 6.5 of the IDA Lease.

f. In the event Subtenant fails to procure any insurance specifically required hereunder, Sublandlord shall be entitled to recover all damages incurred by reason of said default, notwithstanding the Sublandlord's own procurement of any insurance policy with or without knowledge of said default.

18. Damage and Destruction of Property.

a. If the Property shall be damaged or destroyed by fire or other casualty to such an extent that they cannot reasonably be restored within one hundred twenty (120) days from the date of such casualty, then Subtenant shall have the right to terminate this Sublease upon thirty (30) days' written notice to Sublandlord. If Subtenant does not so terminate this Sublease, then Sublandlord, with reasonable diligence, shall repair and reconstruct the Property to substantially the same condition to which the Property was in immediately prior to the damage or destruction; provided that sufficient insurance proceeds are available to Sublandlord for the completion of such repair and reconstruction.

b. Notwithstanding anything contained herein to the contrary, if the Property is damaged or destroyed, and this Sublease is not terminated as provided above, then Subtenant shall have the right to terminate this Sublease upon written notice to Sublandlord if the Property is not repaired or reconstructed within one hundred twenty (120) days from the date on which the Property were damaged or destroyed.

c. If this Sublease is not terminated as provided above, a just and proportionate part of the Rent shall be abated until the repairs have been completed and, if this Sublease is terminated as provided above, that part of the Rent paid in advance for the period after the date on which the damage or destruction occurred shall be refunded.

19. Default of Subtenant and Remedies.

a. Events of Default and Remedies. Subtenant shall be in default hereunder if:

(i) Subtenant fails to pay any Rent or other monies due hereunder within ten (10) days after written notice from Sublandlord;

(ii) Subtenant fails to perform within thirty (30) days after notice from Sublandlord any other of the terms, covenants, conditions, or obligations herein to be performed by Subtenant (provided, however, if performance reasonably requires more than thirty (30) days and Subtenant commences performance within thirty days after notice from Sublandlord and diligently pursues the matter to completion, Subtenant shall be entitled to such longer period as may be necessary to perform);

(iii) any proceeding is commenced by Subtenant for the purpose of subjecting the assets of Subtenant to any law relating to bankruptcy or insolvency or for

an appointment of a receiver of Subtenant or any of Subtenant's assets, or any such proceeding is commenced against Subtenant and is not discharged within sixty (60) days thereafter; or

(iv) Subtenant makes a general assignment of Subtenant's assets for the benefit of creditors.

If Subtenant is in default hereunder, Sublandlord may, at its option, in addition to any other rights and remedies it may have hereunder or at law or in equity or by statute or otherwise, terminate this Sublease as to all future rights of Subtenant, and/or regain, repossess, and enjoy the Property. If Sublandlord at any time terminates this Sublease or regains and repossesses the Property for any such default, Sublandlord shall take all reasonable actions to mitigate its damages.

b. Right of Sublandlord to Cure Default of Subtenant. Sublandlord, at its option, instead of exercising any other rights or remedies available to it under this Sublease, or otherwise, may, following expiration of any notice and cure period, enter into the Property and perform such acts or spend such sums of money as is reasonably necessary to cure any default of Subtenant herein. The amount spent and cost incurred, including reasonable attorneys' fees, in curing such default shall be paid by Subtenant as additional rent upon demand.

c. Cumulative Remedies. No remedy herein or elsewhere in this Sublease or otherwise by law, statute, or equity conferred upon or reserved to Sublandlord shall be exclusive of any other remedy, but shall be cumulative, and may be exercised from time to time and as often as the occasion may arise.

d. Overdue Payments. All rents and other amounts due under this Sublease from Subtenant to Sublandlord shall be due on demand, unless otherwise specified, and if not paid within ten (10) days after the date when due, shall bear interest from the date when due at the rate of 12% per annum, or the highest rate permitted by law, whichever is less, until paid in full.

20. Sublandlord's Default.

a. Subtenant shall give Sublandlord written notice of any breach by Sublandlord in the performance of any warranty, covenant or obligation to be kept or performed by Sublandlord hereunder. If the breach is not cured within thirty (30) days after receipt by Sublandlord of a written notice from Subtenant specifying the breach, or such lesser period of time specified in Subtenant's notice as is reasonable in the event of an emergency, Sublandlord shall be in default hereunder; provided, however, if performance reasonably requires more than thirty (30) days or such lesser period of time as is reasonable in an emergency and Sublandlord commences performance within thirty (30) days or such lesser period of time as is specified in an emergency after notice from Subtenant and diligently pursues the matter to completion, Sublandlord shall be entitled to such longer period as may be necessary to perform. If Sublandlord is in default hereunder, Subtenant may spend such money as is reasonably necessary to cure the default. The amount spent and cost incurred in curing such default, including interest thereon at the rate of twelve percent (12%) per annum from the date of demand on Sublandlord

and reasonable attorneys' fees, shall be paid by Sublandlord upon demand. In addition to any other means available to Subtenant to collect any such judgment, Subtenant shall have the right to offset the amount of such judgment against any Rent or other sum due under this Sublease. Subtenant also shall have any other remedies to which it is entitled pursuant to applicable law; provided, however, Subtenant shall not be entitled to any offset against any Rent or other sum due under this Sublease except as expressly provided in this Paragraph.

b. Notwithstanding the foregoing, if Sublandlord fails to perform its obligations under Subparagraph 7.b. hereof in a timely manner, Subtenant, in addition to any other remedy which may be available to it, may perform the same and offset its cost of performance against Rent and/or other sums next coming due under this Sublease.

21. Right to Encumber Personal Property.

a. Sublandlord acknowledges that it has no lien upon or security interest in Subtenant's Personal Property and hereby waives any statutory or common law lien. Sublandlord shall execute such instruments as the Subtenant may reasonably request from time to time acknowledging: (a) the right of Subtenant to erect or install Subtenant's Personal Property in the Property and that the same are not or will not be included in the Property; (b) the right of lien holders or secured parties to maintain liens on or security interests in Subtenant's Personal Property superior to any claim and interest of Sublandlord; and (c) the right of the lien holders or secured parties to remove any and all of Subtenant's Personal Property in the event of default in the instrument creating the lien or security interest, subject to making repairs to the Property in connection with the removal of property by Subtenant, but without any liability for diminution in value of the Property caused by the absence of the Subtenant's Personal Property so removed and without any necessity for replacing the same.

b. Promptly after Subtenant's request, including a request concurrent with the execution of this Sublease, Sublandlord shall execute a landlord waiver, or such other commercially reasonable form of agreement required by Subtenant's lender providing for Sublandlord's waiver of any lien in Subtenant's Personal Property and all additions, replacements or substitutions therefor.

22. Right of Entry. Subtenant agrees to permit Sublandlord and the authorized representatives of Sublandlord to enter the Property at all times during usual business hours and upon reasonable notice (except in an emergency) for the purpose of inspecting the same and making any necessary repairs to the Property and performing any work therein that may be necessary to comply with any laws, ordinances, rules, regulations or requirements of any public authority or that Sublandlord reasonably deems necessary to prevent waste or deterioration in connection with the Property. Nothing herein shall imply any duty upon the part of Sublandlord to do any such work which, under any provision of this Sublease, Subtenant may be required to perform and the performance thereof by Sublandlord shall not constitute a waiver of Subtenant's default in failing to perform the same. Sublandlord shall have the right to enter upon the Property any time in the case of any emergency. Sublandlord may, during the progress of any work in the Property, keep and store upon the Property all necessary materials, tools and equipment. Subject to compliance by Sublandlord with the immediately following sentence, Sublandlord shall not be liable for inconvenience, annoyance, disturbance, loss of business or

other damage of Subtenant by reason of making repairs or the performance of any work in the Property, or on account of bringing materials, supplies and equipment into or through the Property during the course thereof, and the obligations of Subtenant under this Sublease shall not thereby be affected in any manner whatsoever. Sublandlord agrees, however, in connection with the performance of any such work to cause as little inconvenience, annoyance, disturbance, loss of business or other damage to Subtenant or any subtenant as may reasonably be possible in the circumstances.

23. Indemnities.

a. Except as to Sublandlord's negligence, and except for claims arising out of the acts or omissions of Sublandlord, its employees, agents or invitees, a breach of Sublandlord's obligations hereunder and insured perils, Subtenant agrees to indemnify and save harmless Sublandlord, its affiliates, agents, employees, successors and assigns against and from any and all third-party claims by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from the conduct or management of or from any work or thing whatsoever done in or about the Property by Subtenant, its employees and agents, and will except as to Sublandlord's negligence, Sublandlord's obligations hereunder and insured perils to the extent of the insurance contemplated by this Sublease, further indemnify and save Sublandlord harmless against and from any and all claims arising from any breach or default on the part of Subtenant in the performance of any covenant or agreement on the part of Subtenant to be performed, pursuant to the terms of this Sublease or arising from any act of negligence of Subtenant, or any of its employees or agents, or arising from any accident, injury or damage whatsoever caused to any person, firm or corporation occurring during the term of this Sublease, in or about the Property, and from and against all costs, reasonable attorneys' fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon; and in case any action or proceeding be brought against Sublandlord by reason of any such claim, Subtenant upon notice from Sublandlord covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to Sublandlord.

b. Except as to Subtenant's negligence, and except for claims arising out of the acts or omissions of Subtenant, its employees, agents or invitees and Subtenant's obligations hereunder and insured perils, Sublandlord agrees to indemnify and save harmless Subtenant, its affiliates, agents, employees, successors and assigns against and from any and all third-party claims by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from the conduct or management of or from any work or thing whatsoever done in or about the Property by Sublandlord, its employees and agents, and will except as to Subtenant's negligence, Subtenant's obligations hereunder and insured perils to the extent of the insurance contemplated by this Sublease, further indemnify and save Subtenant harmless against and from any and all claims arising from any breach or default on the part of Sublandlord in the performance of any covenant or agreement on the part of Sublandlord to be performed, pursuant to the terms of this Sublease or arising from any act of negligence of Sublandlord, or any of its employees or agents, and from and against all costs, reasonable attorneys' fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon; and in case any action or proceeding be brought against Subtenant by reason of any such claim, Sublandlord upon notice from Subtenant covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to Subtenant.

c. The indemnification rights and obligations in this Paragraph 23 do not apply to the subject matter of or matters arising out of, relating to, or otherwise involving Environmental Law, an Environmental Claim or Hazardous Material.

24. Quiet Enjoyment. Sublandlord warrants that it has a lawful right to possession of the Property under the IDA Lease and agrees that Subtenant, upon paying the rent and all other charges herein provided for and performing its obligations under this Sublease, shall lawfully and quietly hold, occupy and enjoy the Property during the term of this Sublease, without hindrance or molestation.

25. Successors and Assigns. This Sublease shall bind and inure to the benefit of Sublandlord, Subtenant and their respective successors and permitted assigns.

26. Notices. All notices, demands, consents and approvals which may or are required to be given by either party to the other hereunder shall be effective only if it is in writing and (i) personally delivered, (ii) sent by certified or registered mail, return receipt requested, postage prepaid, (iii) sent by a nationally recognized overnight delivery service, with delivery confirmed, or (iv) faxed, with receipt confirmed, addressed as follows:

Sublandlord:

The Patti Company, LLC
5 Brookshire Trace
Queensbury, New York 12804
Attention: Jeff Schwartz

With a copy to:

Whiteman Osterman & Hanna LLP
One Commerce Plaza
Albany, New York 12260
Attention: Charles R. Haviland, Esq.
Facsimile: (518) 487-7777

If to Subtenant:

Morris Products, Inc.
53 Carey Road
Queensbury, New York 12804
Facsimile: (518) 743-0536

With copies to:

DiversiTech Corporation
6650 Sugarloaf Parkway, Suite 100
Duluth, Georgia 30097
Attention: James A. Prescott

Facsimile: (678) 542-3705

and

Dentons US LLP
4520 Main Street, Suite 1100
Kansas City, Missouri 64111
Attention: Steven L. Rist
Facsimile: (816) 531-7545

or such other persons or addresses as shall be furnished in writing by any party to the other party. A notice shall be deemed to have been given as of the date when (i) personally delivered, (ii) five (5) days after the date when deposited with the United States mail properly addressed, (iii) when receipt of a Notice sent by an overnight delivery service is confirmed by such overnight delivery service, or (iv) when receipt of the fax is confirmed, as the case may be, unless the sending party has actual knowledge that a notice was not received by the intended recipient.

27. Severability. If any term or provision of this Sublease, or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Sublease, or the application of such provisions to persons or circumstance other than those as to which it is invalid or enforceable, shall not be affected thereby and each provision of this Sublease shall be valid and enforceable to the extent permitted by law.

28. Showing of Property; For Sale and For Rent Signs. Sublandlord may at reasonable times during normal business hours and upon reasonable notice to Subtenant enter the Property to view it and to show it to prospective purchasers and mortgagees. Sublandlord may within the last one hundred twenty (120) days of the Term, show the Property to others for the purpose of rental and may post on the Property at locations reasonably acceptable to Subtenant "for sale" and/or "for rent" signs.

29. Attorneys' Fees. If any action is brought by either party to enforce this Sublease, the prevailing party in such action shall be entitled to recover its court costs and reasonable attorneys' fees as a part thereof.

30. Governing Law. This Sublease shall be governed by the laws of the State of New York, without regard to its principles of conflicts of law.

31. Counterparts; Electronic Delivery. This Sublease may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one document. Delivery of an executed counterpart of this Sublease by email or facsimile shall constitute delivery of an executed original.

32. No Strict Construction. The parties and their respective counsel have participated jointly in the negotiation and drafting of this Sublease. If an ambiguity or question of intent or interpretation arises, this Sublease shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Sublease.

33. Brokers. Sublandlord and Subtenant each represents and warrants to the other that it has not hired, retained or dealt with any broker or finder in connection with this Sublease. Each of Sublandlord and Subtenant will defend, indemnify and hold the other party harmless from and against any and all claims for finder's fees or brokerage or other commissions which may at any time be asserted against either party founded upon a claim which is inconsistent with the aforesaid representation and warranty of the indemnifying party, together with any and all losses, damages, costs and expenses (including reasonable attorney's fees) relating to such claims or arising therefrom or incurred by the indemnified party in connection with the enforcement of this indemnification provision.

34. IDA Documents.

a. This Sublease shall be subject and subordinate to the IDA Documents. In the event the IDA Documents are terminated or expire by their terms and fee title to the Property is transferred to Sublandlord prior to the expiration of the Term, then this Sublease shall continue in full force and effect as a lease, with Sublandlord, as landlord, and Subtenant, as tenant.

b. Sublandlord represents and warrants to Subtenant as follows with respect to the IDA Documents:

(i) Sublandlord is the "Company" under the IDA Documents.

(ii) The IDA Documents contain the entire agreement between Agency and Sublandlord with respect to the Property;

(iii) To the knowledge of Sublandlord, no default and no event has occurred and no condition exists which, if not cured following the giving of notice and/or the passage of time, would constitute a default under the IDA Documents;

(iv) No notice of default under the IDA Documents has been given with respect to any default which remains uncured; and

(v) The last PILOTS installment for Queensbury School Taxes 2015-2016 in the amount of \$26,986.45 was made on or about September 21, 2015, the last PILOTS installment for Town and County Taxes for 2016 in the amount of \$8,021.23 was made on or about January 12, 2016, the last PILOTS installment for Special District Taxes for 2016 in the amount of \$3,567.51 was made on or about January 12, 2016, and no PILOTS are due and owing under the IDA Documents as of the Effective Date.

c. Each party agrees that it will not, by act or omission to act, cause a default under the IDA Documents. In the event of any conflict between the terms and intent of this Sublease and the terms and intent of the IDA Documents, the terms of this Sublease shall control. In furtherance of the foregoing, the parties confirm, each to the other, that it is not practical in this Sublease to enumerate all of the rights and obligations of the parties under the IDA Documents and to specifically allocate those rights and obligations in this Sublease. Accordingly, in order to afford Subtenant the tax abatement benefits of the IDA Documents that by their nature are intended to benefit the party in possession of the Property, and in order to

protect Sublandlord against a default by Subtenant that might cause a default or event of default by Sublandlord under the IDA Documents, the parties agree:

(i) Subtenant shall be responsible for all of the obligations of Sublandlord under the IDA Documents, except for any express direct obligations of Sublandlord, including, but not limited to, the following: (1) any obligations under the IDA Documents arising prior to or subsequent to the Term of this Sublease, (2) the obligation to pay rent or other charges pursuant to Section 5.3 of the IDA Lease, (3) the hold harmless obligations in Section 8.2 of the IDA Lease, (4) the financial disclosure obligations in Section 8.4 of the IDA Lease (except to the extent such disclosure is necessary in order for Sublandlord to comply with the terms of the IDA Documents), (5) the books, records, and reporting obligations in Section 8.5 of the IDA Lease (except to the extent such disclosure is necessary in order for Sublandlord to comply with the terms of the IDA Documents), and (6) the obligation to purchase the Property pursuant to Section 11.2 of the IDA Lease (the “**Sublandlord Direct IDA Obligations**”).

(ii) Except for the Sublandlord Direct IDA Obligations, Subtenant shall perform all affirmative covenants and shall refrain from performing any act that is prohibited by the negative covenants of the IDA Documents.

(iii) Sublandlord grants to Subtenant the right to receive all of the benefits with respect to the Property that are to be provided by the Agency under the IDA Documents. In the event benefits with respect to the Property cease due to the termination of the IDA Documents, as a direct result of the action or inaction of Sublandlord, then Sublandlord shall provide such benefits directly to Subtenant and/or compensate or reimburse Subtenant for the loss of such benefits, including, but not limited to, any real estate taxes and installments of special assessments in excess of the amount of the PILOTS that are due and payable with respect to the Property immediately preceding the date the PILOT Agreement is terminated.

(iv) In the event the Agency enforces its right to recapture of any benefits pursuant to Section 6 of the PILOT Agreement, Sublandlord shall be responsible for any recapture of benefits as a direct result of the actions or inactions of Sublandlord or to the extent the Agency’s right of recapture arises prior to the Effective Date. Subtenant shall be responsible for any such recapture of benefits as a direct result of the actions or inactions of Subtenant, to the extent the Agency’s right of recapture arises during the Term, or in connection with Subtenant’s election not to extend this Sublease for the Extended Term.

(v) In the event of default or failure of performance by the Agency under the IDA Documents, Sublandlord agrees that it will, upon notice from Subtenant, make demand upon the Agency to perform its obligations under the IDA Documents, and if Subtenant agrees to pay all costs and expenses of Sublandlord, Sublandlord will take appropriate legal action to enforce the IDA Documents.

(vi) Sublandlord shall not exercise its option to terminate the IDA Lease pursuant to Section 11.1 thereof without the express written consent of Subtenant.

(vii) Sublandlord shall not amend or otherwise modify the terms of the IDA Documents, enter into new agreements with the Agency, or otherwise take any action before the Agency with respect to the Property without the prior express written consent of Subtenant.

(viii) Nothing herein shall be deemed to assign, transfer or otherwise grant Sublandlord's rights and obligations to receive fee title of the Property from the Agency, including, without limitation, those set forth in Article XI of the IDA Lease, to the Subtenant. The rights and obligations with respect to the transfer of the fee title to the Property shall remain with Sublandlord.

(ix) In the event the Agency's written consent to this Sublease in the form attached hereto is not obtained as of the Effective Date, Sublandlord shall obtain such consent from the Agency within thirty (30) days following the Effective Date.

35. Phase IV Expansion.

a. Sublandlord, at its sole cost and expense, shall construct, or cause to be constructed, with reasonable diligence, the Phase IV Expansion (defined below) in accordance with the Plans and Specifications (defined below). During the construction of the Phase IV Expansion, Sublandlord shall avoid any unreasonable interference with Subtenant's occupancy and use of the Property for the Permitted Use, and the parties agree to reasonably cooperate with one another to minimize such interference.

b. Sublandlord shall cause Substantial Completion of the Phase IV Expansion to occur on or before September 30, 2016, subject to delays caused by Subtenant or delays beyond the reasonable control of Sublandlord.

c. From and after the Phase IV Turnover Date (defined below), the defined term "**Building**", as used herein, shall include the Phase IV Expansion.

d. For purposes of this Sublease:

(i) "**Phase IV Actual Area**" means the actual net increase of square footage to the Building following the completion of the Phase IV Expansion.

(ii) "**Phase IV Estimated Area**" means 30,300 square feet.

(iii) "**Phase IV Expansion**" means that expansion of the Building to the east, with an approximate square footage in the amount of the Phase IV Estimated Area, as shown on the Plans and Specifications.

(iv) "**Phase IV Turnover Date**" means the first day of the first full calendar month following Substantial Completion, upon which Landlord delivers possession of the Phase IV Expansion to Subtenant for use and occupancy, which is anticipated to be October 1, 2016.

(v) “**Plans and Specifications**” means those final plans and specifications for the Phase IV Expansion prepared by Kevin J. Wood, P.E., dated June 14, 2013, last revised January 5, 2015, and approved by the Town of Queensbury Building and Codes Department on May 26, 2015.

(vi) “**Substantial Completion**” means that point in time when the Phase IV Expansion is complete so that Subtenant can beneficially occupy and utilize the Phase IV Expansion for the Permitted Use, and with an occupancy permit, if required by Town of Queensbury or other governmental authorities having jurisdiction, with only a limited number of minor punchlist items remaining to be completed or corrected and which do not unreasonably interfere with Subtenant’s occupancy and use of the Phase IV Expansion or the remainder of the Property.


36. Memorandum of Sublease. Concurrently with the execution of this Sublease, Sublandlord and Subtenant shall execute a Memorandum of Sublease in the form of Exhibit B attached hereto (the “**Memorandum**”). The Memorandum may be recorded at Subtenant’s option in the real estate records of Warren County, New York at the expense of Subtenant.

[Signature pages follow; remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Sublandlord and Subtenant have executed this Sublease the day and year first above written.

SUBLANDLORD:


THE PATTI COMPANY, LLC

By: 
Name: Jeffrey Schwartz
Title: Member

Agency's Consent

SUBTENANT:

MORRIS PRODUCTS, INC.

By: 
Name: John Straus
Title: Vice President

AGENCY'S CONSENT

The foregoing Amended and Restated Sublease is made with the full knowledge and agreement of the Agency, and Agency accepts the Sublease herein but retains all rights to disapprove any future Sublease between Sublandlord and Subtenant or between Sublandlord and any other party.

AGENCY:

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

By: 

Name: Harold G. Taylor

Title: Chairman

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

PARCEL 1

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, situate in the Town of Queensbury, County of Warren and State of New York, shown on a map entitled Northern Distributing Subdivision, Town of Queensbury, Phase 2, made by Rist-Frost Associates, P.C., dated February, 1989, filed in the Office of the County Clerk of the County of Warren on October 3, 1989 in the Oversize Map Cabinet as Map E-3, as Lot Number 13,

BEING a portion of the premises conveyed to Carey Real Estate Development Corporation by deed recorded in the Warren County Clerk's Office in Liber 783 of Deeds at Page 158.

BEING those premises conveyed to Jeffrey Schwartz by deed from Carey Real Estate Development Corporation dated March 5, 1999 and recorded in the Warren County Clerk's Office on March 9, 1999 in Book 1106 of Deeds at Page 238.

PARCEL 2

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, situate in the Town of Queensbury, County of Warren and State of New York, shown on a map entitled Northern Distributing Subdivision, Town of Queensbury, Phase 1, made by Rist-Frost Associates. P.C., dated October 28, 1987, filed in the Office of the County Clerk of the County of Warren on October 3, 1989 in the Oversize Map Cabinet as Map E-5, as Lot Number 4.

BEING a portion of the premises conveyed to Carey Real Estate Trust by deeds recorded in the Office of the Warren County Clerk as follows: (1) Liber 487 of Deeds at Page 263; (2) Liber 584 of Deeds at Page 205; (3) Liber 672 of Deeds at Page 175; (4) Liber 674 of Deeds at Page 465; and (5) Liber 780 of Deeds at Page 342.

BEING, those premises conveyed to Jeffrey Schwartz by deed from The Carey Real Estate Trust dated March 5, 1999 and recorded in the Warren County Clerk's Office on March 9, 1999 in Book 1106 of Deeds at Page 241.

EXHIBIT B

FORM OF MEMORANDUM OF LEASE

MEMORANDUM OF SUBLEASE

This MEMORANDUM OF SUBLEASE is made and entered into as of June 22, 2016, by and between THE PATTI COMPANY, LLC, a New York limited liability company, with an address of 5 Brookshire Trace, Queensbury, NY 12804 (“Sublandlord”), and MORRIS PRODUCTS, INC., a New York corporation, with an address of 53 Carey Road, Town of Queensbury, New York (“Subtenant”).

WHEREAS, Sublandlord and Subtenant entered into that certain Amended and Restated Sublease dated as of the date hereof (the “Sublease”), whereby Sublandlord leased to Subtenant certain land located at 53 Carey Road, Town of Queensbury, New York, legally described in Exhibit A attached hereto and incorporated herein (the “Land”), and the office/warehouse building located thereon, the other improvements located thereon and all easements, rights, privileges and appurtenances thereunto belonging or in any way appertaining thereto (collectively, the “Property”).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublandlord and Subtenant agree as follows:

1. Term. The term of the Sublease commenced on June 22, 2016 and terminates approximately seventy-two (72) calendar months thereafter at 11:59 p.m. on June 30, 2022. Subtenant has the right to extend the term of the Sublease for one (1) additional term of sixty (60) calendar months.

2. Incorporation of Sublease by Reference. All other terms and conditions of the Sublease are hereby incorporated herein by this reference as if fully set forth herein.

3. Conflicts with Sublease. This Memorandum of Lease is solely for notice and recording purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of this Sublease. In the event of any inconsistency between the provisions of this Memorandum and the provisions of the Sublease, the provisions of the Sublease shall govern. Each of the obligations and rights granted or created herein shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[Remainder of page intentionally left blank]

**EXHIBIT A
TO MEMORANDUM OF SUBLEASE**

LEGAL DESCRIPTION OF THE LAND

PARCEL 1

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, situate in the Town of Queensbury, County of Warren and State of New York, shown on a map entitled Northern Distributing Subdivision, Town of Queensbury, Phase 2, made by Rist-Frost Associates, P.C., dated February, 1989, filed in the Office of the County Clerk of the County of Warren on October 3, 1989 in the Oversize Map Cabinet as Map E-3, as Lot Number 13,

BEING a portion of the premises conveyed to Carey Real Estate Development Corporation by deed recorded in the Warren County Clerk's Office in Liber 783 of Deeds at Page 158.

BEING those premises conveyed to Jeffrey Schwartz by deed from Carey Real Estate Development Corporation dated March 5, 1999 and recorded in the Warren County Clerk's Office on March 9, 1999 in Book 1106 of Deeds at Page 238.

PARCEL 2

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, situate in the Town of Queensbury, County of Warren and State of New York, shown on a map entitled Northern Distributing Subdivision, Town of Queensbury, Phase 1, made by Rist-Frost Associates, P.C., dated October 28, 1987, filed in the Office of the County Clerk of the County of Warren on October 3, 1989 in the Oversize Map Cabinet as Map E-5, as Lot Number 4.

BEING a portion of the premises conveyed to Carey Real Estate Trust by deeds recorded in the Office of the Warren County Clerk as follows: (1) Liber 487 of Deeds at Page 263; (2) Liber 584 of Deeds at Page 205; (3) Liber 672 of Deeds at Page 175; (4) Liber 674 of Deeds at Page 465; and (5) Liber 780 of Deeds at Page 342.

BEING, those premises conveyed to Jeffrey Schwartz by deed from The Carey Real Estate Trust dated March 5, 1999 and recorded in the Warren County Clerk's Office on March 9, 1999 in Book 1106 of Deeds at Page 241.